

# Influence Of Electronic Word Of Mouth On Purchase Intention Of Consumer Durable Goods

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## Abstract

Social media and electronic word of mouth have completely changed the way information and experiences are communicated effectively. In a changing marketing environment, it has become a business strategy. Through electronic word of mouth, consumers can express their ideas and experiences about products and services to other consumers due to the growth of the Internet and advances in information and communication technologies. An effort has been made to study how purchase intentions of consumer durable goods in Cuddalore district are influenced by electronic word of mouth. Multistage sampling technique was used to collect primary data for the study. Of the seven taluks in Cuddalore district, five have been chosen for the first stage. 450 respondents were chosen for the second stage by convenience sampling. This empirical study was conducted using a survey method. The primary data, which constitutes an essential part of the study, was collected using a schedule from 450 respondents. A schedule was developed using the Likert scale technique while taking into account the objectives of the study. To assess the relevance of the questions, a pre-test of the schedule was carried out with 25 consumers. Necessary corrections have been made to the revised schedule in light of the pre-testing. Secondary data came from theses, journals, periodicals and unpublished books. The results revealed that the top five factors that influenced consumers' intentions to purchase durable

goods were homophily, product nature, EWOM quality, EWOM volume and credibility of the product. On the other hand, the least important factors affecting buyers' intentions to purchase durable goods are website type, link strength, and reviewer expertise. The researcher suggested measures to improve the effectiveness of electronic word of mouth.

Keywords: Word of mouth, electronic word of mouth, online review, social media, consumer durables, etc.

### **Introduction**

Customers can communicate with each other through electronic word-of-mouth to spread their thoughts and experiences about products and services to a wide audience of other customers. It focuses on in-person communication that takes place online. Social media and electronic word of mouth have completely changed the way information and experiences are communicated effectively. In a changing marketing environment, it has become a business strategy. It created a network open to the general public and composed of platforms and communication channels. Since new media have become more prevalent, electronic word-of-mouth communication has flourished. People rely more on online reviews written by anonymous customers than traditional media to make purchasing decisions. Additionally, user-generated content in the form of online customer reviews has a significant impact on what people buy. Without a doubt, electronic word of mouth is a powerful marketing tool. Customers can share their ideas electronically to facilitate decision-making. Social media, on the other hand, has given electronic word of mouth a new perspective by allowing users to connect online to their current network. The consumer durable goods market is one of the most competitive in the world, which shows that sales have been increasing.

### **Impact of Electronic Word of Mouth on Purchase Intention**

Electronic word-of-mouth messages can effectively reduce the risk and uncertainty associated with product purchases, which can further affect customers' purchasing intentions and decision-making. As a result, online messages have a major impact on consumers' intentions to acquire products. Consumers will discover the drawbacks of a product as the number of unfavourable reviews increases, which will have a detrimental impact on their purchasing intentions. Positive product messages are less persuasive than negative messages, and consumers' purchasing decisions are strongly influenced by both types of messages. Therefore, electronic word of mouth communication is very useful in enabling people to support their choice of purchasing a specific brand or product. Opinions, online reviews, product consumption experiences and new information offered from the perspective of consumers who have purchased and used the product have become key sources of information for consumers. These sources are the Internet equivalent of word of mouth. Blogs, social media sites and other new marketing platforms offer businesses new ways to promote their products or services. To gain a competitive advantage in today's digital environment, businesses must develop effective Internet communications strategies. The idea of electronic word of mouth is growing exponentially in popularity.

#### **Factors Influencing Electronic Word of Mouth**

Compared to the impact of traditional word-of-mouth, the influence of electronic word-of-mouth is determined by distinct factors. Although it already has a strong impact on consumers, a number of factors increase the influence of electronic word of mouth. Electronic word-of-mouth differs from conventional word-of-mouth in that the source of the information is anonymous, which enhances the credibility of the source in this method of communication. In this situation, the importance of source reliability cannot be ignored. The strength of social ties between consumers and their degree of similarity or dissimilarity in terms of origins, opinions, likes and dislikes appear to impact the effectiveness of word-of-mouth marketing within a consumer network.

