Electronic Word-of-Mouth through Social Networking Sites

How does it affect consumers?

Authors: Astrit Hodza, Katerina Papadopoulou, Vasiliki Pavlidou

Tutor: Sarah Philipson

Examiner: Rana Mostaghel

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__________________________  ____________________________
Astrit Hodza                  Vasiliki Pavlidou
astrithodza@hotmail.com       vasiliki.pavlidou@gmail.com

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Katerina Papadopoulou
catherine.papadopoulou@gmail.com
Abstract

Researchers, companies and managers have for a long time accepted word-of-mouth as being a crucial marketing activity, since it is extremely effective in shaping consumers’ attitudes and behaviour. Nowadays, the Internet has become a major part of many peoples’ daily lives, and social networking sites attract millions of individuals from all around the world. Because of this, word-of-mouth has shifted to the digitalized world and a new term has been developed, namely electronic word-of-mouth. Electronic word-of-mouth has been recognized to generate the same benefits to companies as word-of-mouth. Due to the growth of the Internet and social networking sites, electronic word-of-mouth has the power to reach more people and is therefore perceived as more influential. This makes electronic word-of-mouth along with social networking sites, two concepts to acknowledge. Thus, for companies to make the most out of them, they need to gain the necessary knowledge. The purpose of this research is to analyse how consumers are affected by electronic word-of-mouth through social networking sites.

In the specific area, a research gap was noticed, namely, how electronic word-of-mouth through social networking sites affects consumers’ product perceptions and purchase intentions. Based on this gap, six hypotheses and a research model were conducted. The empirical data was collected via questionnaire, where the majority of the respondents were within the target group, which was students, aged 18-24.

It was revealed through the results, that electronic word-of-mouth through social networking sites has a direct positive effect on both consumers’ product perceptions and purchase intentions. In addition, age and gender were found to have a moderating effect on the relation between electronic word-of-mouth through social networking sites and product perceptions, as well as purchase intentions. Finally, it is argued that managers should take electronic word-of-mouth through social networking sites into consideration, and adopt it in their marketing tactics.
Key Words

Electronic word-of-mouth, social networking sites, consumer behaviour, consumer affection, product perception, purchase intention
# Abbreviations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Explanation</th>
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<tr>
<td>SM</td>
<td>Social Media</td>
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<tr>
<td>WOM</td>
<td>Word-of-mouth</td>
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<tr>
<td>eWOM</td>
<td>Electronic Word-of-mouth</td>
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<td>SNS</td>
<td>Social Networking Sites</td>
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1. Introduction

*In this introductory chapter, an overview of the topic of this thesis is given. In the background, the main concepts that are employed in this research are defined and discussed. Then, a discussion around the concepts is provided and their importance is reviewed. The chapter ends by addressing the purpose of this research.*

1.1 Background

We are living in the digitalized world of 2012. Today the Internet is a major part of our lives and has changed our everyday activities and interactions with people. The Internet has enabled its users to see each other, hear each other and share their interests. This connection is changing the way the people communicate, since we can contact others from all around the globe with just one click. We represent ourselves online through social media (SM) such as Facebook, which has almost twice as many active users than there are people living in Europe (Newsroom; Europa).

SM does not have a common adopted definition and is therefore a confusing concept among researchers. Kaplan and Haenlein (2010, p. 61) define it as “a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of User Generated Content”. There are six types of SM: blogs and micro-blogs, virtual worlds, collaborative projects, content community sites, sites dedicated to feedback and social networking sites (Chan & Guillet, 2011). These means are used as platforms for engaging in relationships, exchanging views, provoking debates, questioning and sharing information (Wunsch-Vincent & Vickery, 2007 cited in Chan & Guillet, 2011, p.347).

Social networking is a behavior in which people develop relationships to survive (Coyle & Vaughn, 2008). Nowadays, because of the rapid growth of the Internet, social networking has expanded into online networking, used in various industries and pop cultures (Ibid). Almost 80 percent of active Internet users visited SNS and blogs and in 2011, SNS and blogs were globally the most popular online
destinations, reaching almost 60 percent of active Internet users (Nielsen1). In Sweden, 80 percent of the people aged 15 to 24 years use SM (Internetstatistik). Approximately 4.6 million Swedes have a Facebook account (Socialbakers), and there are more or less 500 thousand Swedish blogs, in which 53.5 percent have posted positive comments about a company or products (Slideshare).

Social networking sites (SNS) initiate the development of online social networks, which enable interaction and communication between users (Coyle & Vaughn, 2008). Specifically, SNS allow users to connect with friends, exchange emails and instant messages, meet new people and create profiles with personal information such as photos, video, audio and blogs (Ibid). Some SNS are focused on specific topics, such as knowledge-sharing or product and service purchasing (Wunsch-Vincent & Vickery, 2007 cited in Chan & Guillet, 2011, p.347).

Due to the collaborative and social nature of SNS, brand related consumer-to-consumer conversations occur; also known as word of mouth (WOM) communication (Chu & Kim, 2011).

WOM is defined as an “oral person to person communication between a receiver and a communicator whom the receiver perceives as non-commercial, regarding a brand, a product or a service” (Arndt, 1967, p.3). In this interaction; the beliefs, attitudes and experiences about a product or service are shared by the person who has an opinion or is knowledgeable about that specific product or service to others (Ahuja, et al., 2007).

Due to the rapid growth of the Internet, there has been a drastic shift in WOM communication (Cheung & Lee, 2012). Specifically, traditional WOM has evolved into a new form of interaction: electronic word-of-mouth communication (eWOM) (Ibid). Hennig-Thurau, et al. (2004, p.39) define eWOM as “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 the Internet”.

Hodza, Papadopoulou & Pavlidou, 2012
1.2 Problem Discussion

WOM communication has been a widely discussed topic throughout the years, and it has been accepted that it is vital in shaping consumers’ attitudes and behaviors (Brown & Reingen, 1987). Some say that WOM is much more effective than traditional marketing, such as advertisement through newspapers, radio and personal selling (Ibid), while others state that it is nine times as effective as traditional marketing (Day, 1971). However, WOM can either occur naturally or be boosted by companies; namely “fertilized” WOM (Trusov, et al., 2009). This kind of WOM is biased and is therefore less effective than “organic” WOM (Ibid).

Nevertheless, because of digitalization, there has been an important shift from WOM to eWOM (Prendergast, et al., 2010). eWOM is similar to traditional WOM in the way that it may be either positive or negative, but eWOM can be diffused faster, since it can reach millions of people, making it more influential than traditional WOM (Ibid). Also, in eWOM, information can originate from an unknown person in contrast to traditional WOM, in which information is exchanged in a more personal way (Park & Lee, 2009). eWOM is an important factor to be analysed by marketing researchers and managers, if we consider all the special characteristics of the Internet, such as the ability to be available to the general public for indefinite time (Hennig-Thurau, et al., 2004).

Many have argued that companies have to recognize the impact of WOM on consumers; both negative and positive WOM. Consumers are nowadays relying mostly on online information generated by other consumers to make decisions on future product purchases (Hu, et al., 2011). It is clear that brand awareness as well as information sharing, opinions and attitudes are highly influenced by SM (Mangold & Faulds, 2009). SNS platforms are on the rise and have already attained hundreds of millions of users (Romero, et al., 2011). One of the fastest growing and most popular Internet activities is to have at least one or more SNS accounts (Ibid). Furthermore, SNS allow marketers to engage in two-way communication with online consumers, regarding personalised messages and product related content (Dunne, et al., 2010). Charlene Li, vice president and principal analyst at Forrester Research, stated that
“The more you know and understand the individuals who make up the grounds well around your brand and your company, the more you can use the new social networking phenomenon to your advantage” (Forbes).

The 21st century has been marked by a rapid and continuous growth of SM (Mangold & Faulds, 2009), and especially SNS and messages transmitted through them (Trusov, et al., 2009). SNS constitute an ideal platform for eWOM, since consumers exchange brand-related information through their online social networks (Vollmer & Precourt, 2008 cited in Chu & Kim 2011). SNS contacts may already exist in consumers’ established networks and therefore can be perceived as more trustworthy than unknown users that appear in other SM platforms (Chu & Kim, 2011). When exchanging eWOM, an individual can become an opinion provider, seeker and transmitter (Ibid). In SNS, opinion seekers search for friends’ reliable recommendations and opinion providers share opinions about products with other consumers (Ibid).

It is clear that SNS are an enhancing tool for eWOM, and therefore a beneficial platform for companies, since they can reach many consumers. Even though WOM has been an essential part of small and medium sized businesses (Marketingpilgrim), 64 percent of them do not use SM for their business (Ibid). In order though, for the companies to be able to take advantage of WOM, they have to attain information about consumers; why they interact in eWOM on SNS and how they are affected by it. By understanding how consumers’ eWOM behaviour is affected in SNS, managers can include SM in their integrated marketing communications (Chu & Kim, 2011).

Therefore, for companies and managers to be able to control and benefit from eWOM, they have to understand the mechanisms behind it, and indicate the norms of consumer behaviour. The same applies for eWOM through SNS. Being able to understand how consumers are affected by eWOM through SNS, can give the necessary knowledge that will enable the company to make the most out of this phenomenon.
1.3 Purpose
The purpose of this study is to analyse how consumers are affected by eWOM through SNS.

1.4 Objectives & Outline of thesis
The main concepts in the area of this thesis are brought up in this chapter. The importance and necessity of eWOM and SNS are argued in the problem discussion. This study aims to analyse how consumers are affected by eWOM through SNS.

This thesis continues with the following main chapters:

Theory
In the literature review, the following will be presented; a background about the role of WOM, the importance of eWOM and SNS, the reasons to why people interact in eWOM and SNS, the impact of eWOM through SNS and the role of product perception and purchase intention. In the state-of-the-art, the validity and acceptability of the main theories used will be discussed and finally the hypotheses and research model will be drawn.

Methodology
The methodology chapter will describe the way in which this research has been done and the reasons to why the specific methods have been chosen. The effects of the selected methods will be explained also.

Analysis
The analysis chapter will start by presenting the descriptive findings from the questionnaire. The validity and reliability of this research will be tested. The principal hypotheses will be tested using a linear regression and the sub-hypotheses will be investigated using a subgroup analysis. At the end of the chapter, an independent sample t-test is employed to find out if a non-response bias exists.
Conclusions
The conclusions and the results of the hypotheses will be presented in this chapter. The theoretical and managerial implications will be displayed, as well as the limitations and suggestions for further research.
2. Literature Review

This chapter starts by providing a theoretical background about the role of WOM, the importance of eWOM and SNS and the reasons why people interact in eWOM and SNS. Further, in the theoretical framework, the impact of eWOM through SNS and the role of product perception and purchase intention are presented. Then, the validity and acceptability of the main theories used are discussed in the state of the art. Finally, the hypotheses and research model are drawn and a summary compiles the main theories reviewed in this chapter.

2.1 Theoretical Background

2.1.1 Word of Mouth

Prior to purchasing decisions, consumers collect product information to reduce the perceived risk of the unknown (Wu & Wang, 2011). Purchasing behavior is determined by product involvement, which is how important a product is to an individual; the higher the product significance is, the higher the perceived risk for the potential consumer (ibid).

Most consumers use various channels to communicate with the companies and gather information to make a product-related decision from both print and electronic sources (Rowley, 2001). In her study, Riegner (2007) identified various sources that influenced customers’ purchase decisions. Accordingly, the most popular influence is browsing retail stores and the second most popular is recommendations from close ties, or WOM (Riegner, 2007). Search engines, brand sites, catalogs, outdoor advertisement and user-generated sites are some of the other influential sources, and it was noted that online sources were compared in a favorable way to offline sources (Ibid). Even though in Riegner’s (2007) research eWOM was found to be one of the least popular sources, she suggested that this is because it is still in an early stage, in which it only has an impact on specific products and purchase channels. Nevertheless, Godes and Mayzlin (2004) argue that eWOM has a large influence on brand attitude and judgment compared to other influential sources.
2.1.2 eWOM and SNS

In the literature, eWOM has often been referred to as the same concept as viral marketing (Hennig-Thurau & Walsh, 2004). The Internet is a vital component of viral marketing, since it is essentially WOM through electronic media and this is the major difference between viral marketing and WOM (Goyette, et al., 2010). Since traditional WOM is similar to eWOM, the reasons that have been highlighted in the literature, as to why people interact in traditional WOM, are also applicable in eWOM (Hennig-Thurau & Walsh, 2004). Not only the motives, but also the connections that are found in traditional WOM are implementable in eWOM, since they operate in a similar way (Sun, et al., 2006; Prendergast, et al., 2010). Also, the theories that explain how consumers are affected by traditional WOM are transferable to an online environment (Prendergast, et al., 2010).

