

The role of electronic word-of-mouth in influencing consumer repurchase intention in social commerce

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Abstract. This research investigates the way consumer repurchase intention in social commerce is shaped by electronic word-of-mouth at global scale. Building our argument by drawing on data collected from Deloitte, eMarketer, MarketingCharts, Marketing Insider Group, McKinsey, Mediakix, Nielsen, Smart Insights, and Statista, we performed analyses and made estimates regarding trusted information sources according to consumers, products/services that Internet users have personally recommended to others, channels through which Internet users would like to receive recommendations from others, leading social media marketing tactics among marketers/media agency professionals, sources that have influenced a recent purchase decision, what are retail digital buyers most concerned about when choosing a social e-commerce platform, important information in online reviews that influence purchase decisions according to Internet users, % of respondents who made a purchase influenced by electronic word-of-mouth channels, leading social media trends that will have the biggest effect on their advertising and marketing strategies, Internet users who agree that online reviews have an important influence on purchase decisions (by age), effective content formats for influencer marketing, and factors that influence whether a product is considered at each stage of the consumer decision journey. The data for this research were collected through an online survey questionnaire and were analyzed via structural equation modeling on a sample of 4,200 respondents.

1 Introduction

Electronic word-of-mouth (eWoM) is a pivotal information facility for digital consumers who buy items. [1] There is a beneficial impact of consumer grasps of service standard on their eWoM and trading purposes via their cognitive and emotional reactions. [2] eWoM

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shapes the consumer purchase behavior via the online sharing of buyers' attitudes and practices regarding items for sale employing social media. [3] Consumer satisfaction and trust are favorably associated with consumer WoM behavior. [4]

2 Conceptual Framework and Literature Review

Reviews or remarks posted online by consumers and pundits are established on their personal routines and the assessment and professional inspection of an item. [3] eWoM standard and eWoM volume favorably impact e-trust and online repurchase intention. [1] WoM is instrumental in building trust [5-10] and is decisive in accelerating purchasers' predisposition and purpose to try to find goods on social commerce sites. [11] Online consumer-to-consumer data transfers affect attitude [12-16] which, in succession, notably impacts WoM and eWoM repurchase purposes. [17] WoM content, positive and negative WoM behavior, and monitoring other consumers' acquisitions considerably shape consumers' purpose to purchase a product [18-21], consequently maximizing the prospect of concrete shopping and sharing item data on social commerce platforms. [22]

3 Methodology and Empirical Analysis

Building our argument by drawing on data collected from Deloitte, eMarketer, MarketingCharts, Marketing Insider Group, McKinsey, Mediakix, Nielsen, Smart Insights, and Statista, we performed analyses and made estimates regarding trusted information sources according to consumers, products/services that Internet users have personally recommended to others, channels through which Internet users would like to receive recommendations from others, leading social media marketing tactics among marketers/media agency professionals, sources that have influenced a recent purchase decision, what are retail digital buyers most concerned about when choosing a social e-commerce platform, important information in online reviews that influence purchase decisions according to Internet users, % of respondents who made a purchase influenced by electronic word-of-mouth channels, leading social media trends that will have the biggest effect on their advertising and marketing strategies, Internet users who agree that online reviews have an important influence on purchase decisions (by age), effective content formats for influencer marketing, and factors that influence whether a product is considered at each stage of the consumer decision journey. The data for this research were collected through an online survey questionnaire and were analyzed via structural equation modeling on a sample of 4,200 respondents.

4 Results and Discussion

eWoM is instrumental in determining consumer behavior, being an additional likelihood for retailers to materialize appreciation for their brands. [23] The eWoM content barely shapes online repurchase intention, whereas the eWoM intensity, another influential determinant, influences online repurchase intention notably. [1] External offline factors alter consumer intentions to suggest subsequent shopping without determining online repurchase purposes or WoM. [17] Consumers' attitudes in relation to social commerce platforms considerably shape the consequences of e-WoM intention, purpose to return, and e-purchase prearrangement. [24] Online shopping routine and social value [25] facilitates the link between consumer satisfaction and trust and WoM. (4) (Tables 1–6)

Table 1. Top three factors that influence whether a product is considered at each stage of the consumer decision journey (%)

	In mature markets	In developing markets
Stage 1: Initial consideration set	Advertising (27)	Word of mouth (16)
	Previous usage (24)	Advertising (14)
	Word of mouth (16)	Previous usage (12)
Stage 2: Active evaluation	Internet information (27)	Word of mouth (25)
	Shopping (17)	Advertising (24)
	Word of mouth (16)	Previous usage (10)
Stage 3: Moment of purchase	Internet information (61)	Word of mouth (43)
	Shopping (18)	Advertising (37)
	Word of mouth (9)	Previous usage (10)

Sources: McKinsey; our survey among 4,200 individuals conducted January 2019.

