Electronic Word-of-Mouth communication and consumer behaviour: an exploratory study of Danish social media communication influence

Signe Tegtmeier Pedersen[1], Liana Razmerita[1], Elanor Colleoni[2]

[1]*Department of International Business Communication*
Copenhagen Business School
signe_tegtmeier@hotmail.com, lr.ibc@cbs.dk,

[2] *Department of Social Science*
University of Milano – Bicocca
elanor@inventati.org

Abstract

The rapid adoption of social media, along with the easy access to peer information and interactions, has resulted in massive online word-of-mouth communication. These interactions among consumers have an increasing power over the success or failure of companies and brands. Drawing upon word-of-mouth communication and consumer behaviour theories, this paper investigates the use of word-of-mouth communication through social media among a group of Danish consumers. The findings suggest that electronic word-of-mouth communication among friends and peers affect consumer behaviour. Additionally, peer communication is perceived as more objective and therefore found more reliable than companies' brand communication. Furthermore, negative word-of-mouth is perceived as more trustworthy compared to positive messages, which are often believed to be too subjective. The research findings emphasise the importance one has to assign to social media as a source of reputation for companies and brands, which eventually impact consumers' choices. Furthermore, according to our study, Danes indicate they don't prefer anonymous communication on Social Media and they still prefer traditional word-of-mouth communication instead of electronic word-of-mouth.

1 Introduction

Due to advances in technology, people with similar interests, backgrounds or attitudes can join communities of like-minded people and share views, exchange information and build relationships, regardless of where they are in the world. This form of online word-of-mouth communication seems to offer new opportunities and challenges for businesses because consumers' interests in brands have grown rapidly; they therefore communicate more extensively about their experiences as consumers – affecting the images of these companies and brands. Hence, although companies may consider their website to be the primary place that people will visit to find information about them, this is no longer the case (Bradley, 2010). Additionally, the rapid spread of information via the Internet and the growing impact of the media have broken down physical and geographical boundaries and caused organisations to become even more cautious about their reputations (Deshpande and Sarkar,

2010). People tend to believe what they hear through their social networks and peers[i] not merely what they are told by the companies. In the marketing literature, the term word-of-mouth (WOM) was coined by Bass in 1969 to identify a consumer-dominated communication channel. WOM is defined as the communication between consumers about a product, service, or a company in which the sources are considered independent of commercial influence (Bass, 1969; Brown, Broderick and Lee, 2007; Litvin, 2008). Marketing and communication scholars have long stressed the potential of these "unstructured social relations like gossip, WOM, and lately online sociality to function as a medium of communication" (Hansen et al., 2011, p. 2). The assumption is that highly satisfied or dissatisfied customers are very likely to share their experiences within their social networks, among friends or colleagues, and in doing so influence consumer behaviour (Reichheld, 2003). Consumer behaviour incorporates processes of browsing and selection, purchase, use, evaluation and sometimes influencing others (Varey, 2001, p. 42). Therefore, the influence of WOM can be investigated at different levels of the purchase process. For instance, a negative review about a product can dissuade some consumers from buying a product and/or lead others to extend their browsing process. Electronic-WOM (eWOM) is a new communication phenomenon which, as WOM, has a powerful force in persuasion of digital consumers and which require further investigation (Sen and Lerman, 2007). eWOM is a less personal but more ubiquitous form of WOM which has spread recently with the advent of social media and extensive Internet use. Drawing on studies related to WOM, e-WOM communication (Kozinets et al., 2010), consumer behaviour theory (Varey, 2001, Reicheld 2003) and social comparison theory (Festinger, 1954, Prendergast et al., 2010) the study investigates e-WOM and attitudinal changes in consumer behaviour in Denmark.

In particular the article aims to investigate extremely relevant questions, such as: Why are word-of-mouth messages from friends and peers through social media felt to be more trustworthy than messages from companies? How do word-of-mouth messages from friends and peers influence consumer behaviour? Is there a difference in the influence of positive and negative word-of-mouth messages? Are negative word-of-mouth messages communicated online to a greater extent than positive messages? Given the increasing relevance of customer to customer communication for companies, this paper investigates the use of word-of-mouth communication through social media. More specifically, this article focuses on the implications of word-of mouth-communication on consumer behaviour in Denmark. This exploratory study aims to contribute to the better understanding of the digital culture and the associated digital consumers' behaviours and their implications on how eWOM influence consumer behaviour decision making.

The paper is organised as follows: the next section outlines the theoretical foundations of our study and the research questions. In this section, we describe the relevance and peculiarity of new social media sites as communication channels. After introducing the main theories regarding traditional word-of-mouth communication, we delineate the new issues of debate in regard to online word-of-mouth and we state our research questions. In the second section, we explain our research method and data collection process. Finally, we present and discuss our empirical findings in light of their implications for the companies.

---

[i] The word "peers" here refers to people who are equal in areas such as age, education or social class as well as fellow consumers.

2 Theoretical background and research questions
2.1 Social media and the social technographics profile (STP)

The concept of social media refers to all the web-based technologies (also termed social software or social technologies) that enable people to connect, share, communicate and co-create content online (Mayfield, 2008; Kietzmann et al., 2011). Social media include social networking sites (e.g. LinkedIn, Facebook), wikis (e.g. Wikipedia), forums (e.g. Adult Fans of Lego (AFOL)), podcasts, content communities (e.g. Flickr, YouTube), blogs and microblogging (e.g. Twitter).

These tools allow people to share their personal experiences and share knowledge easily (Razmerita, Kirchner and Sudzina, 2009) and thus to articulate their personal knowledge into collective knowledge, while at the same time enable users different levels of control and interactivity over the level of personal disclosure through the shared content depending on the type of technology they use (Razmerita, Kirchner and Nabeth, 2014).

Social media allow people around the world to communicate without regard for the limitations of geography and time, to find each other and gather in groups based on a wide range of cultural and subcultural interests and social affiliations (Kozinets et al., 1999). People like to know about the good, the bad, and the ugly side of other people, places, and situations, as well as to share this information with others, often as quickly as possible (Safko and Brake, 2009).

Digital consumer behaviour on social media is an important topic of research for marketers which may also contribute to the design and implementation of social media tools, campaigns and strategies effectively. However, there are differences in the ways consumers approach the new technologies in terms of type of activity and level of participation that must be taken into account. One of the more recent studies investigating the digital behaviours of consumers was proposed by Forrester Research (Li and Bernoff, 2008). The study has introduced the Social Technographics Profile (STP), which is a way to classify people based on the type of social media activities in which they engaged in the last month. The Social Technographics Profile is proposed as a useful tool for social media marketing campaigns or brand monitoring taking into account the online behavioural pattern of social media users. The social media users are placed into one of the following groups according to their type of activity and level of involvement:

- **Creators**: publish web pages, write blogs, upload videos and music, write articles and post them.
- **Conversationalists**: update status on a social networking site, post updates on Twitter.
- **Critics**: post ratings, write reviews, comment on blogs, contribute to online forums, contribute to/edit wikis.
- **Collectors**: use RSS feeds, add tags to web pages and photos
- **Joiners**: use social networking sites
- **Spectators**: read blogs, watch videos, listen to podcasts, read forums and customer ratings/reviews.
- **Inactives**: are online, but do not participate in social media.

The underlying objective of STP is to be able to conduct a successful social media campaign based on the assumptions that you can better engage with the digital consumers, knowing their usage patterns and knowing that these usage patterns vary from country to country. However these types are not exclusive and some people fit in one or more categories based on their activities. Furthermore it is known that only a very small percentage of the populations on the web are creators. In our study we use STP as a reference model and we map a group of Danish consumers and their identified online behavioural patterns and electronic word-of-mouth communication into this model.