SNS are based on the idea that a group of people will join a virtual community, and then this initial group of people will spread invitations, or WOM, for other people to join this network too (Trusov, et al., 2009). Social websites are trying to attract users, and encourage them to socialize through them, by using various means and methods (Keenan & Shiri, 2009).

The effectiveness of WOM has been widely discussed for a long period of time. Some decades ago, Brooks (1957) highlighted WOM as of great importance to marketing products and maximizing their sales. Other researchers also emphasized that WOM had the strongest influence on consumers’ evaluation on high risk-perceived products and that it has the ability to shape and mold other consumers’ opinions (Dichter, 1966; Arndt, 1967).

The rise of the Internet, has increased consumers’ possibility to attain unbiased opinions on products (Hennig-Thurau & Walsh, 2004) and enhanced the opportunity to easily spread these opinions to a large number of people (Dellarocas, 2003; Hennig-Thurau, et al., 2004). The transparency, size and accessibility of the Internet have given marketers the ability to influence and monitor WOM (Kozinets, et al., 2010). Marketers who have seen the benefits of WOM have the power to control
some type of eWOM messages, for example comments on companies’ websites, by deciding whether to show them or not (Park & Kim, 2008). If they are to be shown, marketers are able to guide consumers to post comments in the way that the marketers want (Ibid). Even if companies do not have the means to achieve this, they now have the possibility to measure the impact of WOM, since they are able to control what is being said about their products and consumers’ attitudes towards the company, and can therefore make necessary adjustments (Goyette, et al., 2010).

Hennig-Thurau, et al. (2004), argue how important it is for marketers to pay attention to eWOM, since opinions online are available to a wide span of individuals for an unlimited period of time. Also, because now they can reach a wider audience at a lower cost (Dellarocas, 2003), eWOM is extremely popular, and thus, if eWOM is managed well, it has a huge potential to transcend a product from a small market to a much larger one (Park & Kim, 2007).

WOM is perceived to be trustworthy (Arndt, 1967; Bone, 1995; Godes & Mayzlin, 2004; Brown, et al., 2007), because it is originated from consumers who have no self-interest in the product (Arndt, 1967), and also it is believed to be unbiased information originated from consumers who are alike (Alsop, et al., 2007). eWOM has a crucial influence on consumers’ purchase intentions, since they rely on eWOM before making a product purchase (Doh & Hwang, 2009). Internet users do not follow comments posted online without evaluating them (Cheung, et al., 2009). They believe in opinions about a product that are supported by a strong argument. The opinions need also to agree with the receivers’ beliefs as well as to be originated from a trustworthy source (Ibid). Some negative comments can be beneficial, because if there were only positive opinions online concerning a product, the trustworthiness of the source would decrease, since it could then believed to be originated from the company (Doh & Hwang, 2009). In the study done by Doh and Hwang (2009) it was found that 97.9 percent of the participants trusted eWOM before purchasing a product.
2.1.3 Consumers’ interaction in eWOM

eWOM in SNS is a phenomenon where consumers seek, give or forward product-related information online through the applications of these specific sites (Chu & Kim, 2011). There are five dimensions that influence social relationships and WOM as well as eWOM intentions: trust, interpersonal influence, tie strength, homophily and source credibility (Brown et al., 2007).

Trust is defined as “a willingness to rely on an exchange partner in whom one has confidence” (Moorman, et al., 1993, p.82). The literature and studies suggest that trust is essential when exchanging opinions in online communities (Chu & Kim, 2011; Jarvenpaa, et al., 1998). Accordingly, the higher the level of trust between individuals, the higher the possibility of engaging in information seeking, giving and passing (Chu & Kim, 2011).

Interpersonal influence is an influential variable in consumer decision making (Burnkrant & Cousineau, 1975). It consists of two determinants; normative influence, which is the tendency of adapting to other people’s expectations, by modifying one’s values and attitudes; and informational influence, which is the tendency to accept opinions from people who are knowledgeable about the specific product or brand (Ibid). In their study, Chu and Kim (2011) found a positive relationship between interpersonal influence and SNS users’ eWOM behaviour.

Tie strength is “the potency of the bond between members of a network” (Granovetter, 1973, cited in Mittal, et al., 2008, p.196). Established prior relationships between individuals constitute strong ties, for example family or friends, whereas people with no previous relationship with each other, for example strangers or fellow consumers, form weak ties (Brown & Reingen, 1987). This variable was found to have a positive relationship with opinion seeking and passing, but it was not confirmed to be related to consumers’ intention to give information in SNS (Chu & Kim, 2011). Chu and Kim (2011) interpret this due to the fact that SNS
users share their product-related opinions with all their online contacts, even with people they don’t know that well, namely weak ties.

Homophily is the extent to which individuals that communicate with each other are similar in specific characteristics (Chu & Kim, 2011). Older studies have argued that similar individuals communicate more often and therefore more easily, and are more likely to interact in eWOM concerning product-focused information (Ibid). However, more recent research has proven that similar consumers’ attitudes and attributes do not lead to eWOM (Chu & Kim, 2011; Brown, et al., 2007). Online homophily may limit the diversity of opinions and experiences and therefore individuals’ social circles; this as a result can delimit the individual to a narrow range of information options (Chu & Kim, 2011). Instead, Brown, et al. (2007) concluded that common attributes and shared interests are independent of demographic factors, such as age and socioeconomic class; and that online homophily is evaluated at the level of the Web site and how its content matches the individuals’ interests.

Finally, source credibility refers to the extent to which the online source is expert, competent or biased in the information it carries (Brown, et al., 2007). Notably, a credible source obtains high expertise knowledge and is not liable to bias (Ibid). Studies have shown that source credibility is predominantly evaluated by the Web-site’s factors and some effort is given to evaluate the individuals providing the information on the specific Web-site (Ibid). Evaluations are based on specific online factors, which are based on the Web-site’s whole content and sense of “authority” it generates rather than the individual source (Ibid).

Despite the fact that homophily, trust and tie strength are, by definition, involved with individual relationships, assumptions about the source are based on Web-site factors instead of knowledge about the source (Brown, et al., 2007). Therefore, SNS users are mostly “related” to Web-sites to attain product or brand related information, rather than other individuals (Ibid). Likewise, Lee and Youn (2009) suggested that the eWOM platform where product opinions are posted, affect to some extent how consumers perceived the review and how they responded to it. Due to this relation
between consumers and opinion-based platforms, there are two kinds of relationships between them: “formal” or “functional” and “personal” or “emotional” (Brown, et al., 2007). On the one hand, formal relationships are established when consumers visit Web sites for information search, and on the other hand personal relationships mean that users visit Web sites because they are used to doing so to keep up with the latest information (Ibid).

Until recently, the issue of consumers’ eWOM intention had not been deeply examined and therefore there are no grounded theories or stable reasons for which consumers spread eWOM in SNS (Cheung & Lee, 2012). Nevertheless, there have been a couple of studies that have explored the motivations consumers have for engaging in eWOM on Web-based consumer-opinion platforms, one of which is SNS. In their study, Hennig-Thurau, et al. (2004) have investigated some of these motives based on Balasubramian and Mahajan’s (2001) previous research and have concluded that there are five consumer motivations, or as they call them “utility sources”.

Firstly, focus-related utility is the utility gained by adding value and strengthening the community by the consumers’ contributions, such as reviewing, commenting and helping others with purchase decisions (Henning-Thurau, et al., 2004). Under the umbrella of this utility, Hennig-Thurau, et al. (2004, p.42) identify four motives: “concern for other consumers, helping the company, social benefits and experting power”.

Secondly, consumption utility is a post-purchase advice-seeking motivation for the consumer (Hennig-Thurau, et al., 2004). The consumer interacts in eWOM to look for opinions and previous experience to acquire the relevant skills to better understand the product (Ibid).

Thirdly, approval utility refers to an individual’s satisfaction deriving from when “other constituents consume and approve of the constituent's own contributions” (Balasubramanian & Mahajan, 2001, p.126). This feedback can either be formal,
meaning that the platform operators make the rankings; or informal, meaning that a user publicly or privately congratulates another user’s contributions to the group (Hennig-Thurau, et al., 2004). Two motives strongly related with approval utility are self enhancement and economic rewards (Ibid).

Fourthly, moderator-related utility is when a third party helps the community member to complain in an easier way (Hennig-Thurau, et al., 2004). Motives that are related with this utility and eWOM are convenience and problem-solving support by moderating the role of the platform (Ibid).

Fifthly, homeostase utility is concerned with expressing positive and negative feelings to restore equilibrium after a dissatisfying consumption experience (Hennig-Thurau, et al., 2004). Accordingly, consumers balance their emotions after sharing their positive or negative experiences by commenting and sharing their feelings on an opinion-sharing platform (Ibid).

Research has also been conducted by Cheung and Lee (2012), about factors driving consumers to spread positive eWOM in online consumer-opinion platforms. Based on social psychology literature, they distinguished five key motivations: egoistic (e.g. “the goal is to increase one’s own welfare” (Cheung & Lee, 2012, p.3)), collective (e.g. the goal is to increase the group’s benefits), altruistic (e.g. voluntary increasing the welfare of individuals other than one’s self), principalistic (e.g. “the ultimate goal of upholding some moral principle, such as justice or the utilitarian principle of the greatest good for the greatest number” (Cheung & Lee, 2012, p.4)), and knowledge self-efficacy (e.g. “a personal judgment of one's capability to execute actions required for designated types of performances” (Cheung & Lee, 2012, p.4), and can work as a motivator for knowledge searching online). Their analysis showed that the only antecedents that drove consumers to spread eWOM were egoism (and specifically reputation), collectivism (sense of belonging) and altruism (enjoyment of helping). Agreeing with previous literature, sense of belonging had the largest influence on consumers’ eWOM intention, since it generates loyalty and citizenship within a group (Cheung & Lee, 2012). On the contrary, reciprocity (a dimension of
egoism), principlism (moral obligation), and knowledge of self-efficacy were not found to be connected with consumers’ intent to spread eWOM (Ibid).

2.1.4 Consumers’ interaction in SNS

Wellman, et al. (2001) argue that the time people spend online, would be more valuable by using it to substitute partly the face-to-face interactions. Several studies showed that there can be a positive outcome as far as the social capital and the communities evolve, when people use computers for their social interactions (Kavanaugh, et al., 2005 cited in Ellison, et al., 2007). This use of the Internet can be beneficial for people with low emotional comfort due to weak social ties (Bargh & McKenna, 2004). People that predominantly use the Internet to connect with others, do it to preserve existing contacts in long distance relationships (Wellman, et al., 2001). In conclusion, the growth of online relationships is not necessarily a sign that people are drawn away from the real world, but instead they are used to maintaining contact with people even when they are not physically close to each other (Ellison, et al., 2007).

Findings in Bibby (2008) and Coyle and Vaugh (2008), suggested that “keeping in touch with friends” is the most common aim for using social networking. SNS are used to keep contact with both close and non-close friends, but it cannot substitute the personal “offline” socializing of the individuals (Coyle & Vaugh, 2008). The research in Coyle and Vaugh (2008) concluded that personality is a significant factor determining peoples’ interaction in SNS, and this is considered to be the most significant result, since it can be used to determine a pattern in the SNS usage.

People are still using the same fundamental social motivations and actions online as they would do offline, despite the sudden growth of technological means for socialization (Bibby, 2008). Researchers should encounter SNS as another ongoing form of interaction between people which adds revolutionary factors that evolve communications (Ibid). Psychological factors interfere by following and recording the interactions between people and SNS (Coyle & Vaugh, 2008). Individuals mostly
use SNS to socialize further with people that they are already familiar with (Bibby, 2008).

In order for the companies to get the most out of eWOM, they should focus on using the most effective means in order to target the desired group of people (Coyle & Vaugh, 2008). This task requires money spent on research and analysis, but if taking into consideration the amount spent in general in SNS, then the money is worth spending (Ibid).