There are things to consider, such as reliability, quantity and quality of electronic word of mouth. The persuasiveness of the ideas and comments included in an informational message can be used to define the effectiveness of electronic word of mouth. Customers prefer to believe negative reviews over positive reviews, according to product review sites, and their decision to purchase a product or service depends on how much information they have learned about it. A crucial element of the information persuasion process is the recipient's assessment of the reliability of the information. The extent to which a person trusts a recommendation from a certain source person or organization is called electronic word-of-mouth credibility. The validity of electronic word-of-mouth in this study highlights the extent to which consumers rely on recommendations from friends, family, or peers.

#### **Significance of the Study**

Word of mouth has been consistently shown to be a reliable source of information that can help consumers make informed choices. Electronic word of mouth has the power to change communication networks, raise awareness among recipients, and ultimately improve adoption or sales. Although the influence of electronic word of mouth on consumer attitudes and behaviour has been demonstrated, there are still few studies examining these effects. Thus, there is a need to study the impact of electronic word of mouth because consumers today are active communicators who seek feedback from other consumers rather than passive recipients of product information. Electronic word of mouth has a greater influence on a consumer decision-making process because it spreads more quickly and widely. Although studies have been done on the effects of electronic word of mouth, its effects on the consumer durable goods have not yet been studied. Marketers can develop an appropriate communication channel to create awareness among consumers about their brand. Additionally, they can use electronic word of mouth to try to reverse any unfavourable consumer perceptions of their brand. This will help build a positive brand image, saving marketing expenses while driving consumer trends. In this regard,

an effort has been made to study how purchase intentions of consumer durable goods in Cuddalore district are influenced by electronic word of mouth.

### **Objectives of the Study**

The main objective of the current study is to study how electronic word of mouth affects purchasing intentions of consumer durable goods in Cuddalore district. The specific objectives of the study are:

1. To study the socio-economic profile of durable goods consumers in Cuddalore district.
2. To examine the influence of electronic word of mouth on purchase intention of consumer durable goods in Cuddalore district.
3. To suggest appropriate measures to improve the effectiveness of electronic word of mouth based on the study results.

### **Testing of Hypothesis**

The following null hypothesis was developed and tested to investigate the influence of electronic word of mouth on purchasing intentions of consumer durable goods in Cuddalore district.  $H_{01}$ : Socio-economic profiles of consumers will not affect their acceptance of the influence of electronic word of mouth on their desire to purchase consumer durable goods in Cuddalore district.

### **Scope of the Study**

The aim of the present study is to determine how purchase intentions of consumer durable goods in Cuddalore district are influenced by electronic word of mouth. Only the five taluks of Cuddalore district: Chidambaram, Cuddalore, Kattumannarkoil, Panruti and Kurinjipadi are included in the study. The present study mainly focuses on customer profile and variables affecting electronic word of mouth when it comes to purchasing intentions of consumer durable goods.

### **Sampling Design**

The study is limited to examine how electronic word of mouth affects purchase intentions of consumer durable

goods in Cuddalore district. As on December 31, 2022, there were 7 taluks in Cuddalore district. A multistage sampling technique was used to collect primary data for the study. Of the seven taluks in Cuddalore district, five have been chosen for the first stage. 90 respondents were chosen from each taluk selected for the second stage using convenience sampling. The sample distribution of the study is presented in the table below.

**Table 1 Sampling Distribution**

Taluk	No. of Samples
Chidambaram	90
Cuddalore	90
Panruti	90
Kattumannarkoil	90
Kurinjipadi	90
Total	450

#### **Tools for Data Collection**

This empirical study was conducted using a survey method. Primary data, which constitutes an essential part of the study, was collected using a schedule from 450 respondents. A schedule was developed using the Likert scale technique while taking into account the objectives of the study. To assess the relevance of the questions, a pre-test of the schedule was carried out with 25 consumers. Necessary corrections have been made to the revised schedule in light of the pre-testing. Secondary data came from theses, journals, periodicals and unpublished books.

#### **Analysis and Discussion**

To obtain the results, the collected data was edited, quantified, categorized and compiled in a logical sequence. The researcher used appropriate statistical tools including t-test, analysis of variance, coefficient of variation, multiple regression and percentage analysis to analyze the data.