2.2 From 'Old' to 'New' media communication and digital culture

Creating, sharing and transforming content is something humans have always done, but capturing and sharing through digital technology is relatively new (Lessig, 2004). Social media facilitate new ways to interact with each other online and people use these technologies in ways that enable and extend their traditional means to communicate and produce cultural objects. Online media have enabled two-way, many-to-many communication at a massive level and a shift away from the old mass media communication paradigm centred on top-down communication processes. Traditionally, public opinion was thought to be channelled by a number of important media institutions such as newspapers, radio and television stations, and corporate communication was to a large extent conceived as the practice of using these institutions in order to convey a desired message about a company. The general assumption of this paradigm was that the receiver was highly passive.

In the online world today, the new media allow many-to-many interactions and facilitate multilateral communication among users. Therefore receivers can be more active in creating and sharing online content, either bilaterally or multilaterally through several interconnected channels (Bruns, 2008; Benkler, 2006; Rafaeli and Sudweeks, 1997). While the democratic power of users' bottom-up online content co-creation has been challenged at the theoretical-conceptual level (Jensen and Helles, 2011; Van Dijck and Nieborg, 2009) and through empirical studies (Colleoni (2013) has shown the poor level of interactivity between users and companies; Hargittai and Hsieh (2010) have shown the relationship between social background and the Internet usage), still the word-of-mouth mechanism has proven to be effective and disruptive in several cases in the last decade, as in the case of Dave Caroll vs. United Airlines. In 2008, United Airlines broke Canadian musician Dave Caroll's guitar because of wrong handling of luggage. Dave recorded a video (United Breaks Guitars) about his experience and posted it on YouTube. The video quickly went viral and within a few weeks the video had been played more than 3.5 million times resulting in both reputational brand damage and an economic crisis for United Airlines. This and other cases of corporate's loss of control over its image, has raised the attention to the relevance of the digital channels as forms of consumers' online expressions.

Denmark is a country at the forefront of New Media usage. According to the Internet World Stats, 93% of the Danish population have Internet access in mid-year 2012. A recent report from Statistics Denmark suggests that 51% of 16-74 year old Danes have a Facebook account. The second-largest online social network service in Denmark is LinkedIn, is trailing far behind at only 8% of the population, and Twitter is used by only 4% of the population. Furthermore, 68% of Danes purchased goods and services online in 2010, according to findings from Statistics Denmark's Statistical Yearbook 2011. The percentage reached 83% among those aged 20 to 39 years old. However, according to our knowledge and literature review, little is known about Danish electronic word-of-mouth and online information

consumer behaviour. An exception is represented by the work of Jepsen (2006), who has focused on virtual communities in Denmark. Her goal was to assess whether consumers' opinions are replacing or supplementing traditional information source in consumer behaviour. Following Kozinets framework (1999) for segmenting consumers participating in a virtual community, she has identified four types of users: "Insiders have strong ties to other members of the community and the consumption activity is central to the person's self-image. Devotees only have ties to the product, Minglers only have ties to the other members of the community, and Tourists have neither" (Jepsen, 2006: 249). She carried out an online survey in which 103 respondents were recruited from four consumption-oriented newsgroups on the Danish Usenet section. She found that "virtual communities, to some extent replace commercial sources such as sales personnel, brochures, and advertisements distributed by mail, but only replace primary reference groups as sources of product information to a very limited extent" (Jepsen, 2006, p. 247). Therefore, this study suggests that personal networks, online and offline might be of great relevance to understand new consumption patterns. Indeed, while consumers newsgroups are shaping in part the way consumers search for product information, there is a great deal of product opinions and comments that are shared in online social networks. As pointed out by Fieseler et al. (2009), in their social networks users tend to share different set of experiences and opinions, including their experiences with brands and products. This article focuses on how Danish consumers use new media to share product information and on the implications for companies by investigating consumers' word-of-mouth in online social networks.

1.3 Word-of-Mouth communication

Word-of-mouth communication (WOM) has existed for many years and was originally defined as oral, person-to-person communication between a receiver and a communicator. Furthermore, WOM was described as having a fleeting nature because it occurred spontaneously and disappeared as soon as it had been uttered (Breazeale, 2008). As illustrated in the previous sections, the first change brought by the WOM in social networks is the loss of control over the messages distributed on the web. This is in contrast to the traditional integrated communications paradigm where traditionally companies have a high degree of control (Mangold & Faulds, 2009). Throughout history, WOM theory has developed from (a) an Organic Inter-consumer Influence Model, where the influence occurs between one consumer and another, across (b) a Linear Marketer Influence Model, where the marketer actively attempts to influence the consumer, to (c) a Network Coproduction Model, where consumers are regarded as active co-producers of value and meaning and whose use of WOM can be creative and even resistant (Kozinets et al., 2010). More recently, the notion of electronic word-of-mouth (eWOM) has been introduced in order to capture the new online interactive dimension and to account for the consumer empowerment that this has entailed. Electronic word-of-mouth refers to all "the consumers' options for gathering unbiased product information from other consumers and [...] the opportunity for consumers to offer their own consumption-related advice" (Henning-Thurau, Gwinner, Walsh and Gremler, 2004, p. 39) by engaging in online conversations. These online social interactions, in the shape of online communities, represent a space where groups of consumers with similar interests actively seek and exchange information about prices, quality manufacturers, retailers, company ethics, company history, product history and other consumption-related characteristics (Kozinets et al., 1999). Electronic word-of-mouth within communities such as Internet forums, newsgroups and consumers' recommendation websites, provides consumers with the ability to share real-time experiences in the form of opinions and knowledge almost anywhere to almost anyone connected. Additionally, eWOM differs from traditional WOM as

the sources of information are often individuals who have little or no prior relationship with the information seeker, as in the case of online consumer to consumer communication (Xia and Bechwati, 2010). In this article, we refer to eWOM communication as "any positive or negative statement made by potential, actual, or former customers about a product or a company, which is made available to a multitude of people and institutions via the Internet" (Henning-Thurau et al., 2004, p. 39). As for traditional word-of-mouth, eWOM has been associated with some specific consumers' behavior. In the following, we present general and well-recognized assumptions and theories about eWOM. While these assumptions are widely recognized, only few studies have investigated the applicability to the Danish context. Therefore, we consider it relevant to investigate eWOM communication among friends and consumers to assess whether these assumptions apply to the Danish context.

2.3.1 The role of anonymity in Electronic Word-of-Mouth

A feature of the traditional definition of WOM is that it was not anonymous. While traditional WOM is very private, eWOM is much more public and can reach several people and at the same time can be highly anonymous. As pointed out by Breitsohl et al. (2010), a crucial dilemma for contemporary studies is the role played by anonymity. In her seminal work on online identities, Turkle (1995) explained how people explore new identities online in which they act-out facets of their personalities. For instance, women have discovered that there can be consequences from revealing one's gender online (Turkle, 1995). According to Preece and Maloney-Krichmar (2002), who have investigated online communities' dynamics, online communication in general and eWOM in particular can be a valuable channel of communication because those who lack confidence in face to face situations become more confident online and lose their inhibitions (Preece and Maloney-Krichmar, 2002, p. 7). On the basis of this, the following research question has been formulated:

> R_1: Does the possibility to communicate anonymously increases the preference for electronic WOM?

