

**Mihaela ABĂLĂESEI**

University Alexandru Ioan Cuza, Iași România

**Raluca-Mihaela SANDU**

University Alexandru Ioan Cuza, Iași România

# FACTORS INFLUENCING THE ADOPTION OF ELECTRONIC WORD OF MOUTH

Literature  
Review

---

## Keywords

electronic word of mouth  
factors influencing electronic word of mouth  
e-WOM  
electronic word of mouth model

---

## JEL Classification

M31

---

## Abstract

*Web-based technologies have been in a continuous state of growth, especially in the last decade, which also brought better and higher Internet speed. This has led to an increased number of opportunities for people to get involved in electronic word of mouth (e-WOM) communication. E-WOM is a new means of information sharing, allowing users to be inter-connected constantly, regardless of their time zone. Because of this unique quality, e-WOM has been identified as one of the key factors affecting online sales. However, there is little known about this phenomenon. Even if the literature has approached this topic from various angles, there is still a lot of uncertainty surrounding electronic word of mouth. One of the key research questions is targeted at factors which influence people in actively engaging in creating or receiving e-WOM. With this in mind, this article provides a general overview of the key factors analyzed in the literature, which determine adoption of e-WOM by online consumers.*

## INTRODUCTION

Web 2.0 applications are not un-familiar to the average online user. On the contrary, most activities which require utilizing the Internet, connects people to a new environment which favors a different type of user interaction and information sharing: electronic word of mouth (e-WOM). That is why retailers are looking for opportunities to take advantage of this new marketing channel in order to promote their products/services (Akyuz, 2013).

Word of mouth (WOM) or informal communication between peers focuses on product ownership or characteristics of other goods or services, is considered to be a practice that can direct or influence an individual to make a purchase (Goodrich & De Mooij, 2013). In the growing online social community, electronic word of mouth seems to be playing also a very important role in shaping consumers' attitudes and behaviors (Zarrad et. al, 2015). Although online marketing is a well-researched topic, it has only been studied through experimental and theoretical research; very little is known of how exactly this new form of communication, e-WOM, online consumers and what triggers them into actively engaging in e-WOM.

One must keep in mind that people are social beings and it's in their instinct to participate in various activities to share information, experiences, and opinions. Currently, all of this can be done online, through social media platforms, forums, review sites and so on (Heinonen, 2011). These sites can be considered hybrid in the sense that they offer both electronic word of mouth (e-WOM) and opportunities for retailers to extend their marketing campaigns to a wider range of consumers with very low costs (Chi, 2011). The latter aspect makes e-WOM a very attractive and efficient marketing tool, and that is why it's detrimental to identify which factors stimulate users in adopting the information transmitted through electronic word of mouth.

Consumers can easily share their experiences or opinions on various goods and services. This leads to a specific phenomena for social media sites: user generated content, or UGC (Kaplain et al., 2010). Also, they can seek for other people's opinions online and analyze their experience with a specific product even if they do not know personally the user who posted the review. The opinions and comments can be found from different online sources including companies' websites and websites created by consumers, social networks, blogs and different electronic forms (Lerrthairakul et al., 2014).

As an Internet-based version of word of mouth, e-WOM has become a major informational source for consumers before they buy the products (Lin et al., 2013). Whereas many studies have examined the

importance and roles of various factors of electronic word of mouth that entice users to adopt it (e.g., Lin et al. 2013, Lerrthairakul et al. 2014, Zamil, 2011, Akyuz 2013, Jalilvand et. al, 2011, Chang et. al, 2011), the results are not integrative, they focus on various aspects and sometimes they can even be contradictory. Therefore, this study aims to synthesize the key factors which determine users to adopt electronic word of mouth through a review of the existing literature.