Finally, SNS allow people to explore and demonstrate their creativity through the use of certain features that, among others, allow them to project themselves, by sharing information about their personal life or general interests (Bibby, 2008).

2.2 Theoretical Framework

2.2.1 The impact of eWOM on consumers

Consumers seek WOM information prior to making decisions and purchasing products (Arndt, 1967; Godes & Mayzlin, 2004). WOM is of big interest to companies, since it is recognized to have an impact on consumer behaviour and can affect their overall preferences (Godes & Mayzlin, 2004; Bone, 1995).

Exposure to positive WOM usually leads to a product purchase, while negative WOM tends to have the opposite effect (Arndt, 1967). Recommendations available on-line, can also have the same effect and increase a product's overall sales, since they can have an impact on consumers’ opinions regarding a product, and therefore encourage a purchase (Cheung, et al., 2009). On-line opinions which have originated from consumers, have a positive effect on the receivers’ product evaluations and future purchases (Hennig-Thurau & Walsh, 2004; Park, et al., 2007), and particularly those opinions that are logical and well argued with reasonable facts (Park, et al., 2007). The amount of comments available on-line are also shown to increase consumers’ purchase intentions, since numerous comments about a product suggest
that many people have purchased the product and liked it (Park, et al., 2007). eWOM has increased in popularity and has become a crucial element during consumers’ evaluation of products before making a purchase (Doh & Hwang, 2009).

Product recommendations online have a huge influence on the receivers’ product selections, since it has been confirmed that those consumers who were confronted with a product recommendation online were more likely to purchase that product than those who were not (Senecal & Nantel, 2004). In addition, no significant difference was found between experts and other consumers relative to the influence they had on consumers’ product choices (Ibid). Nevertheless, some influences are stronger than others (Bansal & Voyer, 2000). If consumers seek information regarding a product, that information will have a bigger impact on their purchase decisions (Ibid). If a strong relationship among two consumers exists, the information transferred between them will have a bigger impact on the receiver’s purchase decisions too, especially if the sender is knowledgeable within the area of the product (Ibid).

eWOM has been acknowledged by many researchers to have a significant impact on consumers (Riegner, 2007; Fergusson, 2008; Sung et al., 2008 cited in Hongwei, et al., 2012). eWOM is recognized to build consumers’ brand awareness, helps a company to create buzz (Fergusson, 2008) and has an effect on consumers’ brand loyalty (Sung, et al., 2008 cited in Hongwei, et al., 2012). eWOM has an effect on purchase intentions and decisions too, but with some products more than others (Riegner, 2007). Consumers who purchase products online are more likely to be influenced by comments from other consumers (Ibid).

2.2.2 The impact of eWOM through SNS on consumers.

Advertisement from companies on SNS is most likely to be ignored by the members, since these advertisements are company generated and therefore perceived as untrustworthy (Diffley, et al., 2011). Also the fear of being exposed to viruses and
that the advertisements were not of relevance to them make members ignore them (Ibid).

Consumers tend to seek information about products on discussion platforms and these platforms are perceived to be trustworthy, since consumers believe it to be consumer generated (Cheong & Morrison, 2008). Given the enormous growth of SNS, these sites can be huge, when it comes to presentation of user generated comments (Ibid).

Wallace, et al. (2009) confirmed that eWOM through SNS is much more effective in influencing consumers’ purchase intentions than traditional advertising through these sites. SNS can be used to share information about oneself to others, including updates of one’s recent activities, experiences, appreciated things and lifestyle (Dunne, et al., 2010). A connection between SNS and group acceptance has been found and brand messages in SNS do occur (Ibid). Users of some SNS can become “friends” with a certain brand, which is a way to show support for it, and that in turn might lead to positive eWOM (Ibid).

When friends recommend a group that concerns a company, the receiver is much more likely to join that group too, since friends often have similar interests (Diffley, et al., 2011). When consumers see pictures of products on their friends’ profiles, they might purchase that product, if it has made a good impression on them (Cheong & Morrison, 2008). Consumers’ attitudes towards products and companies can be shaped by friends on SNS, if their comments are posted about a specific company or product, since friends share similar interests and are perceived to be trustworthy (Diffley, et al., 2011). If someone positively recommends or negatively evaluates a product to another friend, it impacts their behaviour towards the product (Ibid). In the research by Smith (2007), it was found that consumers, who had many contacts in their networks, were more likely to be influenced by others and follow their advice about products.
Even though it is confirmed that people connected on SNS have a strong influence on each other and that there is a huge potential in this area for marketers, this potential has yet to be realized (Diffley, et al., 2011).

2.2.2.1 Product Perception

Brand image is “a description of the associations and beliefs the consumer has about the brand” (Feldwick, 1996 cited in Wood, 2000). A perception or an attitude towards a product is a significant moderator of consumer behaviour (Allport, 1934 cited in Fishbein & Ajzen, 1974; Huang, et al., 2004). The concept of attitude has been discussed throughout the years in social psychology, but without having authorized a specific solid definition (Ibid). However, all the theories generally agree that a consumer’s attitude towards an object influences the overall responses to that product in a consistently favourable or unfavourable way (Ibid). One’s behaviour is determined by the intention to do so; one’s intention in return, is a result from his or her attitude to perform the specific behaviour (Ajzen & Fishbein, 1977). Therefore, when there is a high connection between intention and behaviour, a single act is predictable from the attitude towards that act (Ibid).

One part of product attitude is brand attitude because when consumers evaluate products, simultaneously they form an opinion toward the specific brand also (Kim, et al., 2002). A core-brand attitude is the overall evaluation of that core-brand, and is the foundation of consumer behaviour regarding that brand (Wu & Lo, 2007).

It was found that pre-usage attitudes, as well as immediate and delayed product judgments can be influenced by WOM (Bone, 1995). The relationship between WOM and product judgments is stronger in a difficult situation, and when the WOM source is perceived as an expert (Ibid). A consumer’s overall attitude towards a product is an ongoing developing learning process, which is affected by known influences, social groups, information, personality, experience and former consumer behaviours such as purchase intentions (Espejel, et al., 2008).
2.2.2 Purchase Intention

Purchase intention refers to the anticipated behaviour of a consumer regarding a future purchase decision (Espejel, et al., 2008). Precisely, it is what kind of product to purchase on the next occasion. A purchase intention is an expected outcome behaviour (Ibid). Purchase intention has been measured extensively within marketing and economic research and is often used to predict the sales of new packaged products (Bemmaor, 1995).

In the research done by Price and Feick (1984), it was found that a consumer’s purchase intention is strongly influenced by the opinions of friends, family, relatives or acquaintances. A product’s popularity can be established by the amount of recommendations it has generated (Park, et al., 2007). Information generated from consumers is effective in forming others purchase intentions and the purchase intention of a specific product is higher within high involved consumers (Ibid).

2.3 State-of-the-art.

As the concepts of eWOM and SNS have only been developed during recent years, research is limited. Most of the research has focused on eWOM and SNS as separate concepts, and they have not been studied together in depth.

The main concepts used; SM, SNS, WOM, eWOM, product perception and purchase intention, form the foundation on which this study is based. Hence, definitions were adopted, which have been generally accepted and widely employed by previous researchers, making the definitions reliable to use in our research. Specifically, the definitions of SM, WOM and eWOM were taken from articles that have been cited many times. However, the definitions of SNS, product perception and purchase intention were taken from articles that have not been cited that many times, but were used anyway because they gave a clear and understandable explanation of the concepts, and were suitable for this research.
Traditional WOM is a concept that has been studied to a large extent over the past decades. There has been a lot of research in this area, and it has been well accepted and well validated that WOM has a significant effect on consumers’ behaviour. Specifically, Arndt (1967) and Bone (1995), among others, concluded that WOM can shape consumers’ opinions and preferences, because it is believed to be trustworthy. It is therefore perceived as a dominating theory.

eWOM however has only been studied to a certain extent compared to traditional WOM, since it is a relatively new concept. How eWOM affects consumers’ behaviour is an emerging theory, since it has only been discussed over the past few years, and researchers have different views of eWOM and its impact. Riegner (2007) proposed that eWOM is still on the rise, and concluded that it has an effect only on certain products, while on the other hand Cheung et al. (2009) and Park et al. (2007) argued that eWOM can influence consumers’ product opinions and future purchases. Moreover, eWOM has mostly been analysed in specific contexts such as consumers’ opinion platforms and blogs. Even though SNS are the most commonly used websites on the Internet (Nielsen1), and many researchers have acknowledged their potential, not many studies have examined whether or not eWOM on these sites has an impact on consumers, specifically affecting their product perceptions and purchase intentions. Instead, most research about eWOM has been focused on the reasons why consumers interact in eWOM and SNS (Hennig-Thurau, et al. 2004; Chu & Kim, 2011; Cheung & Lee, 2012). The limited research done on how consumers are affected by eWOM through SNS, has only compared traditional advertising through SNS with eWOM (Wallace, et al., 2009) or studies have been conducted in Ireland (Diffley, et al., 2011), which makes their research more context dependent. This makes it very interesting to investigate and explore eWOM through SNS and the effect it has on consumers’ product perceptions and purchase intentions.

We have also found a very limited amount of information on how different consumer age groups are affected by eWOM through SNS. Wallace et al. (2009) is the only study that was found to have noticed that the purchase behaviour of the age group 15-24 is more likely to be affected by eWOM, because this generation is more
involved in communication online. Moreover, we have not found any literature stating whether men and women differ on how their behaviour is affected by eWOM through SNS. Therefore, it is also in our particular interest to investigate if gender and age have a moderating effect on the relation between eWOM through SNS and consumers’ behaviour.

2.4 Hypotheses & Research Model

2.4.1 Research Hypotheses

The theories of the scientific articles used in this research, are mostly empirically validated and generally approved, except for the literature regarding eWOM and its effect, which is an emerging theory. Specifically, the research about eWOM through SNS and its effect is a proposal theory, and is about to be investigated in this study. The literature that was employed was suitable for this research, because it gave a general overview around the topic, showing how the different concepts are connected.

Furthermore, we noticed limited research regarding how eWOM through SNS affects consumers’ product perceptions and purchase intentions. In addition to this, we think that the concepts of product perception and purchase intention are of great importance in consumer behaviour, and that it would be interesting to analyse, because these are two significant steps that can lead to a future purchase. Based on the literature, the relation between eWOM through SNS and consumers’ product perceptions and purchase intentions could also be beneficial knowledge for companies and managers. This is because if they understand what influences consumers online in shaping their perception of a product and their intention to buy it, companies and managers can take advantage of, and benefit from eWOM through SNS.

A consumer’s perception of a product is highly influential of the consumer’s final behaviour, either in a favourable or unfavourable manner (Allport, 1934 cited in
Fishbein & Ajzen, 1974; Huang, et al., 2004). Consumers’ attitudes toward a product can be affected by eWOM through SNS (Diffley, et al., 2011). To validate the limited research done in this area, we found it necessary to investigate if eWOM through SNS has an impact on consumers in a way that affects their product perceptions. Therefore, we formulate our first principal hypothesis as displayed below.

**H1:** eWOM through SNS has a direct positive effect on consumers’ product perceptions.

The opinions of friends, family, relatives and acquaintances have a strong influence on consumers’ purchase intentions (Price & Feick, 1984). More specifically, eWOM through SNS has far more influence on consumers’ purchase intentions than traditional advertising (Wallace, et al., 2009). We also found it important to contribute to the limited research in this specific area and investigate if eWOM through SNS has an impact on consumers in a way that affects their purchase intentions. Hence, we formulate our second principal hypothesis as displayed below.

**H2:** eWOM through SNS has a direct positive effect on consumers’ purchase intentions.

2.4.2 Moderators

Moderation is a theory that helps achieve a better understanding of a causal relationship (Wu & Zumbo, 2008). Moderators are a researchers’ hypotheses to investigate whether a cause will lead to an effect and works like a third variable that will modify that effect (Ibid). Thus, the effect of a moderator is an interaction in the relation between a dependent variable and an independent one (Frazier, et al., 2004).

As mentioned in the state of the art, there has been minor research investigating if age and gender have a moderating effect on the relation between eWOM through SNS and their purchasing behaviour, specifically product perception and purchase
intention. Therefore, we saw the need to further investigate this affection. We assume that age and gender do have an effect on the relation and therefore formulate four sub-hypotheses as presented below.