2.4 Social Comparison

The American social psychologist Leon Festinger's theory of social comparison proposes that people evaluate their opinions and abilities by comparing them with those of others (Festinger, 1954). However, "[a] person does not tend to evaluate his opinions or his abilities by comparison with others who are too divergent from himself" (Festinger, 1954, p. 120). People with similar characteristics and interests tend to form ties, i.e. homophily. The same applies to online environment. As shown by Best & Krueger (2006), consumers online steer their social interactions towards consumers similar to themselves by selecting certain topics and participation in virtual communities. According to Prendergast et al. (2010), social comparison theory suggests that similarity ought to be positively related to the persuasiveness of the information being communicated and to behavioural intentions as well. Persuasiveness is a mechanism through which similarity between the forum's members influence each other's purchase intentions. As shown by Wang et al. (2008), homophily plays a significant role in determining credibility perceptions and influencing the persuasive process online. Accordingly, Mangold and Faulds (2009) suggested that consumers perceive social media as a more reliable source of information about brands than marketing-content. Thus, it can be assumed that a peer relationship between sender and receiver of eWOM plays an important role in the reliability and persuasiveness of the communicated message. On the basis of this, the following research question can be formulated:

R₂: Do Danish users find electronic word-of-mouth communication from peers and members of the online communities more trustworthy than messages communicated by companies?

2.5 Consumer behaviour and purchase decision

Consumer behaviour does not involve only the act of purchase itself. As Fig. 1 suggests, purchase decision-making also involves processes before and after the decision:

Figure 1. Steps to ordered decision-making (adapted from Varey, 2001, p. 56)

According to Varey (2001), some consumers may readily recognise their needs while others may influence other consumers in identifying new needs. The latter is often what happens with eWOM: a consumer hears about a product from other consumers and afterwards recognises the needs that the product may offer. The purpose of the search process is to find general ways that are available to meet the recognised needs, and once a particular way of satisfying the needs has been identified, we can seek more specific options, alternatives products and evaluate which is best. Once an alternative is selected, the purchase can take place, and during or after consumption we can make a judgement about the extent to which the purchase and consumption experiences are satisfactory. The fifth step is important in connection with eWOM because we tell our friends about our likes and dislikes, and we may try to dissuade them from buying the products we dislike. If we feel satisfied with a product, we may be more inclined to remain committed to that supplier and/or product when next we have a similar need. By contrast, if we feel dissatisfied, we may respond and express dissatisfaction, and according to Singh (1988), these negative responses need not be limited to those directed towards the seller (i.e., manufacturer, retailer, etc.) but can also involve third parties or even friends and relatives, i.e. negative eWOM. The last step of involving friends and relatives (and additionally peers) is central to this research. Another interesting aspect is the effect that this negative eWOM has on the receiver of the message. On the basis of the above, the following research questions are formulated:

R₃: Do Danish users communicate negative electronic word-of-mouth messages through social media to a higher extent than they communicate positive messages?

R₄: Do negative electronic word-of-mouth sentiments have more influence on consumer behaviour of Danish users than do positive sentiments?

3 Research Methodology

The research included a two-stage data collection process. Firstly, quantitative data has been collected through a questionnaire distributed via Facebook. Facebook is the most widely used social network among Danish Web users (*Danmarks Statistik*, 2011, p. 25). The survey consisted of 14 questions and reflected the empirical operationalization of our research hypotheses, as presented in the Appendix. Furthermore, the questionnaire requested users' background information, such as age, gender and educational background. Snowball sampling technique (Goodman, 1961) was used in order to select the sample. Snowball sampling is based on a non-probabilistic approach where existing subjects recruit future subjects among

their social networks. Therefore, snowball sampling technique does not lead to a representative sample of the population, but it is particularly suitable for exploratory studies in "hard-to-reach" populations (Coomber, 1997). In this case, the technique seems particularly useful to capture the role of informal communication in online environments, given the particular "networked nature" of Facebook. Facebook has severe restrictions policies for what concerns users' privacy that do not allow the researcher to have an overview of the population of interest. In order to create the sample, we sent the questionnaire to a group of Danish Facebook users in the age range of 15-50 years. We then asked the initial group of users to forward the questionnaire to their Facebook social connections. A methodological limitation of this study concerns the fact that the Facebook respondents were asked about their general eWOM habits and not only their Facebook usage in relation to WOM communication and friends-based recommendations of products and services. This could have biased the responses, which we could only partially control with the subsequent in-depth interviews carried out. The questionnaire was answered by 110 respondents.

The quantitative data was gathered from 22 July 2011 to 22 August 2011. In a second stage, semi-structured interviews were carried out. Five interviewees were selected among the survey's respondents. The interviewees were selected according to gender, both men and women, age between 25 and 30, and from a diverse educational background, and therefore they constitute a convenience sample for our study. The interviews were designed in order to clarify results from the quantitative analysis and to explore more in-depth elements of eWOM behaviour. Furthermore, the interviewees did not focus on Facebook but on their use of social media in general. The interviews have contributed towards making sense of the questionnaire data and interpreting the results from both a cognitive and a behavioural perspective.

4 Data Analysis
4.1 Anonymous social media communication vs. identified or offline communication
The goal of this exploratory research is to investigate to what extent and why consumers engage in eWOM through online social media. First of all, we analysed a group of Danish consumers' behaviour based on the Social Technographics Profile (STP), both as senders and receivers (Fig. 2). In Fig. 2, the blue line represents users who have at least once recommended something and the red line users who have at least once received recommendations. Almost 50% of our sample have recommended or dissuaded people from buying a product at least once using online social media (Fig.2). For a large extent, consumers do actively write online messages and read other people's messages about products and companies.

Nevertheless, the majority of the respondents communicate through social media rarely or seldom, rather than when they are proactive (11%) and communicate their experiences as consumers often or always. Furthermore, we have about 45% respondents who are lurkers, joiners and spectators according to STP. Moreover, by comparing this trend to how often the respondents search for information from peers about products and companies of their interest (Fig. 2 "Receivers"), it appears that consumers prefer to be receivers of eWOM to being senders. In relation to STP, the results above show that the respondents are mostly joiners and spectators who seldom choose to communicate their own experiences online but instead read and monitor the opinions of others.
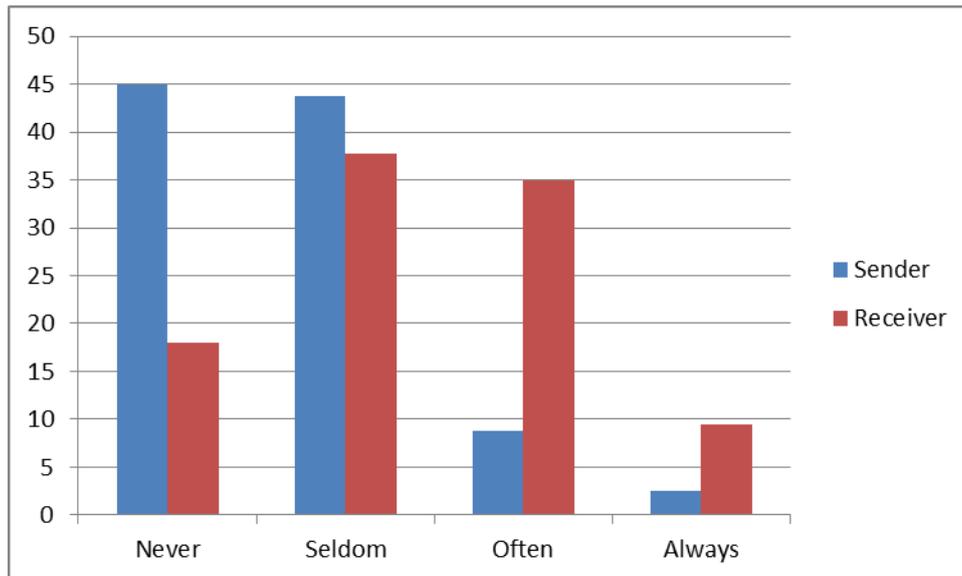
Figure2. Frequency of consumers sending and receiving recommendations in the form of eWOM in social media -percentage

