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Determining the Influence of Electronic Messages on Consumer Behavior Based on Perceived Source Trust and Credibility

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ABSTRACT

With the growing presence of the internet, it is difficult for consumers to separate valuable information from useless information, and for marketers to determine what information consumers deem valuable. This paper aims to discover which message source - Corporate, Social, or Independent - is most trustworthy in the eyes of consumers. Corporate sources include paid platforms such as the company’s website and social media channels managed by the company, social sources include reviews posted on social media platforms by unpaid users who are not directly associated with the company, and independent sources include reviews from online articles, specialized publications, discussion forums, etc. To test the trustworthiness of these sources we compiled and distributed an online survey that would gather the attitudes and opinions of consumers on each source. Our findings showed that consumers favor independent sources over social sources, but favor both social and independent sources over corporate ones.

INTRODUCTION

In the technological age we live in, it is becoming increasingly easier for consumers to gather information through the internet. A large component of internet marketing is interactivity, meaning that consumers are able to engage in two-way communication with a business (Kardes, Cronley, & Cline, 2011). This communication can include consumer reviews of a product, good or bad, formal or informal, that are made available to other consumers through the common denominator of the internet (Jansen, Zhang, Sobel & Chowdury, 2009). We refer to these reviews as electronic word-of-mouth, or eWOM. While there is previous research available on the subject of eWOM, it largely pertains to what drives consumers to share their opinions online in the first place. There has also been research published on how eWOM is used to influence purchase decisions (Mayzlin, Dover, & Chevalier, 2012). However, there has been little research comparing the perceived trustworthiness of the different kinds of electronic message sources consumers are exposed to.

The purpose of this research is to provide consumer insights that will help to educate marketers about which electronic message sources are most trustworthy when it comes to influencing consumer purchasing behavior. With this information, marketers will be able to concentrate their marketing efforts more efficiently by focusing on the most influential channels of electronic message communication, thus improving message effectiveness and leading to better marketing strategies to improve sales. The findings from this research could also benefit consumers in that companies can use the findings to produce more appealing messages for the most favored source, increasing customer satisfaction and decreasing avoidance.
The objectives of this research are: 1) to categorize and operationalize the different types of electronic marketing messages based on sending source; for our purposes the categories will be corporate, social, and independent, and 2) to determine how consumers perceive these sources in terms of general trustworthiness.

LITERATURE REVIEW

Word-of-mouth

Word of mouth (or WOM) has been characterized as informal communication that is independent and from a commercial source (Goyette, Ricard, Bergeron, & Marticotte, 2010). As it relates to marketing, word of mouth involves “consumers sharing attitudes, opinions, or reactions about businesses, products or services with other people,” (Jansen, Zhang, Sobel & Chowdury, 2009). Past research has illustrated that word-of-mouth is more effective than traditional marketing tools and advertising media (Christy, Lee, & Rabjohn, 2008), especially positive word of mouth, which has been found to influence consumers (Jansen et al., 2009). Researchers have shown that word-of-mouth was strongly and positively associated with clients’ levels of trust, service quality, satisfaction, perceived value, relationship quality, and consumers’ intent to purchase (Goyette et al, 2010). These communications can take place face-to-face, by phone, email, social media or any other means of communication (Goyette et al., 2010). As society has progressed technologically, our offline social networks have migrated online and a new form of word-of-mouth has emerged. This new form of word-of-mouth is called electronic word-of-mouth, or eWOM.

Electronic word-of-mouth

Electronic word-of-mouth is communication made available to a large amount of people through electronic media, such as online discussion forums, newsgroups, blogs, review sites, and social networking sites, etc. The communication can be positive or negative, includes potential, actual, and former customers of the product or service (Christy, Lee, & Rabjohn, 2008), and its effects can be powerful. As an exceptionally diverse tool, eWOM can offer a, “variety of means to exchange information... and has at least some degree of permanence,” (Jansen et al., 2009). Marketers have attempted to harness the power of eWOM, but with caution because once the campaigns are implemented “they become uncontrollable because little or no tools are available to manage the content flow” (Jansen et al., 2009).

