

## THE IMPACT OF NEGATIVE E-WOM ON CONSUMER PURCHASING INTENTION THROUGH VIRTUAL SNOW BALL SAMPLING METHOD: A SPECIAL REFERENCE FROM NORTHERN PROVINCE AT SRILANKA

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## ABSTRACT

Presently the impact of electronic word of mouth on consumer's purchasing intentions very popular one for a long time period. Even though now this E-WOM got a new evolution through web 2.0 technologies like social media. In earlier stage people communicate by internet. But now social media facilitate users to convey their message with friends, colleagues and relatives via internet. So these new advance technologies encourage people to share their opinion in a transparence manner. This normally called electronic word of mouth it also change customer purchasing intention time to time. And negative side of E-WOM very important in this competitive era. So, this study elaborates the determinants of negative E-WOM in the social media context such as face book. And especially current study found influence of negative E-WOM in social media on consumer's purchase intention. Virtual snowball sampling method was used by researcher to identify the hidden population. Finally, spss 20.0 also used for data analysis purpose. And conclusion and recommendations are given based on the findings. And this research also will support to both parties such as researcher and participants.

Key words: WOM, E-WOM, social media, purchase intention

### 1. INTRODUCTION

Increasing the tremendous developments in advance technological innovations, electronic or online WOM of people are becomes a viral tool than offline WOM of the people. The WOM means communication between the buyers regarding the features of products & producers. Now it is very popular in this technology era. It also play major role in the buying behavior of consumer. So, due to this issues consumer product perception are closely affected by e-world of mouth. In our country the growth of E-WOM is gradually increase due to the internet speed and the popularity of social media. According to the chiu in 2017, he found social media, blogs, social networking site and other online communication communities are provide the strong

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support to world people for E-word of mouth. Normally online purchasing intention is influence by negative and positive word of mouth that they got from online environment. In 2016 luethi identified, the negative E-WOM is mostly influence on consumer purchasing intention than the positive site. Finally online social media's conditions are closely affected to negative side of WOM behavior of the people Sasithorn Suwandee 2020.

Sang bong 2020 found, presently most of the people believe the products through E-WOM than the company's traditional advertisement tools and people's WOM closely associated with emotional exhaustion. It also enhances the credibility of the message, long lived period and easy to share with others than traditional WOM. Online experience also leads to enhance consumer commitment in online purchasing intention (Zaira 2020). Most of the consumer exchanges the valuable intangible features of online shopping in the social media like face book because it is easily available to everyone and these sites are supplying the information to other people. So based on above information consumer can made a suitable purchase from online business. Furthermore online shopping also become a good medium to consumers because its provide very pretty diverse nature to consumers than traditional purchasing. In our country after the civil war many people started to purchase in online channels than the purchase from traditional shop.

The researcher conducted virtual snowball sampling method to find out the hidden population. Because present study try to identify the influence of Negative E-WOM on new or potential consumer's purchasing intention. Many researchers done the work under positive side of E-WOM in online shopping context, but unfortunately very limited studies are done regarding impact of negative E-WOM on consumer's online purchasing intention through virtual snowball sampling method especially in Srilanka. So, finally the researcher try to solve this gap by find outing the impact of negative E-WOM on consumer purchasing intention in the online shopping context a special reference from Northern Province at Srilanka.

### **1.1 Research Question**

01. What are the Negative E-WOM might impact consumer's purchasing intention in online shopping context?

### **02. LITERATURE REVIEW**

### **2.1 Theoretical Backgrounds**

#### 2.1.1 Word of mouth



In Arndt 1967, he defines it is a communication between the people regarding the product, brand and service. And it also considers gathering and transmitting the information about the purchasing experience of that people. Most of the people believe WOM reduce their risk because of sufficient information. Normally two types of WOM are handling by the people such as online WOM and offline WOM.