## THEORETICAL FRAMEWORK

### Electronic word of mouth

On a quick glance, one may be tempted to say that electronic word of mouth is the extension of word of mouth on the Internet. WOM is defined as an oral communication between a receiver which provides information that is considered non-commercial by the communicator, about a specific product, service or brand. But, e-WOM has different valences and implications than those in the real world, since the communication takes place on an online platform (Park et al. 2011). Considering that it's a recent phenomenon, the conceptualization of electronic word of mouth is difficult to grasp. In the literature there are several rudimentary definitions, but they don't seem to capture completely the whole area of influence that e-WOM has. One of more successful attempts to capture the essence of e-WOM was given by Henning-Thurau et al. (2004): *"any positive or negative statement made by potential, actual, or former customers about a product or company, which is made available to a multitude of people and institutions via Internet"* (p.39). In recent academic publications, the emphasis goes on consumers' opinion transmitting behavior in addition to opinion giving and searching online (Kaijasilta 2013).

Electronic word of mouth is an easy and cost effective promotional channel that can reach people all over the world in a very short period of time through with a simple action such as a comment, review, video or article. Readers are interested in what e-WOM has to offer, because they desire tailor-made information to avoid ambiguity of a purchase, expenses, or any other risk associated with their buying preference (Yolanda et al, 2011). Research has shown that consumers' behavior is affected by e-WOM because it offers an alternative source of information for free, before taking any risk such as buying a product. According to Lusky (2012), 70% of world wide consumers trust online reviews, while the rest still rely on traditional broadcast and print ads. Thus, the effect of tradition marketing used in companies has been decreased. (Mohammad et al, 2011).

In the process of e-WOM communications, consumers are likely to gain a sense of belonging to a group that shares the same beliefs, interests, and

thoughts towards certain products or services. This type of online community is possible due to the development of social media sites that increase the social relations between consumers worldwide. The easiness of accessing e-WOM and engaging in this type of activity makes it very appealing for people, and may be a good reason for adoption of this type of interaction. There is no need to personally know someone (like in the case of WOM) to have access to his or her opinion, shopping experience, likes and dislikes and so on (Li, 2011).

For consumers it's very important to check other opinions, advice from other peers before shopping. Nowadays, almost any online store offers the possibility to its customers to write about their experience with the products they bought. A helpful consumer review is: "peer-generated product evaluation that facilitates the consumer's purchase decision process" (Mudambi and Schuff, 2010, p.186). One of the findings of the study initiated by Lusky (2012) states that online reviews have increased credibility with 15% in the past four years while the believability of paid TV, newspaper and magazine has decreased.

#### **Previous research on e-WOM adoption**

Cheung et. al (2008) has developed an information adoption model for online opinion seekers in online communities. This model was tested empirically on 154 users which were experienced with online customer reviews and electronic word of mouth. The research model was built upon the information adoption model proposed by Sussman and Siegal in 2003 by adding more items to the two main variables (see figure 1).

A study applied on Chinese consumers (Park et al., 2011) analyzed how reviews as part of e-WOM may influence information adoption by users.

There were three factors considered (see Figure 2): experience of e-WOM (1), perceived e-WOM credibility (2) and customer susceptibility to interpersonal influences, CSII (3).

Results show that CSII is the most significant factor. Interpersonal connections is a key factor very much valued by consumers and considered when it comes to analyzing the information offered through e-WOM. Marketers should take into consideration this aspect when creating an image for their products. Experience with e-WOM is also reflecting on online consumers' behavior: young Chinese customers prefer to believe the words written by others peers from online communities. Perceived e-WOM credibility also influences users: if a source is viewed as reliable, then several purchases will be made based upon that assumption (see figure 2).

Son et. al (2012) investigated the factors which determine electronic word of mouth in open markets and discovered five aspects that make

users want to engage in sharing information (see Figure 3): information sharing desire (1), self-presentation desire (2), open market reward (3), open market satisfaction (4) and open market loyalty (5). Results show that all of these five elements have a positive effect on the e-WOM activity. People are more willingly to talk about their opinions with respect to a product/service especially if they had a negative experience. The memory of a bad transaction will stay longer than the one that brought satisfaction. However, other users claimed they engage in electronic word of mouth as a token of gratitude for a good transaction or for desire to enhance self-achievement by guiding others. Such behavior is tied to self-presentation, which is a process where the person tries to create a certain online image about himself/herself (see figure 3).

