THE EFFECTIVENESS OF ELECTRONIC WORD-OF-MOUTH (eWOM) ON CONSUMER PURCHASE INTENTION AMONG GENERATION-Y

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Abstract: *Electronic word-of-mouth (eWOM) is an action that review from someone towards products and services that purchased can as reference to potential consumers for make purchase decision. Those reference can be helpful for consumers due to it showed the effectiveness of social media in information sharing. Therefore, this main aim of this research is to develop conceptual framework about effectiveness of eWOM between consumers' purchase intention in Generation Y. A quantitative research been carried and 370 target respondents among Generation Y been asking opinion by questionnaire. 4 independents variables which are eWOM quality, eWOM quantity, eWOM credibility and sender expertise been tested and analysis by SPSS software. The research find out that 4 independent variables are positive related to consumers' purchase intention among Generation Y.*

Keywords: Consumer purchase intention, Generation Y, eWOM quality, eWOM quantity, eWOM credibility, sender expertise

Introduction

Internet occur makes variety changes in consumer behaviour, purchase intention and consumer decision make process. In result, variety information can be founded by consumers in many channels such as social media, virtual market and online sources that provided real and trustable information. According to Bataineh (2015), eWOM is an action that internet user shared their opinion and information at certain channel without any restrict of time and place. Besides, eWOM communication in terms of quality, quantity, and credibility can influenced consumer purchase intention (Bataineh, 2015). Moreover, an expertise's' review towards certain products or services showed the reliable and trustable information that can influenced consumers' confidence to purchase (Wangenheim & Bayo'n, 2004; Wang, Teo & Kok, 2015).

Several researchers thinks that eWOM becoming important roles to help marketers, retailer even consumers in market place. This is due to internet become tools as connect to each other within any restriction especially information sharing (Thoumrungroje, 2014). Indeed, reliable information from eWOM activity become an essential for consumers doing right purchase decision especially in young generation (Thoumrungroje, 2014). Social media becoming a platform that attract many internet user to shared their experience towards certain products or services (Wang et. al. 2015) which occur eWOM activity. This can be guideline for consumers snap out confusion towards certain products (Hyrynsalmi, Seppanen, Leena Aarikka, Suominen, Jarvelainen & Harkke, 2015). According to Bataineh (2015) defined that eWOM communication in terms of quality, quantity, and credibility can influenced consumer purchase intention while Lin, Wu and Chen (2013) eWOM communication in terms of quality, quantity, and sender expertise can influenced consumer purchase intention. Therefore, this research is identify effectiveness of eWOM between consumers' purchase intention in Generation Y whereby to identify the relationship between eWOM quality, eWOM quantity, eWOM credibility and sender expertise towards consumer purchase intention and most influential factors.

Literature Review

Consumer Purchase Intention

Lin et. al. (2013) stated that individual that behave to intent to buy a specific products can defined as consumers purchase intention. Therefore, consumer purchase intention recognised as effectiveness of eWOM communication (Bataineh, 2015) due to number of online consumers' experience affect outcome of consumers' attitude. eWOM defined as influential medium which can affect previous experience that consumers faced (Wu & Wang, 2010) due to information that reliable from community, friends and family provided feedback and review can change consumers' mind set which affect buying decision (Chang & Chin, 2010). Therefore, marketers or retailers must identify the important of eWOM due to it can reduce advertisement and marketing costs.

eWOM Quality

According to Lin et. al. (2013) and Bataineh (2015) state that eWOM brings many benefits for consumers to gain information and increase knowledge especially in pre-stage of purchase process. Therefore, a feedback of consumers that comes from eWOM communities can make positive brand image (Torlak, Ozkara, Titay, Cengiz & Dulger, 2014). Reasons is various and high quality of information from consumers that experienced towards certain

products can influenced consumers' perception (Senecal & Nantel, 2004). In nutshell, consumers seek for information in high quality (reliable and useful) become important steps to make product purchase due to consumers cannot sense the products like shops in traditional stores (Dellarocas, 2003).

