

THE EFFECT OF ELECTRONIC WORD OF MOUTH (eWOM) ON CONSUMERS' PURCHASE INTENTION (SPECIAL REFERENCE TO THE SMARTPHONE INDUSTRY IN KURUNEGALA DISTRICT OF SRI LANKA)

A.S.M.B.S. Punsari^{1,*} and Y.M.W.G.P.K. Udurawana²

^{1,2} *Department of Marketing Management, Faculty of Management Studies, Rajarata University of Sri Lanka, Mihintale, Sri Lanka*

*Corresponding author (email: bpunsari@gmail.com)

INTRODUCTION

With the advancement of technology, many sectors have become much more advanced, and adapting customers' behavior has become much more unpredictable due to their unique characteristics and diverse purchase decision processes. Many researchers were drawn to the concept of the consumer's purchase intention (PI) because it provided insight into the actual purchase decision. Monroe & Krishnan (1985) defined PI as a behavioral tendency toward a product or service. The necessity of the concept keeps growing rapidly, as this can be identified as an optimum way to forecast future sales (Morwitz, 2014). Consumers' purchase decisions are influenced by many other factors (Shafia et al., 2012), and scholars raise the relationship between eWOM and the PI. Consumers are subjected to a plethora of promotional activities that complicate making a final decision about a product. Customers tend to exchange their experiences with each other. (Arndt, 1967) simplifies this process as "word of mouth" (WOM), which holds great influential power to affect customer judgments (Bone, 1995; Dodds et al., 1991).

Over an extended duration, the concept of Word-of-Mouth (WOM) has undergone a transformative evolution, illuminated by the emergence of Electronic Word-of-Mouth (eWOM) (Hanna et al., 2011; Hennig-Thurau et al., 2004). This evolution has empowered consumers with the capacity to convey their experiential narratives and emotions to a considerably wider audience (Muntinga et al., 2011).

Despite all of the findings that clearly show a link between eWOM and PI, researchers haven't paid much attention to this phenomenon. The knowledge available to identify the relationship between these two concepts is limited (Brown et al., 2007). Furthermore, those studies signify that most of the researchers extended their referring to the fashion industry (Chen & Xie, 2014), and fewer studies showed their attention toward the mobile phone and electronic industries.

Most importantly, while testing the relationship between eWOM and PI is fairly common in developed countries, few studies use developing countries such as Sri Lanka (Rathnaya & Jayasuriya, 2021). Most amusingly, none of the studies were conducted in the Kurunegala region. Even a pilot study indicated the significance of the area as 16 out of 20 accepted the connection between two variables.

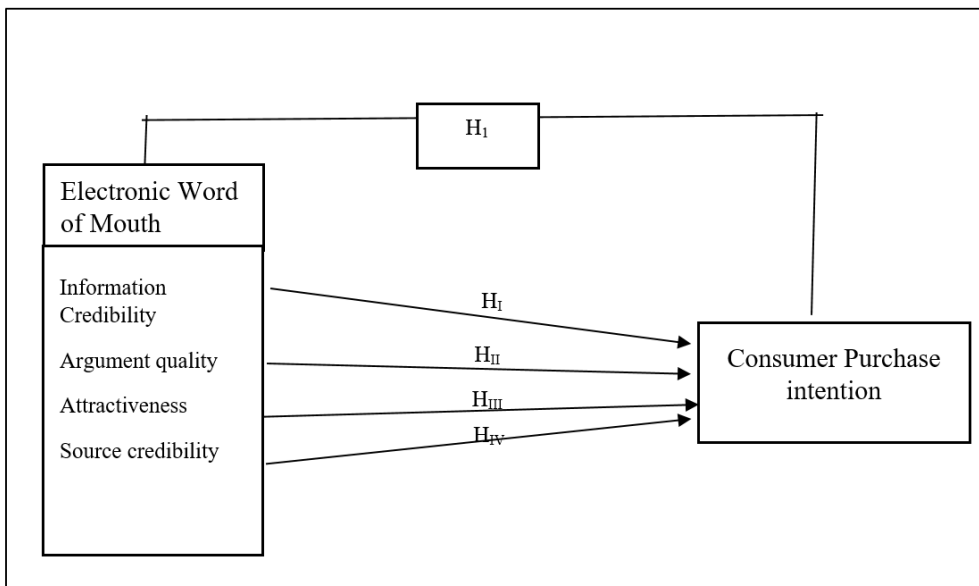
Due to the lack of knowledge, investigating how it's going to impact and to what extent eWOM affects consumer intention is an essential requirement. This research paper attempts to study the impact of the eWOM on consumer purchase intention, specifically referring to the smartphone industry in Sri Lanka.

METHODOLOGY

The research was designed to address the relationship between eWOM and PI (Sharifpour et al., 2016; Erkan & Evans, n.d.; Mumtaz et al., 2015; Sulthana & Vasantha, 2020). Referring

to the previous studies, researchers recognize the dimensions of eWOM as information credibility, argument quality, attractiveness, and source credibility. By basing the problem identification, the researcher chose a deductive approach and referred to past studies, formulated the hypothesis, and tested it with quantitative data. Customers in Kurunegala District were used as the target population of the study. For the sampling method, selected convenience sampling as it's much easier and more accurate to access. Primary data was collected through both hard copies of the questionnaire. The sample includes each demographical element. The collected quantitative data is initially coded into numerical representations, and statistical procedures such as descriptive analysis, correlation, and regression analysis will be utilized to examine the data using the software program IBM SPSS Statistics 21.