Montazemi & Saremi (2014) used Grounded Theory Literature Review Method in order to determine which factors influence the effectiveness of the messages transmitted through electronic word of mouth. After analyzing 47 e-WOM studies, results were compiled in a model that identified five main dimensions which add up to 30 factors that are related to electronic word of mouth (see Figure 4). However, the findings show numerous important gaps in the body of knowledge of e-WOM and a lot of the research in this field is inconsistent and even contradictory. An example would be that some studies sustain that previous knowledge on the product/services will influence e-WOM adoption, whilst others sustain the opposite (see figure 4).

Besides trust in the online reviews, volume and valence are other key factors that have been researched in the electronic word of mouth adoption process. You et. al (2015) have conducted a meta-analysis by examining over 51 one studies that focused on volume and valence of e-WOM (see Figure 4). Their findings suggest that these two characteristics have different value according to the product that is being reviewed. E-WOM volume is considered important when it comes to durable goods and specialized review sites. E-WOM valence has a better influence when it comes to precuts from less competitive industries. For example, studies that used data from movie industries (Liu, 2006; Duan et. al, 2008) underline that the volume of consumer reviews has led to adoption of e-WOM, whilst other studies state that valence is the one influencing people to follow through the information suggested by e-WOM (see figure 5).

#### **DISCUSSIONS AND CONCLUSIONS**

This article contributes to literature by creating an overview of the key factors that influence electronic word of mouth adoption. Being able to understand and possibly manipulate the elements

that motivate consumers to engage actively in e-WOM can be a very useful marketing technique. The virtual environment is under constant evolution bringing changes to how users interact and communicate one another. Having control over information shared through electronic word of mouth is practically an impossible task for any company. However, having influence on what type of information can be shared through e-WOM can be done by looking at the key factors that define e-WOM (source credibility, interpersonal connections, valence, volume, etc.). Nevertheless, the area of research for electronic word of mouth is very broad and hasn't been explored completely. There are still other aspects of this phenomenon that can still be analyzed (for instance the cultural one) and can turn out to bring great value into understanding how exactly e-WOM influences consumers' behavior. This paper brings into light the most discussed facades of electronic word of mouth in order to set a baseline for future research in this field.

## References

- [1] Akyuz, A. (2013). Determinant factors influencing eWOM, *Mediterranean Journal of Social Sciences*, Vol. 4, No. 11, p.159-166
- [2] Chang, C. C., & Chin, Y. C. (2011). The impact of recommendation sources on online purchase intentions: the moderating effects of gender and perceived risk. *World Academy of Science, Engineering and Technology*, 66(June), 111-114
- [3] Cheung, C., Lee, M., Rabjohn, N. (2008). The impact of electronic word of mouth: The adoption of online opinions in online customer communities, *Internet Research*, Vol. 18, No. 3, p. 229-247
