

Age-Wise Analysis Of ‘Word Of Mouth Communication’ Amongst ‘Delhi University Students’: A Pilot Study

BURHANUDDIN SHAIKH

Ph.D Scholar

Department of Commerce, Delhi School of Economics

University of Delhi, Delhi -110007

Abstract

This research takes into consideration the impact of word of mouth communication among Delhi University students. We use survey technique to understand the power of positive and negative word of mouth communication. A general hypothesis is tested whether word of mouth has same effect on male as well as on female. This research strengthens our notion about the influence of word of mouth.

Keywords:

Communication (**Comm.**), Word of Mouth (**WOM**), Positive Word of Mouth Communication (**PWOM**), Negative Word of Mouth Communication (**NWOM**), Satisfaction (**S**), Dissatisfaction (**D**)

1. INTRODUCTION

As per Arndt (1968), Crocker (1986) and Anderson (1998), Word of mouth communication was outlined as being informal kind of person-to-person communication between a communicator/sender and a receiver concerning about a corporation, a product or a service. Post-purchase decision causes, word of mouth communication to takes the shape of face-to-face or voice (by telephonic conversation) communications (Silverman, 2001) and, generally classified as impersonal and private sources. Family, friends, colleagues, relatives are regarded to be personal sources of recommendations (Brown & Reingen, 1987; Duhan, Johnson, Wilcox & Harrell, 1997).

1.1. Relevance of the study: This study holds significance for manager as well as for future research. Firstly, the study confines to Delhi University yet this finding is relevant to manager to understand whether WOM is influential or not. And secondly this study is explanatory research. It can help to identify issues for further research work area. The purpose of this study is to understand the aftermath behaviour of prospective individual after they have been exposed to WOM communication.

1.2. Objective

1. To understand WOM Communication effect amongst individuals.
2. To ascertain whether male and female students differ in their decision after been exposed to WOM communication.

2. PAST STUDIES: This section provides a review of the connected literature.

Word-of-mouth (WOM) is the most important informal means of communication between consumers (Filser, 1996). It is defined as informal communication between individuals about ownership, or characteristics of particular goods or services and sometime about the sellers (Westbrook, 1987). The reasons justifying the power of WOM are first that WOM is more credible than commercial sources of information controlled by companies (e.g. advertising, sponsorship). Most of our talks are indeed with family, relatives, colleague, friends, i.e. people we trust and whose goal is not the promotion of a specific company. Second, WOM is the actual communication, i.e. the message flow tends to be two-way. Third, WOM provides potential consumers with a description of what the experience would be and is thus considered to be a risk reliever, especially for experience goods (Filser, 1996; Wilkie, 1994). WOM can be either positive or negative (Buttle, 1997). According to Buttle (1997), "positive WOM occurs when good news testimonials and endorsements desired by the company are uttered" and "negative WOM is the mirror image".

Danaher and Rust (1996) empirically show that customer satisfaction has a positive impact on the WOM, which, in turn, incorporates a positive impact on sales and market share of the firm; Hogan et al.(2003) shows that WOM is additional necessary throughout the early half of the product life cycle, as a result of the early adopters' WOM affects the growth rate of product adoption; and it's been well established (e.g., Zeithaml et al. 1996, Anderson et al.2004) that customer satisfaction is positively correlated with the firm's monetary future.

Goldenberg et al., (2001) defines WOM as, 'a known fact that satisfied consumers shares their satisfaction with their group, either formal or informal. This satisfaction is shared in the form of information sharing, which is nothing but publicity for the product without any expense. This information sharing between individuals is called word of mouth. The information dissemination is quicker by word of mouth than by other mean'.

Thus it can be noted that WOM is primarily *informal* communication. It is a phenomenon that happens widely among customers. Customers repeatedly rely on WOM communication of others to make purchase decisions. Purchase decision of a customer is influenced to a great extent by the

suggestions and references given by their near and dear ones (relative, family, friends, neighbourhood, and reference group).

