

A Literature Review of the Influence of Electronic Word-of-Mouth on Consumer Purchase Intention

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Abstract

With the rapid development of Internet technology, more and more consumers rely on the Internet for the products and services of information searching and sharing; Electronic word-of-mouth information has gradually become an important factor of affecting consumer purchase intention. The three aspects of sender characteristics, information characteristics and receiver characteristics of electronic word-of-mouth are regarded as the independent variables, trust as the intermediary variable, involvement as the moderator variable, the article carries on the literature carding of the influence electronic word-of-mouth on consumer purchase intentions, which will provide a reference for scholars both at home and abroad to study the theory of electronic word-of-mouth.

Keywords

Electronic Word-of-Mouth, Information Sender, Information, Information Receiver, Purchase Intention

1. Introduction

Arndt believes that word-of-mouth refers to the informal information communication between a communicator and receiver about a product, brand, organization, or service, which is face-to-face and with no commercial purpose [1]. The appearance of the network has changed the traditional way of communication and information searching. Consumers are increasingly using various network platforms to share and exchange information about products and services. Thus, electronic word-of-mouth emerges as the times require. A quite part of people think that the Internet media aggregates a number of experienced same consumers with the same interests who providing product information and purchase advice, which is more authentic, objective and reliable, thus they are

willing to believe that the information about the products on the network. At the same time, electronic word-of-mouth has the features of rapid dissemination and precise positioning, which makes the electronic word-of-mouth spread and amplified continuously in the process of communication and re-dissemination, and which is known to more audiences. More and more enterprises begin to use electronic word-of-mouth to carry out marketing activities. Therefore, in this context, it is extremely necessary to discuss the influence of electronic word-of-mouth on consumer purchase intention.

2. Electronic Word-of-Mouth and Consumer Purchase Intention

2.1. The Conception of Electronic Word-of-Mouth

The widespread use of the internet globally has started spreading of electronic word of mouth [2]. The emergence of the Internet makes consumers have the ability to browse the web page to collect product information which is provided by other consumers, and carry out the knowledge sharing according to their own experience, opinions, and this forms electronic word-of-mouth [3]. Litvin deems that electronic word-of-mouth is the two sides of information exchange which makes an information exchange for the characteristics and use of products or services through the network, and the communicators are all consumers [4]. Therefore, we think that electronic word-of-mouth means that consumers transfer information of related personal experience, views, comments about the product, service or brand through the network channels to other consumers.

2.2. The Conception of Consumer Purchase Intention

The concept of "intention" first appeared in psychology, which is the subjective concept of an individual performing for a particular action. It is believed that consumer purchase intention refers to the willingness and decision expressed by consumers in the process of actual purchase. Through their research, they found that the decision of defining the purchase intention as the consumers' purchasing behavior is a interpretation of their behavior [5]. Taken actions by customers is based on consumers' willing to a particular object, only when the customer has the purchase intention, they will make the purchase action, therefore only understands the customer's purchase intention, can we predict its purchase behavior. It concludes that consumer attitudes toward products or brands, coupled with external factors, that constitutes the consumer purchase intention.

2.3. The Influence of Electronic Word-of-Mouth on Consumer Purchase Intention

According to Godes research, electronic word-of-mouth has an obvious influence on consumer offline decision making that becomes an agent for offline communication [6]. Blackwell conducted research on consumer action from the perspective of consumer purchase decision-making process, which showed consumer behavior includes the following five steps: demand confirmation, infor-

mation search, evaluation, selection and disposal of purchase decision after purchase [7]. Schiffman & Kanuk believes that consumer purchase intention plays a measurable role in the possibility of consumer purchasing behavior [8]. Compared to traditional word-of-mouth, electronic word-of-mouth has more power, for example, Tseng, Kuo & Chen also proved that electronic word-of-mouth has a significant effect on purchase intentions regardless of the type of virtual community, and this study found that positive electronic word-of-mouth is positively related to purchase intentions and has a greater effect on purchase intentions than ads [9]. Based on the conclusions of the above scholars, we can conclude that before the actual purchase behavior, consumers will reduce the perceived risk of products through electronic word-of-mouth, thus resulting in the purchase intention. Therefore, electronic word-of-mouth has an important impact on consumer purchasing intention. For example, Facebook advertising is one forms of electronic word-of-mouth, Dehghani & Tumer's study showed that Facebook advertising has a significant change in purchasing intention [10].

3. The Independent Variables of Electronic Word-of-Mouth Influence on Consumer Purchase Intention

3.1. The Characteristics of Electronic Word-of-Mouth Sender

Expertise refers to the qualifications and ability of an information communicator for providing the accurate information or to discussing the specific topics (Hovland, Janis, Kelley) [11]. Gilly found that the electronic word-of-mouth receiver's purchase intention is influenced by professional of the senders, and the influence become strong with the enhance of senders' professional [12]. Expertise can produce greater persuasive effect, and the receiver will therefore reduce the motivation to check the accuracy of information in terms of its own original point of view. Hu, Liu & Zhang found that the information released by the people who is expertise in one field can have a greater impact on consumer purchase intention [13].