# 2.1.2 Electronic WOM

Normally method of conveying the people information has been changed over the years. Because through the internet people they can transfer opinion and experience with others in a convenient manner. This new form of E-WOM provides the new approach to consumption of the people. Thurau 2017 defines; electronic WOM is a kind of statement which is created by different kinds of customers such as potential, actual and former customers about that used product or service offered company. And that statement which is available for large amount of people through the internet. Some internet facilities provides the different kinds of platform to E-WOM and customer's engagement are very high in electronic environment Chang 2020. E-WOM influencing buying intention (e.g. Zainal et al. 2019).

# 2.1.3 E-WOM and Social Networks

These days social media are normally provides more benefits to internet users such as people can create their own profile & can communicate with other people. Meanwhile potential consumers or buyers can get the opportunity to talk about the product purchasing intention with other people to get an idea. Particularly social media user can able to create a content regarding their purchase opinion and can post, like and comment it via face book. Social media allow people to create their own community with similar idea about the product or services Ellison, 2017.

# 2.1.4 E-WOM and purchasing intention

In past many authors found WOM contained major impact on purchasing intention of the customers Blackwell 2018. When the people suggest one product to their friends or colleagues in the social media like face book other people can visit that web site to finalize their purchase. And finally, customers are mostly induced by recommendation of other people it also lead to enhance purchasing intention of them and they can action instantly. So this E-WOM has more power than offline WOM behavior. In 2018 Mayzlin, and Jeong 2019 found, E-WOM influence people purchasing intention with their strong individual evaluation in products and services.

# 2.1.5 Negative E-WOM

Presently many people communicate negative WOM with others such as negative opinion or negative feedback regarding a company's products or services. Because it is a new way to spread negative thought with other people through internet. This also now become as social activity



because people convey their negative thought through comments & discussions. Some people found especially face book can support customers to spread negative E-WOM with others in a form of negative scrutiny and unfavorable judgment (Eisingerich 2019). Pre usage from the online environment also leads to spread negative E-WOM (Hamed 2020). Now face book is provide the similar facilitates to WOM but E-WOM it differ in terms of social risk, confidentiality, geographical and spatial freedom. Face book provides many opportunities to people to share their perception with others. And finally to confirming their purchasing intention people believe advice and recommendations which are given by network friends or members.

### **2.1.6 Social support theory**

Social support theory said, the user of social network depends on ideas or opinions are spreaded by others (Cohen 1985). And this theory explained, social media may impact people to transfer negative side of WOM statements with others. When the people exchange their negative experience & stressful memories each others that will be give an awareness them to finalize their purchasing intention. This theory also support to fill the gap through found the determinances of negative E-WOM via face book. By this theory can make the purchase without any confusion (Festinger 2018). Finally this theory contributes to found the role of social media on customer purchasing intentions.

### 2.1.7 Determinants of Negative E-WOM

# 1. Feeling of injustice

It means outcome of the service given by the company which is unfair and unequal to customers. So, due to this matter the company refuses or violates their norms and relationship with customers. Because of these issues customers will get dissatisfaction and start to spread negative E-WOM regarding that company. In 2019 Sarkar found the feeling of injustice has relationship with negative side of E-WOM behavior. So perceived feeling of injustice are increase, consumers are more intend to use social networking site to share negative side of WOM communications with others. Because now many social networking sites are available all people to get timely information & get the proper advice from others.

H1: The feeling of injustice has a positive impact on negative E-WOM communication using social networking especially face book.

# 2. Firm Attribution

It contains the company features or behavior is major responsible to that company's failed functions or services found. According to Zhu 2018, company is the major body to tackle their customer's complaints or rectifies their problem. When the company handle this practices it will



lead to reduce the negative E-WOM communication from their customers. So finally this firm attribution has the close relationship with E-WOM behaviour.

H2: The Firm Attribution has a positive impact on negative E-WOM communication using social networking especially face book.

## 3. The firm image

It is come from customer's direct and indirect experience with that particular company. Based on the Hess 2008 showed that, if the company contain excellent reputation, can protect their business from negative consequences. So if the company has strong or good brand image among customers they will not suffer from negative E-WOM communication from their customers (Cheng 2018).