Credibility and the Elaboration Likelihood Model (ELM)

When it comes to electronic word-of-mouth, credibility is an important factor. Credibility can be defined as the “characteristic that makes people believe and trust someone or something,” (Cheung, 2012). Due to the countless outlets consumers can use to write online reviews, analyzing their credibility is difficult. However, discovering what sources are credible is important. According to Cheung (2012), reviews with higher credibility are more likely to be adopted by the consumers who read them and thus, influence their purchase behavior. As previously mentioned, there are thousands of online reviews on the internet for various products.
It is improbable that a consumer will read through every single review before making a purchase decision or brand/product evaluation. Previous research has shown that we can determine what “cues” lead a consumer to believe an online message is credible through the use of the Elaboration Likelihood Model, or ELM (Cheung, 2012).

The ELM is a theoretical framework that suggests that there are two “routes” to persuasion: central and peripheral (Kardes et al., 2011). The central route tends to increase thinking and overall involvement based on relevant information, while the peripheral route requires relatively low involvement, leading consumers to pay attention to peripheral information like the expertise or attractiveness of a product endorser (Kardes et al., 2011). According to Cheung, the quality of the online review would be the central route because a consumer has to think deeply about the merits of the review argument, while the credibility of the review would be a peripheral cue (2012). Cheung breaks credibility down further to include review consistency and review sidedness (2012). Review consistency refers to the observation that consumers tend to believe reviews more when there are other reviews that hold the same opinion. Review sidedness looks at if a review is one-sided or two-sided. Cheung states that consumers are more likely to believe a review that is two-sided than one-sided because two-sided reviews are seen as less biased (2012).

Based on this previous literature we established the following research question: How do consumers rank information from corporate, social, and independent sources in terms of credibility and influence?

**Corporate Sources**

By our definition, corporate messages include product information on the company’s website that the consumer has sought out, as well as online advertisements and social media channels managed by the company. These messages are specifically selected, conceived, and expressed by the company/vendor through an owned or leased medium (Goyette et al, 2010). With corporate sources the sender of the message can manipulate the information to appeal to consumers; they know more about the product or service than the consumer and there is asymmetric information (Mayzlin, Dover, & Chevalier, 2012). However, in this case, the receiver knows that the message is coming from a biased party and is able to take that information into account when making their purchase decision (Mayzlin, Dover, & Chevalier, 2012). In recent years, consumers have become increasingly wary of the messages they receive from corporations to the point that consumer attitudes toward businesses border on cynicism. Helm, Moulard, and Richins have gone so far as to investigate consumers’ negative attitudes, finding that cynical consumers are a “force in the marketplace” that are likely to “go out of their way to punish and reward companies as part of their perceived role as marketplace shapers” (2015). Marketers should then be careful of how they shape their messages and guard against this consumer cynicism. Based off of the negative feelings around corporate sources we can hypothesize that:

[H1]: Consumers will have more favorable attitudes toward messages from social sources than messages from corporate sources.
[H2]: Consumers will have more favorable attitudes toward messages from independent sources than messages from corporate sources.

Social Sources

“Social media is an extension of traditional word-of-mouth communication where the uniqueness lies in the magnitude of the communication” (Mangold & Faulds, 2009). We are categorizing social messages as information about a product, brand, or service, which the consumer has heard from users who are not directly associated with the company, through various social media platforms. Social media can be used to post thoughts, feelings, and opinions, for “followers” or other users who have decided to subscribe to the person’s postings, to see. The range of topics and information to be shared is limitless, so it should come as no surprise that social media users may share their experience with a recent purchase. This positive or negative feedback can influence other users when it comes to their future purchases, as consumers are turning more frequently to various types of social media to conduct their information searches and to make their purchasing decisions (Mangold & Faulds, 2009). As Mangold and Faulds stated, “The emergence of Internet-based social media has made it possible for one person to communicate with hundreds or even thousands of other people about products and the companies that provide them. Thus, the impact of consumer-to-consumer communications has been greatly magnified in the marketplace” (2009).

Social messages are not a category marketers should ignore. A research study by Pew Research Center showed that 74% of all internet users use some form of social media (2013). Also according to the Pew study, the demographics of social media users are very diverse. Men and women tend to use social media almost equally, with there being 4% more women using social media sites (Pew Research Center, 2013). However, the study showed there was a significant difference in age, with social media users ages 18-49 being 20% more active than social media users ages 50-64 (Pew Research Center, 2013). Education level had no significant difference and neither did household income when it came to social media use (Pew Research Center, 2013). With these results we can infer that the range of products and services to be reviewed on social media is not limited to any certain demographic.