According to Harvir S. Bansal & Peter A. Voyer (2000) states that most of the popular managerial literature contends that the WOM Comm. process is one amongst the foremost powerful forces within the marketplace (Henricks 1998; Marney 1995; Silverman1997). Indeed, it tends to be highly persuasive and, in turn, to be extremely effective (Bristor 1990). This is primarily because consumers frequently rely on informal and/ or personal communication sources in making purchase decisions as opposed to more formal and/ or organizational sources such as advertising campaigns. In WOM, the source (sender) of the information generally has nothing to gain from the receiver's subsequent actions (Schiffman and Kanuk 1997).

Consumers normally rely on word of mouth (WOM) communications to make purchase decisions/intention. The importance of WOM in the marketplace is well recognized because of the definitive role it plays in shaping consumers' attitudes and purchase behaviour. Research on WOM communication has examined the extent to which the effectiveness of the WOM communication process is affected by several predictors, such as the characteristics of WOM receivers and providers, valence (positive or negative) of WOM communication, and various situational factors (Arndt 1967). Though such studies have unquestionably increased our understanding of the WOM communication, but there are many other salient aspects that remain unexplored. One such related aspect is prior experience of consumer.

Hypothesis: WOM have an effect on the purchase intention of the receiver

3. RESEARCH METHODOLOGY

Articles published in online journals, books, newspapers, reports worldwide including India, empirical studies published in the academic, professional journals and websites have been consulted for building-up the theoretical structure for the study. A structured questionnaire has been used for the purpose of primary data collection in the lines of study conducted by East et al. (2008). Delhi university students are taken as the sample unit. The sample has been drawn from the target population by using convenience sampling technique. No incentives were used. Respondents were asked to state how they would respond if they received symmetrically phrased positive and negative advice from one of their friends. The responses were registered on a 5-point scale. The questions and scales are illustrated in Appendix. Keeping in view the objectives of the study the data

is analysis by applying – probability, mean, one-sample t-test and paired sample t- test in Excel and SPSS.

Total of 100 questionnaires were distributed, out of which 95 were received back. Four questionnaires were rejected due to incomplete information. So a total of 91 questionnaires were used for the analysis. Amongst 91 respondents, 10 were PhD. students, 18 were M.Phil students, 30 were post-graduate students and 33 were undergraduate students.

3.1. Research Question: The question that we raise is:

RQ1. Is WOM has any impact on individual?

RQ2. Is the respondents are influence by the advice of their friend?

3.2. Research Hypothesis: This section states the hypothesis taken in this research.

I. Effect of WOM, PWOM and NWOM.

H_0 = WOM has no effect on people opinion.

This can be bifurcated into three hypotheses

H_{01} = PWOMC has no effect on purchase intention

H_{02} = NWOMC has no effect on purchase intention

H_{03} = PWOMC and NWOMC have same effect.

II. Peers Influence.

H_{04} = Respondents are not influence by the advice of their friend.

4. ANALYSES (Key findings of the study)

This section described the analysis of data followed by a discussion of the research findings. The findings relate to the research questions that guided the study.

Table: 1 - Age wise analysis of Word of Mouth Communication (WOM), Positive WOM and Negative WOM.

Age groups	No. of Respondent	Mean Scores		
		WOM	PWOM	NWOM
below 19	19	4.58	3.74	3.79
19-22	14	4.14	4.50	3.78
22-25	34	3.97	4.41	4.11
Above 25	24	4.21	4.42	3.92
Total	91			
Overall	Mean	4.19	4.29	3.95

	S.D	.744	.793	1.015
	Std Error	.078	.083	.106
One Sample t-test	Degree of freedom	90	90	90
	t-calculated	15.216	15.470	8.882
	Sig.(2 tailed)	.000	.000	.000
Paired Sample t-test (between PWOM & NWOM)	t-calculated		-2.659	
	Sig.(2 tailed)		.009	

Notes: Hypothesis Mean = 3, Level of Significant = 5%

Table 1 shows that,

1. The mean of the variable PWOM is 4.29, which is statistically significant. Hence, do not accept null hypothesis (H_{01}).
2. The mean of the variable NWOM is 3.95, which is statistically significant. Hence, do not accept null hypothesis (H_{02}).