Figure 1
Conceptual Framework



The researcher's attention was drawn to the following hypothesis.

Main hypothesis

H_I: There is a significant effect of Electronic Word of Mouth on Consumer Purchase intention.

Sub Hypothesis

H_I: There is a significant effect of information credibility on PI

H_{II}: There is a significant effect of argument Quality on PI

H_{III}: There is a significant effect of Attractiveness of contents on PI

H_{IV}: There is a significant effect of Source credibility on PI

RESULTS AND DISCUSSION

The Cronbach value for the dependent and independent variables is greater than 0.9 which is much closer to 1. Generally, the closer Cronbach's Alpha value is to 1, the higher the internal

consistency it represents. That table perfectly indicated that the dependent and independent variables were internally consistent.

Table 1
Reliability Analysis of the Study

Variable	No of Items	Cronbach's Alpha
Information credibility (IC)	5	0.925
Argument Quality (AGQ)	4	0.930
Attractiveness (A)	5	0.927
Source Credibility (SC)	5	0.944
Purchase Intention (P)	7	0.960

Table 2
Pearson correlation of the study

Dimension	Pearson Correlation	Sig Value	Relationship
IC	0.853	0.000	Positive significant Relationship
AGQ	0.799	0.000	Positive significant Relationship
A	0.845	0.000	Positive significant Relationship
SC	0.863	0.000	Positive significant Relationship

According to the above table, the Pearson Correlation value between indicators and consumer purchase intention is less than 0.7 which is closer to 1. This indicates a strong positive relationship between indicators and consumer purchase intention and the relationship is statistically significant as sig. value is 0.000 which is less than the ($p < 0.05$).

Table 3
Regression Analysis of the study

R Square = .799		F = 52.540		Sig. = .000 ^b	
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	β	Std. Error	β		
(Constant)	-0.375	0.133		-2.826	0.005
IC	0.436	0.058	0.415	7.487	0.000
AGQ	-0.057	0.068	-0.047	-0.838	0.403
A	0.165	0.080	0.138	2.057	0.040
SC	0.532	0.079	0.424	6.712	0.000

a. Dependent Variable: P

According to the table R square value is 0.799, which means that 79% of PI is explained by selected dimensions and 0.201 determines the impact on purchase intention by other crucial factors. According to the table, a significant level of the regression line is less than 0.05 which means that the regression line is strong enough to explain the impact of independent variables on the dependent variables.

Referring to the above table, the regression coefficient of dimensions' sig. value is 0.000. it is less than 0.05 ($p < 0.05$) Accordingly, Information credibility, Attractiveness, and source Credibility can be acceptable and the hypothesis related to the Argument quality is rejected as its sig value presents more than 0.05. the following table indicates the summary of the hypothesis.

Table 4

Hypothesis	Decision	β .
HI	Accepted	0.415**
HII	Rejected	-0.47
HIII	Accepted	0.138
HIV	Accepted	0.424**

** p<0.01

Table 5*Final hypothesis testing of the study*

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-0.437	0.128		-3.402	0.001
EWOM	1.086	0.030	0.884	35.750	0.000

a. Dependent Variable: P

With the regression analysis results, the main hypothesis is accepted because it reaches the acceptable level as the significant values is less than 0.05 and there is a positive impact between eWOM and customer purchase intention. The level of the impact is shown in the B value of the Regression coefficient table and it takes 1.086.

CONCLUSION AND IMPLICATIONS

Throughout the research paper, the researcher attempts to seek the answers to the research questions as follows, past studies reflect mixed findings regarding the connection between eWOM and PI yet this paper concludes that significant positive impact between the two variables. Researchers further reflect on the dimensions of eWOM; Information credibility, Argument quality, Attractiveness, and Source credibility. Among those, the it sits most significant factor is source credibility as it gained the highest Pearson correlation. Referring to the hypothesis except for argument quality, the rest hypothesis was accepted. these dimensions must be highly addressed when making promotional campaigns for the offerings, and as argument quality is rejected, they can be distantly addressed for marketing purposes. Based on the demographic profile following recommendations can be made, the age category of 20–40 owns the highest frequency and those populations highly engage with the eWOM elements. Further, the age group of 20–40 refers to the younger population of the market. Considering the results of the study, the researcher highlighted a few recommendations as follows; purchase intention is affected by many other factors and these factors can be addressed based on the same industry. Research focuses only on the region of the Kurunegala district, it cannot be generalized to other regions of the country. Future researchers have the opportunity to follow the same research setup to test the different regions of the country, like semi-urban, urban, and rural areas, to generalize the effect. In addition to that, researchers can perform a similar study, using different methodologies.

Keywords: Argument quality, attractiveness, consumer purchase intention, electronic word of mouth, information credibility, source credibility.

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