H3: The firm image has a positive impact on negative E-WOM communication using social networking especially face book.

## 4. Face Concerns

It refers to the projection of image to others in a relational context. In 2017 Sun said, the face concern which is closely connected with perceived risk of the company. And people believe people who have strong face concern they can spread positive matters regarding the company. Henderson 2019, found the important of high face concern in this competitive era to reduce the negative E-WOM in social networking site.

H4: The face concerns has a positive impact on negative E-WOM communication using social networking especially face book.

### 5. Emotion regulation

According to the Gross 2019, emotion is a kind of bonding with the company it also supports to increase the satisfaction of customers, reduce negative effect and reduce depression of that customer (Mollenholt 2018). When the customers obtain negative experience with that Company must evaluate negative possibilities of negative side emotion based on particular situation. But even though the company they cannot eliminate the customers emotions. Because it will affect in a indirectly.

H5: The Emotion Regulation has a positive impact on negative E-WOM communication using social networking especially face book.

### 6. Use intensity

This use of social network intensity positively related with online opinion of the customers (Zhang 2019). Because if the user of social network especially face book is high that time sharing of information regarding the product or services also will high. And it also increases



those huge among of people's experience so that time they will spread their opinion regarding their satisfaction and dissatisfaction of that product used.

H6: The Use intensity has a positive impact on negative E-WOM communication using social networking especially face book.

#### 7. Tie Strength

If the company contain strong ties with their customers it will reduce negative E-WOM behavior of their customers. Because strong ties has open communication behavior, trust, long term relationship, common norms & culture and long term reciprocity (Chu 2019). It also build up more engagement with in E-WOM communication. So finally when consumers are getting service failure or dissatisfaction from the company that time they will involve spreading negative E-WOM in social networking sides.

H7: The Tie strength has a positive impact on negative E-WOM communication using social networking especially face book.

#### **03. METHODOLOGY**

Based on the Bush 2014, the groups of people are coming under target population and to develop a data question can be asked. Non probability sampling having low expensive, minimum time limit and little sampling skills are enough to handle the work (Malhotra 2015). So present research also adopted these sampling techniques. Questionnaires also used as a research instruments. The questionnaires are used to collect direct response & feedback from the respondents. And it also can collect in limited time period with easier manner. For the analysis purpose present study has only close ended questionnaires. The ultimate goal of the study is that, find out the major impact of negative e-WOM on consumer purchasing intention through virtual snow ball sampling method: a special reference from Northern Province at srilanka. So present study conducted virtual sampling techniques to collect the data because this method used to found the hidden and marginalized populations.



### **3.1 Conceptual Frame Work**

#### Independent Variable

**Dependent Variable** 

**Purchasing Intention** 

# Negative E-WOM

- 1. Feeling of injustice
- 2. Firm Attribution
- 3. Firm Image
- 4. Face concern
- 5. Emotion regulation
- 6. User intensity
- 7. Tie Strength

### **3.2 Hypothesis Developments**

- **H1:** The Feeling of injustice has a positive impact on negative E-WOM communication using social networking especially face book.
- **H2:** The Firm Attribution has a positive impact on negative E-WOM communication using social networking especially face book.
- **H3:** The Firm image has a positive impact on negative E-WOM communication using social networking especially face book.
- **H4:** The Face concern has a positive impact on negative E-WOM communication using social networking especially face book.
- **H5:** The emotion regulation has a positive impact on negative E-WOM communication using social networking especially face book.
- **H6:** The user intensity has a positive impact on negative E-WOM communication using social networking especially face book.
- **H7:** The Tie strength has a positive impact on negative E-WOM communication using social networking especially face book.

### 04. DATA ANALYSIS

The data collected was first coded, edited and tabulated to ensure consistency and completeness. This was done by entering data into a computer through excel spreadsheet to enable management of the data before inputting data to SPSS software thereafter the data analysis was conducted.



