

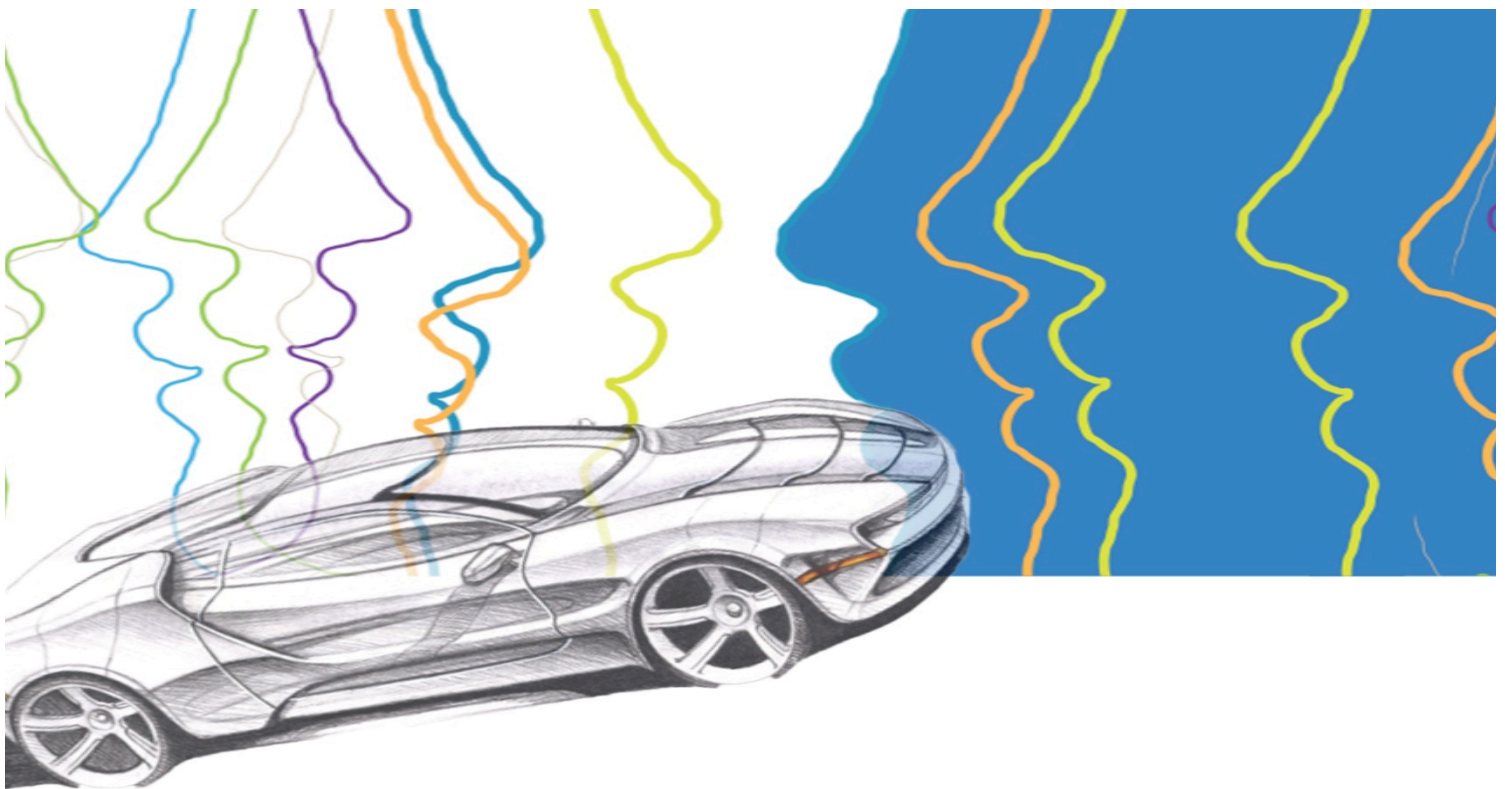


**LUND UNIVERSITY**

LUND UNIVERSITY  
SCHOOL OF ECONOMICS & MANAGEMENT  
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MARKETING & BRAND MANAGEMENT  
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## **TRADITIONAL VERSUS ELECTRONIC WORD-OF-MOUTH**

**A STUDY OF WOM COMMUNICATION AND ITS INFLUENCE ON YOUNG  
CONSUMERS WITHIN THE AUTOMOBILE INDUSTRY**



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## ***ABSTRACT***

- Title:** **Traditional versus Electronic Word-of-Mouth:** A study of WoM communication and its influence on young consumers within the automobile industry
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- Course:** BUSN29 Master thesis in international marketing & brand management
- Authors:** Anja Gfrerer and Judyta Pokrywka
- Advisor:** Ulf Johansson
- Keywords:** Traditional word-of-mouth, electronic word-of-mouth, automobile industry, word-of-mouth persuasiveness, high-involvement decision-making
- Thesis purpose:** Examination whether one of the WoM channels is more persuasive than the other towards a possible influence on consumers' purchase-decision making within the high-involvement context.
- Methodology:** This thesis uses an iterative mixed methods approach by following a cross-sectional sequential research design. The first data collection was of quantitative nature in order to address the online WoM environment. Afterwards qualitative semi-structured interviews were completed to approach the offline nature of WoM communication and obtain in-depth explanations of the rather factual results derived from the survey.
- Theoretical perspective:** The study is based on theories concerning traditional and electronic word-of-mouth in the context of high-involvement products. Furthermore, the attribution theory was applied in order to address the concept of persuasiveness.

**Empirical data:**

Empirical data was collected in form of an online survey distributed on social networking sites as well as eight qualitative semi-structured interviews conducted with consumers who have purchased an automobile recently or who are thinking of purchasing one.

**Conclusion:**

Marketers invest in and execute carefully planned advertising campaigns, whereas what has the most impact on consumers is “expenseless” and brilliant in its simplicity: *Word-of-Mouth communication* derived from trustworthy offline or online sources. The targeted group of young automobile consumers acknowledge the opportunity to connect with other users online, however their daily engagement on SNSs and commitment to those, surprisingly does not transfer to attributed trustworthiness of these online WoM sources. It was found that being persuaded towards a purchase decision requires strong stimuli, which are more efficiently delivered within an offline milieu. The role of offline WoM is concluded to be reassuring, adaptive and prevailing in its persuasive influence on decision-making, while the role of online WoM is considered to be supplemental for providing diversified background information and technical details.

The study contributes to the existing research in the field of WoM communication by providing an understanding of significant differences between offline and online WoM within a high-involvement decision context. The practical contribution delivers insights in regard to possible capitalisations of WoM by combining industry specific know-how and the study findings in order to orchestrate successful campaigns, which provide the right content to the right consumer in the right environment.

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# 1. INTRODUCTION

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*This chapter offers an overview of the chosen research area by underlining the importance of traditional and electronic Word-of-Mouth communication. A literature review within this research field is provided to set the basis for the problem discussion. This is followed by a presentation of the research aim and the research question. Finally, an outline of the research study concludes the chapter.*

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## 1.1 BACKGROUND

In the discipline of consumer behaviour one of the most widely accepted notions is Word-of-Mouth communication (WoM), which plays an important role in shaping consumers' attitudes and behaviours (Brown and Reingen, 1987: 350). Hereby, consumers obtain information about products, brands or services from known individuals such as friends, peers, family members or acquaintances who often exert influence on their purchase decision-making (Bayus, 1985: 31). This is also clearly traceable in marketing and advertising literature (Engel et al., 1969; Gilly et al., 1998, in Chu and Yoojung, 2011: 48). It is proved that WoM is a powerful force within the consumer marketplace and former research supports the claim that WoM is more influential on behaviour than all further controlled-sources such as prints or other advertising formats (Buttle, 1998: 242). According to Day (1971) this occurs mainly because of the higher level of reliability and flexibility through interpersonal WoM communication (Day, 1971, in Buttle, 1998: 242).

However, the worldwide shift from the dominant print culture in the 19th century to the current digital culture of the 21st century (Deuze, 2006: 63) has strongly influenced WoM by the emergence of electronic Word-of-Mouth. This means consumers' communication environment changed and was enriched by the ability to communicate in new ways (Harrison and Barthel, 2009: 56). Such electronic WoM communication takes place in the form of discussion forums, emails, news groups or within popular Social Networking Sites (Chu and Yoojung, 2011: 47f) and is typically provided by future, actual, or former consumers of a company, product or certain brand (Hennig-Thurau et al., 2004, in Jansen et al., 2009: 2170). Hereby, Dellarocas (2003) specifies the Word-of-Mouth phenomenon as "*(...) being given new significance by the unique property of the Internet*" (Dellarocas, 2003: 1407). Thus, in particular social media provides consumers with the opportunity to discuss, recommend or criticize products (Harvard Business Review, 2011: 2), and Social Networking Sites (SNSs) represent an ideal tool for electronic WoM, as consumers unreservedly create and disseminate product- or brand related information within their online networks (Chu and Yoojung, 2011: 49). A published report by the *Pew Internet & American Life Project* (2010) states that more than 70% of online users between 18 and 29 years use SNSs, whereby Facebook (73%) is the most popular one, followed by MySpace

(48%) and LinkedIn (14%) (Lenhart et al., 2010, in Chu and Yoojung, 2011: 49). It is important to notice that individuals using SNSs are not only able to communicate and share their thoughts, experiences and opinions, but might also influence others in regard to pending purchase decision-making within high-involvement contexts (Vilpponen et al., 2006). Most of the previous studies focus on WoM concerning low-involvement products such as books or CDs, whereas WoM of high-involvement products, in particular automobiles and its influence on persuasiveness, is not duly investigated thus far. Therefore, the focus of this research is on the under-investigated phenomenon of offline and online WoM by employing existing theories of relevance and applying them in a new context. In comparison to convenience shopping, it is stated that when purchasing an automobile consumers conduct extensive research due to the high-involving nature of the product. (Hjälte and Larsson, 2004: 4f). Thus, in regard to this high-involvement decision-making context, the power-shift of communicated messages about products or brands is significant within the WoM field, offline as well as online. Due to that fact it is argued that the success of a product strongly depends on its produced WoM (Godes and Mayzlin, 2004: 545), when the delivered information originates from a more persuasive source than, for instance, a company generated message (Chu and Yoojung, 2011: 48).