**H3a:** Age has a moderating effect on the relation between eWOM through SNS and consumers’ product perceptions.

**H3b:** Age has a moderating effect on the relation between eWOM through SNS and consumers’ purchase intentions.

**H4a:** Gender has a moderating effect on the relation between eWOM through SNS and consumers’ product perceptions.

**H4b:** Gender has a moderating effect on the relation between eWOM through SNS and consumers’ purchase intentions.

### 2.4.3 Research Model

After taking the hypotheses and moderators into consideration, a research model was formed (Figure 2.1). The left side of the model presents the independent variable eWOM through SNS and the right side shows the dependent variables product perception and purchase intention. In between this relation, we find the moderators age and gender. The blue arrows between eWOM through SNS and product perception and purchase intention symbolize the relation of the hypotheses and the plus sign presents that it is a positive one. The orange arrows that connect age and gender with the relation eWOM through SNS and product perception and purchase intention indicates that age and gender are moderators.
2.5 Summary

This chapter has provided a brief literature review of previous studies related to the purpose of our research. First, we established that eWOM is a channel for consumers’ product evaluation, and the significance of eWOM and SNS were described. Then, we reviewed literature describing the interaction in eWOM and SNS. Thereafter, we presented how consumers are affected by eWOM followed by how consumers are affected by eWOM through SNS. In this area, we noticed that research was limited, which lead us to our hypotheses and research model.

Figure 2.2, displays the connection between the key concepts explained in this literature review.
Figure 2.2 Literature connections
3. Methodology

In this chapter the methodology of this research is presented. The way in which the research has been done and the reasons why the specific methods have been chosen are described. The effects of the selected methods are explained, and at the end of the chapter, a summary is conducted.

3.1 Research Purpose

The research purpose can be categorized into three different groups; exploratory, descriptive and explanatory (Saunders, et al., 2009). An exploratory study is applied when a researcher wants to achieve a more clear understanding of a problem and seeks new insights; a descriptive study is useful when the researcher, prior to collecting data, is well aware of the phenomenon on which he or she wants to collect data (Ibid). Finally, an explanatory study is when a researcher wants to study a problem in order to establish a causal connection between variables (Ibid).

In previous chapters the various concepts have been explained and the problem has been established. The aim of this paper is to make generalised assumptions about how consumers are collectively affected by eWOM through SNS, and not to deeply understand the reasons behind every individual’s motive. The purpose of this paper is therefore not descriptive or exploratory, but rather causal and explanatory.

3.2 Research Approach

3.2.1 Inductive vs. Deductive Research

According to Bryman and Bell (2011), there are two research approaches; inductive and deductive. Inductive research initially focuses on investigating empirical data and through various research methods and aims to generate theories. Deductive approach starts by looking at theory, creates hypothesis out of it and then tests the theory in a relevant context (Ibid). The deductive approach represents the most
common perception of the relation between theory and reality (Bryman & Bell, 2005).

The approach of this thesis is deductive. The foundation of our research is the literature review we conducted in the second chapter, based on which we draw our hypotheses. Specifically, we first investigated the theory about eWOM, SNS, and the reasons for interacting in eWOM and SNS. We also reviewed how consumers are affected by eWOM and SNS individually, but we noticed limited research concerning the effect of eWOM through SNS in purchase intentions and product perceptions. For this reason, we chose this particular topic as our research investigation.

3.2.2 Qualitative vs. Quantitative Research

Many researchers argue that qualitative and quantitative research strategies differ between their epistemological foundations, as well as in other aspects (Bryman & Bell, 2011).

Qualitative research is used for complex situations and focuses on words, attitudes and beliefs, while striving to get a deeper understanding of the existing problem (Bryman & Bell, 2011). Information is gathered from many variables, but from only a few entities (Ibid). The objective here is to comprehend the fundamental motives and reasons and to describe specific situations, rather than to generalise (Ibid).

Quantitative research is a more structured and controlled approach, which emphasises on quantifications in order to draw measurable and statistical results (Bryman & Bell, 2011). A few variables are examined, but on a large number of entities (Ibid). The aim of quantitative research is to handle the problem from a broad perspective and draw general conclusions according to the results of the investigation (Ibid). Generalisation is a main characteristic, meaning that the specific study’s results can be applicable in different contexts (Bryman & Bell, 2005). Quantitative
research attempts to explain why things work as they do and not describe them (Ibid).

It is argued that deductive approach is more suitable for a quantitative research, whereas inductive approach is associated with qualitative research (Bryman & Bell, 2011). Therefore, in this thesis we follow quantitative research, first of all because it fits with the deductive approach. Also, it was considered important to conduct research based on the theory we have previously investigated. Due to the quantitative nature of our study, numerous results are required, in order to be measured and analysed with the help of statistical methods.

3.3 Research Design

According to Bryman and Bell (2005), after choosing either a quantitative or a qualitative research, a choice regarding research design and research strategy has to be taken. A research design is a plan that connects the empirical findings to the research questions and to the conclusions of the research (Yin, 2009). It is a way that takes the researcher from the start of the research where questions have been formed, to the end, where these questions are answered (Ibid). Collection and analysis of data comes in between (Ibid). There are five different types of research designs; experimental design, cross-sectional design or social survey design, longitudinal design, case studies and comparative design (Bryman & Bell, 2011). Cross-sectional design and social survey design are two terms often used as synonyms to each other and the approach of this choice of research design is to collect data from more than one case (Bryman & Bell, 2005). A social survey design is when data is collected with the help of questionnaires, structured interviews or structured observations to achieve quantitative data, regarding two or more variables, to be able to find relations between them in the analysis (Ibid).

The selected strategy of this study is social survey design, since the aim of the research is to achieve a quantitative measure and investigate the relation between
eWOM through SNS and consumers’ purchase intentions as well as product perceptions.

3.4 Data Sources

According to Bryman and Bell (2011), there are two data sources: primary and secondary. On the one hand, secondary data is the data that has been collected from other researchers beforehand, for their own purposes and can be attained through websites, libraries, statistical databases and other means (Bryman & Bell, 2011). Secondary data offers benefits to the researchers using it, such as cost and time saving, high quality, solutions and new perspectives or problem alerts (Ibid). However, some of the negative aspects of these sources may be lack of availability, complexity, lack of control or irrelevance (Ibid). On the other hand, primary data is the information collected first hand by the researchers, which is tailor-made to answer the specific research purpose (Bryman & Bell, 2005). It is up-to-date information that focuses on the particular examined problem (Ibid). Nevertheless, it can be time consuming, costly and hard to gain due to the high non-responsive rates (Ibid).

In this research, primary data was collected to be used in the empirical investigation. By conducting our own research and forming our own hypotheses, our investigation became more customized and realistic. The information we attained was more up-to-date and focused on the specific topic we were examining. Primary data is more focused on our research purpose and has higher validity than secondary data.

3.5 Data collection method

As previously mentioned, there are several methods to adopt when collecting the empirical data within a social survey design: structured interviews, questionnaires and structured observations (Bryman & Bell, 2005). A structured observation is an investigation of behaviour and differs from structured interviews and questionnaires in which analysis is based on what the respondents say and not how they actually
Structured interviews along with questionnaires are the most commonly used methods (Ibid). Additionally, in previous studies, surveys were typically adapted to study and analyse WOM activity (Godes & Mayzlin, 2004).

Structured interviews mean that the interviewer applies the same questions to all respondents to be able to compare the answers (Bryman & Bell, 2005). Questionnaires are sent to the respondents where they answer independently, and then send the questionnaire back to the interviewer (Ibid). The most common questionnaires are the ones sent on paper, by mail, or electronically (Bryman & Bell, 2011). The benefits obtained when using a questionnaire instead of structured interviews, are that questionnaires are of a lower cost and easier to administrate, contrary to interviews, which are costly and time consuming (Ibid).

Considering that time was limited and it was necessary to attain many responses to be able to achieve a realistic conclusion, structured interviews and observations were excluded, because they required much effort to reach our requirements. According to Saunders, et al. (2009), questionnaires are appropriate when conducting an explanatory or descriptive study. Therefore, we considered that our purpose would be better served with a questionnaire (Appendix 1). Also, we wanted to achieve a higher level of responses, and answer our hypotheses based on statistical analyses. Due to these arguments and the benefits gained, a questionnaire was adopted in this research.

3.6 Questionnaire Design

There are several guidelines to follow when constructing a questionnaire. One action to increase the response-rate is, along with the questionnaire, to include a letter of introduction explaining why the research is being done and why the respondents have been chosen (Bryman & Bell, 2005). Further, open questions should be avoided as much as possible, since people normally do not like to answer questions that are time consuming (Ibid). It is also important for the questionnaire to have clear instructions and an appealing layout (Bryman & Bell, 20011). There should not be
too many questions either, since shorter questionnaires normally have higher response-rates (Ibid).

These guidelines were taken into consideration when our questionnaire was constructed. First, we formed a letter of introduction to send along with the questionnaire (Appendix 2), where we explained the reason for conducting this research, and how important the responses were for our research. We informed the respondents, that by entering their email address, they could participate in a lottery and win a gift token for the cinema worth 200 SEK. We also provided our contact information in case they had inquiries about the questionnaire.

As presented in Appendix 1, the questionnaire included sixteen mandatory and one optional questions. We preferred to include mostly closed questions; the only open questions were the ones where we wanted the respondents to indicate their age and their e-mail address. The remaining questions had “yes or no” or readymade answers. The SNS list from question number five’s answer was based on Nielsen’s top SNS list (Nielsen2). The statements we asked the respondents to relate to were replied on a five point Likert scale, ranking from “Strongly Disagree” to “Strongly Agree”.

3.7 Pretesting

It is important to test the questionnaire prior to actually using it to collect data (Saunders, et al., 2009). Thus, the questionnaire can be improved, so that the respondents do not have any problems in answering the questions, and the researcher will have no problem in documenting the information (Ibid). Testing the questionnaire also helps the researcher determine if the questions asked will answer the purpose of the research (Ibid). It is also advisable to ask for an expert’s opinion regarding the questionnaire to gain feedback about the questions, and ascertain whether they are suitable for the purpose of the research (Ibid).

Before giving out the questionnaire, we discussed it with our tutor. The received feedback was taken into consideration and necessary adjustments were made. We
pre-tested the questionnaire on two occasions by handing it out to students who study business administration or marketing. Based on those responses, we made necessary improvements and corrected some mistakes.

3.8 Sample Selection

A population is the collection of units that belong to the same group and geographical area and from which the sample is to be selected (Bryman & Bell, 2011). A sample is a part of the population which is selected for research (Ibid). The sampling selected for a study can be a probability sample or a non-probability sample (Bryman & Bell, 2005). A probability sample is selected randomly and everyone in the population has the possibility of being selected (Ibid). A non-probability sample is not selected randomly, but basically means that some individuals have a greater chance of being selected for the research (Ibid). Convenience-sample, snowball-sample and quota sample are three types of non-probability samples (Ibid). A convenience-sample is where those people who are available for the researcher at that time are selected (Ibid). A response rate that is over 50 percent is considered to be acceptable (Ibid).

Various age groups use SNS in different ways and behave differently on them (PwC, 2008a cited in Diffley, et al., 2009). For the purpose of answering our hypotheses, our population included students in higher education aged 18-24. This is because according to Howard et al. (2001), students embody one of the first generations to have grown up with the Internet. These ages are also the most frequent users of Facebook (Facebook).

We drew a convenience-sample out of the population, because of the ease of data collection and sample selection (Diffley, et al., 2009), and due to the limited time and funds. The questionnaire was sent out via Facebook to our acquaintances. We chose Facebook because people aged 18-24 use this SNS more than any other age group, and we could easily reach out to many people in the suitable target range. Through this site, we could also reach students of other ages. Our sample had a total number
of 512 people, where 278 of them answered, which gave us a response rate of approximately 54.3 percent. 217 respondents were students aged 18-24 and 33 were students of other ages. The median age of all respondents who were students was found to be 22.