In order to investigate how eWOM is used vis-à-vis offline communication, the respondents were also asked about their favourite communication channel for giving and receiving information about products and companies from other peers. Figure 3 shows that the vast majority of the respondents prefer to communicate either offline or through social media where they know the receivers of the messages and are themselves known by these receivers. As can be seen in Fig. 3, 59% of the consumers prefer face to face communication, 44% of the respondents prefer to communicate through online social networks and only 1% of the respondents prefer anonymous communication using social media (e.g. discussion forums). Surprisingly, the possibility of anonymous communication, which is thought to be one of the most important features provided by digital platforms, is not perceived as relevant when communicating personal consumer experiences.
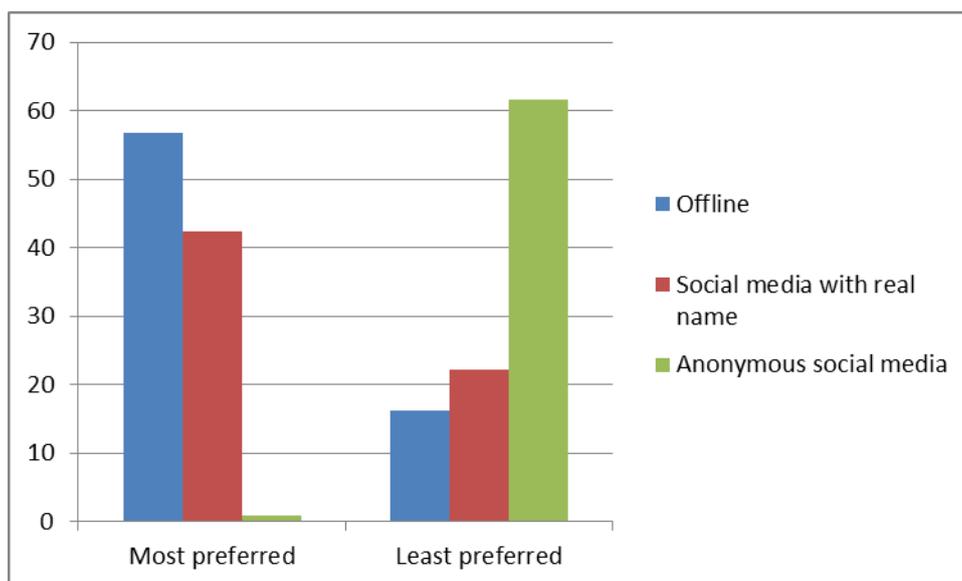
Figure 3: Preferred eWOM channels (percentage)

Fig. 4 emphasises consumers' propensity to engage in offline WOM in comparison with online communication. As it can be seen, 55% of the respondents prefer to communicate face to face instead of using social media sites (6%); 20% of the consumers do not perceive any differences between the different communication channels, while 19% are undecided.
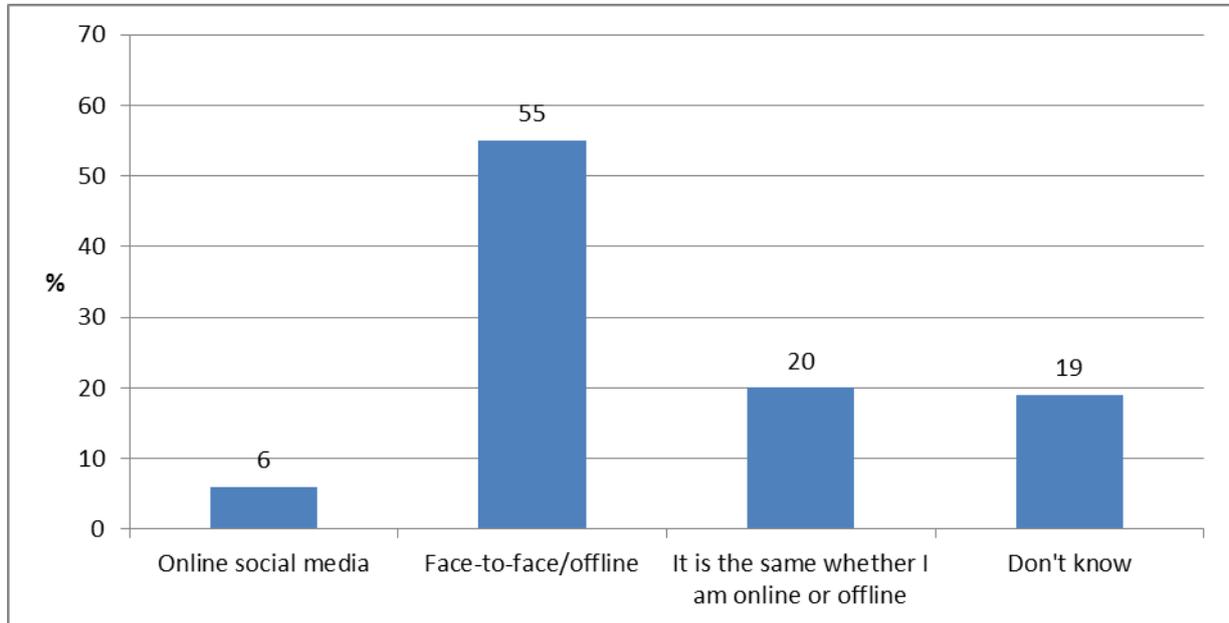

Figure 4: Consumers' preferences of eWOM channel (percentage)

The users' preference to communicate face to face instead of using online social media was also confirmed through qualitative interviews. One of the interviewees argued that more people communicate about products and companies offline because of the level of informality, i.e., "when communicating face to face you do not have to reflect that much about what you are saying because the situation is oral and most often very informal as opposed to online communication, which is mostly written and therefore seems to be more formal". The group of Danish social media users involved in our survey do not prefer the anonymity of social media for eWOM over face to face/offline communication.

4.2 Trustworthiness and persuasion of online communication
In relation with trustworthiness and persuasion of different online information sources (formulated as R_2), the majority of the respondents answered that offline friends are the most - trustworthy source of information, followed by social network friends as compared with corporate communication. However, it is relevant to notice that consumer to consumer communication is perceived as trustworthy by half of the sample, while only 5% find them unreliable. Finally, only a small proportion of the respondents find companies and brands trustworthy (less than 10%), the majority are neutral while over a third finds companies and brands untrustworthy or even very untrustworthy. Thus, a majority would appear to believe that individuals – friends, peers or unknown consumers – are more trustworthy than companies and brands.
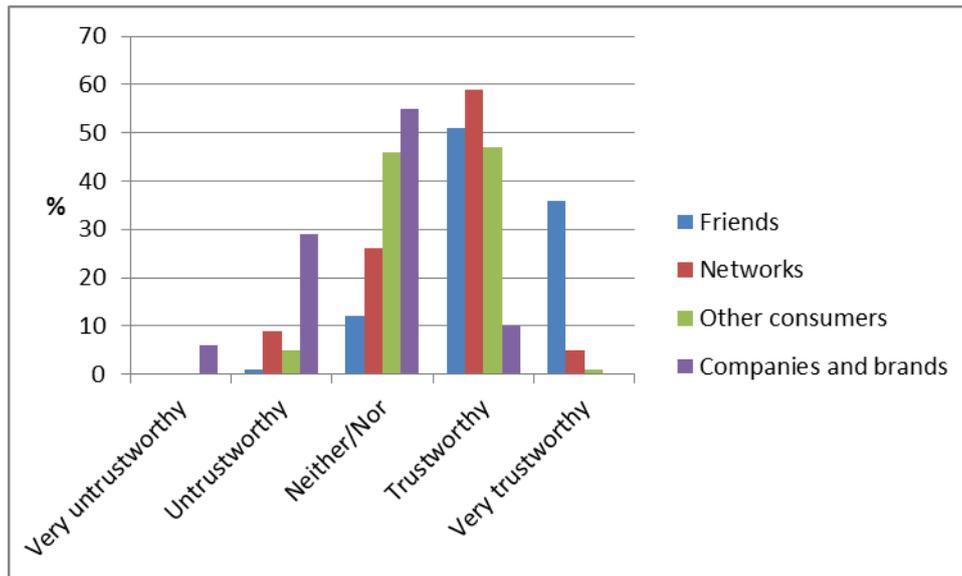
121

Figure 5: Trustworthiness of online sources (percentage)

Some respondents' qualitative statements support this argument:

- 'If I use this kind of information, it is because it is more trustworthy what my friends say than the company itself.'
- 'Because I trust that what they say about their experiences is true.'