### **1.1.1 TERMINOLOGY OF WORD-OF-MOUTH**

This research study addresses WoM within different settings. Traditional WoM is also referred to as offline WoM, whereas electronic WoM is referred to as online WoM. The overall term of WoM communication is used, by referring to Word-of-Mouth as general phenomenon.

## **1.2 LITERATURE REVIEW**

Katz and Lazarsfeld (1955) conducted one of the first formal studies discovering that WoM was the most influential source of information when making a purchase decision concerning household products and food (in Brown and Reingen, 1987: 350). Thereby, they found that WoM was considerably more effective than newspapers, magazines, personal selling and radio advertising (Ibid.: 350). Their findings were further confirmed by Engel, Blackwell and Kegerreis (1969, in Jansen et al., 2009: 2169), and King and Summers (1970, in Cheung and Thadani, 2010). Studies by Clarke and Belk (1978) and by Engel and Blackwell (1982) distinguished consumers' information search behaviour concerning the level of involvement within the product purchase (in Gu et al., 2012: 183). A supplementing construct of homophily was studied by Rogers (1983) who suggested individuals share similarities on the level of attributes such as age, gender, education and social status (in Steffes and Burgee, 2009: 45). Brown and Reingen (1987) deepened the understanding of homophily and tie strengths as well as investigated the micro and macro levels of information exchange between individuals (Brown and Reingen, 1987, in Steffes and Burgee, 2009: 45). Further, Lang (2006: n.p.)



confirmed that persuasiveness of WoM is a vital factor of purchase decision-making, which is reliant on the perception of the message as credible, trustworthy and reliable (Arndt, 1967; Dholakia and Sternthal, 1977; Heckman, 1999; Richins, 1984; Sobczak, 1990, in Lang: n.p.). Hereby, persuasiveness is seen as altering consumers' attitudes and behaviours and has been found to be enhanced by the receiver's ability to provide accurate feedback (Arndt, 1967, Ibid.: n.d.) as well as tailored (Lazarsfeld, Berelson and Gaudet, 1948, Ibid.: n.p.) or personalized information, which in turn makes WoM highly persuasive (Arndt, 1967, Ibid.: n.p.). The consumers' influence evoked through WoM communication was further enhanced with the advent of the Internet. For this reason, Dellarocas and Narayan (2006) conducted a study suggesting the similarity of the antecedents of traditional WoM and electronic WoM, which entails that previous research on offline WoM is partly applicable in online WoM (in Ohashi and Parrot, 2010: 7). Calabrese and Borchert (1996) and Johnson et al. (1999) focused therefore on the online setting and researched how the source credibility impacts interpersonal influence (in Karakaya and Barnes, 2010: 448). Godes and Mayzlin (2004) argued that their study results provide the statement that some aspects of electronic WoM substitute the overall WoM (in Ohashi and Parrot, 2010: 6). Nevertheless, East, Hammond and Lomax (2008) questioned this position and stated that online WoM is likely to become a progressively more significant form of offline WoM (Ibid.: 6).

As Phelps et al. (2004) indicated, individuals are more likely to assimilate information when they identify the source as trustworthy, compared to receiving information from less reliable sources (in Yeh and Choi, 2011: 151). Accordingly, Jumin et al. (2008) studied the source of online reviews or recommendations and concluded that other consumers' recommendations influence message receivers more effectively than experts' recommendations (Karakaya and Barnes, 2010: 449). Nardi et al. (2004) and Anderson (1998) investigated why consumers engage in WoM and came to the consensus that consumers experiencing extreme feelings, i.e. satisfaction or dissatisfaction, are more inclined to engage in WoM (in Ohashi and Parrot, 2010: 6). Moreover, a positive connection between consumer's satisfaction and loyalty has been proved (Anderson and Sullivan, 1993; Fornell, 1992; Rust and Zahornik, 1993; Taylor and Baker, 1994, in Söderlund, 1998: 169) as well as between a consumer's satisfaction and the predisposition for recommending certain items to other consumers (Hartline and Jones, 1996; Parasuraman et al., 1988; Selnes, 1993, in Söderlund, 1998: 169). Furthermore, a number of studies suggested that brand-loyal consumers, who experience positive feelings show a tendency to create and share information favouring their brand (Dick and Basu, 1994; Gounaris and Stathakopoulos, 2004, in Yeh and Choi, 2011: 149). Additionally, Hennig-Thurau and Walsh (2004) and Goldsmith and Horowitz (2006) examined the motives for looking for online opinions. They concluded their study with the notion that consumers seek product reviews in order to learn more about the product attributes before purchasing, whereas their main reasons are risk-reduction and purchasing decision enhancement (Ibid.: 149). On the whole, former research shows that offline WoM

and online WoM impact not only consumers' attitudes, but also their behaviour. To our knowledge, the academic literature investigates ways and reasons for sharing information concerning high-involvement products; nevertheless, it does not cover the effects of traditional nor electronic WoM on consumers in regard to the automobile industry.

### 1.3 PROBLEM STATEMENT

Previous researchers have already engaged in studying traditional WoM and its effects on consumer attitudes and behaviour; thus also its influences on consumers' purchase-decisions. Offline WoM is hereby dependent on the consumer-to-consumer advocacy and occurs between known individuals within direct settings. The potential of traditional WoM communication is recognised by previous researchers and practitioners, however it is argued that this acknowledged power tends to be neglected because of the shift towards electronic information sources. Hereby, the advent of social media and their social networking sites has revolutionized the potential of online WoM since it enables accessibility and reaches a completely different level than traditional WoM could achieve. Online comments, opinions, users experiences or other product-related information are facile to distribute globally and reach millions of users, which implies the phenomenon of electronic WoM stands for an additional force in affecting consumers' purchase-decisions. However, the persuasiveness of WoM communication is puzzling due to the fact that its level may differ between offline and online settings; thus evoking greater or lesser influence on automobile consumers' purchase-decisions.

Considering the wide range of automobile users and thus a variety of consumer profiles, the researchers address in particular younger consumers within the group of 18 – 30-year-olds. This group is an interesting target due to the fact that they often deal with purchasing their first automobile, which embodies a high material and personal value. Consequently, their information research is crucial in order to derive to a satisfying purchase decision at the best. Hereby, automobile consumers might ask friends, peers and colleagues in an offline setting or seek information online, instead of listening to traditional “advertising” messages provided by companies. Furthermore, the targeted group is characterised as digital-natives, which may indicate that they extensively utilise online sources during their information search. Additionally, it is known that the Internet as information source for automobiles dynamically grows in power. In 2007 approximately 60% of new automobile buyers used the Internet as a research tool (Ratchford et al., 2007: 111), while a recent study by *Capgemini* (2012) shows an increase up to 94%, which proves the continuous growth of the web importance as tool for information search.

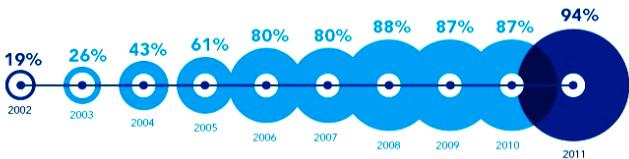


Figure 1: Internet as a research tool for new automobile buyers (Source: Capgemini, 2012)

However, the researchers argue that an important gap within the WoM literature has emerged. It is not known if automobile consumers preferably listen to traditional or electronic WoM and which of these mediums have stronger influence when it comes to the high-involved purchase decision-making. Interestingly, the majority of targeted consumers spend a vast amount of time on SNSs such as Facebook, Twitter or LinkedIn to which they are highly attached. Therefore, these platforms might influence consumers' decision-making due to the accessibility of numerous automobile-related user groups, where individuals have the opportunity to obtain information, opinions and advice. Thus, it is important for automobile companies to understand the dynamics of SNSs and their potential power towards electronic WoM and how this milieu might influence consumers' purchase decision-making. New insights about potential reasons for following or disregarding WoM delivered via these platforms are crucial for designing and executing accurate marketing strategies, especially in the era of Internet marketing. It is argued that the outcome of the study offers new devices to researchers and practitioners, which should improve the understanding of these two different communication channels within a high-involvement context.

## **1.4 RESEARCH AIM**

The aim of this thesis is to approach the interesting phenomenon of traditional and electronic WoM communication, which is generally considered to impact consumers when making a final purchase-decision. Hereby, the researchers intend to examine whether one of the WoM channels is more persuasive than the other towards a possible influence on consumers' purchase-decision making within the high-involvement context. Thus, this study researches possible differences between offline and online WoM communication and their influence on automobile consumers' purchase decision-making. The outcome of this study provides new insights into the phenomenon of offline and online WoM, their potential persuading power and thus their influence on high-involvement purchase decisions. Moreover, it offers marketers and researchers a better understanding of the phenomenon while shedding light on the overall interrelation of traditional and electronic WoM communication.