The above table shows that the respondents across the age group have a favourable feeling towards PWOM as compared to NWOM. Hence, null hypothesis (H_{03}) is not accepted, implying that the mean of the variables NWOM and PWOM is statistically significant.

Null Hypothesis		Accepted / rejected
H₀₁	PWOM has no effect on purchase intention.	X
H₀₂	NWOM has no effect on purchase intention.	X
H₀₃	PWOM and NWOM have same effect.	X

The result indicates a relationship between WOM and purchase intention. This finding is consistent with the many previous studies which found significant relationship between WOM and purchase intention. Tax et. al 1993 shows that WOM of sender has an effect on receivers purchase intention, Kardes and Kim 1997 shows that WOM is more potent in consumer judgment of a product. While East et al 2008 shows that the impact of PWOM is generally greater than NWOM. The finding is consistent with the previous researches.

In this survey there are 43 male respondents and 48 female respondents. All the 91 respondents were asked to give their opinion about whose personal advice is more reliable between male counterpart and female counterpart. And the result is tabulated in table 3 which shows that out of 43 male, 67.44% male prefers female counterparts' advice more reliable while out of 48 female, 70.83% female prefers female counterparts' advice more reliable.

	Male Counterpart	Female Counterpart
Male	32.56%	67.44%
Female	29.17%	70.83%

Table 3: Male and Female respondents

Now let's check the hypothesis H_{04} = Respondents are not influence by the advice of their peers

Table 4 shows the mean response of these respondents on the basis of their age differences. In order to answer RQ 2, we have to check whether the data available is significant or not, so we have taken "one-sample t test"

Table 4. Age wise analysis of word of mouth communication.

Age groups	No. of Respondent	Mean Scores
		Effect of WOM
below 19	19	3.315789
19-22	14	3.428571
22-25	34	3.382353
Above 25	24	3.750000
Total	91	
Overall	Mean	3.47
	S.D	.911
	Std Error	.095
One Sample t-test	Degree of freedom	90
	t-calculated	7.948
	Sig.(2 tailed)	.000

Notes: Hypothesis Mean = 3, Level of Significant = 5%

Table 4 shows that, the mean of the variable "Effect of WOM" for this particular sample is 3.47, which is statistically significant.. Hence, do not accept null hypothesis (H_{04}). Respondents are influence by their peer's advice.

5. CONCLUSION

Purchase intention influenced to a greater extent by the suggestion and references given by the near and dear ones (Relative, Family, friends, neighbourhood, referential group, general public intention

(published reports, unpublished reports etc). To evaluate the consequences of WOM Comm., 4 group of respondent were formed on the basis of their age. Of the 91 respondent, 47.25% were male and 52.75% were female. Approximately 20.88% were below 19 age group, 15.38% were between 20-22 age group, 37.36% were between 23-25 age group and 26.37% above 25 age group. Out of the 91 respondents, 91.31% are affected by WOM, in it 90.11% affected by PWOM and 72.53% affected by NWOM.

Then we examine the consequences of PWOM and NWOM on the purchase intention for deodorant in which we find,

1. PWOM does have positive response on purchase intention.
2. NWOM does have negative response on purchase intention.
3. Then we examine the result across gender in which we find that out of 43 male,

67.44% male prefers female counterpart advice more reliable while out of 48 female, 70.83% female prefers female counterpart advice more reliable. Hence, may be this would be the reason that in male advertisement, female models are highlighted while in female ads male models are not much highlighted.

5.1. Future Research

We acknowledge that our study is limited to Delhi University, North Campus students only. It is clear that further research is needed to examine differences in the effect of consumer responses across region, culture and product. Online behaviour (references) should also be considered.

5.2. Unresolved issues

This study cannot be generalized, as it is concern to a limited area and respondents.

As all the respondent are student, so the age categories below 19 only includes the age group between 16-19 as no one can be admitted to university below 16. Similarly the respondents who are in the category above 25 are all know to us and as far as we know they are not above 30.

It is clear that a lot of extra analysis is required.