3.9 Operationalisation & Measurement of variables

An operationalisation is referred to as the translation of theoretical concepts into observable indicators of their existence (Saunders, et al., 2009). Basically, it is how a concept is to be measured in a study (Bryman & Bell, 2011). Concepts are explained as the components that make up the theory and represent the essence of the research (Bryman & Bell, 2011). The measurement of concepts will help establish differences between people based on the question (Ibid). It will also provide a consistent tool for future research regarding the same concepts, and will also provide necessary applications to estimate the relationship between concepts (Ibid).

The concepts that were applied in this study are eWOM, SNS, purchase intention and product perception. The concepts are all discussed in the literature review. The way in which they correlate to each-other has also been described. According to Bryman & Bell (2011), all concepts that have been implemented in a quantitative research have to be measured. As mentioned earlier, the purpose of this research was achieved by the help of a questionnaire. The questionnaire started with questions that were needed to answer the hypotheses, such as age and gender indicators. Then, it continued with questions that had been formed to measure the other variables: eWOM through SNS, SNS, product perception and purchase intention.

Table 3.1 presents the final indicators used in the questionnaire by displaying the concepts, the type of scale and its construction, the items used and their references. Since eWOM requires SM, and SNS is a part of it, we chose to examine eWOM and SNS as one variable and therefore the questions asked in the questionnaire include both eWOM and SNS.
<table>
<thead>
<tr>
<th>Concept</th>
<th>Type of scale &amp; its construction</th>
<th>Items used</th>
<th>Adopted from</th>
</tr>
</thead>
<tbody>
<tr>
<td>SNS</td>
<td>1 item, dichotomy scale</td>
<td>SNS1: Do you have an account on a social networking site? SNS2: Which of the following social networking sites have you joined? SNS3: On average, how many times a day do you log in to a social networking site?</td>
<td>(Chu &amp; Kim 2011; Coyle &amp; Vaughn 2008)</td>
</tr>
<tr>
<td></td>
<td>2 items, nominal scale</td>
<td>eWOM1: Approximately, how frequently do you communicate with your contacts on social networking sites? eWOM2: On social networking sites, I tend to pass along my product-related opinions to my contacts. eWOM3: On social networking sites, I tend to seek for opinions from my contacts regarding a product that I intend to purchase. eWOM4: I am likely to recommend a product to others, after receiving relevant comments about that product on social networking sites from my contacts.</td>
<td>(Chu &amp; Kim, 2011; Sun et al., 2007; Park et al., 2007)</td>
</tr>
<tr>
<td>eWOM through SNS</td>
<td>1 item, nominal scale</td>
<td>PP1: I understand a product better after receiving relevant information about that product on social networking sites from my contacts.</td>
<td>(Park et al. 2007; Wangenheim &amp; Bayon, 2004; Arndt, 1967)</td>
</tr>
<tr>
<td></td>
<td>3 items, 5 point Likert scale</td>
<td></td>
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<tr>
<td></td>
<td>anchored by: (1) strongly disagree, (5) strongly agree</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product perception (PP)</td>
<td>3 items, 5 point Likert scale</td>
<td>PP1: I understand a product better after receiving relevant information about that product on social networking sites from my contacts.</td>
<td>(Park et al. 2007; Wangenheim &amp; Bayon, 2004; Arndt, 1967)</td>
</tr>
</tbody>
</table>
| Purchase intention (PI) | 3 items, 5 point Likert scale anchored by: (1) strongly disagree, (5) strongly agree | PI1: The opinions I have received on social networking sites from my contacts, have affected a former purchase decision of mine.  
PI2: Given a choice between two products, one recommended on social networking sites from my contacts and the other not, I would always choose to buy the recommended product.  
PI3: Whether a product is recommended on social networking sites from my contacts, is NOT important to me making my own decision on what to buy. | (Wallace et al. 2009; Creyer, 1997) |
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Age (A)</td>
<td>1 item, open question</td>
<td>A1: Please indicate your age.</td>
<td></td>
</tr>
<tr>
<td>Gender (G)</td>
<td>1 item, nominal scale</td>
<td>G1: Please indicate your gender.</td>
<td></td>
</tr>
</tbody>
</table>
Table 3.2 first presents the conceptual definition of a concept, which is the established theory from the literature investigation. Then, operational definition is the definition we built for the matters of this study in order to make it understandable to all the readers.

<table>
<thead>
<tr>
<th>CONCEPT</th>
<th>CONCEPTUAL DEFINITION</th>
<th>OPERATIONAL DEFINITION</th>
</tr>
</thead>
<tbody>
<tr>
<td>eWOM</td>
<td>“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 the Internet” (Hennig-Thurau, et al., 2004, p.39)</td>
<td>When someone posts a comment regarding a product or company on the Internet, available for others to see.</td>
</tr>
<tr>
<td>SNS</td>
<td>“...member-based Internet communities that allow users to post profile information, such as a username and photograph, and to communicate with others in innovative ways such as sending public or private online messages or sharing photos online.”(Pempek, et al., 2009, p. 227)</td>
<td>A website on the Internet where people can become members and create a profile so that they can publish pictures, post comments and updates and interact with each other.</td>
</tr>
<tr>
<td>Product perception (PP)</td>
<td>“...a description of the associations and beliefs the consumer has about the brand” (Feldwick, 1996 cited in Wood, 2000, p.662)</td>
<td>The perspective through which the consumers encounter the product.</td>
</tr>
<tr>
<td>Purchase intention (PI)</td>
<td>“...reflects the predictable consumer behaviour in the more immediate future buying decisions” (Espejel, et al., 2008, p. 869)</td>
<td>The way consumers are affected in a matter of the likelihood to buy.</td>
</tr>
</tbody>
</table>
3.10 Data analysis method

An explanatory study requires that the researcher collects data to test the theory (Saunders, et al., 2009). The data collected from the questionnaires will be analysed with the help of a computer (Ibid). There are many available websites online for researchers to use that allow them to design, send out, collect and analyse the questionnaires (Ibid). A rule is that computers are to be used for the analysis if more than 30 people have responded (Ibid).

We designed our questionnaire with the help of “Keysurvey”, which is available online. This enabled us to send out the questionnaire to the chosen respondents. Within “Keysurvey”, we were also able to collect and display the data. It was in our interest to examine how the variables correlate to each other and this was tested with the help of the SPSS program, since with “Keysurvey” we were able to export the data to “Excel” and later implement it in the SPSS program.

3.10.1 Hypotheses testing

To be able to evaluate if there is a relation between the dependent variable and one or more independent variables, a linear regression can be applied (Ghauri & Gronhaug, 2005). With the R square value, one can see how much the variance of the dependent variable is explained by the independent variable (Muijs, 2004). The Beta value will show how much the dependent variable will change, when the independent variable changes by one unit (Ibid). A significance level lower than 0.05, is assumed to be a conventionally chosen level of significance (Ghauri & Gronhaug, 2005).

3.10.2 Sub-Hypotheses testing

Subgroup analysis and moderated regression analysis are two basic methods to use when the researcher needs to identify if specific variables have a moderating effect on a relation (Sharma et al, 1981). The procedure of subgroup analysis is as follows; first, the data set has to be divided into two subgroups, and then a regression analysis should be
made to examine the differences between them (Ibid). If the R square value varies between subgroups, then it can be assumed that the variable is a moderator (Ibid).

Accordingly, to determine if age and gender are moderators in the relation between eWOM through SNS and product perceptions as well as purchase intentions, a subgroup analysis will be made. To be able to confirm or reject our sub-hypotheses 3a and 3b, we decided to also include the responses of students that were not in the limits of our target group. Specifically, this resulted to the analysis of 250 students of ages ranking from 17-32. To be able to confirm or reject sub-hypotheses H3a and H3b, the data was grouped into younger and older respondents, according to the age median, which is 22 years old. To test sub-hypotheses 4a and 4b, a subgroup analysis was made on the target group.

3.10.3 Non-response bias

There has been a lot of criticism for the non-response bias toward surveys that have been handed out through mail (Armstrong & Overton, 1977). One cannot draw conclusions for the entire sample if the people who respond to the questionnaire differ from those people who did not answer (Ibid). Late respondents are expected to be similar to non respondents, because it is believed that they have answered due to the higher stimulus (Ibid).

To be able to establish the non-response bias, early respondents were compared to the late respondents by using an independent sample t-test. Since the questionnaire was accessible for a short period of time and no reminders were needed, we analysed late respondents as those who did not answer on the first day, in relation to product perception and purchase intention. This is also because the majority of the respondents answered to the questionnaire during the first day. Of those respondents who were in our target group, 169 responded on the first day and 48 on the following days.
3.11 Quality Criteria

3.11.1 Validity

Validity is the extent to which a measurement instrument measures what it is supposed to measure (Bryman & Bell, 2005). Internal validity is concerned with the causality between two or more variables, and if there is a connection between the independent and dependent variables (Ibid). External validity is concerned with whether the results from a study can be generalised outside the specific context of the research (Ibid).

By using Pearson r, the relationship between variables can be studied (Bryman & Bell, 2005; Pallant, 2010). With the help of the correlation coefficient, the relationship between variables can be established (Wahlgren, 2008). The correlation coefficient can take values from -1 to +1 (Ibid). It represents both the direction and the strength of the relationship (Pallant, 2010) A coefficient value of 1 represents a perfect relation between two variables, a coefficient value of 0 means that no connection at all exists, and a coefficient variable of -1 indicates that the variables are related inversely (Bryman & Bell, 2005; Ghauri & Gronhaug, 2005). If the significance value is less than 0.05, it is verified that the correlation between the two compared variables is statistically significant (Morgan et al., 2004).

Also, it is important to ensure discriminant validity, in order to guarantee if the measured variables differ from each other (Santos-Vijande & Alvarez-Gonzalez, 2007). This can be done by controlling that the variables are correlated by a maximum of 95 percent (Ibid). A correlation value between 0.1 and 0.29 is considered to be small, while correlation values between 0.3 to 0.49 and 0.5 to 1 are considered to be medium and large respectively (Gray, 2009). According to Leech et al. (2005), the correlations should be low to moderate but not higher than 0.6.

We believe that our questionnaire is accurate, valid and relevant enough to build up our empirical investigation, and reflects the variables we wanted to study. The
questions we used in our questionnaire were obtained by previous researchers from scientific articles, and were adapted to our context. Hence, they have already been proven to give relevant answers responding to the same variables as ours.

Question ten was the only exception; it was adopted from Park et al. (2007), where it did not measure eWOM through SNS, but was implemented anyway, because we believed it was appropriate to measure this variable. As mentioned above, before giving out the questionnaire, it was reviewed and pretested by an expert, our tutor. We also pre-tested the questionnaire on two occasions. This made us confident that question ten would actually measure eWOM through SNS. After making the suggested changes and appropriate adjustments, our questionnaire reached its final form, which we assumed would give the answers to our hypotheses.

We built our selection of the population on the literature review and we formulated the questions on the questionnaire in order to confirm or reject the hypotheses. The questions were conducted in a simple manner, written in easy language, and the different concepts were described carefully, in order to make them as understandable as possible. As already stated, SNS is an evolving concept which mostly attracts young users, and eWOM through SNS has not been that frequently discussed in the literature. Because of the argument above and since this research was done on a specific population using a sample of convenience, we do not believe that the results can be generalised into other populations.

3.11.2 Reliability

In the case that it is not possible to measure an item uniquely, several questions can be asked to the respondent and then turn those questions into a single numeric value (Bland & Altman, 1997). An internal consistency is required when there are several items that are used to form a scale (Ibid). All items should be correlated to each-other, to assure that they measure the same thing (Ibid). To establish this, the Cronbach alpha value can be taken into account; if it is 0, then none of the items are correlated to each-other (Ibid). If the number is 1, it means that all items are the same
According to Jenkinson, et al. (1994), as cited in Tillmann and Silcock (1997), an alpha value bigger than 0.5 is acceptable and indicates reliability, while values bigger than 0.8 are ideal.

Reliability is concerned with the consistency of a concept’s measure (Bryman & Bell, 2011). The key factors that indicate whether a measure is reliable are stability, internal validity and inter-observer consistency (Ibid). Reliability also demonstrates that the outcomes of the study will be the same if repeated in a later point in time (Ibid).