Messages communicated by friends and peers about a product or company are more trustworthy than messages communicated by companies, and therefore they are assumed to have a greater effect on consumers' purchase behaviour, thereby supporting H_2. The study suggests that the most trustworthy sources are friends and social network friends, because they are known by the receiver. However, the relationship between sender and receiver of the eWOM message is also important when defining the reliability of the messages written by other consumers. In this case, interviewees argue that other consumers are more trustworthy than companies because they share the same needs.

As explained by Festinger (1954) the belief of sharing a similar condition increases trust among people, even if they are strangers, as in the case of consumers' reviews. Following Festinger's (1954) theory, people do not normally hold their opinions up against that of others who are too divergent from themselves, and the tendency to compare oneself with another person decreases as the difference between that person's opinion and one's own increases. If the receiver does not seem to be similar to the sender, persuasion will not be successful. It is generally believed that people who write product reviews online do not benefit financially when writing positively about a product or a company. Thus, friends and other consumers (peers) are more trustworthy than companies because their opinions about products and companies are considered to be more neutral and objective. Furthermore, the amount of information and opinions available from other consumers is an important factor because it enables people to compare a lot of different statements and thereby obtain an overall view of the quality of about a product or company. This may also be why the interviewees all express a need to read a range of different consumer statements before expressing an opinion about what is most reliable. When asked how they would measure the reliability of a message, the interviewees agreed that they would always read more than one statement. This suggests that

parts of the opinion-making process are socially constructed and that users have become active participants in the process of sense making. They adopt and modify the sentiments of others in order to construct their own. Additionally, in some of the textual answers it emerged that offline communication about products and companies is sometimes preferred, or is perceived to be more trustworthy than online communication:

- 'If the persons are a part of my circle of friends (offline) I generally welcome good advice and if they criticise/praise a product/company I am interested in, I trust them...'
- 'It depends on the source of the recommendation. Testimonials on the company websites can be more or less trustworthy. […]. But if it is another consumer I meet on the street or overhear on the metro, I trust it more.'
- 'I ask other people who are not in my online network but whom I can talk to face to face, e.g. good friends/parents and then reconsider the purchase after receiving new information.'

In general, the questionnaire respondents and the interviewees for the most part do not write or communicate eWOM themselves, but often read other people's messages. The question then is if users engage more in positive or negative WOM.

4.3 Negative vs. positive sentiment in electronic word-of-mouth
Concerning the affective orientation of communication, this study has investigated propensity of negative versus positive eWOM. The answer to the question 5 of the questionnaire included in the appendix 1: "Do you think that you communicate negatively about products and companies more than you do positively?" reveal a fairly equal distribution. Fig. 6 shows no evidence of a predominant emotional attitude. The respondents choose to share positive and negative experiences more or less to the same extent.
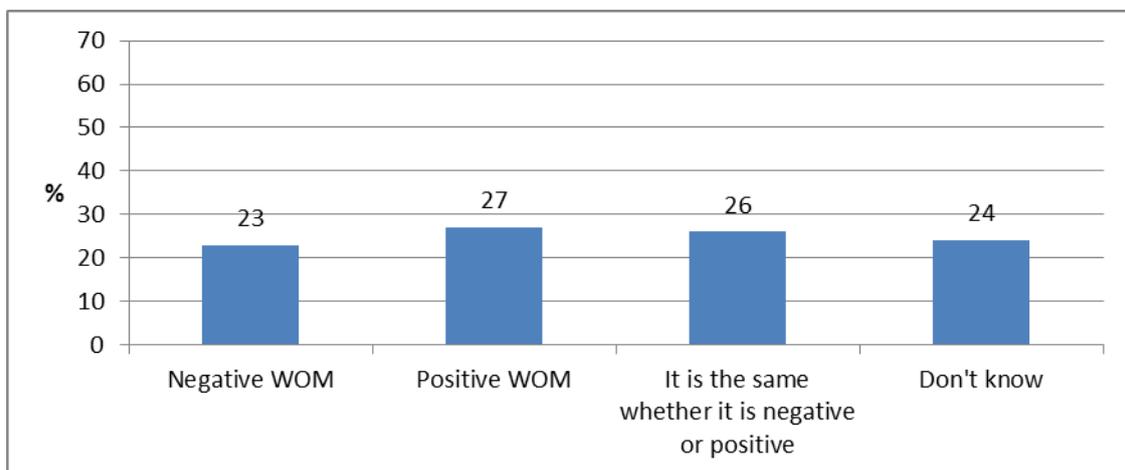

Figure 6. Affective orientation of eWOM (positive versus negative communication in percentage)

Qualitative data based on the interviews specify that consumers rarely remember or reflect on positive experiences with products or companies unless they are extraordinary. "If I have experienced really good or really bad service, I will either recommend a company or warn against it." However, the consumers mainly emphasise negative sentiments as driving eWOM, particularly when the brand or the company did not meet their expectations.

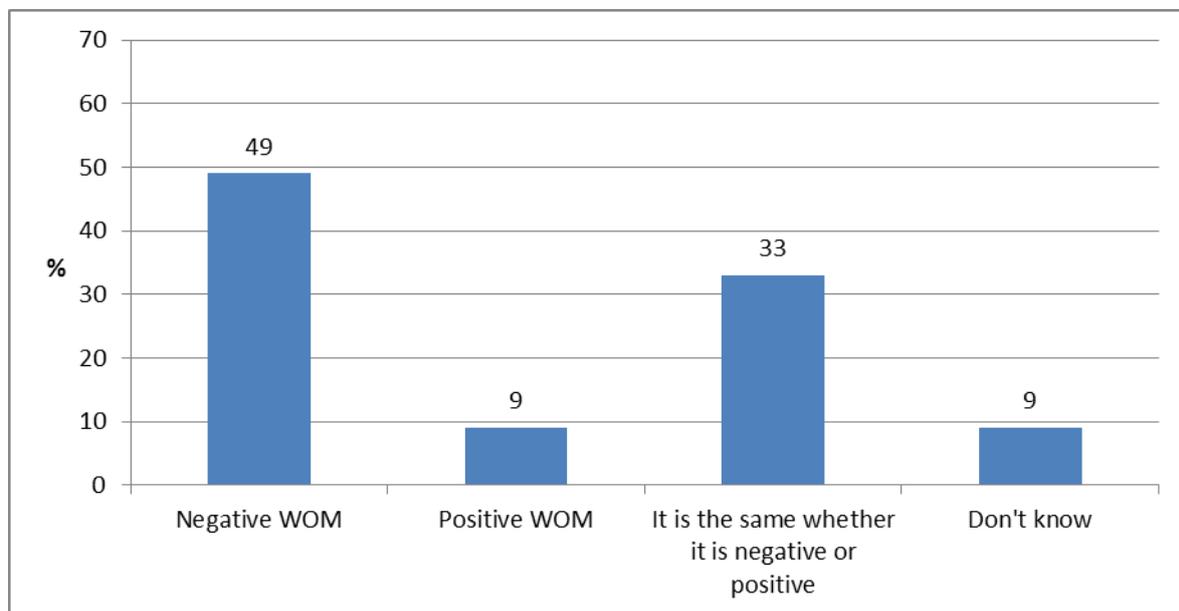- "If I am very disappointed with the product (…) to warn others".