The Pew Research Center also found that, “52% of online adults use multiple social media sites,” with Facebook being the most popular, engaging 71% of internet users (2013). With this information we can speculate that the specific social media site the review was posted on may not be the most important factor, as it has the potential to be seen or posted on multiple social media platforms. We believe that through our research, consumers will find social messages as a trustworthy source of information, as marketers have little control over what an individual consumer can post. Therefore:

[H3]: Consumers will have more favorable attitudes toward messages from social sources than messages from independent sources.

Independent Sources
Independent messages are those from online columns, articles, specialized publications, and discussion forums (Goyette et al., 2010), such as the websites CNet, Car and Driver, etc. It is important to distinguish that these reviews must not be paid for by an advertiser or company. By our definition these reviews must be independent of outside influence and be deemed as a pure, empirical evaluation of a product, hence the name “independent” (Goyette et al., 2010). However, how can we be sure a review is free of outside influence? This is a problem consumers often encounter with online reviews. Reviewers that have a material interest in consumer purchase decisions may post reviews that are designed to influence consumers and to resemble the reviews of genuine consumers (Mayzlin, Dover, & Chevalier, 2012). This person could be the business owner creating positive, but false, feedback for their business, or it could be a businesses competitor who leaves false, negative reviews. Mayzlin, Dover, & Chevalier found that consumer purchasing behavior is influenced less by positive reviews because consumers may assume they are frequently fake, than by negative reviews which are often seen as more unbiased (2012).

RESEARCH DESIGN AND METHODOLOGY

Method

In order measure how consumers would rank the different types of information sources, our methodology for this research was an online survey. Through our literature review we were able to gain knowledge on previous, relevant studies. We analyzed articles about the effectiveness of corporate, social, and independent messages in marketing communications, as well as strategies used by each of these messaging outlets, to create useful questions for our quantitative research survey. We chose to use an online survey to gather responses and answer our research question and hypotheses. We felt that this method would provide us with a large pool of possible participants who feel that eWOM is a relevant topic in their everyday lives. The survey was administered using Florida State University’s Qualtrics software. This primary research allowed us to gain consumer insights about how consumers gather information before making a purchase and their general attitudes toward different message sources.

Sampling

We felt that the subject matter for this research applied to any individual who has internet access. That is why our population of interest for the study was any individual over the age of 18. We used a nonprobability sample to collect our data and in some instances it is likely we obtained a snowball sample in that our survey was available through an online link that could easily be shared with friends, family, and colleagues. We distributed our survey online through social media channels and email, as well as through word-of-mouth. We chose to use an online survey because our hypotheses and research question deal with the subject of electronic word-of-mouth, so an online platform was relevant to the study. We also felt that a quantitative method of research would be more conclusive for our research objectives and hypotheses. We wanted to achieve a sample size of 150 respondents to ensure our sample could be representative of larger populations.
**Instrument**

The methodology for this research was an online survey created through the Qualtrics program provided by Florida State University. The purpose of the questionnaire was to measure attitudes of online consumers toward different message sources: corporate, social, and independent. In addition to the consent form located at the beginning of the survey, screening questions, and instructions appeared prior to the questionnaire itself. The questionnaire contained a series of questions, ranging from Likert scale, multiple choice, and open ended/free response questions. The survey began with questions pertaining to respondent characteristics, including internet usage and engagement with information search and social media. The next section focused on eWOM specifically, including consumer participation as well as the influence eWOM has on their purchase decisions. The next section of our survey contained questions that measured attitudes toward message source credibility. The survey ended with general demographic questions. The survey was estimated to take approximately 10-15 minutes for a respondent to complete. All scales used in our survey were previously validated and found to have reliable alpha values over 0.7, but were altered for our specific research purposes. The survey was distributed and made available to the public through email distribution, word-of-mouth, and social media outlets.

**DATA ANALYSIS/RESULTS**

The online survey was open from January 10 to January 22, 2016. During that time, a total of 83 questionnaires were submitted. One respondent indicated that they were under the age of 18, bringing our total number of responses to 82. As respondents progressed through the survey, some were filtered out based on relevant criterion and some failed to complete the survey of their own free will. Therefore, the number of respondents will be indicated on a question by question basis. Of the respondents who completed the demographic questions (n=46), 30% were male (n=14) and 70% were female (n=32). Most respondents were in the 18-24 age range (57%, n=26), followed by 25-30 years old with 20% (n=9) and 51 or older with 13% (n=6). All other age groups described less than 10% of the respondents. The majority of respondents were white, non-Hispanic (85%, n=39) and had at least completed a four-year degree (54%, n=25).