Note: Figures do not sum to 100%, because percentages for several other factors are not shown.

Table 2. Trusted sources of information about products/services according to U.S. Internet users (% , by age)

	18–24	25–49	50+
<i>Editorial</i>	68	53	58
Recommendations by someone you know or word-of-mouth	77	73	74
Sampling the product or service	74	72	73
Editorial content such as a story in a newspaper, on TV or on radio	67	64	58
Consumer opinion or reviews posted online	62	58	54
Emails or newsletters you signed up for	54	47	50
Editorial content shared through online news sites	49	40	46
Blogs from bloggers	24	36	21
<i>Advertising (including social media)</i>	48	49	52
Information shared on social media channels by someone you know	44		44
Company or organization websites	37	46	39
Traditional advertising on TV, radio, print or billboard by companies	32	42	34
Information shared by a company or organization on social media	24	36	32
Online advertising by companies	22	31	30
None of the above	5	4	5

Sources: Proof Inc.; eMarketer; our survey among 4,200 individuals conducted January 2019.

Note: Top three responses on 7-point scale, where 1 = not at all important and 7 = extremely important.

Table 3. Products/Services that U.S. Internet users have personally recommended to others (%)

Food and groceries	53
Clothing, footwear, etc.	42
Technology	40
Toiletries and beauty products	34
Holidays and leisure items	32
Household cleaning products	26
Household electrical items	24
Pet products	20
None of these	12

Sources: Profundo; eMarketer; our survey among 4,200 individuals conducted January 2019.

Table 4. Trusted information sources according to U.S. consumers (%)

Recommendations from friends/relatives	79
Ads in newspapers/magazines	56
Internet presence/company websites	53
User reviews on online portals	42
Posters on advertising columns or billboards	38
Ad spots on radio and TV	36
Company magazines	34
Reporting found on blogs	27
Advertising on websites	18

Sources: GPRA; eMarketer; our survey among 4,200 individuals conducted January 2019.

Table 5. To what extent do you trust the following forms of advertising? (%)

	Trust completely/ somewhat	Don't trust much/ at all
Recommendations from people I know	88	12
Consumer opinions posted online	72	28
Editorial content such as newspaper articles	61	39
Branded websites	57	43
Emails I signed up for	52	48
Ads on TV	48	52
Brand sponsorships	46	54
Ads in magazines	45	55
Billboards and other outdoor advertising	44	56
Ads in newspapers	43	57
Ads on radio	39	61
Ads before movies	38	62
TV program product placements	36	64
Ads served in search engine results	35	65
Online video ads	34	66
Ads on social networks	32	68
Online banner ads	31	69
Display ads on mobile devices	30	70
Text ads on mobile phones	28	72

Sources: Nielsen; our survey among 4,200 individuals conducted January 2019.

Table 6. Channels through which U.S. Internet users would like to receive recommendations from others (%)

Chatting face to face	63
Posts on social media	34
Online reviews written by consumers and people like me	32
Email or text messages	31
Chatting over the phone	28
Online reviews written by experts	26
Watching videos online	25
Chat apps	24
Reading, hearing or watching reviews in newspapers, magazines, etc.	21

Sources: Profundo; eMarketer; our survey among 4,200 individuals conducted January 2019.

5 Conclusions and Implications

Social cooperation represents a necessary condition for efficient social commerce as consumers have in prospect a joint and social practice while making shopping decisions. [22] Knowledgeableness and confidence are instrumental in facilitating transactions between salespersons and purchasers. [11] Consumers' approaches in relation to social commerce sites are considerably shaped by diverse kinds of perception (of accessibility, of purchase gratification, and of buying risk). [24] Relational offline determinants notably impact online repurchase intentions, while WoM do not alter e-WoM. [17]

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