Figure 7. The influence of negative versus positive messages on consumers' behaviour (percentage)

The influence of negative messages on purchase decision-making is clear when users have to evaluate other people's messages. This issue was investigated in question 9 of the questionnaire: "Do you notice more the negative messages from friends and other consumers about products and companies that you notice positive messages?"

Indeed, as shown in Fig. 7 negative comments are noticed more than positive and, interestingly, that the interviewees do not always find positive messages trustworthy. These positive messages may be too subjective and not supported by facts. Indeed, positive statements are perceived as more personal and therefore less reliable, while negative comments are perceived as objective and therefore more trustworthy. The respondents communicate negative sentiments through social media to a higher extent than they communicate positive sentiments. However, the perceived degree of objectivity or subjectivity interpreted in a eWOM would appear to have a great effect on perceived reliability.

4.4. The impact on consumer behavior of electronic word-of-mouth communication

In the following, we focus on how the respondents use social media and eWOM for pre-purchase decision-making and if the recommendations and dissuasions by peers have any effect on consumer behaviour and purchase intention. Knowing and trusting the source of the eWOM has a great influence on persuasiveness. As previously stated, there is a difference in the perceived reliability of advice from friends as compared with that from other consumers. However, it is important to understand if and to what extent these two sources of information differ. The graph represented in Fig. 8 shows the distribution of responses to positive sentiments from friends and online connections vs. other consumers. The answers are responses to products that the respondents have already intended to purchase and not for browsing.

The majority of the respondents (68 and 76 %) take into consideration positive comments about a product during the purchasing process and will be consequently be more inclined to buy the product. However, while a positive comment from a friend directly leads to conclude the search and buy the product for 21 % of the respondents, the search is concluded for only 5 % if the comment is made by another consumer.
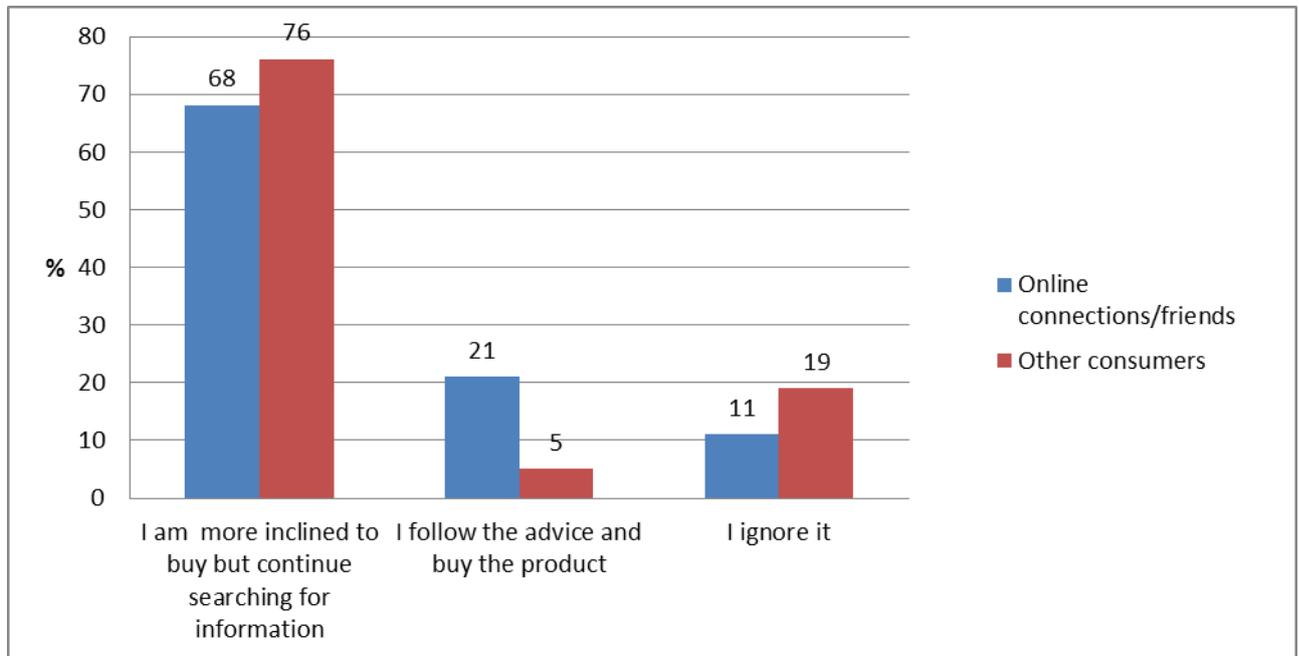

Figure 8. Influence of eWOM recommendations on consumer behaviour (percentage)

Almost 20 % of the advice from other consumers is ignored during the decision-making process, while only 11 % of respondents would not consider message from friends and personal networks. In relation to messages from other consumers one respondent answered:

- 'I will reflect on it, but not in the same way as when a friend recommends the product.'

The above results are responses to positive eWOM. Next, responses to negative communication are illustrated in Fig. 9, which shows the responses to communication from friends and online connections and other consumers respectively.
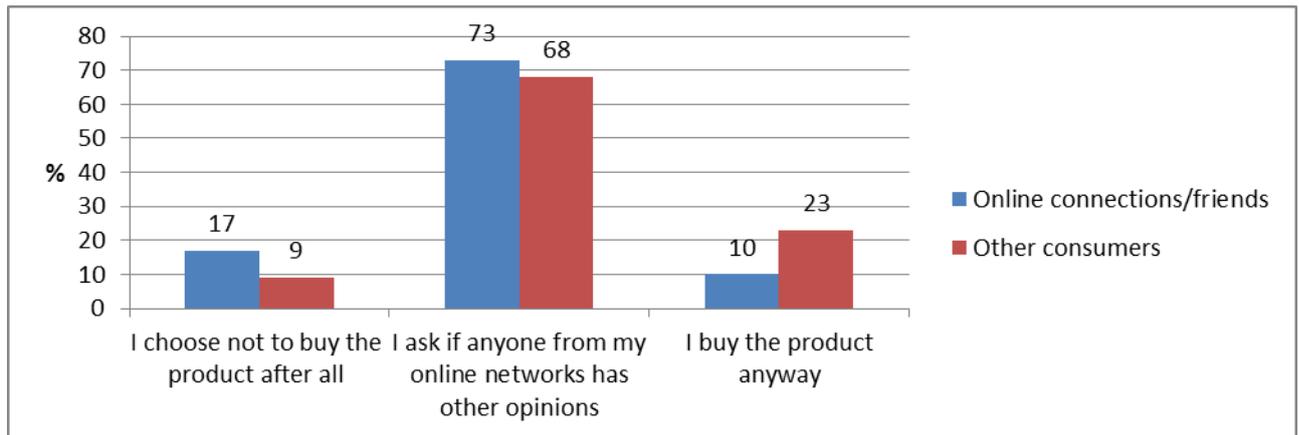
Figure 9. Influence of eWOM dissuasions on consumer behaviour (percentage)

Again, it is evident that statements from friends and online connections have most influence on conclusive purchase decision-making, but advice and reviews from other consumers is massively considered. Only a very small percentage of respondents choose to buy the product if it has been dissuaded by others while by far the majority searches for further information. 17 % of the users choose not to buy the product if a friend or online connection dissuades it, while 9 % refrain from buying it if another consumer reports a negative experience with the product. Also, more respondents choose to ignore messages from other consumers than those from friends and connections. Based on these results, it can be argued that eWOM has an influence on consumer behaviour and purchase intentions. One respondent directly replies that he/she uses social media to read information about relevant products or companies because

- '[…] hearing other people's opinions about products/companies has an influence on my choice'.