- [4] Chi, H. (2011). Interactive Digital Advertising VS. Virtual Brand Community: Exploratory Study of User Motivation and Social Media Marketing Responses in Taiwan. *Journal of Interactive Advertising*, p. 44-61
- [5] Duan, Wenjing, Bin Gu, and Andrew B. Whinston (2008), "The Dynamics of Online Word-of-Mouth and Product Sales-An Empirical Investigation of the Movie Industry," *Journal of Retailing*, 84 (2), p. 233-42.
- [6] Goodrich, K., De Mooij, M. (2013). How "social" are social media? A cross-cultural comparison of online and offline purchase decision influences. *Journal of Marketing Communications*, p. 1-14
- [7] Henning-Thurau, T., Gwiner, K. P., Walsh, G., & Gremler, D. D. (2004). Electronic word-of-mouth via consumer-opinion platforms: What motivates consumers to articulate themselves on the internet? *Journal of Interactive Marketing*, 18, p. 38-52
- [8] Heinonen, K. (2011). Consumer activity in social media: Managerial approaches to consumers' social media behavior, *Journal of Consumer Behavior*, p.356-364
- [9] Jalilvand, M., Esfahani, S., Samiei, N. (2011). Electronic word of mouth: challenges and opportunities, *Computer Science*, p.42-46
- [10] Kaijasilta, N. (2013). The conceptualization of electronic word-of-mouth (eWOM) and Company practices to monitor, encourage, and commit to EOM - a service industry perspective, Aalto University, School of Business, Master thesis
- [11] Kaplan, A., M., Haenlein, M. (2010). Users of the world, unite! The challenges and opportunities of social media *Business Horizons*, p. 59-68
- [12] Lerrthairakul, W., Panjakajornsak, V. (2014). The impact of electronic word of mouth factors on consumers' buying decision-making process in the low cost carriers: a conceptual framework, *International Journal of Trade, Economics and Finance*, Vol. 5, No. 2, p. 142-146
- [13] Li, Y. (2011). Motivations For eWOM Communication in Microblogging in U.S. and China: A Conceptualized Social Cognitive Perspective. Master Thesis. The University of Texas at Austin
- [14] Lin, C., Wu, Y., Chen, J. (2013). Electronic word of mouth: the moderating roles of product involvement and brand image, *Proceedings of International Conference on Technology Innovation and Industrial Management*, 2013, Phuket, Thailand p. 29-47
- [15] Liu, Yong (2006), "Word of Mouth for Movies: Its Dynamics and Impact on Box Office Revenue," *Journal of Marketing*, 70(July), p. 74-89.
- [16] Lusky, Mark. (2012). Online reviews, word-of-mouth and recommendations generate the most marketing trust. *Denver Business Journal*. Retrieved June 25, *Journal of Consumer Behaviour*. Vol. 4. No.5, p. 307-318
- [17] Mohammad, R., J., Sharif S., E., and Neda S. (2011). Electronic Word-of-Mouth: Challenges and Opportunities. *Procedia Computer Science*. 3, p. 42-46
- [18] Montazemi, A., Saremi, H. (2014). The effectiveness of electronic word of mouth on consumers' perceptions of adopting products/services, *International Conference on Web Information*, p.324-331
- [19] Mudambi, S.M. , Schuff, D. (2010). What makes a helpful online review? A study of customer reviews on Amazon.com . *MIS Quarterly* Vol. 34. No. 1. pp. 185-200
- [20] Park, C., Wang, Y., Yao, Y., Kang Y. (2011). Factors Influencing eWOM Effects: Using experience, credibility and susceptibility,