We believe that if someone attempts to test our research in the future on a similar population, he or she will get the same or almost the same results as we did, making our investigation highly reliable. Our questionnaire is formulated by a sequence of closed questions and yes or no questions, which gives the respondents a limited choice of answers. The questions of our survey are clear and understandable enough for the students to answer with confidence at another point in time. As mentioned before, the questionnaire was tested on students before actually carrying it out on our sample, so that any misunderstandings were corrected. Therefore, if the researcher reaches out to the same target group, the input to the future study will be similar or identical to ours, because the questions were adopted from previous researchers, the answers are established and there are specific options to choose from.

3.12 Summary

This chapter has dealt with how the data has been obtained for the purpose of this thesis. Specifically, it has described the methodology of our investigation; including research purpose, research approach, research design, data sources, data collection method, questionnaire design and pretesting, sampling, data analysis method, operationalisation and finally quality criteria.
Figure 3.1 graphically summarises the methodology steps we have followed during the process of writing this thesis. The choices in every step are employed from the literature that is presented above in this chapter.

**Figure 3.1 Methodology summary**

*Linnaeus University, Bachelor’s Thesis*
4. Data analysis & Results

The following chapter starts by presenting the descriptive statistics from the questionnaire. The validity and reliability of the research are tested. Then, the two principal hypotheses are analysed using a linear regression. To answer the sub-hypotheses, a subgroup analysis is made. Finally, an independent sample t-test is employed to find out if a non-response bias exists.

4.1 Descriptive data examination

To be able to analyse the findings, the 278 responses to the seventeen questions were entered into the SPSS program. In order to gain a complete understanding of the data gathered, it was important first of all to present the descriptive findings. Based on this, we drew several conclusions which are presented hereafter.

The descriptive statistics of 278 respondents are presented in Figure 4.1. The majority of our sample is female (55.4 percent), and the average age is approximately 22. Question number one (“Please indicate your age”) was given to guarantee that the analysis made for the principal hypotheses, H1 and H2, and sub-hypotheses, 4a and 4b, was only based on the targeted age group, 18-24. The question was also vital to test the sub-hypotheses 3a and 3b, which indicate age as a moderator.
Of all respondents, 250 were students in higher education, and 235 were aged 18-24. 43 people who responded to the questionnaire were not in the limits of our target age group. The following descriptive findings are only based on our target group.

To answer if the respondents’ product perceptions and purchase intentions are affected by eWOM through SNS, the respondents required a SNS account. To ensure this, the questionnaire was sent through Facebook. Thus, question number four (“Do you have an account on a social networking site?”) is a qualifier to which all respondents answered “yes”. Question number five (“Which of the following social networking sites have you joined?”) is also a qualifier, through which we guaranteed that our respondents actually knew what SNS are, by providing a partially closed question with a list of the most popular SNS followed by an empty field for them to complete. All respondents selected Facebook, since they received the questionnaire through it in the first place. As shown in the Figure 4.2, the second most popular site was Twitter on which approximately 34 percent (74 respondents) had an account. 29.49 percent (64 respondents) had an account at Google+, 22.5 percent (49 respondents) at LinkedIn and 8.29 percent (18 respondents) at Myspace. 11 percent (24 respondents) answered “Other”, meaning that they had another SNS account, which was not on the list, for example Tuenti, Tumblr, MSN, Hi-5, and others.

![Figure 4.1 Descriptive findings about respondents](image-url)
On question number six (“On average, how many times a day do you log in to social networking sites?”), one respondent answered 0 times, 41.47 percent (90 respondents) answered 1 to 3 times a day, 34.56 percent (75 respondents) 4 to 7 times a day, while 23.5 percent (51 respondents) log in more than 7 times a day.

The statements eleven, twelve and thirteen in the questionnaire referred to product perception. The majority of the respondents in our target group (40.10 percent) agreed that they understood a product better after receiving relevant information about it from their contacts on SNS, whereas 26.7 percent of the respondents were neutral about it. Most of the people (42.90 percent) agreed that a former comment or update about a product by their contacts on SNS, had had an influence on how they perceived that product. Moreover, the percentage of people who agreed and who were neutral about the next statement was more or less the same; 35.5 percent of the people agreed that they were likely to change their opinion about a product after viewing a positive or negative comment about it on SNS, whereas 36.4 percent of them did not agree or disagree about it.

The next three statements were about purchase intentions. 35 percent of the respondents in our target group were neutral when they were asked if the opinions that they had received from their contacts on SNS had affected a former purchase decision of theirs.
27.2 percent agreed and 26.3 percent disagreed. In the next statement, exactly the same number of respondents (27.2 percent) agreed and disagreed that they would always choose to purchase the product that had been recommended by their contacts on SNS; 27.6 percent were neutral about this statement. Finally, in statement sixteen 32.77 percent agreed that it was not important to them whether a product had been recommended when making the decision on what to buy.

4.2 Quality criteria

4.2.1 Reliability testing

As explained in the methodology chapter, all questions in the questionnaire were adopted from previous research, measuring the same variables that we were to measure, except for question number ten. This question was adopted from previous research, where it did not measure eWOM through SNS. In the Cronbach alpha analysis, as shown in the Table 4.1, a number 0.737 was achieved for eWOM through SNS, which according to the literature, is acceptable. The satisfactory alpha value that was calculated made question number ten reliable to measure the specific variable. However, question number seven (“Approximately, how frequently do you communicate with your contacts on social networking sites?”) was eliminated from the analysis. This is because when this question was included in the analysis, an unacceptable Cronbach alpha had been calculated, specifically 0.464. The Cronbach alpha value of product perception was 0.688 and therefore no questions were eliminated. The Cronbach alpha analysis of purchase intention resulted in a value of 0.389. Since this is unacceptable, question number sixteen (“Whether a product is recommended on social networking sites from my contacts, is NOT important to me making my own decision on what to buy”) was excluded and a Cronbach alpha value of 0.533 was achieved. At this point, considering the reliability is ensured, we proceed in combining the remaining questions by calculating their mean value.
4.2.2 Validity testing

We found correlation values of 0.533, 0.352 and 0.600 as presented in the Table 4.1. Even though the correlation between product perception and purchase intention was 0.6, we did not compose the variables but instead we proceeded normally with the analysis. This is because the correlation between product perception and purchase intention is boundary and the two variables are well defined by the literature as two separate concepts. Moreover, there is a significance value of 0.000 on all of the correlations, which is lower than the acceptable level and therefore statistically confirms the above analysis. Furthermore, since no correlation was above 0.95, discriminant validity can be assured. This implies that the variables represent different concepts.

Table 4.1 Construct Correlations & Cronbach Alpha

<table>
<thead>
<tr>
<th></th>
<th>eWOM_SNS</th>
<th>PP</th>
<th>PI</th>
</tr>
</thead>
<tbody>
<tr>
<td>eWOM_SNS</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PP</td>
<td>0.533*</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>PI</td>
<td>0.352*</td>
<td>0.600*</td>
<td>1</td>
</tr>
<tr>
<td>Standard Deviation</td>
<td>0.8653</td>
<td>0.8050</td>
<td>0.8739</td>
</tr>
<tr>
<td>Mean</td>
<td>1.7312</td>
<td>2.2012</td>
<td>1.9032</td>
</tr>
<tr>
<td>Crobach Alpha</td>
<td>0.737</td>
<td>0.688</td>
<td>0.533</td>
</tr>
</tbody>
</table>

Note: eWOM_SNS: eWOM through SNS, PP: product perception, PI: purchase intention.
*Correlation is significant at the 0.000 level.

4.3 Hypotheses testing

To analyse and answer our principal hypotheses, the respondents that were in our target group (i.e., students aged 18-24) were taken into consideration. Therefore, we eliminated 43 responses and only analysed the remaining 217 answers.
4.3.1 Hypothesis 1

H1 stated that eWOM through SNS has a direct positive effect on consumers’ product perceptions. We got an R-square value of 0.284, as shown in Table 4.2, which means that the variable eWOM through SNS explains 28.4 per cent of the variations in the variable product perception. A significance value of 0.000a, indicates that eWOM through SNS is significant for product perception. As presented in Table 4.3, a Standardized Coefficient Beta value of 0.533 with a significance value of 0.000a implies that if the variable eWOM through SNS increases by one unit then the estimated expected value of product perception will increase by 0.533 units. The conclusion is that eWOM through SNS and product perception are significantly related to each other and therefore H1 is supported.

<table>
<thead>
<tr>
<th>Table 4.2 ANOVA H1</th>
<th>Table 4.3 Coefficients H1</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>R Square</strong></td>
<td><strong>Standardized Coefficients Beta</strong></td>
</tr>
<tr>
<td>0.284</td>
<td>0.533</td>
</tr>
<tr>
<td><strong>Sig.</strong></td>
<td><strong>Sig.</strong></td>
</tr>
<tr>
<td>0.000a</td>
<td>0.000</td>
</tr>
</tbody>
</table>

4.3.2 Hypothesis 2

H2 stated that eWOM through SNS has a direct positive effect on consumers’ purchase intentions. The findings from the regression analysis are presented in the Table 4.4 and Table 4.5. The R square value is 0.160 with a significance value of 0.000a. This can be translated as 16 percent of the variations of purchase intention can be explained by the variable eWOM through SNS, and this is statistically significant. eWOM through SNS and purchase intentions have a significant positive relation with a Beta value of 0.4, which is relatively high. This means that if eWOM through SNS increases by one unit, then the estimated expected value of purchase intentions will increase by 0.4 and there is a significance level of 0.000 for this. The conclusion is that eWOM and purchase intentions are significantly related to each other and therefore H2 is supported.
### Table 4.4 ANOVA H2

<table>
<thead>
<tr>
<th>R Square</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.160</td>
<td>0.000a</td>
</tr>
</tbody>
</table>

### Table 4.5 Coefficients H2

<table>
<thead>
<tr>
<th>Standardized Coefficients Beta</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.400</td>
<td>0.000</td>
</tr>
</tbody>
</table>

### 4.3.3 Hypotheses Discussion

As previously discussed and shown in the Table 4.6, hypothesis 1 and hypothesis 2 are both supported. An R square value of 0.284 for eWOM through SNS and product perception was found. This is higher than the R square value 0.160 for eWOM through SNS and purchase intention. This indicates that consumers’ product perceptions are more affected by eWOM through SNS than their purchase intentions. This is because a lower percentage of the variation of purchase intention than of product perception can be explained by eWOM through SNS. This is also confirmed since the Beta value is higher for eWOM through SNS and product perception than eWOM through SNS and purchase intention. Moreover, if eWOM through SNS increases by one unit then product perception will increase by 0.544 units while purchase intention will only increase by 0.400 units.

### Table 4.6 Hypotheses testing

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>R square</th>
<th>Standardized Coefficients Beta</th>
<th>Hypothesis test</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1: eWOM through SNS → PP</td>
<td>0.284</td>
<td>0.544</td>
<td>Supported</td>
</tr>
<tr>
<td>H2: eWOM through SNS → PI</td>
<td>0.160</td>
<td>0.400</td>
<td>Supported</td>
</tr>
</tbody>
</table>

### 4.4 Sub-Hypotheses testing

#### 4.4.1 Age

As stated in the methodology chapter, to be able to determine if age has a moderating effect on the relation between eWOM through SNS and product perceptions as well as purchase intentions, a subgroup analysis was made. The respondents’ ages varied from
17 to 32 years old. 151 respondents were students aged 17-22 and 99 respondents were aged 23-32.

4.4.1.1 Hypothesis 3a

H3a stated that age has a moderating effect on the relation between eWOM through SNS and consumers’ product perceptions. In the Table 4.7, the regression analysis is shown. In the regression analysis between eWOM through SNS and product perceptions, an adjusted R square value of 0.255 was found for younger respondents and 0.347 for older respondents. Both adjusted R square values had a significance level of 0.000. As shown, a bigger percentage of product perception can be explained by eWOM through SNS concerning the older respondents rather than the younger ones. Also, a Beta value of 0.510 was indicated for the younger respondents and a 0.595 for older respondents with a statistical significance for both. This means that younger respondents’ product perceptions will increase by 0.085 units less than the older respondents’, if eWOM through SNS increases by one unit. Because of this, we conclude that age has a moderating effect on the relation between eWOM through SNS and product perception. Therefore, H3a is supported.