## **1.5 RESEARCH QUESTION**

Based on the above information the thesis will answer the following research question:

***Is electronic Word-of-Mouth more persuasive to young consumers than traditional Word-of-Mouth towards their decision-making within the automobile industry?***

## **1.6 INTENDED CONTRIBUTIONS**

### **1.6.1 MANAGERIAL CONTRIBUTION**

The main managerial contribution is the demonstration of whether one of the WoM channels may be proved to be more persuasive in nature and whether the targeted consumer group leans towards a preferred communication channel. Therefore, marketers might be able to accurately model their target population's WoM regarding both channels, which could result in influencing consumers' behaviour and thus also company sales. Moreover, the research provides a practical understanding of an important phenomenon relating to the automobile industry and indicates how marketers can combine their expertise and industry know-how with a theoretical awareness of consumers' decision-making. Finally, given that WoM is a strong marketing tool, this research can contribute to further understanding of the characteristics of offline and online WoM and enables companies within the chosen industry to make more strategic marketing allocations towards this phenomenon.

### **1.6.2 THEORETICAL CONTRIBUTION**

The recognition of differences between offline and online WoM communication within the high-involvement context and the subsequent investigation of their persuasiveness on consumers' purchase decision-making are the main theoretical contributions of this research. The review of applicable literature and drawing from existing theoretical concepts provides the researchers with an understanding of traditional and electronic WoM and their influences on automobile consumers. Additionally, the causal relationships between chosen mediating factors and their consequences in regard to traditional versus electronic WoM in a high involvement decision-making context are given. Consequently, the researchers draw conclusions, which enrich the previously limitedly researched industry in regard to offline and online WoM.

## **1.7 OUTLINE OF THE PAPER**

The general introduction to this thesis provides overall background information about the topic, while the presented problem statement and the posed research question set the stage for the thesis. The second chapter presents the most relevant theories, provides an understanding of WoM concepts and introduces the proposed hypotheses framework. The third chapter clarifies methodological considerations and provides description and justification of the chosen research design. The fourth chapter presents the results of the online survey and semi-structured interviews. Consequently, the fifth chapter analyses and discusses the gathered empirical results. Further, the sixth chapter provides an answer to the research question followed by the researchers' own conclusions, which are made by taking into account the limitations of this study. Finally, implications for marketers and suggestions for future research within this field are provided.

## 2. THEORETICAL FRAMEWORK

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*This chapter provides theories relevant to offline and online WoM with respect to high-involvement products and WoM messages' influence on potential persuasion towards consumers' purchase decision-making. The different subsections of the chapter start with an outline and an explanation of the hypothetical model, followed by an overview of WoM communication types and high-involvement products. Thereafter the researchers display important views on attribution theory, trustworthiness, persuasion and finally the purchase decision-making in the context of offline and online WoM.*

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The literature review already presented several important differences between offline and online WoM communication. Hereby, an interesting aspect of this study is WoM regarding high-involvement products such as automobiles and its persuasion on decision-making that significantly differs from low-involvement products' WoM. Thus, Figure 2 presents the conceptual model illustrating the relation of applied constructs in this thesis and also gives an outline of the fundamental reasoning of this chapter. However, due to the complexity of the overall notions of trustworthiness and persuasiveness in the context of purchase decision-making, it does not represent an exhaustive list of all factors that would affect an automobile consumers' decision-making process. This will be reflected upon also in the limitations section.

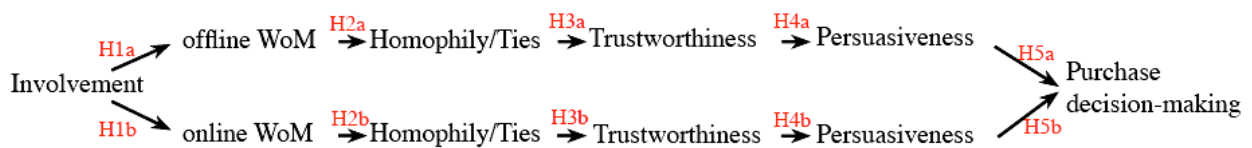


Figure 2: Hypotheses Framework

In order to investigate **offline and online WoM** within the high-involvement context, the researchers apply the attribution theory in the context of persuasiveness, as it is an established theory of persuasion, which indicates potential cause-and-effect relationships. Hereby, within a high-involvement context, factors impacting offline and online WoM are **homophily** with connection to social **ties**, and **trustworthiness** that are regarded as a behavioural credo crucial in leading to a possible **persuasion**. Accordingly, in the context of **persuasiveness**, it is reasonable to expect potential influences on the **consumers' decision-making** process while considering the purchase of an automobile. The following theoretical framework is based on those impacting factors according to which the researchers develop several testable hypotheses. All of the applied theories are based on double peer reviewed articles and academic literature.

## 2.1 WORD-OF-MOUTH COMMUNICATION

Word-of-Mouth communication as a phenomenon is defined as “(...) *all informal communications directed at other consumers about the ownership, usage or characteristics of particular goods or their sellers*” (Westbrook, 1987, in Steffes and Burgee, 2009: 42) and is therefore instrumental in shaping consumers’ attitudes and behaviours (Brown and Reigen, 1987: 350). The focus lies on sharing information concerning individuals’ experiences with diverse services, brands or products (Steffes and Burgee, 2009: 43). Compared to other, predominantly commercial sources, WoM is regarded as exceptionally powerful (Prendergast et al., 2010: 687f) by having a strong influence on consumers’ choice (Steffes and Burgee, 2009: 42) and thus also consumers’ purchase decision-making (Brown et al., 2007: 4; Steffes and Burgee, 2009: 42; Jalilvand et al., 2011: 43). Regardless of the WoM communication medium, it is generally not motivated by profit, it is independent of commercial influences (Litvin et al., 2008: 459), and its communication about products, brands or services happens with or without companies’ permission (Kietzmann et al., 2011: 242). Thereby much of its persuasive nature is attributed to the assumption that consumers often trust communications from people they know rather than, for instance, from marketers or advertisements (Lee and Youn, 2009: 473). Thus, the question is whether one of the two WoM channels may be more persuasive in the context of consumer decision-making process, in view of the similarities and the differences between them.

In order to examine how WoM influences consumers’ decision-making, the researchers have to identify certain motives behind consumers’ engagement in traditional and electronic WoM. Hereby, Henning-Thurau et al. (2004: 40) states that due to “(...) *the conceptual closeness of eWoM (i.e. online WoM) and traditional WoM communication, consumer motives that have been identified in the literature as being relevant for traditional WoM also can be expected to be of relevance for eWoM*”. In general, consumers engage in both offline and online WoM settings for various reasons, but mainly due to their need to share consumer experience (satisfaction or dissatisfaction), to reassure purchase decisions, to get attention, to show personal expertise, to develop new relationships (Wirtz and Chew, 2002: 123) and/or to learn about new products in the market (Henning-Thurau and Walsh, 2004: 53). Consumers representing a high level of opinion seeking are likely to search for data and advice from others when making a decision about purchase, while other consumers represent rather a higher level of opinion giving (Ibid.: 50) by providing the required information.

### 2.1.1 TRADITIONAL WORD-OF-MOUTH

Traditional Word-of-Mouth is a communication concept existing for many years, whereby Arndt (1967) was one of the primer researchers within this field of consumer behaviour. Arndt (1967) characterized WoM “(...) *as oral, person-to-person communication between a receiver and a*

*communicator whom the receiver perceives as non-commercial, regarding a brand, product or service*“ (Arndt, 1967, in Buttle, 1998: 242; Breazeale, 2008: 297f). Thus, it is the spoken word in a face-to-face situation involving sharing product or brand information (Schindler and Bickart, 2005: 50). Further, a fleeting nature of WoM is argued, due to its spontaneous occurrence, which is terminated as soon as the exchange has been expressed (Breazeale, 2008: 298). Its interactions are immediate and involve intimate conversations (Steffes and Burgee, 2009: 43).

A further significant characteristic of WoM is its unique ability to influence consumers' decisions due to the flexibility of interpersonal communication and perceived source reliability (Engel et al., 1969; Day 1971; Tybout et al., 1981; Richins 1983; Bolting, 1989, in Breazeale, 2008: 298). Furthermore, former research also investigated that offline WoM's influence on decisions may be either positive (Engel et al., 1969; Richins, 1983) or negative (Tybout et al., 1981; Bolting, 1989), and it is argued that the latter appears to exert a more powerful influence on consumers than former, or positive WoM (Arndt, 1967, in Buttle, 1998: 242; Litvin et al., 2008: 460).

### **2.1.2 ELECTRONIC WORD-OF-MOUTH**

Internet facilitated Word-of-Mouth shares the elemental similarities of purpose with the traditional form (Steffes and Burgee, 2009: 43), but it also differs in certain ways. This newer communication is defined by Hennig-Thurau et al. (2004) as “(...) *statement made by potential, actual, or former customers about a product or company, which is made available to a multitude of people and institutions via the Internet*”(Hennig-Thurau et al., 2004: 39, in Jansen et al., 2009: 2170). Thus, electronic WoM is transmitted via written words and a large number of consumers are able to receive and potentially spread the initial message online. This indicates that electronic WoM ought to diffuse faster than offline WoM (Prendergast et al., 2010: 689; Cheung and Thadani, 2010: 330f). Furthermore, its communication network is larger than this of traditional WoM by having a variety of means which consumers may utilize to exchange information (Jalilvand, 2011: 44f). Accordingly, electronic WoM has virtually an unlimited reach and due to its bidirectional communication properties it is considered as a one-to-world platform rather than as one-to-one platform (Dellarocas, 2003, in Steffes and Burgee, 2009: 43).