On average, the majority of respondents spent one to three hours online per day (38%, n=30), followed closely by three to five hours (27%, n=21), and 5 to 7 hours (24%, n=19). When asked what social networking sites they used, 99% of respondents use Facebook (n=76), 74% use Instagram (n=57), 71% use YouTube (n=55) and 55% use Twitter (n=42). In descending order of popularity, other social media sites respondents also reported using are: Pinterest, Google+, Tumblr, and Yelp. Other social media websites respondents reported using were LinkedIn and snapchat.

When asked a series of ten Likert scale questions regarding attitude toward online reviews, respondents generally reported a positive attitude toward online reviews overall. On a scale of one to seven, with one being the most negative attitude and seven being the most positive attitude, respondents averaged an attitude score of 5.36 with a standard deviation of 0.84. The scale had a Cronbach’s Alpha value of 0.849, showing it was reliable.
The majority of respondents reported having at least read an online review (92%, n=55), while 63% (n=38) stated they had written an online review themselves. Three respondents reported never having used eWOM. Of those who reported using eWOM, 29% (n=16) said they have participated in either writing or reading an online review at least once a month. This was followed by two to five times in their lifetime with 25% (n=14), and every week with 20% (n=11). Regarding the types of online reviews they seek out, 84% (n=46) of respondents reported reading or writing reviews for restaurants, 56% for hotels (n=31), and 33% reported reading or writing reviews for clothing retailers (n=18). Other responses included seeking out reviews for hair/beauty salons, gyms/fitness centers, car dealerships, lawyers, and electronic repair stores. When asked which platforms they used to read or write online reviews, the most reported response was amazon.com with 77% (n=43). This was followed by a tie between Facebook and the retailer’s direct website with (45%, n=25), and Yelp! (43%, n=24). Lesser used platforms, in descending order, were TripAdvisor and Twitter.

When asked if online customer reviews affected their opinion of a product, service or brand, 76% indicated that positive reviews make them trust a product more (n=41) and 70% indicated that negative customer reviews make them avoid certain products, services or brands (n=38). When self-evaluating, respondents reported that they felt they were equally affected by positive and negative eWOM (50%, n=25). However, when looking just at the effects of positive and negative eWOM, negative eWOM was reported to have a bigger effect on consumer opinions of products and services with 34% (n=17). Positive eWOM was only reported to have an effect on 12% (n=6) of respondents. When asked about consistency of online reviews, the average score of importance was 5.64 out of 7, showing results that were consistent with the peripheral side of the ELM model. Respondents also indicated they are more likely to purchase a product that a friend, colleague or family member has recommended, as well as products that have positive online reviews. They are less likely to purchase a product that has bad customer reviews. Respondents reported neutral opinions about their likelihood to purchase a product that is heavily talked about on social media outlets. When asked where they usually go for information on products, services, or companies, 89% (n=42) of respondents indicated that they spoke to someone who had made a similar purchase, 85% (n=40) of respondents indicated that they spoke to a friend or relative who knows a lot about the product, 68% (n=32) indicated they went to internet forums/message boards, and 57% (n=27) indicated going to social media sites.

Regarding our research question and hypotheses, respondents reported seeking out independent sources first to find information, followed by social sources and then corporate sources. This finding can be used to show initial support for Hypotheses 1 and 2 in that both independent and social sources were being sought out before corporate sources. When asked why they ranked the sources in this order, the free responses were almost as telling as the data. Respondents stated that, “Independent review sites might contain reviews from experts that are not directly benefiting from the review, social media seems unbiased, and corporate seems biased,” “corporations are more likely to show their product in a more positive perspective, even if the products are deceptive or lacking,” “I trust individuals more than actual companies,” and “Corporations are just trying to make a sale.”
To measure our hypotheses we used the attitude-based Likert scales from questions 17-19, which measured perceived dependability, integrity, and trustworthiness. We separated the relevant questions into three scales: attitude toward corporate sources, attitude toward social sources, and attitude toward independent sources. The attitudinal score can range from one to seven, with one being the most negative attitude and seven being the most positive attitude. From the scales we found that respondents had a slightly negative attitude toward online reviews from corporate sources, averaging a scale of 3.19 (sd=1.32). The Cronbach’s Alpha value for the corporate attitude scale was .921, showing it was reliable. When it came to social sources, respondent attitudes are slightly more positive with an average of 4.71 (sd=0.95). The alpha value for this scale was 0.824, showing it was reliable. Respondents had the most favorable attitudes toward independent sources with an average of 5.58 (sd=.944). The alpha value for this scale was 0.724, showing it was reliable.