**Table 2 Demographic Profile of Respondents**

Demographic Profile		No. of Respondents	Percentage
Gender	Male	354	78.67
	Female	96	21.33
Age (Years)	Upto 30	133	29.56
	31-40	121	26.89
	41-50	151	33.56
	Above 50	45	10.00
Education	Up to SSLC	38	8.44
	H.Sc	122	27.11
	Degree	221	49.11
	PG and above	69	15.33
Occupation	Agriculturist	288	64.00
	Business	62	13.78
	Employed	45	10.00
	Profession	11	2.44
	Others	44	9.78
Monthly income (Rs.)	Upto 10000	72	16.00
	10001-20000	108	24.00
	20001-30000	189	42.00
	Above 30000	81	18.00
Marital status	Married	367	81.56
	Unmarried	269	18.44
Family pattern	Joint family	75	16.67
	Nuclear family	375	83.33
No. of family members	Upto 3	332	73.78
	4 and 5	96	21.33
	6 and above	22	4.89

Source: Primary Data

Table 2 indicates that of the 450 consumers in the sample, 78.67% are male and 21.33% are female. Consumers aged 41 to 50 are the majority (33.56%). 29.56% of consumers are under 30 years old, 26.89% between 31 and 40 years old and 10% are over 50 years old. 8.44% of consumers have completed their SSLC, 27.11% have completed their H.Sc, 49.11% are graduates and 15.33% have completed their postgraduate or higher studies. Concerning occupation, 10% of consumers are employed, 2.44% are professionals and 9.78% exercise other occupation. Farmers represent 64% of the population. Consumers represent 42% of those whose monthly income is between Rs.20,001 and Rs.30,000.

16% of respondents had a monthly income of less than Rs.10,000, 24% had a monthly income between Rs.10,001 and Rs.20,000 and 18% had monthly income above Rs.30,000. Of the 450 consumers, 81.56% are married and 18.44% are unmarried. In terms of family pattern, 16.67% of the respondents are part of a joint family, while 83.33% have a nuclear family. In terms of the number of family members, respectively 73.78%, 21.33% and 4.89% of the respondents have up to 3, 4 and 5, and 6 and more.

**Table 3 Relationship between Respondents' Demographics and the Influence of EWOM on Consumer Durable Goods Purchase Intention: F-test**

Demographics	Source of Variation	Sum of Squares	DF	Mean Square	F Value	Result
Age	Between groups	153.845	3	51.282	1.971	Ns
	Within groups	11606.975	446	26.025		
	Total	11760.820	449			
Education	Between groups	80.402	3	26.801	1.023	Ns
	Within groups	11680.418	446	26.189		
	Total	11760.820	449			
Occupation	Between groups	78.040	4	19.510	0.743	Ns
	Within groups	11682.780	445	26.253		
	Total	11760.820	449			
Monthly income	Between groups	204.093	3	68.031	2.629	*
	Within groups	11556.727	446	25.912		
	Total	11760.820	449			

Source: Primary Data

\* Significant at 5% significance level    \*\* Significant at 1% significance level

The calculated F value for age is (1.971) less than the table value (2.625) at 3, 446 degrees of freedom at the 5% significance level. There is therefore no significant relationship between the influence of electronic word of mouth on the intention of consumer durable goods and the age of the consumer. The calculated F value for education is (1.023) less than the table value (2.625) at 3, 446 degrees of freedom at the 5% significance level. As a result, there is no significant relationship between consumer education and the influence of electronic word of mouth on the purchase



intention of durable consumer goods. The calculated F value for occupation is (0.743) less than the table value (2.392) at 4, 445 degrees of freedom at the 5% significance level. There is therefore no significant relationship between consumer occupation and the influence of electronic word of mouth on the intention to purchase durable consumer goods. The F value calculated for monthly income at the 5% significance level for 3, 446 degrees of freedom is (2.629) greater than the table value (2.625). There is thus a significant relationship between the influence of electronic word of mouth on the intention to purchase durable consumer goods and their monthly income. As a result, the null hypothesis is accepted for age, education and occupation, and rejected for monthly income.

**Table 4 Relationship between Respondent Demographics and Influence of EWOM on Consumer Durable Goods Purchase Intention: t Test**

Demographics	Calculated t Value	Table Value at 5 % Level	DF	Result
Gender	0.830	448	1.966	Not significant
Area of residence	0.469	448	1.966	Not significant

Source: Primary Data

The calculated t-value for gender is (0.830) less than the table value at the 5% significance level (1.966) at 448 degrees of freedom. Therefore, there is no significant difference between male and female consumers' acceptance of the influence of electronic word of mouth on the purchase intention of consumer durable goods. The t value calculated for the area of residence at the 5% significance level is (0.469) less than the table value (1.966) at 448 degrees of freedom. Therefore, there is no significant difference in the influence of electronic word of mouth on the purchase intention of consumer durable goods between rural and urban consumers. The null hypothesis ( $H_{01}$ ) is therefore accepted.