Due to the separation of both space and time of the sender and the receiver, electronic WoM is also seen as an asynchronous process (Steffes and Burgee, 2009: 43) and in contrast to the traditional form it is viewed as more persistent and usually more easily accessible. This is mainly due to the fact that most of the text-based information is archived on the social media platform and is commonly available for an indefinite period of time (Cheung and Thadani, 2010: 331). Furthermore, electronic WoM offers a better measurability due to its presentation format, quantity and persistence, which are easier to observe than in traditional WoM. Thus, electronic WoM is more voluminous in quantity, compared

to information received from traditional contacts within an offline state (Chatterjee, 2001, in Cheung and Thadani, 2010: 331). In contrast to the traditional form, electronic WoM is rather of anonymous nature, which might have influence on consumers' determination of quality and credibility of the messages (Lee and Youn, 2009: 474). While searching or providing advice, consumers do not have to expose their real identities, which might enhance consumers to share opinions or experiences with others; thus leading to an increasing volume of electronic WoM (Chatterjee, 2001: 130). As a result of online platforms' functioning, consumers receive a large and diverse set of expertise opinions about specific products, services or brands from individuals with whom they have no or only little prior relationship (Duhan et al., 1997: 284); hence, it might be easier to find specific information online rather than offline.

### 2.1.3 TRADITIONAL VERSUS ELECTRONIC WORD-OF-MOUTH

As explained, some patterns are exhibited by both forms of Word-of-Mouth, however there are also certain differing characteristics, which might have a stronger or lesser influence on consumers' purchase decision-making. Figure 3 illustrates the most important diverse characteristics of WoM communication.

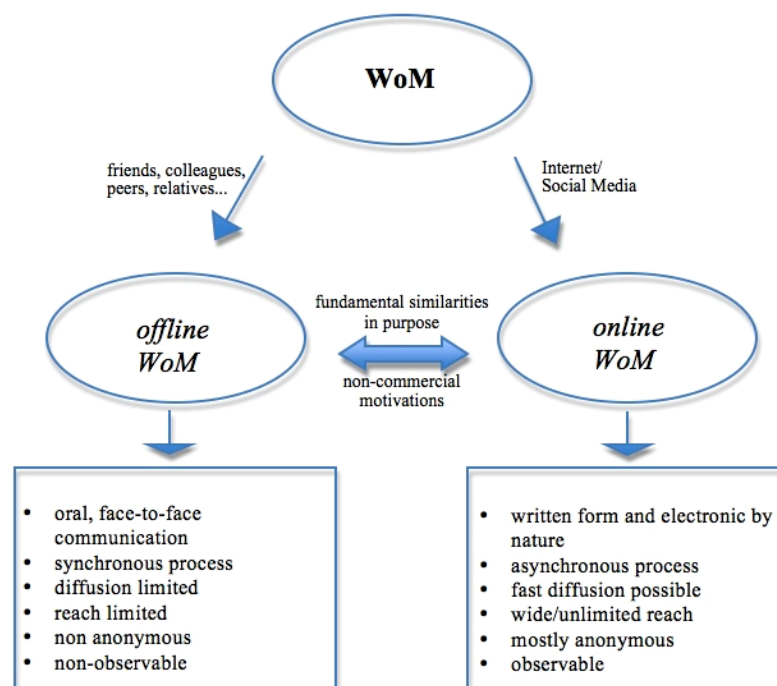


Figure 3: WoM communication model (Own Source based on previous subsections)

As shown in the above model, the channel for providing and receiving information is either offline, via the social network of friends, family, peers and colleagues or online, via social media such as social networking sites, blogs or forums. Regardless of the form of WoM, it is argued that the purpose is based on the same nature of sharing information concerning individuals' experience with products, brands or services, without any commercial intentions. While traditional WoM is a synchronous



conversation and occurs face-to-face, electronic WoM is in general an asynchronous process, where time and geographical distance are of little or no essence. Moreover, electronic WoM can reach a higher number of individuals and has the implied characteristics of a rapid diffuse. It is different in that from the traditional form, which is generally shared with a relatively low number of people and is incapable of diffusing at such pace. Further, electronic WoM is rather of an anonymous nature, as individuals usually do not know the information provider. In contrast, traditional WoM is rather private and characterized by an interpersonal environment. Thus for the latter also social ties are considered to be stronger in traditional WoM than for electronic WoM, which is specified in the following subsections. Due to the fact that social networking sites are public, consumers and marketers are able to observe the given information much easier. Incidentally, companies have very limited or no influence on how people act online; they can seldom foresee the written information about their products, brands or services. Overall, the phenomenon of WoM communication is strongly enabled by the rising use of social media platforms. Thus, it might be easier to find expert information online; and expertise is exceptionally valued in the context of high-involvement products.

#### **2.1.4 WOM AND HIGH INVOLVEMENT PRODUCTS**

It is argued that involvement generally refers to the extent to which consumers view the focal object as a central part of their life; whether it is a meaningful and engaging object in their life (O’Cass, 2000: 550). Thereby, the purchase of automobiles is often cited as the quintessence of a high-involvement purchase, mainly due to the high-perceived risk and the high personal relevance of the product. As a result, consumers put more effort into their own research before making the final purchase decision (Abramson and Desai, 1993: 13). Recent research of Gu et al. (2012) states that the information search process for high-involvement products is significantly more intense than for low-involvement products (Gut et al., 2012: 193). Also prior studies, such as done by Dichter (1966), already indicated that consumers with higher product involvement increment WoM communication (Dichter, 1966, in Litvin et al., 2008: 460). With this heightened involvement it is assumed that consumers increase the amount of time and effort allocated to certain product-related activities. Hereby, high-involvement implies for instance frequent visits at automobile dealers to receive the latest news, actively looking for expert advice from other consumers or consistently spending time on online platforms reading and/or spreading automobile related information (Laaksonen, 2011, in Ekström, 2011: 199f). Consequently, within this context consumers’ research can be based on traditional and/or electronic WoM, which in return might exert a stronger or lesser influence on the final purchase decision-making. Thus, the following hypothesis can be proposed:

*H1a: Consumers’ information search for high-involvement products is positively associated with offline Word-of-Mouth communication*

*H1b: Consumers’ information search for high-involvement products is positively associated with online Word-of-Mouth communication*

## **2.2 ATTRIBUTION THEORY**

The attribution theory is used to examine the investigated phenomenon of offline and online WoM in terms of persuasion. This theory has its roots in F. Hieder's "*Psychology of Interpersonal Relations*" (1958) and is considered to be a theory of extraordinary longevity (in Johnson, 2006: 181) whereas its adaptability and applicability have been proved by its continuous application to various types of research (Ibid.: 181). In the field of marketing and consumer behaviour research, attribution is considered as "(...) *the explanation of events and behaviours by indicating cause-and-effect relationships*" (Folkes, 1988, in Wang, 2008: 174). The theory is chosen since it sheds light on important factors such as homophily and social ties which have influence on both offline and online WoM messages' creation and spread, with regards to persuasion.

The Attribution theory describes how individuals evaluate causality in a post-behavioural context, based on different situational and informational cues. Informational cues derived from behaviour and a priori beliefs in generalisability of the person, given object and situation, indicate causal attributions (Wyer and Carlston, 1979, in Wang, 2008: 174). In other words, if presented with a message, consumers attempt to assess whether the received message provides an accurate representation of facts (Brown et al., 2007: 7). Non-credible information will not be persuasive due to the discounting principle (Kelly, 1967, 1972, Buda, 2003, in Brown et al., 2007: 7; Kelley, 1973 in Lee and Youn, 2009: 478). Hereby, the discounting principle examines the effects of source providers' characteristics on persuasion (Kelley, 1973), which was proven by Wiener and Mowen's study (1986, in Lee and Youn, 2009: 476). Study participants who received an endorsement regarding a used automobile from a source that was seen as untrustworthy were less prone to be persuaded by the endorsement compared to participants who received the information from a highly trustworthy source (Ibid.: 476). Consequently, if the source credibility is high, behavioural influence also tends to be higher (Dholakia and Sternthal, 1977; Bansal and Voyer, 2000, in Brown et al., 2007: 7); hence attribution is the base for consumer's future expectations, intentions and behaviours (Johnson, 2006: 183).

### **2.2.1 ATTRIBUTION THEORY: SELF PERCEPTION THEORY**

Self perception theory (Bem, 1965, in Wang, 2008: 175) is one of the attribution theories, which argues that an observer makes a causal attribution based on available informational cues in order to explain another individual's behaviour towards a given object. This approach is applicable within the study of the phenomenon proposed by the present researchers, since individuals first produce attributions analyzing others' behaviour and secondly the same attributions can be transferred to the observer's own behaviour. Therefore attributions regarding others' behaviour offline or online are of vital importance, since those may result in the observers' altered behaviour or influence some of the steps of the decision-making process. Derived attributions depend on the source of provided

information, which in case of offline and online WoM is one of the most important and influential differences.