International Journal of Social Science and Humanity, p. 74-78

[21] Son, J., Kim, H., Jang, Y. (2012). Investigating factors affecting electronic word of mouth in the open market context: a mixed methods approach, PACIS Proceedings, <http://aisel.aisnet.org/pacis2012>

[22] Yolanda, Y. Y., Chan, E., Ngai, W.T. (2011). Conceptualizing electronic word of mouth activity: An input-process-output perspective. *Marketing Intelligence & Planning*, p. 488 - 516

[23] You, Y., Vadakkepatt, G., Joshi, A. (2015). A meta-analysis of electronic word of mouth elasticity, *Journal of Marketing*, Vol.79, p. 19-39

[24] Zarrad, H., Deabi, M. (2015). Analyzing the effect of electronic word of mouth on tourists' attitude toward destination and travel intention, *International Research Journal of Social Sciences*, p. 52-60.

## Figures

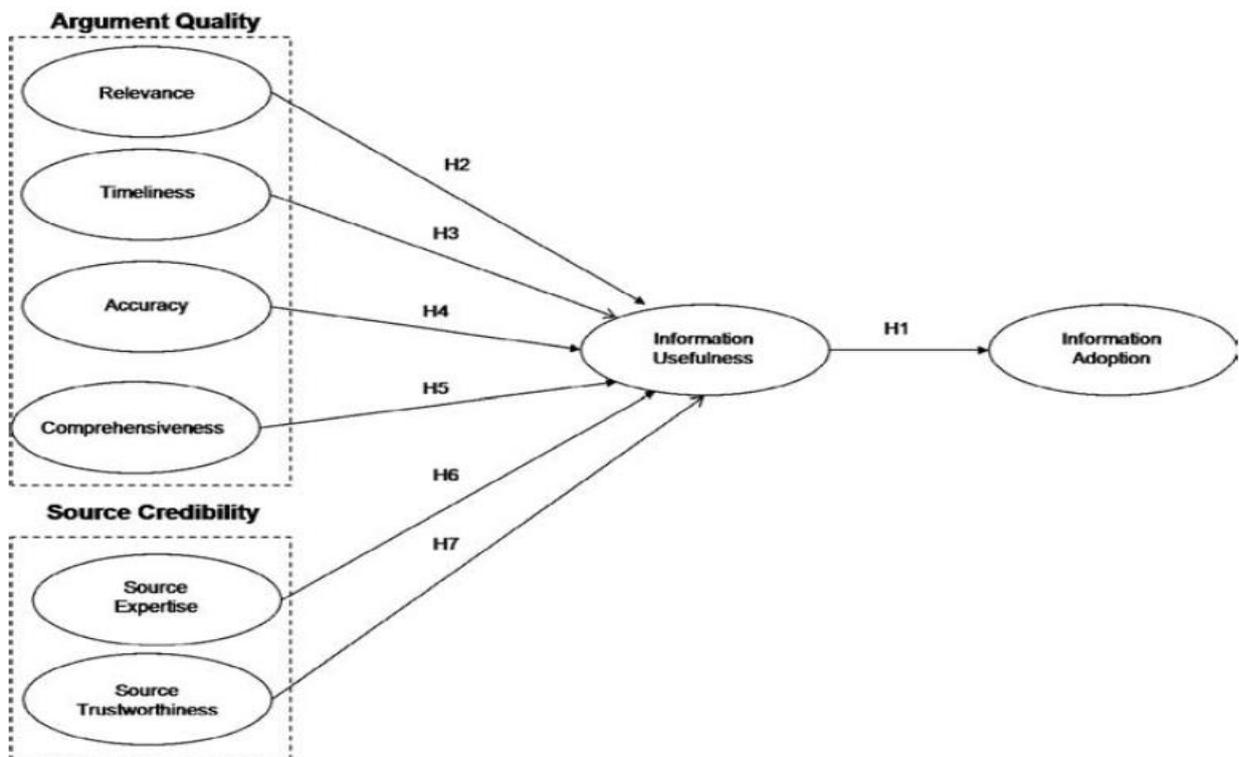


Figure 1: Electronic word of mouth adoption

Source: Cheung et. al (2008), *The impact of electronic word of mouth: the adoption of online opinions in online customer communities*, *Internet Research*, p.233

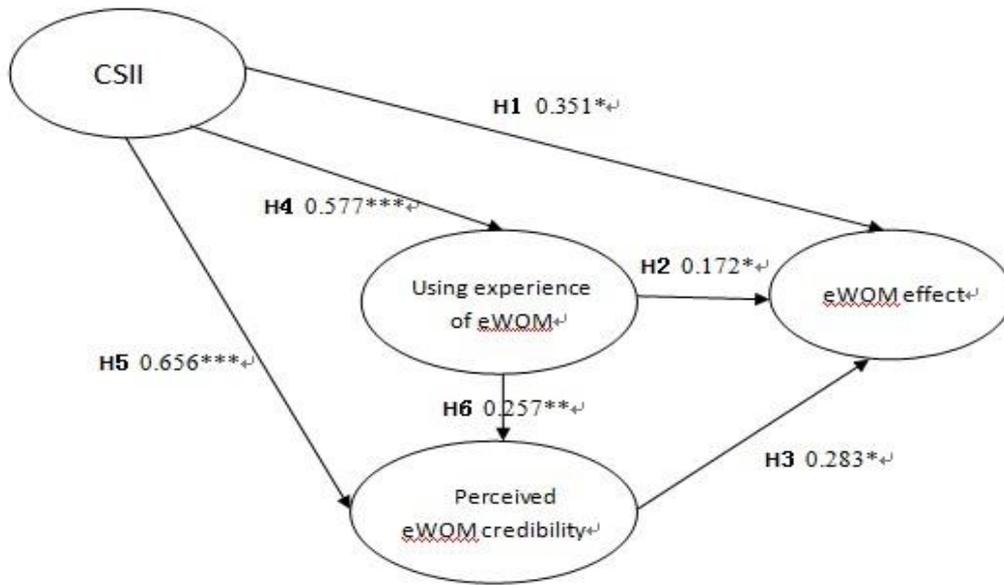


Figure 2. Structural model of E-WOM

Source: Park et al. (2011), Factors influencing e-WOM effects: using experience, credibility and susceptibility, International Journal of Social Science and Humanity, p.77