**Table 5 Consistency of the Level of Acceptance of the Influence of EWOM on the Purchase Intention of Durable Consumer Goods**

Respondent Demographics		No. of Respondents	Mean	Standard Deviation	Coefficient of Variation
Gender	Male	354	66.21	5.03	7.60
	Female	96	66.70	5.45	8.17
Age (Years)	Upto 30	133	66.93	4.98	7.44
	31-40	121	65.79	5.16	7.84
	41-50	151	66.54	5.00	7.51
	Above 50	45	65.13	5.62	8.63
Education	Up to SSLC	38	66.03	5.23	7.92
	H.Sc	122	66.16	5.04	7.62
	Degree	221	66.32	4.99	7.52
	PG and above	69	67.29	5.24	7.79
Occupation	Agriculturist	288	66.13	5.26	7.95
	Business	62	67.41	3.99	5.92
	Employed	45	66.52	4.64	6.98
	Profession	11	66.42	5.86	8.82
	Others	44	65.27	4.71	7.22
Monthly income (Rs.)	Upto 10000	72	64.81	3.78	5.83
	10001-20000	108	66.31	5.51	8.31
	20001-30000	189	66.65	5.51	8.27
	Above 30000	81	66.73	4.73	7.09

Source: Primary Data

According to the analysis, female consumers had the highest average score (66.70), followed by male consumers (66.21). This reveals that female consumers are more accepting of the influence of electronic word of mouth on their intention to purchase durable consumer goods. The average score of consumers under 30 is the highest (66.93), followed by those between 41 and 50 (66.54). The average score of consumers over 50 is the lowest (65.13). Consumers under 30 are therefore more accepting of the influence of electronic word of mouth on their intention to purchase consumer durable goods. Consumers with a PG degree or higher qualification had the highest average score (67.29), followed by those with a degree (66.32). The average score of consumers studied up to the SSLC is low (66.03). Consumers with a PG degree or higher qualification are therefore more accepting of the influence of electronic word of mouth on their intention to purchase consumer durable goods. Consumers who own a business had the highest average

score (67.41), followed by those who are employed (66.45). The average score of consumers in other occupations is low (65.27). Businessmen are more accepting of the influence of electronic word of mouth on their intention to purchase consumer durable goods. Consumers with monthly income above Rs. 30,000 had the highest average score (66.73), followed by those with monthly income between Rs. 20,001 and Rs. 30,000. Consumers earning less than Rs.10,000 per month have a low average score (64.81). Consumers who earn more than Rs. 30,000 therefore better accept the influence of electronic word of mouth on the intention to purchase durable consumer goods. Consistency is observed in acceptance of the influence of electronic word of mouth on the intention to purchase consumer durable goods among male consumers (7.60%), under 30 years old (7.44%), graduates (7.52%), businessmen (5.92%) and earn less than Rs.10,000 per month (5.83%).

**Table 6 Effect of Consumer Demographics on the Influence of Electronic Word of Mouth on Intention to Purchase Consumer Durables**

Consumer Demographics	Regression Coefficients (B)	Std. Error	t	Sig.
(Constant)	64.263	1.501	-	-
Gender	0.520	0.589	0.884	Ns
Age	-0.365	0.244	-1.495	Ns
Education	0.329	0.293	1.124	Ns
Monthly income	0.412	0.252	1.634	Ns
Area of residence	0.199	0.513	0.389	Ns

Source: Primary Data

**Multiple Correlation Coefficients between Consumer Demographics and the Influence of EWOM on Intention to Purchase Consumer Durables**

R	R Square	F	Result
0.125	0.016	1.416	Not significant

According to the analysis, there is a low correlation (0.125) between the demographic characteristics of the chosen consumers and the influence of electronic word

of mouth on the intention to purchase consumer durable goods. Consumer demographics collectively accounted for 1.60% of the variation in electronic word of mouth influence on consumer durable purchase intent, according to R Square. The F value shows that the multiple correlation coefficient is not significant. The influence of electronic word of mouth on the intention to purchase consumer durable goods is not significantly affected by gender, age, education, monthly income or area of residence.