### **2.2.2 HOMOPHILY AND SOCIAL TIES**

“Source similarity or homophily refers to the degree to which individuals are similar in terms of certain shared social characteristics” (Rogers 1983, in Prendergast et al., 2010: 690). Homophily relates to the shared characteristics between group members and to the extent to which individuals share similarities of different attributes (Rogers, 1983, in Brown et al., 2007: 5). People tend to affiliate with individuals who share their interests or find themselves in a similar situation (Schacter, 1959, in Brown et al., 2007: 5), which is also related to the strength of the social tie. According to McPherson and Smith-Lovin (1987) and Granovetter (1973), the stronger the social tie between two individuals, the more similar they are (in Brown et al., 2007: 5). Thus, tie strength is positively correlated to homophily (Ibid.: 5).

Homophily is significant in both offline and online WoM, though its role differs in both contexts. For instance in an offline setting the assessment of homophily is based rather on gender, age, ethnicity, social background or professional status, while in an online setting those indicators may not be given or falsified (Brown et al., 2007: 6). Therefore, online homophily does not depend on factors of evaluation as age or class and is instead associated with evaluations at the level of the website, rather than an individual (Ibid.: 10). Homophily influences individuals’ social worlds and represents powerful implications regarding the information people receive, attitudes they share or methods they use to interact (McPherson and Smith-Lovin, 1987, in Brown et al., 2007: 5). Since individuals who belong to an interest group share an extent of similarity, this also predisposes them to a greater level of interaction and enhances trust and understanding; as opposed to a group of dissimilar individuals (Ruef et al., 2003, in Brown et al., 2007: 5). This predisposition is the basis for the researchers’ survey design and implementation, as the goal is to target individuals interested in automobile related online groups. Further, due to the fact that group members voluntarily interact with each other, they are also expected to show a certain willingness to contribute to the study and provide their feedback by filling in the survey.

The concepts of tie strength and homophily might be treated as synonymous (Gatignon and Robertson 1985; Rogers 1983, in Brown and Reingen, 1987: 354); however the researchers consider them as separate, yet related constructs. As explained in the previous paragraphs, homophily refers to similarity in attributes between individuals who are in a social relation, while ties vary in strength within different social relations (Brown and Reingen, 1987: 354). A tie’s strength depends on the time invested to build a relationship, emotional intensity, support, proximity and/or reciprocal services characterizing the tie (Prendergast et al., 2010: 691), also within the context of social networks

(Brown et al., 2007: 4). Such strength has influence on behaviours in offline and online environments (Prendergast et al., 2010: 691), thus making it a component of both traditional and electronic WoM.

Tie strength ranges from weak to strong, depending on “(...) *the number and types of resources they exchange, the frequency of exchanges, and the intimacy of the exchanges*” (Marsden and Campbell, 1984, in Brown et al., 2007: 4). A communicator with a strong tie towards the receiver is understood as a person who has already a prior relationship with the receiver (for instance friends or family members), while a communicator with a weak tie is a person who has little or no relationship history with the receiver (for instance distant colleagues or consumers) (Lee and Youn, 2009: 477). In general, consumers have a range of relationship ties within their social networks, starting from strong primary ties, to weak secondary ties and finally non-existent ties with strangers (Steffes and Burgee, 2008: 45). Consumers do not search for information from the sources they have access to with equal frequency (Steffes and Burgee, 2008: 47). Thus, strong tie relationships are usually better available and used, since the interaction between consumers and their strong tie members is on a more frequent basis compared to weak tie or non-existent tie members.

It is argued that weak ties have a crucial influence on the flow of WoM information between groups, while strong ties are regarded as playing a vital role at the micro-level of referral behaviour (Brown and Reingen, 1987: 360). Within SNSs settings and other online social platforms, consumers' purchase decision-making can be influenced by either strong ties or remotely connected weak ties (Chu and Yoojung, 2011: 54). Even though strong ties have a more significant impact at the individual level, weak ties set in connective SNSs environment allow the potential influence to expand and attract not only personal networks, but also external communities and groups (Ibid.: 54). This results in an acceleration of electronic WoM communication on a larger scale. Both weak and strong ties encourage consumers to interact with others and thus encourage electronic WoM spread (Ibid.: 54). The tie strength between the communicator of the message and its receiver is one of the characteristic differences between offline and online WoM (Chatterjee, 2001, in Lee and Youn, 2009: 477). Within an online setting the tie strength is typically considered as weak, since online platforms enable anyone to post their opinions (Granitz and Ward 1996; Chatterjee 2001, Ibid.: 477). Thus, a weak tie communication makes it difficult for consumers to assess the quality and credibility of information provided online (Chatterjee 2001; Schindler and Bickart 2005, Ibid.: 474), and it is problematic to evaluate the true motivations of information providers. Moreover, electronic WoM communicators do not recognize their responsibility and consequences of their inputs (Kadi 1995; Granitz and Ward 1996, Ibid: 477), which in turn may lead to misinformation (Bailey, 2004, Ibid.: 477). Nevertheless, weak ties may also provide possible benefits to consumers. First of all, weak ties enable more potential input to a decision (Friedkin, 1982, in Schindler and Bickart, 2005: 37). Secondly, information gathered by using weak ties could be more diverse than information gained from strong ties, because it comes from a vast amount of various sources (Constant, Sproull, and

Kiesler, 1997, Ibid.: 37). Lastly, electronic WoM may provide consumers with higher quality input generated from online communication by providing access to users with comparably greater expertise about the given topic (Constant et al., 1997, Ibid.: 37). On the whole, the concept of individual-to-individual social tie is suggested to be less relevant in an online context (Brown et al., 2007: 11). Ties within an offline context can be significantly more influential, since they are connected to a known individual, and depend on the strength of the tie. Thus, this concept is important in regard to the automobile industry, as consumers have to be able to relate to both, the person providing the information about automobiles and the website on which the interaction between users (consumers) occurs. In relation to the previous discussion the following hypotheses are drawn:

*H2a: Following offline WoM information regarding high involvement products is positively related to homophily and social ties with the message sender*

*H2b: Following online WoM information regarding high involvement products is positively related to homophily and social ties with the message sender*

#### **2.2.4 TRUSTWORTHINESS AND SOURCE CREDIBILITY**

Traditional advertising effectiveness is in decline, as consumers tend to perceive corporate messages as generally not reliable and trustworthy (Prendergast et al., 2010: 687). According to Berry and Motiwala's (2005) study, the level of trustworthiness and value of WoM information has been gradually increasing (Eccleston and Griseri, 2008: 593). The reason for this is that consumers show higher levels of involvement within WoM as a general phenomenon, compared to involvement in traditional advertising (Prendergast et al., 2010: 687). Moreover, as people tend to trust other people by means of homophily and social ties, WoM messages are regarded as more interesting, credible and engaging (Eccleston and Griseri, 2008: 593). Credibility of the source is essential for the message's effectiveness and is dependent on the message receiver's assessment of the sender's level of expertise, lack of bias and trustworthiness (Kiecker and Cowles, 2001, in Karakaya and Barnes, 2010: 447). Hence, expertise relates to the ability of the sender to make correct assertions, while trustworthiness refers to the source's motives for providing information (Li and Zhan, 2011: 241). A highly credible source is expected to be more persuasive in terms of both attitudes and behaviours, compared to a non-credible source (Pornpitakpan, 2004: 244ff). Additionally, the sender's intention for sharing information has a vast impact on the receiver's recognition of the messages' trustworthiness (Prendergast et al., 2010: 690).

Since SNSs and other online platforms unite consumers' existing networks, messages provided by such familiar platforms may be perceived as more credible and trustworthy (Chu and Yoojung, 2011: 56); compared to traditional advertising or anonymous forums. Starting from the assumption that the "friending" procedure, i.e. adding acquaintances to one's own network, is based on mutual agreement to become friends, a conclusion about increased credibility and trustworthiness may be drawn (Ibid.:

56). Moreover, SNSs support relationships existing offline, which have already developed a high level of trustworthiness and may consequently spread to other, more distant contacts within the overall network (Ibid.: 56). Thus, social relations in the real world may be a pre-stage for establishing new relations online and eventually the trust built offline may be transferred online. Therefore, the willingness to rely on virtual connections is enhanced due to perceived reliability and trustworthiness, which in turn also increases electronic WoM (Ibid.: 66). Accordingly, the developed tie strength towards the site and site homophily has a positive influence on trustworthiness and credibility (Brown et al., 2007: 14). Given the above information, the following hypotheses are drawn in order to investigate the concept of trustworthiness:

*H3a: Offline WoM messages based on homophily and social ties are trustworthy*

*H3b: Online WoM messages based on homophily and social ties are trustworthy*

### **2.2.5 PERSUASIVENESS**

Former researchers have already referred to attribution theory in order to explain the influence of WoM and other marketing practices on persuasion (Lee and Youn, 2009: 475). According to Brown et al. (2007) and Lee and Youn (2009), theories that are applied to investigate how offline WoM influences consumer behaviour, can also be used within an online environment (in Prendergast et al., 2010: 700f). For instance, if users establish positive attitudes towards an online forum, it might result in a forum's information positive influence on consumers' persuasiveness and consequently increase receiver's purchase intention (Ibid.: 701). Thereby, persuasiveness within consumers' decision-making depends on a few factors (Ibid.: 690), wherefore already introduced terms (homophily, social ties and attributes) are used to support and describe its complexity.