Table 4.7 Regression analysis for H3a

<table>
<thead>
<tr>
<th>Groups</th>
<th>R-Square</th>
<th>Adjusted R Square</th>
<th>Sig.</th>
<th>Standardized Coefficients Beta</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Younger</td>
<td>0.260</td>
<td>0.255</td>
<td>0.000a</td>
<td>0.510</td>
<td>0.000</td>
</tr>
<tr>
<td>Older</td>
<td>0.354</td>
<td>0.347</td>
<td>0.000a</td>
<td>0.595</td>
<td>0.000</td>
</tr>
</tbody>
</table>

4.4.1.2 Hypothesis 3b

H3b stated that age has a moderating effect on the relation between eWOM through SNS and consumers’ purchase intentions. As displayed in Table 4.8, in the regression analysis of eWOM through SNS and purchase intentions, an adjusted R square value of 0.152 was found for younger respondents and 0.216 for older respondents. As displayed, a bigger percentage of purchase intention can be explained by eWOM through SNS
concerning the older respondents rather than the younger ones. Moreover, a Beta value of 0.397 was indicated for younger respondents and a 0.473 for older ones with a statistical significance for both. This means that younger respondents’ product perceptions will increase by 0.076 units less than older respondents’, if eWOM through SNS increases by one unit. Because of this, we conclude that age has a moderating effect on the relation between eWOM through SNS and product perception. Hence, H3b is supported.

<table>
<thead>
<tr>
<th>Groups</th>
<th>R-Square</th>
<th>Adjusted R Square</th>
<th>Sig.</th>
<th>Standardized Coefficients Beta</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Younger</td>
<td>0.158</td>
<td>0.152</td>
<td>0.000a</td>
<td>0.397</td>
<td>0.000</td>
</tr>
<tr>
<td>Older</td>
<td>0.224</td>
<td>0.216</td>
<td>0.000a</td>
<td>0.473</td>
<td>0.000</td>
</tr>
</tbody>
</table>

### 4.4.1.3 Hypotheses Discussion

Based on the analyses above and as presented in the Table 4.9, we conclude that age does have a moderating effect on the relation between eWOM through SNS and consumers’ product perceptions and purchase intentions. The sub-hypotheses 3a and 3b are confirmed.

It was found that a lower percentage of the younger respondents’ product perceptions and purchase intentions can be explained by eWOM through SNS than the older respondents’. Specifically, the difference in the adjusted R square between the two age groups is -0.092 for product perception and -0.064 for purchase intention. In addition, the Beta value of the younger consumers for the relation between eWOM through SNS and product perception as well as purchase intention, is less than the Beta value of the older. Precisely, the Beta value difference between the two groups is -0.085 for product perception and -0.076 for purchase intention. Therefore, the respondents who are 23-32 years old, are more likely to get affected by eWOM through SNS as far as product perception and purchase intention are concerned than the respondents who are 17-22 years old.
Table 4.9 Sub-hypotheses testing 1

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>Adjusted R square Difference</th>
<th>Beta value Difference</th>
<th>Hypothesis test</th>
</tr>
</thead>
<tbody>
<tr>
<td>H3a: Age → PP</td>
<td>-0.092</td>
<td>-0.085</td>
<td>Supported</td>
</tr>
<tr>
<td>H3b: Age → PI</td>
<td>-0.064</td>
<td>-0.076</td>
<td>Supported</td>
</tr>
</tbody>
</table>

Note: PP: product perception, PI: purchase intention

4.4.2 Gender

We wanted to see if there was a difference between men and women in our target group in relation to product perception and purchase intention. Therefore, a subgroup analysis was employed to analyse if gender has a moderating effect on the relation between eWOM through SNS and product perception and purchase intention. To analyse and answer the sub-hypotheses 4a and 4b, the respondents that were in our target group were taken into consideration.

4.4.2.1 Hypothesis 4a

H4a stated that gender has a moderating effect on the relation between eWOM through SNS and consumers’ product perceptions. As presented in the Table 4.10, a regression analysis of eWOM through SNS and product perception was made. This gave a result of an adjusted R square value of 0.307 for men and 0.277 for women. Clearly, a bigger percentage of product perception can be explained by eWOM through SNS concerning men rather than women. Also, a Beta value of 0.561 was found for men in contrast with a Beta value of 0.532 for women. This indicates that if eWOM through SNS increases by one unit, then the product perception of men will increase by 0.029 units more than the product perception of women and this is statistically significant. Therefore, we conclude that gender has a moderating effect on the relation between eWOM through SNS and product perception. Hence, H4a is supported.
Table 4.10 Regression analysis for H4a

<table>
<thead>
<tr>
<th>Groups</th>
<th>R-Square</th>
<th>Adjusted R-Square</th>
<th>Sig.</th>
<th>Standardized Coefficients Beta</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>0.315</td>
<td>0.307</td>
<td>0.000a</td>
<td>0.561</td>
<td>0.000</td>
</tr>
<tr>
<td>Female</td>
<td>0.283</td>
<td>0.277</td>
<td>0.000a</td>
<td>0.532</td>
<td>0.000</td>
</tr>
</tbody>
</table>

4.4.2.2 Hypothesis 4b

H4b stated that gender has a moderating effect on the relation between eWOM through SNS and consumers’ purchase intentions. The regression analysis between eWOM through SNS and purchase intention gave an adjusted R square value of 0.168 for men and 0.145 for women, as shown in Table 4.11. As shown, a bigger percentage of purchase intention can be explained by eWOM through SNS concerning men rather than women. Moreover, a Beta value of 0.420 for men and 0.390 for women indicates that men’s purchase intentions will increase by 0.030 units more than women’s, when eWOM through SNS increases by one unit with is statistically significant. Based on the analysis above, we conclude that gender has a moderating effect on the relation between eWOM through SNS and purchase intention. Therefore, H4a is supported.

Table 4.11 Regression analysis for H4b

<table>
<thead>
<tr>
<th>Groups</th>
<th>R-Square</th>
<th>Adjusted R-Square</th>
<th>Sig.</th>
<th>Standardized Coefficients Beta</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>0.177</td>
<td>0.168</td>
<td>0.000a</td>
<td>0.420</td>
<td>0.000</td>
</tr>
<tr>
<td>Female</td>
<td>0.152</td>
<td>0.145</td>
<td>0.000a</td>
<td>0.390</td>
<td>0.000</td>
</tr>
</tbody>
</table>

4.4.2.3 Hypotheses Discussion

Based on the analyses shown above and presented in Table 4.12, we confirm that gender is a moderator on the relation between eWOM through SNS and product perception as well as in purchase intention. Thus, we confirm the sub-hypotheses 4a and 4b.
It was found that a bigger percentage of men’s product perceptions and purchase intentions can be explained by eWOM through SNS than women’s. Notably, the difference in the adjusted R square between the two groups is 0.030 for product perception and 0.023 for purchase intention. In addition, the Beta value of men for the relation between eWOM through SNS and product perception as well as purchase intention, is bigger than the Beta value of women. Specifically, the Beta value difference between the two groups is 0.029 for product perception and 0.030 for purchase intention. Therefore, men are more likely to get affected by eWOM through SNS as far as their product perceptions and purchase intentions are concerned.

Table 4.12 Sub-hypotheses testing 2

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Adjusted R square Difference</th>
<th>Beta value Difference</th>
<th>Hypothesis test</th>
</tr>
</thead>
<tbody>
<tr>
<td>H4a: Gender → PP</td>
<td>0.030</td>
<td>0.029</td>
<td>Supported</td>
</tr>
<tr>
<td>H4b: Gender → PI</td>
<td>0.023</td>
<td>0.030</td>
<td>Supported</td>
</tr>
</tbody>
</table>

Note: PP: product intention, PI: purchase intention

4.5 Non-response bias

To establish the non-response bias, an independent sample t-test was made. As demonstrated in the Table 4.13, the mean of product perception was 2.2110 for the first day and 2.1667 for the next days, with a mean difference of 0.0443. A significance value of 0.490 confirmed that we can assume equal variances, a t value of 0.336 and significance (2-tailed) value of 0.737 showed that there is not a statistically significant difference between the dates. The mean of purchase intention was 1.9201 for the first day and 0.0763 units lower for the following day; precisely, 1.8438. A significance value of 0.738 confirmed that equal variances can be assumed, a t value of 0.533 and a significance (2-tailed) value of 0.594 presented that there is not a statistically significant difference between the dates.
Table 4.13 Non-response bias

<table>
<thead>
<tr>
<th>Variables</th>
<th>Sig.</th>
<th>t-value</th>
<th>Sig. (2-tailed)</th>
<th>Mean difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product Perception</td>
<td>0.490</td>
<td>0.336</td>
<td>0.737</td>
<td>0.0443</td>
</tr>
<tr>
<td>Purchase Intention</td>
<td>0.738</td>
<td>0.533</td>
<td>0.594</td>
<td>0.0763</td>
</tr>
</tbody>
</table>

Even though the mean of product perception and purchase intention is slightly higher for the first day, a statistically significant difference cannot be drawn between those respondents who answered on the first day and those who answered the following days. Therefore we do not take the non-response bias into consideration in this thesis.

4.6 Summary

This chapter has dealt with the results of this research. It began by presenting the descriptive statistical findings. The reliability and validity of the variables were tested and ensured, and the two principal hypotheses were supported through a regression analysis. At the end of the chapter, based on a sub-group analysis, it was found that age and gender are moderators in the relation between eWOM through SNS and product perception as well as purchase intention. Finally, it was concluded that the respondents who answered on the first day and those who responded later do not differ substantially and therefore the non-response bias is not an issue.

In the research model (Figure 4.3), the results that were found in the statistical analysis are presented. Based on these, we confirmed hypotheses H1 and H2 as well as sub-hypotheses H3a, H3b, H4a and H4b.
Figure 4.3 Research model with statistics
5. Conclusions & Discussion

This chapter starts by presenting the conclusions and the results of the hypotheses. Then, the theoretical and managerial implications will be presented in relation to the findings of this study. Finally, the limitations that need to be taken into consideration are demonstrated and we make some suggestions for further research.

5.1 Conclusions

The ultimate aim of this study was to analyse how consumers are affected by eWOM through SNS. After developing a literature review about the significance and the reasons behind interacting in eWOM through SNS, the effect of this interaction was reviewed, and specifically on consumers’ product perceptions and purchase intentions. We also found the need to examine if age and gender had a moderating effect on the relation between eWOM through SNS and product perception and purchase intention.

Hypothesis 1 stated that eWOM through SNS has a direct positive effect on consumers’ product perceptions and hypothesis 2 stated that eWOM through SNS has a direct positive effect on consumers’ purchase intentions. For the respondents in our target group, we confirm that eWOM through SNS has a direct positive effect on both consumers’ product perceptions and purchase intentions; our two principal hypotheses are therefore supported. As a matter of fact, it was found that consumers’ product perceptions are more influenced from eWOM through SNS than their purchase intentions. This implies that the increase of eWOM through SNS has a greater effect on consumers’ product perceptions than it has on their purchase intentions.

Hypothesis 3a stated that age has a moderating effect on the relation between eWOM through SNS and consumers’ product perceptions and hypothesis 3b stated that age has a moderating effect on the relation between eWOM through SNS consumers’ purchase intentions. It was discovered that age has a moderating effect on the
relation between eWOM through SNS and consumers’ product perceptions as well as purchase intentions. Hence, H3a and H3b are supported. In addition it was found that the product perceptions and purchase intentions of the consumers who are from 23 to 32 years old are more affected by eWOM through SNS, than the consumers who are 17 to 22 years old.

Hypothesis 4a stated that gender has a moderating effect on the relation between eWOM through SNS and consumers’ product perceptions and hypothesis 4b stated that gender has a moderating effect on the relation between eWOM through SNS and consumers’ purchase intentions. For the respondents in our target group, it was found that gender has a moderating effect on the relation between eWOM through SNS and consumers’ product perceptions as well as purchase intentions. Therefore, H4a and H4b are supported. Furthermore, it was found that the product perceptions and purchase intentions of men are more affected by eWOM through SNS than of women.

Moreover, this research was not affected by the non response bias, since no statistically significant difference could be drawn between those respondents who answered on the first day and those who answered the following days.