However, the results presented in Fig. 8 and Fig. 9 have in common that the majority of the respondents express a need to continue their information search. One message alone rarely changes consumer behaviour. This is also connected to what was previously stated, that the sheer volume of statements seems to be important in relation to reliability and thereby persuasiveness. This is also evident when reading the text-based answers. Here are some examples:

- 'I continue my information search, but take the recommendation into consideration'
- 'I want to have more opinions'
- 'I research more thoroughly, depends on the type of product'
- 'I will seek more information on the Internet'
- 'Then I would investigate more about that product and then make my decision'
- 'I will further investigate the product specifications […]'

Thus, both negative and positive eWOM influences users' information-seeking behaviour and purchase decision-making in the sample. However, when we compare this result to our previous results stating that negative sentiments are both communicated and noticed to a higher extent than positive sentiments, it is clear that negative sentiments are also more effective than positive sentiments.

4.5 Discussion on digital information culture

Web users employ eWOM communication to share their opinions and to find other users' opinions about a product or a company. These opinions can then be used to make a decision, to confirm an already formed opinion or to alter it. A report by Harvard Business Review Analytic Services states that the average amount of time spent on particularly social networking sites increased 82% in 2010 (Harvard Business Review). In Denmark, the percentage of population (aged 16-74 years) connected to at least one type of social network has increased from 42 % in 2009 to 54 % in 2010 (*Danmarks Statistik*, 2011). This is for example supported by a 2007 survey by Deloitte which states that 82 % of purchase decisions have been directly influenced by consumer reviews (Deloitte & Touche, 2007). The new social media offer opportunities for companies because "[n]ever before have companies had the opportunity to talk to millions of customers […]. [However,] never before have millions of consumers had the ability to talk to each other, criticizing or recommending products – without the knowledge and input from a company" (Harvard Business Review, 2011). This creates challenges for companies because they are no longer the single source of information, and the influence of their communicated messages has decreased in favour of the influence of the consumers. However, a study conducted by Harvard Business Review Analytic Services found that "[m]any organizations seem to operate under old paradigms, viewing social media as one-way flow marketing messages, instead of capitalizing on the opportunity to monitor, analyze, and participate in the millions of conversations between consumers" (Harvard Business Review, 2011)**.**

At the same time, our findings suggest that consumers are also sceptical about online communication channels and prefer traditional face to face communication. When asked why they choose to search online, the respondents mention the easy access to a lot of information from a variety of sources that the Internet and social media have to offer as opposed to the offline world:

- 'It is easy to google e.g. the products name and then 'review' etc. [...] By googling I have access to millions of people's buying experiences – not only that of my close friends/family. Then I will investigate more about that product and then make my decision.'
- 'You can ask a lot of people the same question at once and quickly get information from sources whose reliability you can easily judge.'
- 'It is the easiest way to get an honest opinion about the product. Well, the Internet is the way to go and it has a larger amount of information.'

This shows that people participate in the digital culture and choose to make use of easy access to information and the possibilities that the Web 2.0 offers for multilateral communication. It is easy to find information from other consumers online even though you do not know exactly where or on which website to begin because all online resources are available by just one click in a search engine.

5 Conclusions

The aim of this paper was to investigate to what extent and how eWOM through social media influences Danish consumers' behaviour. According to our knowledge and the literature review, so far little has been published about Danish consumers' online communication practices and in particular about eWOM. The only exception is represented by Jepsen study

(2006), who have studied consumers' newsgroups and whose results suggest that online social networks must play an important role in Danish consumer behaviour. The goal is therefore to investigate the relevance of social networks consumer communication for Danish users by challenging common assumptions about users' engagement and media usage through the investigation of the real behaviours and preferences of a group of Danish users in regard to WOM communication patterns (online versus offline). The study is grounded in communication and consumer behaviour theory (Festinger, 1954; Varey, 2001; Preece and Maloney-Krichmar, 2002). We have carried out an exploratory study to investigate four theoretically-derived research questions. The first research question investigated eWOM and types of Danish users' communication (online versus offline). Our results highlighted that a personal level of knowledge as in face to face communication (offline) is preferred by the group of Danes involved in our study because of the informality of this type of interaction as compared with social media communication. A similar behaviour was identified in online communication because the Danish users involved in the study prefer to communicate using their real identity rather than being anonymous. Thus, the possibility of anonymous communication, which is conceived of as one of the most important features provided by digital platforms (Preece and Maloney-Krichmar, 2002, p. 7), seems not to be perceived by the users as relevant when communicating personal consumer experiences. Furthermore, based on our sample we found that the majority of users prefer to read and monitor other consumers' messages or to answer them only when their opinion is asked. Hence, with respect to the Social Technographics Profile, the users were mainly joiners and spectators and rarely senders (creators or critics) of eWOM.

Not surprisingly, Danish social media users involved in the study find eWOM from friends and peers (including anonymous recommendations) more trustworthy than messages from companies. This is mainly because they are perceived as sincere and objective, which provides support to Festinger's theory of social comparison which states that the belief of sharing a similar condition increases trust among people, even if they are strangers. In addition, knowing and trusting the sender of the eWOM increases the persuasiveness of the message and thus influences consumer behaviour. However, even though friends are regarded as more trustworthy than other consumers, the latter still have an impact on consumers' choices, particularly when the products are evaluated negatively. According to our survey, eWOM results in additional information seeking and in many cases also in a change of opinion about products and companies and consequently a change of purchase decision. As expected, negative eWOM plays an important role in consumers' decision-making. First of all, Danish social media users communicate negative eWOM through social media to a higher extent than they communicate positive messages. Negative experiences are remembered more often than positive experiences and are also shared to a greater extent. We also investigated the difference in persuasiveness of negative vs. positive messages. We found that the more negative the message, the more it influences the Danish consumers' behaviour from our sample. By contrast, positive messages are most often perceived as too subjective and consequently less trustworthy. Accordingly, positive reviews are less persuasive and less successful in influencing consumer behaviour.

Overall, our findings emphasize the increased influence that eWOM in online social networks has on consumer behaviour. We foresee that eWOM will increasingly impact the reputation of businesses in the future and therefore consumer satisfaction will be more and more important. Particularly, our study supports the idea that Danish users rely to their personal online social networks to search for information about products and brands. In line with Jepsen research,

who found that consumers' newsgroups are primarily able to replace commercial sources and not primary reference groups, we found that online and offline social networks are the most relevant sources of information. Our study highlights also how product and brand communication of the companies is often perceived as untrustworthy compared to other information sources (e.g. WOM or eWOM consumer reviews) by the Danish users. As pinpointed in Li et al., 2008, "people use technologies to get things they need from each other instead of companies". Furthermore, literature acknowledges the role of culture in consumer behaviour and engagement.

This trend is acknowledged not only by the Danish digital consumers in our study but also by a growing interest in emerging trends such as reputation management, big data and social media analytics research. Therefore, it is of great importance for companies not only to monitor the social media discourse that surrounds them in order to react quickly accordingly, but also to build new forms of legitimacy in the digital world. Different strategies to regain company's legitimacy are emerging. First of all, companies increasingly participate and engage in the online discourse in social network, as stakeholders. This dialogical nature of social media allows companies to establish what Morsing & Schultz (2006) called involvement and endorsement strategies. The involvement strategy implies no boundaries for the organization that co-creates meaning, sense and vision together with its stakeholders. Another response to the crisis of legitimacy is through the endorsement of opinion leaders. The endorsement strategies are used to diffuse content and get feedbacks, while avoiding potential consumers' criticisms (Morsing & Schultz, 2006). Through the endorsement strategy, companies target a minority of users in digital media, called *influencers*, who are able to impact on public opinion.

6 References

Bass, Frank M. (1969), "A New Product Growth Model for Consumer Durables," *Management Science*, 15, 215-227.

Benkler, Yochai (2006). *The Wealth of Networks: How Social Production Transforms Markets and Freedom.* Yale University Press

Best, S.J. and Krueger, B.S. (2006) Online interactions and social capital: distinguishing between new and existing ties. *Social Science Computer Review*, 24 (4), pp. 395–410

Bradley, Phil (2010). Be Where the Conversations are: The Critical Importance of Social Media. In: *Business Information Review,* Vol. 27(4), pp. 248-252.