**Table 7 Respondents' Acceptance of the Influence of EWOM on the Intention to Purchase Consumer Durable Goods**

S. No.	Influencing Factors	No. of Respondents	Mean Score
1	Homophily	450	3.68
2	Nature of the product	450	3.60
3	EWOM quality	450	3.55
4	EWOM volume	450	3.52
5	EWOM credibility	450	3.47
6	Perceived value	450	3.42
7	Source trustworthiness	450	3.39
8	Other factors	450	3.34
9	Brand image	450	3.16
10	EWOM valence	450	3.04
11	Source expertise	450	3.03
12	Type of website	450	2.95
13	Tie strength	450	2.89
14	Reviewer expertise	450	2.80

Source: Primary Data.

The factors that influence consumers' intention to purchase durable goods are listed in the table above. The top five factors that influenced consumers' intentions to purchase durable goods were homophily, product nature, EWOM quality, EWOM volume, and EWOM credibility. On the other hand, the least important factors affecting consumers' intentions to purchase

durable goods are website type, tie strength, and reviewer expertise.

### **Suggestions of the Study**

1. Consumer durable marketers should invite social media influencers more frequently when they want to highlight and talk about the benefits of the newest items.
2. In order to increase the speed of data processing, have an attractive design and features that distinguish their products from those of their competitors, consumer durable goods companies must develop the most recent technological advancements.
3. Companies manufacturing consumer durable goods need to align with their purpose and vision, where innovation should be applied to technology.
4. Since message accuracy directly impacts the likelihood of a consumer making a purchase, it is crucial for marketers to pay attention to this factor. They can add a page to their website containing testimonials from past customers who have used the goods, as well as materials such as videos and photos. This can increase future consumers' confidence in their products.
5. The marketer needs to be aware of all this fake electronic word of mouth because it would hurt his business if potential consumers took the hoax for what it is. Since this is the case, the marketer must be equipped to deal with it, perhaps by organizing a conference to clarify things.
6. To increase sales, marketers could give greater priority to factors such as electronic word-of-mouth value, product attitudes, message conviction, power of persuasion and valence.

### **Implications of the Study**

Electronic word of mouth has become very important in the context of marketing due to the development of technology and the widespread use of the Internet by people of all ages. Unlike claims and details about goods or services promoted by sellers themselves, people often rely on anonymous ratings and comments on items posted online. The results of this study will be useful to companies that manufacture consumer durable goods as they invest a lot of time in building awareness of their brand in order to attract and retain consumers. As Internet platforms grow, electronic word of mouth plays a larger role in how consumers make decisions. Information adoption through electronic word of mouth is predicted using information usefulness, which is defined by information quality, credibility, suitability for information tasks, information needs information and his attitude towards information. Electronic word of mouth is the primary factor that practitioners must consider when attempting to increase sales of consumer durable goods. Since the adoption of electronic word-of-mouth depends on how consumers find information, practitioners should intensify their marketing efforts to encourage online reviews of their products. Practitioners should focus on improving the quality, credibility and relevance of online reviews, because these aspects of electronic word-of-mouth information, such as information quality, credibility of information, the adequacy of information tasks and the attitude towards information, are indicators of the usefulness of information. As an alternative, professionals may designate areas on their websites where consumers can post comments and express their opinions about goods and services. Practitioners should also consider information about goods that may promote a favourable attitude.

### **Conclusion**

If we compare electronic word of mouth to other marketing and advertising tactics, it has a very strong impact. The impact of this type of marketing strategy certainly increases when applied on social media platforms. The present study, however, offers significant theoretical advances because it demonstrates that

consumers' purchase intentions can vary depending on the quality, reliability and volume of online reviews, which would result in diverse purchase intentions. Electronic word-of-mouth can help marketers spread product awareness, increase sales and other performance indicators, grow their brands, and build customer loyalty. An effort has been made to study how purchase intentions of consumer durable goods in Cuddalore district are influenced by electronic word of mouth. The study demonstrated that word-of-mouth communications have a greater impact than other forms of communication such as advertisements, which is understandable given that word-of-mouth communications are a credible source of information. The researcher suggested measures to improve the effectiveness of electronic word of mouth. If the study inspires policy makers and practitioners to make sincere efforts to improve it, the researcher will be amply rewarded.

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