5.2 Theoretical Implications

In the second chapter, a literature review was conducted, in order to gain knowledge about eWOM, SNS, the interaction within them and the effect of eWOM through SNS on consumers’ behaviour. There, it was recognized that eWOM through SNS is a newly developed phenomenon, in which research is still in the proposal stage and many aspects of it have still not been deeply examined. However, the trend of this topic has been recognized by researchers, but they have mainly focused on the reasons behind the interaction of users in these sites. The effect of eWOM through SNS on consumers’ product perceptions and purchase intentions has yet to be developed.
By confirming our two principal hypotheses and increasing the understanding of this phenomenon, it can be assumed that this study has made a contribution and has added credit to the limited existing theories. Moreover, the findings of this thesis support the study done by Wallace, et al. (2009), which stated that eWOM through SNS has an effect on consumers’ product perception. The research done by Diffley, et al. (2011), found that eWOM through SNS has an effect on product perception, which we also confirmed. Wallace, et al. (2009) argued that consumers aged 15-24 are more likely to get affected by eWOM through SNS. In our study it was found that age does have a moderating effect on the relation between eWOM through SNS and consumers’ product perceptions and purchase intentions. Our conclusions are contrary to the statement by Wallace, et al. (2009), since we discovered that consumers who are 23 to 32 years old are more affected by eWOM through SNS than the consumers that are 17 to 22 years old. However, we can only to a certain extent disagree with the statement by Wallace, et al. (2009) since we divided the consumers in age groups that differ from their study. We also contribute knowledge to the academia, by finding out that gender is a moderator on the relation between eWOM through SNS and consumers’ product perceptions and purchase intentions.

5.3 Managerial Implications

In addition to the theoretical implications, the findings of this study are also useful to managers and practitioners in this specific field.

Traditional WOM has been proven to be significant in shaping consumers’ behaviour (Brown & Reingen, 1987; Godes & Mayzlin, 2004; Bone, 1995). There has been a lot of research done around this topic and many companies have seen the benefits of adopting WOM in their marketing tactics. The literature stated that eWOM is practically the same as WOM, but has the power to reach out to many more customers (Prendergast, et al., 2010; Sun, et al., 2006). SNS is also a phenomenon to be reckoned with, because they are the most popular sites on the Internet (Nielsen1).
By confirming our principal hypotheses, we conclude that the combination of eWOM and SNS should be seriously acknowledged by companies and managers. Not only should traditional WOM be adopted in companies’ marketing tactics as has been stated in the literature, but this research proves that eWOM through SNS works in an influential way towards consumers’ product perceptions and purchase intentions. Since SNS can be used as platforms for product-related opinions and reviews, customers are able to reach out to other potential customers by influencing their perceptions and intentions positively or negatively. Therefore, companies should keep their existing customers satisfied, because eWOM has the power to spread fast through SNS. Companies and managers need also to take into consideration that the product perception and purchase intention of the consumers that are within the ages of 23-32 are more likely to get affected by eWOM through SNS than those who are within the ages of 17-22. It was also discovered in this thesis, that men’s product perceptions and purchase intentions tend to be more affected by eWOM through SNS. Customers are indeed affected by eWOM through SNS, so companies should be aware of this situation.

5.4 Limitations

This research has some limitations that need to be taken into consideration. First of all, due to the convenience sample that was employed, the findings cannot be applied to the entire population. The sample consisted of 278 respondents and only 217 of them could be analysed to evaluate H1, H2, H4a and H4b. Moreover, 250 responses could be analysed to evaluate H3a and H3b. Even though an acceptable response rate was achieved, the sample is relatively small.

We chose a convenience sample with a relatively small sample size, which consisted of a small age range, and divided the consumers into different age groups than those of Wallace, et al. (2009). Because of these reasons, we cannot completely disagree with Wallace, et al. (2009) who stated that consumers aged 15-24 are more likely to be affected by eWOM through SNS. We found a difference in the adjusted R square value and in the Beta value between the groups. Therefore, we concluded that age
and gender have a moderating effect on the relation between eWOM through SNS and consumers’ product perceptions and purchase intentions.

Even though Jenkinson, et al. (1994) as cited in Tillman and Silcock, (1997) stated that a Cronbach alpha value that is bigger than 0.5 is acceptable, they also indicate that 0.8 is the ideal. Our alpha values for eWOM through SNS, product perceptions and purchase intentions are acceptable but they did not reach the optimal limit. This, we believe, is due to the fact that the topic which has been explored in this study is a relatively new one, and there is limited research done in this area from which we could adopt questions from.

According to Leech, et al. (2005), the correlations should be low to moderate but lower than 0.6. We achieved correlation values that are lower than 0.6 for the eWOM through SNS and product perception as well as for eWOM through SNS and purchase intention. For product perception and purchase intention, the correlation value is exactly 0.6. Therefore this is another limitation for this research since the ideal would be to achieve values that are low to moderate for all variables.

5.5 Suggestions for further research

In this final part, we present a number of propositions for further research. First of all, the limitations stated above can provide suggestions for future research, which could add credit to this investigation. Also, further research on this topic could imply extensions to this study.

Since this research is based on a convenience sample, we recommend that future researchers who will investigate this topic, to adopt a non-convenience sample. This is because they will then be able to generalise the findings to the entire population of students. It is also recommended that other populations should be further investigated since eWOM and SNS attract various ages.
We also suggest that the effect of eWOM through SNS should be investigated on other aspects of consumers’ behaviour such as purchase decisions, consumption behaviour and others. Also, the effect of eWOM through SNS can be compared to how traditional advertising influences consumers’ product perceptions and purchase intentions. These suggestions are to add value to the limited research that exists in this area.

We further suggest that the moderating effect of age and gender on the relation between eWOM through SNS and consumers’ product perceptions and purchase intentions, should be further studied upon. This topic needs additional credibility and investigation due to the very limited research about it. We recommend that if future research is done in this area, it should be applied on a bigger sample including a bigger variety of ages.

Finally, we propose that future researchers investigate what connects the reasons that drive consumers to engage in eWOM through SNS and the final purchasing affect of this engagement.

5.6 Summary

This chapter started by discussing the findings of this research. Hypotheses 1, 2, 3a, 3b, 4a and 4b were all confirmed. The research model showed the statistical results found in the analysis. Thereafter, we implied that this research will contribute to the limited existing theory and is applicable to companies and managers. Finally, we demonstrated the limitations of this study and made suggestions for further research.
6. Reference List

6.1 Articles & Books


6.2 Web-sites


Facebook, 2012. Available at: http://www.facebook-faq.se/facebook_fakta/facebook_fakta.htm accessed on 1/5-2012


7. Appendix

7.1 Appendix 1: Questionnaire

The questionnaire was conducted on week 16 to week 18 and was given out on the 20th of April until the 1st of May. It was sent out to 512 potential respondents from which 278 answered. The following questions were included in the questionnaire.

1. Please indicate your age

2. Please indicate your gender
   - Male
   - Female

3. Are you a student?
   - Yes
   - No

4. Do you have an account on a social networking site?
   (A social networking site is a website on the Internet where people can become members and create a profile, so that they can publish pictures, post comments and updates and interact with each other.)
   - Yes
   - No

5. Which of the following social networking sites have you joined? (You can choose more than one option)
   - Facebook
   - Twitter
   - Google +
   - LinkedIn
6. On average, how many times a day do you log in to a social networking site?
- 0
- 1 to 3
- 4 to 7
- more than 7

7. Approximately, how frequently do you communicate with your contacts on social networking sites?
- Every day
- 3 to 5 times a week
- Once a week
- Less than once a week

Please indicate on a 5 point scale the extent to which you relate to the following statements.

8. On social networking sites, I tend to pass along my product-related opinions to my contacts.
   Strongly disagree Disagree Neutral Agree Strongly agree

9. On social networking sites, I tend to seek for opinions from my contacts regarding a product that I intend to purchase.
   Strongly disagree Disagree Neutral Agree Strongly agree

10. I am likely to recommend a product to others, after receiving relevant comments about that product on social networking sites from my contacts.
   Strongly disagree Disagree Neutral Agree Strongly agree
11. I understand a product better after receiving relevant information about that product on social networking sites from my contacts.

Strongly disagree  Disagree  Neutral  Agree  Strongly agree

12. A former comment or update about a product on social networking sites from my contacts has had an influence on how I consider that product.

Strongly disagree  Disagree  Neutral  Agree  Strongly agree

13. I am likely to change my opinion about a product, after viewing a positive or negative comment about that product on social networking sites from my contacts.

Strongly disagree  Disagree  Neutral  Agree  Strongly agree

14. The opinions I have received on social networking sites from my contacts, have affected a former purchase decision of mine.

Strongly disagree  Disagree  Neutral  Agree  Strongly agree

15. Given a choice between two products, one recommended on social networking sites from my contacts and the other not, I would always choose to buy the recommended product.

Strongly disagree  Disagree  Neutral  Agree  Strongly agree

16. Whether a product is recommended on social networking sites from my contacts, is NOT important to me making my own decision on what to buy.

Strongly disagree  Disagree  Neutral  Agree  Strongly agree

17. Please indicate your e-mail address (for the lottery participation).

________________
7.2 Appendix 2: Letter of introduction & questionnaire layout

Hello!

We are three students at the Linnaeus University who are writing our bachelor thesis on how consumers are affected by comments and opinions that people write on their social networking sites. It would be extremely helpful for us if you took 5-10 minutes to fill in this survey, since every answer is crucial for our research.

The answers will only be used for the purpose of this thesis. If you would like to participate in a lottery to win a gift card for the cinema worth 200 SEK, please fill in your e-mail address at the end of this survey. If you don’t wish to participate in the lottery, your answers will remain anonymous at all times.

If you have any further questions about the questionnaire, please contact us at ahoph09@student.lnu.se or +46764823805

Thank you in advance,
Astrit Hodza
Katerina Papadopoulou
Vassiliki Pavlidou

1. Please indicate your age.

2. Please indicate your gender:
   ○ Male
   ○ Female
3. Are you a student?
- Yes
- No

4. Do you have an account on a social networking site?
A social networking site is a website on the Internet where people can become members and create a profile, so that they can publish pictures, post comments and updates and interact with each other.
- Yes
- No

5. Which of the following social networking sites have you joined? (you can choose more than one option)
- Facebook
- Twitter
- Google+
- LinkedIn
- MySpace
- None
- Other

6. On average, how many times a day do you log in to social networking sites?
- 0
- 1 to 3
- 4 to 7
- More than 7

7. Approximately, how frequently do you communicate with your contacts on social networking sites?
- Every day
- 3 to 5 times a week
- Once a week
- Less than once a week

Please indicate on a 5-point scale the extent to which you relate to the following statements.

8. On social networking sites, I tend to pass along my product-related opinions to my contacts.

<table>
<thead>
<tr>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

9. On social networking sites, I tend to seek for opinions from my contacts regarding a product that I intend to purchase.

<table>
<thead>
<tr>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

10. I am likely to recommend a product to others, after receiving relevant comments about that product on social networking sites from my contacts.

<table>
<thead>
<tr>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

11. I understand a product better after receiving relevant information about that product on social networking sites from my contacts.

<table>
<thead>
<tr>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
12. A former comment or update about a product on social networking sites from my contacts, has had an influence on how I consider that product.

Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree

0 | 0 | 0 | 0 | 0

13. I am likely to change my opinion about a product, after viewing a positive or negative comment about that product on social networking sites from my contacts.

Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree

0 | 0 | 0 | 0 | 0

14. The opinions I have received on social networking sites from my contacts, have affected a former purchase decision of mine.

Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree

0 | 0 | 0 | 0 | 0

15. Given a choice between two products, one recommended on social networking sites from my contacts, and the other not, I would always choose to buy the recommended product.

Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree

0 | 0 | 0 | 0 | 0

16. Whether a product is recommended on social networking sites from my contacts, is NOT important to me making my own decision on what to buy.

Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree

0 | 0 | 0 | 0 | 0

17. Please indicate your e-mail address.
On 1 January 2010 Växjö University and the University of Kalmar merged to form Linnaeus University. This new university is the product of a will to improve the quality, enhance the appeal and boost the development potential of teaching and research, at the same time as it plays a prominent role in working closely together with local society. Linnaeus University offers an attractive knowledge environment characterised by high quality and a competitive portfolio of skills.

Linnaeus University is a modern, international university with the emphasis on the desire for knowledge, creative thinking and practical innovations. For us, the focus is on proximity to our students, but also on the world around us and the future ahead.