Breazeale, Michael (2009). Word of Mouse. In: International Journal of Market Research, Vol. 51(3), pp. 297-318.

Breitsohl, Jan, Khammash, Marwan, and Griffiths, Gareth (2010) "E-business complaint management: perceptions and perspectives of online credibility", *Journal of Enterprise Information Management*, 23, 5, 653 – 660.

Brown, Jo, Broderick Amanda and Lee Nick (2007), "Word of mouth communication within online communities: conceptualizing the online social network", *Journal of Interactive Marketing*, 21, 3 3-20.

Bruns, Axel (2008) .*Blogs, Wikipedia, Second Life, and beyond: From production to produsage*. New York: Peter Lang

Colleoni, Elanor (2013), "CSR communication strategies for organizational legitimacy in social media, Corporate Communications: An International Journal, Vol.18, 2, pp. 228-248

Coomber, R. (1997), "Using the Internet for Survey Research", *Sociological Research Online*, Vol. 2(2)

Danmarks Statistik (2011). Befolkningens brug af internet – 2010. 29 April 2011. http://www.dst.dk/pukora/epub/upload/15239/it.pdf [accessed 3 August 2011]

Deloitte & Touche (2007). Most Consumers Read and Rely on Online Reviews; Companies Must Adjust. http://www.marketingcharts.com/interactive/most-consumers-read-and-rely-on-online-reviews-companies-must-adjust-2234/ [accessed 9 February 2011]

Deshpande, Mukund and Sarkar, Avik (2010). BI and Sentiment Analysis. In: Business Intelligence Journal, Vol. 15(2) pp. 41-49.

Festinger, Leon (1954). A Theory of Social Comparison Processes. In: Human Relations, Vol. 7(2), pp. 117-140.

Fieseler, Christian, Fleck, Matthes and Meckel, Miriam (2009), "Corporate Social Responsibility in the Blogosphere", in Journal of Business Ethics, Vol. 91, pp.599-614

Hansen, Lars K., Arvidsson, Adam, Nielsen, Finn, Colleoni, Elanor and Etter, Michael (2011), Good News, Bad Friends: Affect and Virality in Twitter, Communications in Computer and Information Science, Vol. 185, pp.34-44.

Hargittai, Ester and Hsieh, Yu-li Patrick (2010). Predictors and Consequences of Social Network Site Usage. In Information, Communication & Society. Vol. 13(4), pp. 515-536.

Harvard Business Review (2011). The New Conversation: Taking Social Media from Talk to Action. A report by HBR Analytics Services. http://www.sas.com/reg/gen/corp/1207823-pr [accessed 6 July 2011]

Henning-Thurau, Thorsten, Gwinner Kevin P., Walsh Gianfranco and Gremler Dwayne D. (2004), "Electronic Word-of-Mouth via consumer-opinion platforms: what motivates consumer to articulate themselves on the internet?", *Journal of Interactive Marketing*, Vol. 18(1) 38-52.

Jensen, K. B. and Helles, R. (2011) .The internet as a cultural forum: Implications for research. In *New Media & Society,* Vol. 13(4), pp. 517-533.

Jepsen, A. L. (2006). Information Search in Virtual Communities: Is it Replacing Use of Off-Line Communication? *Journal of Marketing Communications* Vol.12(4), pp. 247-261

Kietzmann, Jan H., Hermkens, Kristopher, McCarthy, Ian P. and Silvestre, Bruno S. (2011). Social Media? Get Serious! Understanding the Functional Building Blocks of Social Media. In: *Business Horizons*, Vol. 54(3), pp. 241-251.

Kozinets, Robert V., de Valck, Kristine, Wojnicki, Andrea C. and Wilner, Sarah J.S. (2010). Networked Narratives: Understanding Word-of-Mouth-Marketing in online communities. In: *Journal of Marketing.* Vol. 74 (March), pp. 71-89.

Lessig, Lawrence (2004). *Free Culture: How Big Media Uses Technology and the Law to Lock Down Culture and Control Creativity.* New York: Penguin Press.

Li, Charlene and Bernoff Josh (2008). *Groundswell: Winning in a World Transformed by Social Technologies.* Massachusetts: Harvard Business Press.

Litvin, S., Goldsmith, R. and Pan, B. (2008). Electronic word-of-mouth in hospitality and tourism management. *Tourism Management,* 29(3), pp. 458-468.

Mayfield, Antony (2008). *What is Social Media?* An e-book from iCrossing. http://www.icrossing.co.uk/fileadmin/uploads/eBooks/What_is_Social_Media_iCrossing_ebook.pdf [accessed 17 February 2011]

Mangold, G. & Faulds, D., 2009. Social media: The new hybrid element of the promotion mix. Business Horizons, Volume 52, p. 357—365.

Morsing, M. and M. Schultz: 2006, 'Corporate Social Responsibility Communication: Stakeholder Information, Response and Involvement Strategies', *Business Ethics: A European Review*,15 (4), 323–338.

Preece, Jenny and Maloney-Krichmar, Diane (2002). Online Communities. In: J.A. Jacko & A. Sears (eds.), *The Human-Computer Interaction Handbook: Fundamentals, Evolving Technologies, and Emerging Applications.* Mahwah, NJ: Lawrence Erlbaum Associates Inc. Publishers.

Prendergast, Gerard Ko, David and Siu Yin, Yuen (2010). Online word of mouth and consumer purchase intentions. In: *International Journal of Advertising*, Vol. 29(5), pp. 687-708.

Razmerita, L., Kirchner, K., & Sudzina, F. (2009). Personal Knowledge Management: The Role of Web 2.0 tools for managing knowledge at individual and organisational levels. *Online Information Review, 33*(6), 1021-1039.

Razmerita, L., Kirchner, K., & Nabeth, T. (2014). Social Media In Organizations: Leveraging Personal And Collective Knowledge Processes. *Journal of Organizational Computing and Electronic Commerce, 24*(1), 74-93.

Rafaeli, Sheizaf and Sudweeks, Fay (1997) .Networked Interactivity. In *Journal of Computer-Mediated Communication*, Vol. 2 (4), pp.1-16.

Reichheld, Frederick (2003). The one number you need to grow, *Harvard Business Review*, Vol. 81, (December), pp.46-54.

Safko, Lon and Brake, David (2009). *The Social Media Bible: Tactics, Tools, and Strategies for Business Success.* Hoboken, NJ: John Wiley & Sons, Inc., 2009.

Sen, S., & Lerman, D. (2007). Why are you telling me this? An examination into negative consumer reviews on the Web. *Journal of Interactive Marketing John Wiley & Sons, 21*(4), 76-94. doi: 10.1002/dir.20090

Singh, Jagdip (1998). Consumer Complaint Intentions and Behavior: Definitional and Taxonomical Issues. In: *Journal of Marketing*, Vol. 52(1), pp.93-107.

Turkle, S. (1995). *Life on the Screen. Identify in the Age of the Internet*. New York: Simon & Schuster.

Varey, Richard (2001). *Marketing Communication: An Introduction to Contemporary Issues*, Florence: Routledge.

Van Dijck, J. and Nieborg, D. (2009) Wikinomics and its discontents: a critical analysis of Web 2.0 business manifestos. New Media and Society, 11(5), pp.855-874.

Wang, Z., Walther, J.B., Pingree, S. and Hawkins, R.P. (2008) Health information, credibility, homophily, and influence via the internet: web sites versus discussion groups. *Health Communication*, 23 (4), pp. 358–368.

Xia, Lan and Bechwati, Nada N. (2008).Word of mouse: the role of cognitive personalization in online consumer reviews. In Journal of interactive Advertising, Vol. 9(1), pp.3-13.