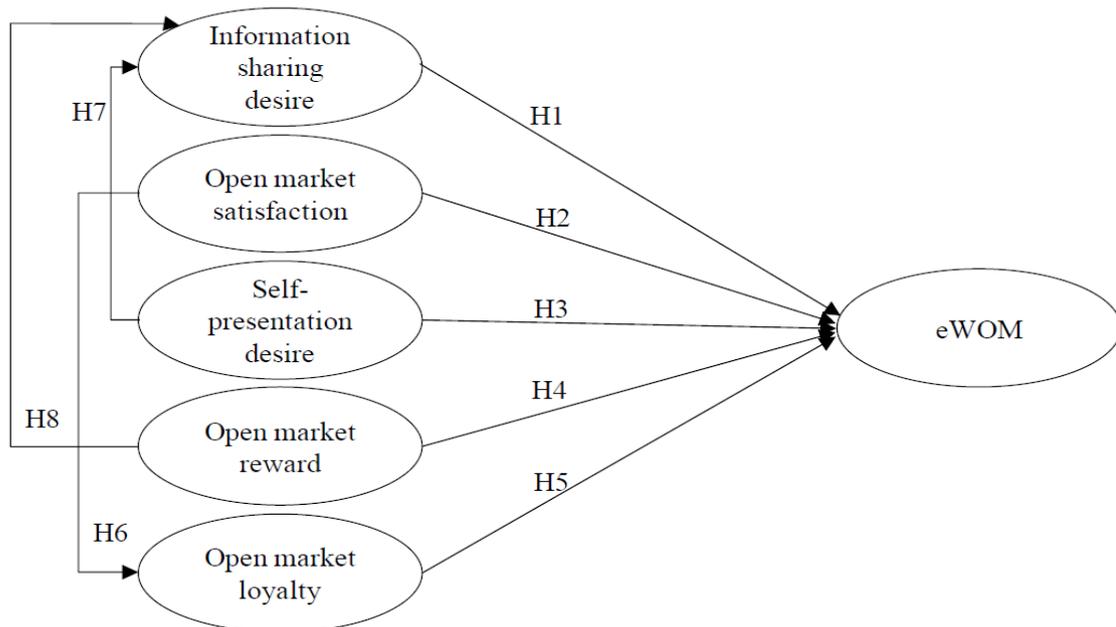


Figure 3: Electronic word of mouth in open markets

Source: Son et. al (2012), Investigating factors affecting electronic word of mouth in the open market context: a mixed methods approach, PACIS Proceedings, p.6