eWOM Quantity

According to Lin et. al. (2013) and Bataineh (2015) state that many numbers of feedback from eWOM communities have positive related to sales number. It can influenced relationships among consumers in long period (Hyrynsalmi et. al. 2015). This is due to consumers willing to share their experience, opinion and comments towards certain brand and products through suitable channels like social media, blog and websites (Lerrthairakul & Panjakajornsak, 2014). Hyrynsalmi et. al. (2015) stated quantity can know as acceptance level of brand image among consumers due to high rate of products represents consumers' satisfaction in high level towards product quantity which decrease bad decision in purchase (Lu, Ye & Law, 2014). In nutshell, volume defined as mediator to improve the acceptance and quality of product due to consumers' purchase decision can be affected by ratings and numbers of comments in websites and social media.

eWOM Credibility

According to Bataineh (2015) state that source of credibility is important to eWOM due to it can intent consumer impression. This is due to consumers' attitude that truly can be achieved by developing message that came from trustable familiar members compared to information gained from other sources. Therefore, eWOM credibility know as consumers feel information that gained must be true, informative and trustable towards certain products. Sharif, Ahmad & Ahmad (2016) stated that online group can be informal consequences influenced customer buying plan towards brand due to large data sources can seek from online groups.

Sender's Expertise

Information reliabilities level can one of the elements that includes in sender's expertise (Chang, Lee & Huang, 2010). Individuals will search and receive the trustiness information based on expertise's experience which is more reliable that result consumer purchase intention (Bristor, 19990; Chang et. al. 2010; Lin et. al. 2013). Sender's expertise can defined level of reliable among consumers towards information gained (Wangenheim & Bayo'n ,2014) due to sender's expertise is an individuals that contains rich knowledge towards certain products which provide reliable and trusty information (Wang et. al. 2015). In nutshell, recommendations and feedback from sender's expertise can affect consumers to adopt information and purchase intention (Lin et. al. 2013).
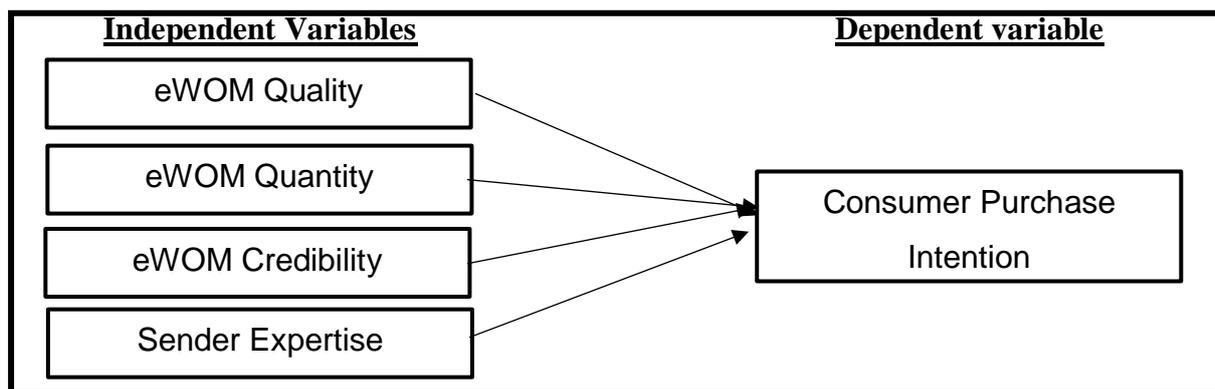
Research Framework

Independent Variables	Dependent variable
eWOM Quality	
eWOM Quantity	Consumer Purchase
eWOM Credibility	Intention
Sender Expertise	

Figure 1:   Research Framework

Methodology

Population and Sampling

Students that studied in Universiti Malaysia Kelantan (UMK) and Universiti Technology MARA (UiTM) that Generation Y among age 21-35 been selected through non-probability, convenience sampling method as target respondents in this research. Therefore, this study selected 370 respondents based on 14120 population based on Krejcien and Morgan table and questionnaire been distributed among target respondents. Respondents is current studied in entrepreneurship and business.