Appendix A

All the items were measured on a five point Likert scale. Additionally, the superscript refers to the scale anchor points for each question. As such, 1 = “strongly disagree”, 2 = “agree”, 3= neither agree nor disagree, 4 = “egress” and 5=“strongly disagree”

Appendix B

- (a) Gender
() Male () Female
- (b) Age

- () Below 19
 () 19-22
 () 22-25
 () Above 25
- (c) Suppose you are looking for a new restaurant. A friend tells you that he/she has had a **negative** experience with a particular restaurant. Would this stop you from going there?
 () SD - Strongly Disagree
 () D - Disagree
 () NN - Neither agree nor disagree
 () A - Agree
 () SA - Disagree
- (d) Suppose you are looking for a new restaurant. A friend tells you that he/she has had a **positive** experience with a particular restaurant. Would this encourage you to go there?
 () SD - Strongly Disagree
 () D - Disagree
 () NN - Neither agree nor disagree
 () A - Agree
 () SA - Disagree
- (e) For any purchase decision, whose personal advice is more reliable and best one?
 () Male Counterpar (Husband/Male friends /Male relative
 () Female Counterpart (Wife/Female friends /Female relative)

REFERENCES

- Anderson, E. (1998). Customer satisfaction and word of mouth. Journal of Service Research, Vol. 1, pp. 5-17.
- Anderson, Eugene W. Claes Fornell. Sanal Mazvanchery. (2004). Customer Satisfac-tion and Shareholder Value. Journal of Marketing , 68(October), 172-185.
- Arndt, J. (1968). Selecting processes in word of mouth. Journal of Advertising Research , 8, 19-22.
- Bansal, H. S. & P. A. Voyer.(2000). Word-of-mouth processes within a services purchase decision context. Journal of Service Research, 2(3), 166-177.
- Bristor, James M. (1990). Enhanced Explanations of Word of Mouth Communications: The Power of Relationships. Research in Consumer Behavior, 4, 51-83.
- Brown J.J. & P.H. Reingen. (1987). Social ties and word-of-mouth referral behavior. Journal of consumer research, 14(3), 350-362.
- Buttle, F.A. (1997). I heard it through the grapevine: issues in referral marketing. Proceedings of the 5th international colloquium in relationship marketing. Cranfield School of Management. Cranfield University, England.
- Crocker, K. (1986). The influence of the amount and type of information on individuals' perception of legal services. Journal of the academy of marketing science, 14 (4), 18-27.
- D.F.Duhan, D., S.D.Johnson, J.B.Wilcox, & Harrell., G. (1997). Influences on consumer use of WOM recommendation sources. Journal of the Academy of Marketing Science, 283-295.
- East, Robert. Kathy Hammond and Wendy Lomax. 2008. Measuring the impact of positive and negative word of mouth on brandpurchase probability. International journal of research in marketing, 2, 215-224
- Filser, M. (1996). Vers une consommation plus affective? Revue Française de Gestion, 110, 90-99.
- Goldenberg, J., Libai Barak & E. Muller (2001), Talking of the network: A complex system looks at the Underlying process of word of mouth. Marketing letters, Vo1.12,(3), pp 211 - 223.
- Henricks, Mark. (1998). Spread the Word. Entrepreneur, 26 (2), 120-25.
- Marney, Jo. (1995). Selling in Tongues. Marketing Magazine, 100(38), 14.

- Schiffman, Leon G. & Leslie Lazar Kanuk. (1997). Consumer Behavior. 6th Ed. Upper Saddle River. NJ: Prentice Hall.
- Silverman, G. (1997). Harvesting the Power of Word of Mouth. Potentials in Marketing, 30(9), 14-16.
- Silverman, G. (2001). The Secrets of Word of Mouth Marketing. New York: American Management Association.
- Westbrook, Robert A. (1987). Product/Consumption-Based Affective Responses and Postpurchase Processes. Journal of Marketing Research, Vol. 24(Aug), pp. 258-270.
- Wilkie, W. L. (1994). Consumer Behavior. New York: John Wiley and Sons.
- Zeithaml, V. A., Leonard Berry., & A. Parasuraman. (1996). The Behavioral Consequences of Service Quality. Journal of Marketing, 60(April), 31-46.