Various statistical methods which were used for data analysis purpose were descriptive statistics, reliability analysis, and frequency test. The correlation test was applied in order to find out the relationship between independent and dependent variables. The demographic analysis included the frequency tests which were conducted to describe the sample in terms of demography. These tests included frequency and percent of the respondents.

Factors	Cronbach's Alpha	No of item
Feeling of injustice	.845	3
Firm Attribution	.827	3
Firm image	.887	3
Face concern	.850	3
Emotion regulation	.812	3
Intensity	.894	3
Tie Strength	.867	3
Negative E-WOM	.873	3
Purchasing Intention	.859	3

### 4.1 Reliability and Validity of Research

Although the term 'Reliability' is a concept used for testing or evaluating quantitative research, the idea is most often used in all kinds of research. It also helps to found the consistency of a set of variable items. The validity concept mostly adopted in many of qualitative studies. Minimum reliability acceptable value is cronbach's alpha 0.70. According to above table all of Cronbach's coefficient alpha value within the acceptable range. There for there is statistically evidence to conclude, all variables meet internal consistency requirement.

To identify the validity of the instrument the researcher used KMO measurements because it explains sampling adequacy and appropriateness of data for the analysis. According to the Kaizer 1974 he explain if the value of KMO more than 0.80 is superior for the research. So, present study contains which is good for the work. And at the same time, above table shows value of Chi – Square (P=0.000<0.05) it indicate that data is more appropriate for the analysis in the present study. And here there is perfect association with itself and no association with other variable. And both results are show that constructs are validity.



#### KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.668
	Approx. Chi-Square	288.537
Bartlett's Test of Sphericity	df	36
	Sig.	.000

#### 4.3 Frequencies of the Data

This is helped to identify the main features of the data in term of frequency, percentage, charts, and standard deviation. This study used frequency for demographic profile of ultimate goal of the study is that, the impact of negative e-WOM on consumer purchasing intention.

Items	No	%
Gender		
Male	43	43
Female	57	57
Age		
Less than 18	19	19
Between 18-45	78	78
more than 45	3	3
Income level of family		
below25000	44	44
25000 to 50000	24	24
50000 to 75000	24	24
75000 to 100000	5	5
above 100000	3	3
Educational background		
Unskilled workers	15	15
advanced level	53	53
undergraduates	24	24
post graduate	8	8



According to the descriptive data most of the participants are female 57%. And age group vice most of the participants are coming under 18-45 age group. And more participants' monthly income is below 45000 per month. Finally advanced level educated people are mostly preferred to involve with this social networking sites.

## 4.4 Correlation Analysis

Correlation is used to show the relationship among variables. Table above shows the Pearson correlation among all variables showing that all the variables are positively correlated with other. The table also contains the values of mean, standard deviation and values of reliability analysis. According to correlation table, Feeling of injustice, firm attribution, face concern and emotion regulation are has the relationship with online purchasing intention. Because it has high value of correlation at significant level. It means these five variables are the major factors of negative e-WOM in online purchasing context. At the same time intensity & Tie Strength are contain negative relationship with online purchasing intention.

So, the firm should consider customer's perceived feeling of injustice because it leads to customer's spreading behavior with others. To get firm attribution company should ready to do some favorable action to protect customer's retention with them. Firm image & face concern are very important for company because potential consumers are looking the company's information through company CSR projects and popularity. And company should build the better bonding with their customers. So these are the major determinants of a particular online shopping company's purchasing intention.