3.2. The Characteristics of Electronic Word-of-Mouth Information

The more quantity of electronic word-of-mouth, the more likely consumers are to know the information. In the process of studying the influence of electronic word-of-mouth on movie consumer decision making, Liu took YAHOO as the study object, the results showed that the number of electronic word-of-mouth has significant explanatory power for the box office [14]. Chatterjee found that consumers will reduce the discomfort of purchasing decisions after read a lot of other people's comments because consumers believe that many other consumers have been bought the same products [15].

Rabjohn, Cheung & Lee pointed out that in the network marketing environment, the quality of consumer perception of electronic word-of-mouth information will have a significant impact on their choice or purchase a product or service, moreover, the perceived quality of word-of-mouth information becomes an important factor in evaluating their potential purchase intention [16]. Erkan &

Evans confirmed that quality is the key factors of electronic word-of-mouth in social media that influence consumers' purchase intentions [17]. The higher the information quality of electronic word-of-mouth, the more able to convey a true and reliable evaluation to consumers, and form a positive attitude towards the product or service and generate a positive willingness to purchase.

3.3. The Characteristics of Electronic Word-of-Mouth Receiver

Tie strength refers to the degree to which the perceive relationship between the receiver and the sender. Brown & Reingen believes that weak tie connections are more conducive to the flow of information, and the number of weak tie information sources is large and diverse, so it is possible to obtain more specialized information recommendations [18]. Smith found that the strength of the relationship between electronic word-of-mouth sender and receiver is one of the key factors that affect consumer willingness to buy [19].

4. The Moderator Variable and Mediator Variable of Electronic Word-of-Mouth Influence on Consumer Purchase Intention

4.1. The Moderator Variable of Electronic Word-of-Mouth Influence on Consumer Purchase Intention

The involvement theory was first proposed in 1947 by American scholars Sherif and Cantril in the study of social judgment theory [20]. Consumer network involvement indicates that the degree of consumers' familiarity with the Internet and the initiative to collect information through the Internet which reflect the importance of the Internet to consumers. Doh & Hwang through the study found that the degree of involvement plays a significant role on consumer' purchase intention, involvement can influence the network utilization ability and the discrimination ability of information quality and have influence on their purchase intention [21]. The higher involvement of consumers, the stronger their ability to judge and analyze word-of-mouth information, and the greater the recommendation effect of electronic word-of-mouth. Fan & Miao' result showed that involvement has the most significant effect on perceived electronic word-of-mouth credibility, moreover, perceived electronic word-of-mouth credibility has a significant effect on electronic word-of-mouth acceptance and intent to purchase. Thus, involvement has a dramatic effect on consumer purchase intention [22]. Through the study of the influence of word-of-mouth information on consumer behavior intention in food industry, Verbeke, VackierI found that consumer involvement is an important factor, and it will have an impact on consumer purchasing intention [23].

4.2. Mediator Variable of Electronic Word-of-Mouth Influence on Consumer Purchase Intention

Smith introduces the mediator variable of trust in the influence of electronic word-of-mouth on consumer purchase decision, so as to study the relationship

between them [24]. The study found that the purchase intention of consumers was directly affected by the individual differences of the recommender, and trust played a mediating role in the influence of the characteristics of the recommender and consumer characteristics on consumer decision-making. On the basis of trust, consumer behavior and evaluation changes in the mode of information communication between autonomy and high involvement, which can effectively reduce cognitive risk and reduce uncertainty. When studied the trust in e-commerce, Gefen came to the conclusion through the survey of 217 online bookstore customers that the familiarity of the site and the tendency of individual trust affect the trust of consumers online shopping [25]. The trust model proposed by McKnight, Choudhury & Kacmar has been cited most frequently in the study of virtual environments [26]. Previous studies generally believe that word-of-mouth is perceived as having a higher sense of trust. In the process of electronic word-of-mouth communication, the higher of consumer trust tendency, the closer relationship between consumer and website, the higher credibility of the site itself, the greater influence of electronic word-of-mouth on consumer purchase decision.

5. Conclusion

Consumers are more and more interested in sharing and communicating shopping experiences through the Internet platform, and in the virtual environment of the internet, interpersonal communication has become more frequent, and the scope and impact of word-of-mouth are increasing, and consumers' online purchase decision-making will be affected to some extent by electronic word-of-mouth. This paper makes a literature review of the definition of electronic word-of-mouth, and describes the influence of electronic word-of-mouth on consumer purchase intention from the three independent variables of sender characteristics, information characteristics and receiver characteristics of electronic word-of-mouth, trust as the intermediary variable, involvement as the moderator variable which provide some reference value for enterprises to carry out word-of-mouth marketing activities.

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