Research Instrument

A 5 point Likert scale that ranging from 1 (Strongly disagree) to 5 (Strongly agree) been developed to this questionnaire. Two languages (Malay and English) been developed in questionnaire to easy respondents understand. Part A is identify demographic profile while Part B is identify the feedback of respondents about effectiveness of eWOM towards consumer' purchase intention. The items in questionnaire were designed in straightforward and comprehensible.

Generalization of Item in Questionnaire

To fulfil the research objectives, there are items that are adapt from past researchers to generate questionnaire:
1. eWOM quality (5 items) adapted from Lin et. al. (2013), eWOM quantity (5 items) adapted from Lin et. al. (2013) and Shasha, Kok, Goh & Chong (2014), eWOM credibility (5 items) adapted from Bataineh (2015) and sender's expertise (6 items) adapted from Lin et. al. (2013) and Tseng & Hsu (2010).
2. Consumer purchase intention (6 items) adapted from Lin et. al. (2013) and Mikalef, Giannakos, M., & Pateli, A. (2013)

Summary of Findings

Respondents Demographic Characteristics

Table 1 showed the result of respondents' demographic characteristics for this research that showed as below:

Table 1: Respondent's demographic characteristics

Demographic	Frequencies	Percentage
Gender		
Male	110	29.7
Female	260	70.3
Total	370	100
Race		
Malay	244	65.9
Chinese	84	22.7
Indian	38	10.3
Others	4	1.1
Total	370	100
Age		
18 To 20	33	8.9
21 To 23	295	79.7
24 To 26	17	4.6
27 To 29	8	2.2
30 To 32	4	1.1
33 To 35	13	3.5
Total	370	100
Education		
Diploma	36	9.7
Undergraduate	155	41.9
Bachelor Degree	178	48.1
PhD	1	0.3
Total	370	100
Occupation		
Employed	56	15.1
Self-employed	25	6.8
Students	289	78.1
Total	370	100
Account Social Network		
Yes	370	100
No	0	0
Total	370	100
Social Networking Frequently Used		
Facebook	166	44.9
Whatsapp	100	27.0
WeChat	36	9.7
Instragam	54	14.6
Twitter	11	3.0
Others	3	0.8
Total	370	100

Often Number of Visit Social Networking Daily		
1-3	77	20.8
4-6	116	31.4
More than 7	177	47.8
Total	370	100
Read Review In Social Networking		
Yes	341	92.2
No	29	7.8
Total	370	100
Frequency Read Review in Social Network	115	31.1
1-3 times	121	32.7
4-6 times	64	17.3
7-9 times	70	18.9
10 times and above	370	100
Total		
Type of Product Most Review		
Apparel	128	34.6
Beauty and Health	77	20.8
Food and Beverage	84	22.7
Ticket	30	8.1
Gadget	51	13.8
Total	370	100
Posted Review		
Yes	305	82.4
No	65	17.6
Total	370	100
Frequency Review Post Last Week		
1-3 times	170	45.9
4-6 times	113	30.5
7-9 times	58	15.7
10 times and above	29	7.8
Total	370	100
Most Frequent Activity in Social Network		
Chatting	109	29.5
Posting Comment	113	30.5
Making new friends	21	5.7
Search information	159	43.0
Other	36	9.7
Total	370	100
Frequency Communicates with Contacts in Social Network		
Daily	189	51.1
3-5 times	126	34.1
Once a week	29	7.8
Less than once a week	26	7.0
Total	370	100

Based on Table above, majority respondents in this study are female (260). Besides, 295 out of 370 respondents are age 21 to 23 years old. Furthermore, bachelor degree holder are monopolized in this study with 178 respondents. Moreover, all respondents admitted they have social networking account but Facebook user are monopolized in this study. Majority respondent response that they visit their social networking account 4 to 6 times especially online

reviews is important when social networking used towards apparel products as well as posting comments and reviews due to information search.

Reliability Analysis

Cronbach's Alpha is to identify the level of understanding for items in each variables from target respondents. Table 2 showed as below Cronbach's Alpha is between 0.763 to 0.885 means all variables is reliable due to exceed 0.7 as recommend value.