DISCUSSION

Conclusion

Based on our data analysis our findings are as follows:

Our first hypothesis states that, “consumers will have more favorable attitudes toward messages from social sources than messages from corporate sources.” This hypothesis was tested through the analysis of our attitude-based scales. Comparatively, consumers have an overall attitude of 4.71 for social sources and 3.19 toward corporate sources. Therefore, we can conclude that consumers favor social sources over corporate ones, supporting our first hypothesis.

Our second hypothesis states that, “consumers will have more favorable attitudes toward messages from independent sources than messages from corporate sources.” Once again, this hypothesis was tested using our attitude-based scales. Consumers have an average attitude of 5.58 for independent sources compared to the previously mentioned 3.19 toward corporate sources. Therefore, it is clear that consumers have more favorable attitudes toward independent online message sources than corporate ones, supporting our second hypothesis.

Our final hypothesis states that, “consumers will have more favorable attitudes toward messages from social sources than messages from independent sources.” When we compare the statistics we find that consumer attitudes toward social sources averages at 4.71 while the average attitude toward independent sources is 5.58. Based on these findings we cannot support this hypothesis as consumers appear to favor independent sources over social sources.

Overall, these findings are significant because they show that consumers seem to prefer independent review sites over reviews written through social media platforms. This goes against the idea that consumers trust the word of their friends and family over any other source. In addition, these findings show that corporate sources are the least trustworthy and least sought out platform for consumers to read or write online reviews. This is important for businesses to recognize because it shows them that they should not necessarily be putting resources into their online review sites but should focus on improving other aspects of their brand in order to increase positive word of mouth through both social and independent sources.
Limitations

While it might appear to some people that using an online survey limited our sample size, our subject matter was relevant to having internet access so using an online survey actually made our subject pool more precise. However, it can be said that we limited our sample to those who use social media sites and e-mail communication. The online format did not hold respondents accountable, which allowed them to drop out of the survey at any time without completing it in its entirety. Our study saw a steady decline in responses as respondents progressed through the survey questions, leaving us with a 64% completion rate. There was also the possibility for careless responses that are not necessarily accurate. Due to the short period of time the survey was open, we did not reach our desired quota of 150 responses. We were left with a small sample size of 83 responses with 82 of those being usable and valid. Also, due to our subject matter, some respondents’ time taking the survey was cut short because they did not participate in the behavior, leaving us with fewer usable responses. Also, as the survey progressed the number of responses got smaller, leaving us with 44 respondents who finished the survey in its entirety. Based on these numbers it is possible that the results would not be generalizable across other populations.

Implications

Our findings suggest that consumers are likely to trust the opinions of an independent source, close friend or relative when it comes to their purchase decisions. How then can marketers affect consumer behavior if research indicates that, on the whole, consumers don’t trust what marketers are saying about their products? We suggest that marketers strive to create positive interactions with all consumers so that the sources consumers’ value reflect the goals of marketers. This can be achieved through careful management of a brand’s personality in the marketplace via customer service. In addition, if consumers are gathering a majority of their information about a product or service from a personal acquaintance via social media, marketers can assume that the users in the conversation are not the only ones who are privy to the content of the conversation. This makes consumers’ interactions with brands even more important. Marketers can manage this through diligent relationship marketing. While no campaign or initiative is 100% successful, if marketers strive to create positive interactions with their customers, then perhaps they can affect the quality of their image in consumers’ social channels.

Affecting the content of independent blogs or review sites takes marketers into murkier waters. Our research indicates that if consumers feel the hand of corporate influence in a review, then they are less likely to trust that review. So how can marketers influence the content of independent reviews without directly dictating the content of those reviews? We suggest a similar strategy with independent review sites as we do with consumers themselves. Improving relationships with review sites by actively managing the relationships with those sites could help improve the quality of those reviews.

This is where further research is necessary. Research should be conducted to determine how consumer behavior can be influenced through eWOM, focusing specifically on social and
independent sources. Research could also be conducted to determine how marketers can affect social and independent sources without losing consumer trust.

REFERENCES


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Mackenzie Sawyer is a Graduate student at Florida State University, working toward her Master’s Degree in Integrated Marketing Communication. Her research interests are in Consumer Behavior, Cause-related Marketing, and Multicultural Marketing.

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