First, homophilous sources of information may be perceived as more credible and thus more influential compared to heterophilous ones (Ibid.: 693). Thus, similarity of the source is rather positively correlated to persuasiveness of sent information (Ibid.: 693). Consequently, as persuasiveness is "(...) *the mechanism through which similarity influences behavioural intentions*" (Ibid.: 693), the same mechanism may be applicable within an online environment (Ibid.: 693). Secondly, different types of consumers' attributions have a different impact on persuasion (Lee and Youn, 2009: 476). The attribution theory specifically foresees that the more an individual attributes to other consumers' messages, the more the messages are perceived to be credible and the more confidence the individual will have in the provided information; thus leading to an eventual higher level of the consumers' persuasiveness by the given information (Ibid.: 476). Consumers with positive attributes that are assessed based on homophily and tie strength are likely to be more persuasive, compared to consumers with fewer positive attributes (Eagley and Chaiken, 1993, in Brown et al., 2007: 6). Consequently, the discounting principle indicates that the more the individual perceives the information as biased, the less persuaded will the consumer be by the message (Mizerski 1982; Sen

and Lerman 2007, Ibid.: 6). Thirdly, one of the previously mentioned indicators for listening to offline and online WoM is risk reduction. Therefore, giving credibility to the source provider reduces risk and consequently increases the messages' persuasiveness (Jain and Prosavac, 2001: 170). Thus, based on this discussion the following hypotheses are stated:

*H4a: Trustworthiness of offline WoM message is positively related to the message's persuasiveness*

*H4b: Trustworthiness of online WoM message is positively related to the message's persuasiveness*

## 2.3 WOM AND PURCHASE DECISION-MAKING

Consumers' decision-making process is seen as an act of transforming knowledge and information into action. Thereby consumers use WoM communication to facilitate the decision-making process by providing specific input to a decision, which helps reducing the dissonance associated with a consumer decision. (Schindler and Bickart, 2005: 43) This means that WoM is particularly influential when consumers perceive a higher risk in decision-making and are strongly involved with it, which is especially the case when purchasing an automobile. Thus, prior to making a purchase decision, consumers search for information offline and/or online in order to reduce this perceived risk that accompanies high-involvement products (Prendergast et al., 2010: 687).

In general, research on decision-making takes different phases into consideration (Assael, 1995), whereby the five-stage decision process model is widely applied within consumer behaviour studies; predominantly because the model is general and applicable to a broad range of situations (Kotler and Keller, 2009: 208f; Solomon et al., 1999: 207f). Each of these stages is illustrated in Figure 4 and can be influenced via WoM (Schindler and Bickart, 2005: 41) whereby this model is also appropriate to elucidate WoM communication of high-involvement products as automobiles.

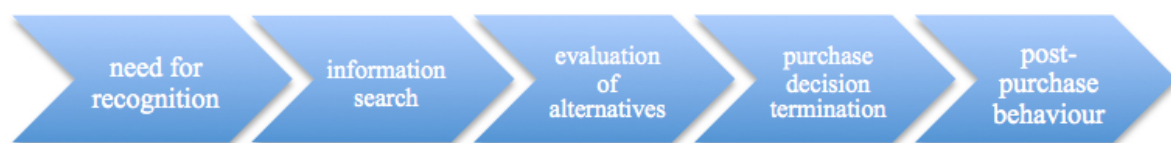


Figure 4: Purchase decision-making model

As this study looks at WoM's potential influences on consumers' decision-making concerning automobiles, special attention is devoted to the information search and evaluation of alternatives. First, after the recognition of a product need or product awareness already created by WoM, consumers of high-involvement products gather information from external sources as offline or online WoM (Schindler and Bickart, 2005: 40; Kotler and Keller, 2009: 208). This means that once consumers decide to buy a new automobile, more attention is paid to conversations and information about automobiles within their own social network such as friends, colleagues or peers. Furthermore, consumers might actively search the Web and visit certain SNSs and other online platforms to gather

more information about their automobiles of choice. (Armstrong and Kotler, 2009: 178). Hereby, it is known that a central outcome of the pre-decision information search is a set of alternatives, also referred to as the consideration set, which might be further evaluated and considered by consumers. WoM input can enhance consumers to take specific items or products stronger into consideration by demonstrating convincing ideas or information about an automobile; opposed to that it may also lead to the deletion of items or specific automobiles from the consumers' consideration set when presented with negative information. (Schindler and Bickart, 2005: 40) Hereby, former research such as of Arndt (1967) confirmed that negative WoM is more influential on consumers' purchase behaviour than positive WoM and he states that negative WoM has a twice as strong influence on consumers as positive WoM (Arndt, 1967).

Moreover, by using information stored in the memory and from external sources such as WoM, consumers form certain criteria to evaluate and compare potential alternatives. This means that during the alternative-evaluation stage, consumers also aim to find the best option for satisfying their needs and thus ascertain to make an adequate automobile purchase choice (Kotler and Keller, 2009: 212). Hereby, consumers are looking for certain benefits from the product and consider each automobile as a bundle of attributes with varying abilities to deliver their desired benefits (Kotler and Keller, 2009: 209). Important attributes of automobiles are for instance engine power, price, styling, warranty or operating economy (Armstrong and Kotler, 2009: 179) and consumers pay the most attention to attributes, which deliver the sought-after-benefits (Kotler and Keller, 2009: 209). Furthermore, WoM might additionally support consumers to evaluate the attributes versus benefits relation as well as support decisions towards potential automobile dealers, which might offer certain benefits of preferred attributes (e.g. warranty) (Schindler and Bickart, 2005: 41). Once the consumer assesses the most suitable alternative, at the best the purchase will take place (Kotler and Keller, 2009: 209f). Afterwards consumers may deliver judgements about the extent to which the product and consumption experience of their automobile is satisfactory. Thus, the post-purchase stage is important since it might result in consumers' satisfactory feedback. Moreover, positive experiences with the product or brand can build consumer loyalty in the future and eventually spread positive WoM, offline as well as online (Kotler and Keller, 2009: 213; Schindler and Bickart, 2005: 41). Hereby, in particular online WoM may enhance the strength of these spread effects, due to their constant accessibility and absorbability (Schindler and Bickart, 2005: 41). Deriving from the previous discussions, the following hypotheses are drawn:

*H5a: Persuasive offline information of high-involvement products influences purchase decision-making*

*H5b: Persuasive online information of high-involvement products influences purchase decision-making*



## 3. METHODOLOGY

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*The third chapter provides a presentation of the research strategy with its philosophical stances. This is followed by a demonstration of the selected research design and data collection techniques used by the researchers as well as an argumentation for the chosen methods. Furthermore, a reflection on the limitations of the methods and an evaluation of the applied approach are presented.*

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### 3.1 RESEARCH STRATEGY

To answer the defined research question and thus fulfil the formulated aim of this study, primary data was required. Hereby, a mixed-methods approach by applying quantitative and qualitative research was followed, as the researchers acknowledged that a variety of data from both, offline and online WoM settings was demanded in order to answer the research question. The approached data included information in regard to demographics of the target group, other consumers' role in providing information regarding high involvement purchases, reasons for seeking and following WoM advice as well as the perceived trustworthiness and persuasiveness of the information towards decision-making. The researchers addressed a larger sample of quantitative data, which was gathered with the online survey. Hereby, the purpose was to trace patterns of association between offline and online WoM, involvement, homophily, social ties, trustworthiness, persuasiveness and purchase decision-making. Furthermore, the researchers were aiming at identifying potential cause-and-effect relationships between these variables, wherefore also qualitative data gathered from semi-structured interviews was employed. With these interviews the researchers were able to obtain a deeper understanding of consumers explanations and reasoning concerning their behaviour, by obtaining consumers' views about the investigated phenomenon of offline and online WoM.

#### 3.1.1 THE ROLE OF THEORY

As the departure for this research is the theoretical concept of WoM communication and its relationship between factors influencing consumers' purchase decision-making from which the researchers derived their testable hypotheses, it would be somewhat natural to expect a deductive theory approach (Bryman and Bell, 2011: 11). This approach is applicable while testing the researchers' hypotheses and identifying the relationship of offline and online WoM and the corresponding persuasive influences towards consumers' purchase decision-making. However, to gain better insight into what consumers say governs their behaviour and thus also to better understand causation, the tested theory is supported with qualitative research material. Thus, due to the fact that two data collection strategies are employed, the researchers choose an iterative stance of theory and research. This approach involves waving back and forth between data and theory (Ibid.: 13), which

will be the case as some or all of the findings stemming from the first analysis phase (quantitative survey) are utilized to drive or inform the second analysis phase (qualitative interviews). Moreover, the findings obtained from both analysis phases are analysed and interpreted iteratively (Onwuegbuzie et al., 2007).

### **3.1.2 EPISTEMOLOGY**

Based on the researchers' primary quantitative data collection and analysis, a positivistic approach would be assumed at first (Bryman and Bell, 2011: 15). However, the researchers also look at human nature by studying offline and online Word-of-Mouth and its influence on consumers' actions seen as reflections of the studied population. Even though the researchers attempt to identify causal explanations that explain human behaviour (i.e. if trustworthiness has evident influence on purchase decision-making), it is difficult to prove causality without applying any active observations. The research might indicate a correlation yet has difficulty in demonstrating causation, which means that this study has aspects of both, positivism and social constructionism (Bryman and Bell, 2011: 15ff; Easterby-Smith et al., 2008: 59). Hereby, characteristics of positivism are that 1) the purpose of the theory is to generate hypotheses which can be tested, 2) the observers are independent, 3) the study is defined in measurable units that will show statistical probability and 4) it is conducted from a larger number of samples (Bryman and Bell, 2011: 15; Easterby-Smith et al., 2008: 59). Social constructionism is shown as WoM by definition is regarded as a constructed social phenomenon. Furthermore, the study is centred on human interest by aiming to elaborate on the nature of offline and online WoM and also understand the consumers' viewpoints within their social actions (Bryman and Bell, 2011: 18; Easterby-Smith et al., 2008: 59).