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	Feeling of				Emotio	Inten			Purchasin	
	injustice (F1)	Attribution (F2)	Image (F3)		n regulati	•	Strengt h	e E- WOM	g Intention	
	(11)	(12)	(13)	. ,	on (F5)	(10)	(F7)			
	Pearson							(F8)	(F9)	
F1	correlation	1								
гі	Sig.(2 tailed)									
	Pearson	$.250^{*}$	1							
F2	correlation		1							
	Sig.(2 tailed)	.012								
	Pearson	.249*	.578**	1						
F3	correlation Sig.(2 tailed)	.012	.000							
	Sig.(2 tunicu)	.012	.000							
	Pearson correlation	.189	.234*	.501**	1					
F4	Sig.(2 tailed)	.059	.019	.000						
	Pearson									
	correlation	.444**	.335**	.564**	.690**	1				
F5	Sig.(2 tailed)	.000	.001	.000	.000					
	Pearson	.325**	.491**	.417**	.418**	.426*	1			
F6	correlation					*	1			
-	Sig.(2 tailed)	.001	.000	.000	.000	.000				
	Pearson	.238*	050	.083	061	.010	005	1		
F7	correlation Sig.(2 tailed)	.017	.624	.414	.549		.959	-		
	oigi(2 talleu)	.017	.024	.414	.549	.921	.759			
	Pearson	136	150	068	.084	.046	085	059	1	
F8	correlation Sig.(2 tailed)	.176	.135		.406		.400	.557		
	_									
	Pearson correlation	.696	.722	.680	.709*	.668	029	085	.758**	1
F9	Sig.(2 tailed)	.000	.000	.006	.007	.005	.772	.401	.000	
	6									

Significant

level at 0.005



## **05. CONCLUSION**

Presently E-WOM is become more efficient mechanism for all marketers to build strong place in consumer heart and mind. Previously web 1.0 technologies were used by companies to generate the content for them. But unfortunately increase the developments of web 2.0 advancements it allows participants or users to produce contents collaboratively (Tsao 2019). It also provides interactive web facilities to consumers to obtain timely information & participate user generate contents for them. Because e-WOM is currently associated with social networking site. In earliest stage traditional WOM allows to consumers to share the information between small groups of individual. But it has been changed by collaborative tools. So WOM contains to any positive or risky statement generated by consumers regarding that company's products or services & it also allows accessible to wide range of consumers via the internet (Liao 2019).

Firms are facing many challenges due to this e-WOM because it is very difficult to control its creation and viral or spread (Filieri 2020). Negative e-WOM contain more effect than positive e-WOM because negative information are having most interesting and attention grabbing than positive information and finally it lead to decrease the sales volume. In online purchasing context increase the frauds & ethical issues consumers are having less intention to buy the products. Meanwhile if these kinds of negative e-WOM are spreaded by people, definitely will reduce purchasing intention of the potential consumer (Patil 2019).

To build the strong position in the market, online companies can involve some process such as, be active it means company can established better connection with social media to build the strong relationship with loyal customers because consumers who have nice relationship with a company are more prefer to recommended, defend the entire company from negative e-WOM situation. Another one is be quick it means company should ready for how to handle negative e-WOM because it depend on speed of reaction. If the company failed to react quickly to negative e-WOM it spreading effects is grow up. So the company quickly addresses unhappy consumers.

So, people from the across the world can access social networking site to spread good & bad matters about the particular brand with many large amount of audience by sharing, linking, tweeting it (Wang 2018). This also provides greater communication facilities for potential consumers because they can play active role in the market at any time & anywhere with anyone e-WOM also gives some benefits to firm such as, free advertisements cost, enhance customer engagement, increase the brand recognition and sales and can gather the consumer's opinion and feedback to improve the product quality (Gower 2019). But unfortunately if the company failed to handle the consumer in a positive way it will lead to damage the brand (Akyuz 2020).



In that way, present study gives more supportive to potential consumer and company as well. In srilnaka online shopping intention of people are gradually increasing one especially northern province after thirty years of civil war people are willing to buy product in online environment. But unfortunately negative E-wom thought are spreading by the people who already purchased from on the online context. So this will reduce the potential consumer purchasing decision in online context. So this study contributed to found what are the major determinants of this negative e-WOM in the online business environment.

In future research can focus negative e-WOM on particular online shopping website. And further study also can find by adding current models & theories for new components or factors it also will give new theoretical and managerial insight to the world.

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