Table 2: Reliability Analysis

Factors	Number of items	Cronbach's Alpha
Consumer Purchase Intention	6	0.858
eWOM Quality	5	0.838
eWOM Quantity	5	0.763
eWOM Credibility	5	0.885
Sender's Expertise	6	0.834

Pearson Correlation Analysis

Table 3 showed all independent variables (eWOM Quality, eWOM Quantity, eWOM Credibility, Sender's Expertise) are positive significant relationships to independent variables (Consumer Purchase Intention) since all significant values is 0.00. Besides, eWOM Quality, eWOM Quantity and Sender's Expertise have moderate relationship between consumer purchase intentions while eWOM Credibility has weak relationship between consumer purchase intentions.

Table 3: Pearson Correlation Analysis

		PI	A	B	C	D
PI	Pearson Correlation	1	.588**	.550**	.374**	.615**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	370	370	370	370	370

PI: Consumer Purchase Intention; A: eWOM Quality, B: eWOM Quantity, C: eWOM Credibility, D: Sender's Expertise
**. Correlation is significant at 0.01 level (2-tailed).

Multiple Regression Analysis

Based on Table 4, the variance proportion for 53% of Consumer Purchase Intention can be explained by all independent variables (eWOM Quality, eWOM Quantity, eWOM Credibility, Sender's Expertise) according to R^2 value.

Table 4: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.728[a]	.530	.525	2.65458

a. Predictors: (Constant), eWOM Quality, eWOM Quantity, eWOM Credibility, Sender's Expertise

Based on Table 5 showed eWOM Quality, eWOM Quantity and Sender's Expertise are significant to repurchase intention based on multiple regression analysis since significant value less than 0.05. However, compare to eWOM Quality, eWOM Quantity and Sender's Expertise, Sender's Expertise defined as most influential factors based on response from target respondents since Beta value for attracting is higher than delivering.

Table 5: Regression coefficients

Coefficients	Standardized Coefficients		
	Beta	T	Sig.
(Constant)		2.357	.019
eWOM Quality	.281	6.317	.000
eWOM Quantity	.241	5.569	.000
eWOM Credibility	.014	0.327	.744
Sender's Expertise	.369	7.853	.000

Dependent variable: Consumer Purchase Intention
Independent variable: eWOM Quality, eWOM Quantity, eWOM Credibility and Sender's Expertise

Discussion and Managerial Implication

The main purpose for this research is to identify effectiveness of eWOM towards consumer purchase intention among Generation Y. Therefore, this research is to examine relationship between eWOM Quality, eWOM Quantity, eWOM Credibility and Sender's Expertise and consumer purchase intention. Therefore, the result find out that all independent variables are positive significant towards consumer purchase intention among Generation Y. According to Bataineh (2015) stated eWOM quality influenced consumer purchase intention especially in before buying stage due to it become important tools to consumers that not yet experienced towards certain products by survey reviews from communities in social media. Besides, eWOM quantity also influenced consumer purchase intention due to Lin et. al. (2013) defined repeated number of consumers review towards products reflects as popularity among communities. Moreover, Bataineh (2015) stated information that provided experienced consumers from social media channel become more reliable compare in advertising in result of eWOM credibility also influenced consumer purchase intention. Last but not least, the trustable information can affected by opinion from expertise towards certain products which influenced consumer purchase intention (Lin et. al., 2013). The last aim of the study is to identify the most impact of eWOM towards consumer purchase intention. Therefore, sender expertise become most impact factors from eWOM based on target respondents in this research. Indeed, retailers must awareness towards sender's expertise due to expertise's knowledge can create reliable information which influenced consumer perception compare to advertising (Lin et. al., 2013).

In nutshell, retailers must alert to review from sender's expertise since result showed sender expertise become most impact factors from eWOM based on target respondents in this research. Researcher recommended this study should expand to more population since current research is focus on students in two public universities (UMK AND UiTM). Besides, researchers recommended community attitude towards social networking sites should be study to develop suitable marketing strategy.

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