### **3.1.3 ONTOLOGY**

Ontology is closely related to epistemology and evaluates how social entities are regarded (Bryman and Bell, 2011: 20). In this thesis the researchers followed constructionism, which assumes that the social phenomena and their meanings are continually accomplished by social actors, produced through social interaction within a constant state of revision (Ibid.: 22). Thus, it regards the world as created by and dependent on those within the system. In contrast, objectivism states that the world exists and its actors do not influence it. The researchers decided upon the constructivism approach, as WoM is regarded as a social construct that is constantly used by consumers, i.e. through offline or online social interaction and information exchange, which implies that WoM is an outcome of social interaction between consumers. Even though the quantitative part of this research refers rather to an objectivist position that also entails a deductive approach, it would be very difficult to apply in the case of this study, especially due to the social constructed phenomena of WoM (Ibid.: 26f). Further, it is argued that within the offline and online WoM phenomena, consumers create their own meanings through

language, conversations and words, whereby the researchers regard reality as something created through social interactions in a continuous state of construction and reconstruction (Bryman and Bell, 2011: 21f). This was seen as highly relevant for the study, given that the conversations, words and social interactions are the foundation of offline and online WoM.

## **3.2 RESEARCH METHOD**

### **3.2.1 RESEARCH DESIGN**

An experiment would be the most suitable design for determining cause and effect relationships (Bryman and Bell, 2011: 46), however this was unattainable in this research, due to the lack of a possibility of manipulating independent variables within an offline WoM context. Hereby, the researchers argue that it is possible to gather data concerning drivers influencing potential purchasing behaviour by using methods other than experiments (Coon and Miterer, 2010: 37). Therefore, a mixed methods approach was applied by following a cross-sectional sequential research design. This design involved collecting data in an iterative process, where the data collected in one phase contributed to the data collected in the second phase. Thus, the primarily conducted quantitative survey data was followed by the qualitative semi-structured interviews, whereas the collected data of the survey set the base for the structure of the interviews. The researchers' role was to analyse quantitative data so that it could be precisely stated which knowledge gaps needed to be covered by gathering in-depth data with qualitative semi-structured interviews. This decision was crucial for the researchers' general direction and outcomes in order to provide a complete picture of WoM's role within the automobile industry.

Further, the cross-sectional research design was chosen as the researchers' aim was to collect "(...) *quantitative or quantifiable data in connection with two or more variables*" (Bryman and Bell, 2011: 53) at a single point in time or during a relatively short time period (Johnson and Christensen, 2010: 361). This design entails an examination of the relationships between those variables, yet does not provide solid evidence of causality. To overcome the shortcomings of this design, a thorough look at relationships between variables had to be given. Therefore, the researchers combined two methods to draw, support and confirm inferences regarding causation between variables. This action enabled the researchers to be confident that some relationships can be explained by inferences about causality, based on the researchers' assumptions in regard to those relationships (Bryman and Bell, 2011: 346f). This means that the researchers had to draw on common sense and use theory to infer that one variable causes the other (Ibid.: 163). However, the real pattern of causation may differ from the anticipated one and the risk of making a wrong inference exists (Ibid.: 163; 347). This entails that the researchers might have made erroneous inferences regarding WoM's role in the purchase decision-making, which means that further studies are required in order to support the anticipated cause-effect relation within a high-involvement context.

### **3.2.2 MIXED METHODS RESEARCH**

Bryman and Bell (2011: 636) argue that the mixed methods approach occurs in particular if the researchers cannot rely only on one method. Hereby, the researchers argue that due to the complexity of the research question, applying only one method would result in insufficient data gathering; thus multiple methods were chosen. The studied phenomenon touches upon the issues of offline and online WoM and their persuasiveness regarding consumers' automobile purchase decision-making by examining potential cause-effect relationships between the defined variables. Hereby, within the quantitative analysis the hypotheses drawn from the theory and previous research were tested based on the results from a sample of respondents in online SNSs. Nevertheless, the rather inflexible nature of the quantitative survey and the general lack of emphasis on individuals' meanings (Bryman and Bell, 2011: 619f) did not provide further insights into the complex phenomenon of offline and online WoM. Therefore it had to be supported with a qualitative method, which not only targeted respondents in a different environment (i.e. offline), but also provided a deeper understanding of important contextual information regarding WoM in the prism of automobile purchasing decision-making. Relating to the applied epistemology, the relationships between variables generate rather positivistic results due to their static nature of looking at social life. In order to overcome this drawback, the relationship between variables had to be understood also in the context of consumers' daily life, which refers to the constructionist view of the society. Furthermore, the findings of the quantitative part proved certain areas to produce interesting results, which were further elaborated on within the qualitative interviews.

On the whole since the research aimed at looking at both offline and online WoM and their interrelation within a high-involvement context, the usage of only one method would not have led to adequate results. Thus the researchers argue that the online survey and semi-structured in-depth interviews showed complementarity when collecting data from offline and online respondents. Moreover, mixed methods facilitated the elaboration on results from the quantitative method with the results from the qualitative method. Examined relationships between variables tested in the survey analysis were further on illustrated and clarified when supplemented with qualitative data from the interviews. Further the overall reliability and validity of the research was enhanced, by conducting pilot studies of the online survey and the interviews. Hereby, the final results of the online survey have set the base for developing the interview guide (see Appendix 1) in order to conduct the semi-structured interviews, which also supported the reliability and validity of this research.

## **3.3 DATA COLLECTION METHODS**

### **3.3.1 ONLINE SURVEY**

The researchers utilised an online survey, which is considered as the most effective method of gathering data from a large sample of respondents. Such a survey collects data in regard to opinions,

attitudes or descriptions and also looks at cause and effect relationships (Ghauri and Gronhaug, 2005: 124). Hereby, an online survey was preferred to an email survey, as the respondents' answers could be easily processed with the use of appropriate software. These actions minimized the errors of processing data and also saved time. Moreover, an online survey was facile to conduct on social networking sites such as Facebook and LinkedIn, which reach out to a broad geographical spread of automobile consumers.

The platform chosen for hosting the survey was *surveymonkey.com*, which has acquired credibility and is perceived as an adequate tool for conducting online surveys within academic research. It is intuitive, facile to use and offers sufficient reporting of results for a reasonable charge. Moreover, it enabled the researchers to design the survey online and supplied a customised link, which was provided to potential respondents within the chosen SNSs. The established self-completion survey begun with brief definitions of offline and online WoM in order to provide the same understanding of those terms to each respondent. Afterwards, the first section of the survey covered questions about the demographic background and generally used SNSs. Secondly, questions regarding involvement, the information search process, seeking and listening to WoM, the message sender's role as well as perceived trustworthiness and persuasiveness towards purchase decision-making were disposed. The nature of questions employed throughout the survey was of multiple choice, Y/N and questions using the Likert scale, whereby answering all questions was required. The targeted respondents completed the survey voluntarily and autonomously, which means that they were not subject of researchers' influence. Furthermore, in order to detect any misunderstandings concerning the asked questions, a pilot study had been accomplished before distributing the online survey. This pilot study was conducted among 15 respondents from various backgrounds (including students, professionals, native and non-native speakers from differing age groups), who recently bought or were considering buying an automobile in the given time frames. The received feedback of the pilots indicated that the survey questions were clear and the respondents did not have any problems filling in the survey. Also the provided definitions of offline and online WoM were sufficient to provide an understanding to respondents unfamiliar with those terms. Thus, the overall positive outcome of the pilot study was a preliminary step for publishing the online survey.

### **3.3.1.1 QUANTITATIVE SAMPLING**

Since the researchers first conducted an online survey and afterwards proceeded with gathering the data from semi-structured interviews, the applied sampling approach was sequential time orientation. Hereby, the samples for both data collection phases were drawn from different levels of population under study, i.e. the first sample consisted of online respondents from SNSs, while the second sample consisted of offline respondents participating in the interviews. This indicates the overall multilevel sequential sampling direction of the research (Onwuegbuzie and Collins, 2007 in Johnson and

Christensen, 2010: 238). Furthermore, no sampling frame was given for the online survey due to the fact that the researchers drew a random sample from the general and unknown population of online users interested in automobiles (Hewson and Laurent, 2008 in Bryman and Bell, 2011: 664). The published survey was distributed via a customized link on the chosen SNSs such as Facebook and LinkedIn and participants were asked to answer the questions as well as informed about the anonymity of the survey. Afterwards, the gathered data was stored and the researchers could not trace it back, either to individual respondents or to their email addresses. This method of distribution was chosen in order to approach automobile consumers within the target population, whereas the actual size of this population is not known due to the nature of the online environment. Therefore, the benchmark for the number of completed surveys had to be based on the researchers' own assumptions and was set at the level of approximately 150 respondents. Moreover, it is argued that the taken actions to distribute the survey result in a sample of respondents with different backgrounds, diverse attitudes, opinions and behaviours.