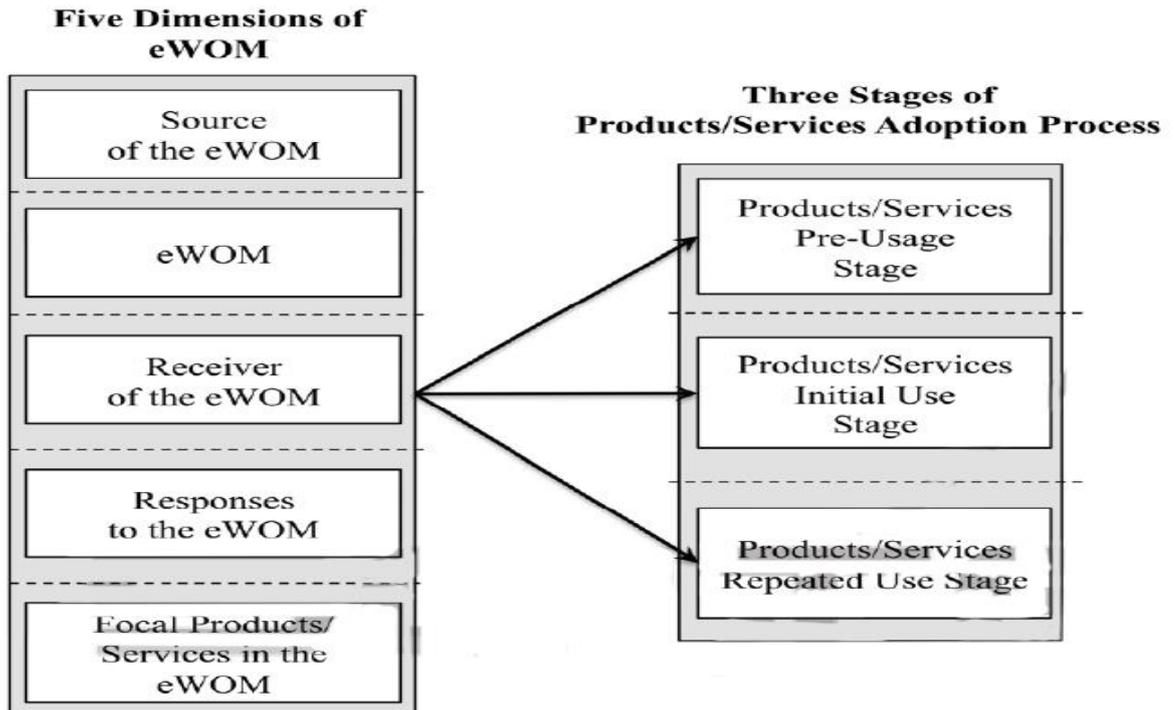


Figure 4: Conceptual framework for electronic word of mouth  
Source: Montazemi et. al (2014), *The effectiveness of electronic word of mouth on consumers' perceptions of adopting products/services*, *International Conf. on Web Information Systems*, p. 325

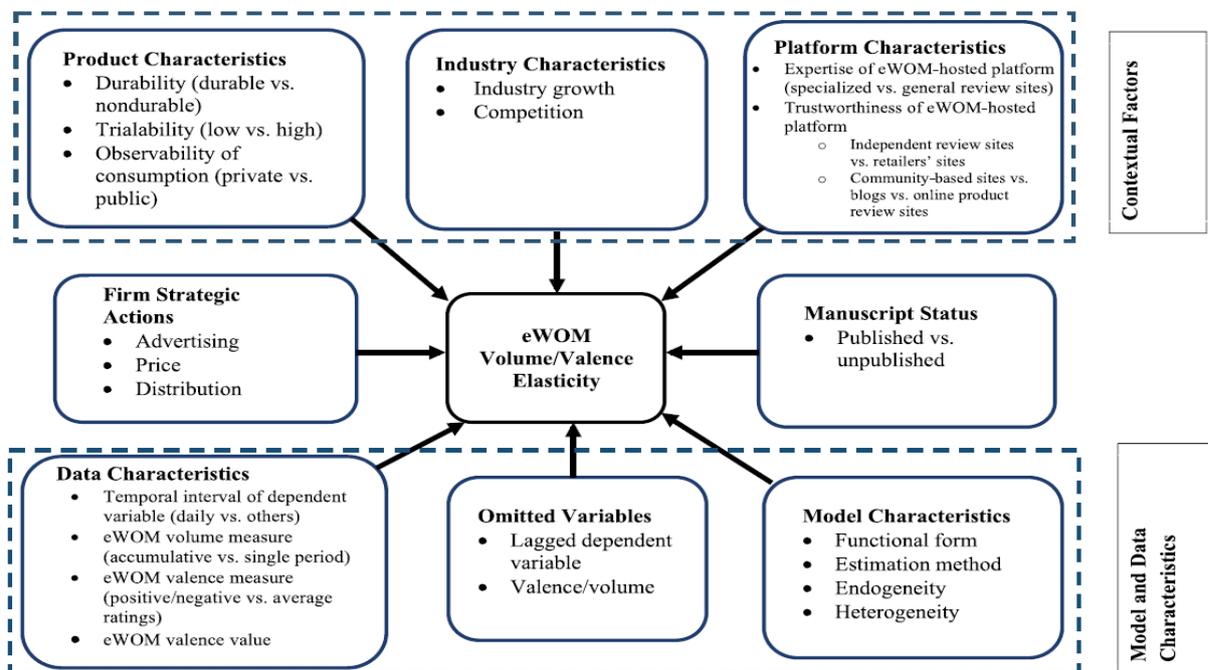


Figure 5: A conceptual framework influencing e-WOM  
Source: You et. al (2015), *A meta-analysis of electronic word of mouth elasticity*, *Journal of Marketing*, p. 20