The researchers chose Facebook, as it is currently the largest online social network with more than 800 million active users (September 2011) and the most dominant digital-communications channel within the target group of 18-30-year-old individuals, not only for socializing but also for seeking information about the issues of relevance (Chappuis, 2011: 1). Hereby, an increasing number of automobile related Facebook accounts, fan pages and other subject groups are found on this online platform (Piskorski et al., 2011: 1; Facebook, 2012). Since user accounts are profile-based and thus show non-anonymous characteristics, in many cases their members are considered to be more credible than strangers (Svensson, 2011: 4). This implies that this social networking site (SNS) is a considerable source of information about products or brands, facilitating and accelerating electronic WoM. The possibility to comment, like, share and post subject related topics is a significant driver for sharing information on Facebook and it can be quickly spread from one's network or certain automobile related groups to others (Dealer Dot Com, 2012: 4f; 23f). Thus, it is common for automobile consumers to join such social interactions by commenting, liking or passing along online WoM to their social connections, which often has a strong influence on consumer brand perceptions and purchase decision-making process (Dealer Dot Com, 2012: 14ff; Gu et al., 2012: 182; Ratchford et al., 2007: 111).

The second chosen platform for collecting data for the online survey was LinkedIn, representing the world's largest professional network on the Internet with more than 150 million members in over 200 countries and territories (LinkedIn, 2012), connecting users with peers, associates or other business relations. Users generate personal profiles consisting of business relevant information, such as personal information, education or working experience (LinkedIn, 2012) and are able to follow for instance automobile company profiles or other (automobile) related discussion groups. Within these groups users heavily discuss, comment and spread electronic WoM about their favourite automobiles

and brands, or provide technical advice, announce quality problems and share positive and negative experiences (LinkedIn, 2012).

### 3.3.1.2 MEASURES

The insurance of reliability and enhancement of interpretation of the research results were the underlying purposes of applying validated measures. All of the measures applied in this study were drawn and adapted from previous research, and due to their scope it is argued that they find applicability in the automobile industry. The scales were unified and based on a five-point Likert scale, in order to provide an understandable choice of answers to the respondents, which facilitated the process of filling in the survey.

**High involvement** was the starting measure originating from Beatty and Talpade (1994, in Bruner et al., 2007: 296) and refers to the *class of the product* and the product's importance recognised by the respondent. Beatty and Talpade applied a five-item, five-point Likert-type rating scale measuring an individual's interest in a specified category of products. The researchers adapted this measure in Question 8, which was also based on a five-point Likert scale. For the purposes of this study the researchers adapted also the scale of *purchasing involvement* introduced by Slama and Tashchian (1985, in Bearden et al.: 267). This is a six-point Likert-type scale measuring the purchasing involvement affecting a consumer's decision-making as well as attitudes and behaviors towards purchasing. This scale was adapted to a five-point Likert type scale and presented in the Questions 4 and 5.

The second measure refers to the concepts of **homophily and social ties**. The researchers adopted the *susceptibility to peer influence* scale, which measures to what extent a person admits to seek information regarding products by asking peers for opinions and observing their behaviour. The scale was applied by Bearden, Netemeyer, and Teel (1989, Ibid.: 136) and its original name is *consumer susceptibility to interpersonal influence*. That scale focused genuinely on measuring the willingness to conform to others' expectations towards a purchase decision, which was further adapted by other researchers. For the purposes of this study, the measure was adjusted from a seven to five-point response format and reflected in Questions 13 - 18.

**Trustworthiness** was the third applied measure, referring to the scale of *peer-to-peer community trust* or according to Mathwick, Wiertz, and Ruyter's (2008, in Marketing Scales, 2012) terminology, *norms of social trust*. The scale is based on five-point Likert-type items, that measure the extent to which a member of a virtual network or community trusts and relies on the quality of information provided by other community members. The measure was originally applied to online environments. However for the purposes of this study, the researchers extended its scope onto offline environments as well, whereas the measure was implemented for the Questions 17-20.

The fourth measure is applied to **persuasiveness** and relates to the scale called *persuasiveness of the information*, which measures the degree to which a consumer perceives certain product-related information as convincing and powerful. For the purposes of this study the researchers followed Gürhan-Canli and Maheswaran's (2000, in Bruner et al.: 802) reasoning and focused on a few specific aspects of the received information. The chosen aspects were the environment in which the information is shared, i.e. offline or online, and the trustworthiness of the message, as reflected in Questions 19 -22.

The final applied measure related to **decision-making** and refers to two scales used by former researchers. The first scale corresponds to *opinion seeking items*, which was applied by Flynn, Goldsmith and Eastman (1996, in Bearden et al.: 103). It used a seven-point Likert scale measuring how consumers search for opinions and advice when making a purchasing decision, and is hereby reflected in Questions 4 - 5. The consecutive scale applied is called *information relevance*. Mishra, Umesh, and Stem (1993, in Marketing Scales, 2012) used a seven-point scale measuring the level of usefulness of received information when making a purchase decision. The researchers adapted this scale to a five-point Likert scale and addressed the impact of persuasiveness of the message towards purchase decision-making, which was reflected in Questions 21 - 22.

### **3.3.2 Semi-structured interviews**

Relying solely on the structured quantitative method would not provide the complete picture of the overall phenomenon of offline and online WoM. Therefore the second part of the research consists of semi-structured interviews, which enabled the participants to provide detailed and rich information according to what governs their behaviour towards WoM (Ghauri and Gronhaug, 2005: 123). The interviews were guided with a set of questions that were based on the research framework from chapter 2 and the online survey results. This facilitated the researchers' definition of specific topics and the preparation of an interview guide (Bryman and Bell, 2011: 467), by covering areas such as offline and online WoM and their persuasiveness concerning potential purchasing decision-making.

The researchers were aiming to look at how the participants view their social world and describe their supposable behaviour towards the studied phenomenon (Bryman and Bell, 2011: 473); thus such semi-structured interviews allowed flexibility during the interview and an exploration of deeper meanings within the field of study. Further, the interviewees were supported in their thinking process, which means that the researchers were able to further question their given responses, which prevented superficial results and provided new insights into relevant subjects. The latter could be revealed as participants did express their feelings and thoughts openly (Easterby-Smith et al., 2008: 144f). Hereby, the emphasis was put on how the interviewees perceive the investigated phenomenon, i.e. what is important for them while listening to offline or/and online WoM, which in turn provides events,



patterns and behaviours to the researchers (Bryman and Bell, 2011: 467). Therewith, the researchers were able to fill in the important gaps derived by the conducted online survey.

### 3.3.2.1 QUALITATIVE SAMPLING

The sampling of the semi-structured interviews was based on a non-probability purposive sampling due to the fact that the researchers pre-defined the targeted individuals' characteristics and aimed at locating interviewees representing those characteristics (Johnson and Christensen, 2010: 231). Thus, in order to detect appropriate participants, the researchers published written announcements inviting the public to participate in the planned interviews. A short and general outline of the interviews was given and the required respondents' characteristics were listed, whereby interested individuals were kindly requested to contact the researchers. The participants were not informed about the precise research-aim beforehand in order to secure a maximum degree of objectivity and high-quality data delivery.

The volunteering participants who fulfilled the listed criteria were invited to an initial get-together meeting where coffee and snacks were provided by the researchers. Out of these interested participants the researchers recruited eight participants, based on the following pre-defined characteristics. Hereby, the researchers were aiming at interviewing participants aged between 18 - 30 years, represented by males, females, students, professionals and unemployed. Moreover, only fluent speakers of English who have bought an automobile in the previous 24 months or who are considering such a purchase in the upcoming 24 months were taken into consideration. Since the first part of the empirical study was conducted via social networking sites, being active on such sites was a prerequisite for all the interviewees. The final requirements were living in the Lund area and being highly motivated to participate in the research. Hereby, an important consideration is that the participants were not biased by the researchers in any way and consequently leveraged the relevance of the research by providing high quality and truthful information (i.e. no fake or exaggerated answers) (Easterby-Smith, 2008: 166). Thus, the interviews were an appropriate approach for maximising the depth of obtained information and at the same time minimising the effect of the researcher on the participants (Elliott and Elliott, 2003: 5). Following table 1 summarizes the participant's profiles.

Name	Gender	Age	Nationality	Residence	Occupation	Purchased an automobile in the last 24 months	Will buy an automobile in upcoming 24 months	Active on SNSs
Tomas C.	Male	28	French	Malmö	Employed	X		X
Henrike E.	Female	25	German	Lund	Student		X	X
Serban R.	Male	23	Romanian	Lund	Employed	X		X
Ankor T.	Male	21	Swedish	Lund	Student	X		X

Name	Gender	Age	Nationality	Residence	Occupation	Purchased an automobile in the last 24 months	Will buy an automobile in upcoming 24 months	Active on SNSs
Andrea D.	Female	30	Polish	Eslöv	Employed	X		X
Kate L.	Female	25	Canadian	Lund	Student		X	X
Marian B.	Male	24	German	Lund	Student	X		X
Rainald K.	Male	27	Austrian	Malmö	Employed	X		X

Table 1: Participants profiles of semi-structured interviews

### 3.4 LIMITATIONS

#### 3.4.1 QUANTITATIVE DATA COLLECTION LIMITATIONS

The quantitative survey was conducted in order to make inferences concerning the whole group of automobile consumers, which were based on the results from the sample drawn from the target population. Hereby, it is of vital importance that the sample was representative of the population. Nevertheless, it has to be noted that the control over the representativeness of the sample derived online was seen as low, since the researchers acknowledge that the Internet as a platform of survey distribution provides limited control. Therefore it cannot be corroborated that all of the respondents were actual representatives of the targeted sample. Nonetheless, the researchers argue that all of the individuals who took part in the survey delivered reliable results due to their involvement in the product category as well as their personal engagement in the project, as it addressed their interests in automobiles. Moreover, it can be speculated that all of the respondents who decided to devote their time to fill in the survey provided genuine answers. Thus, the researchers state that this potential obstacle was not an issue in this particular study.

Moreover, while conducting the online survey, certain quantitative data collection limitations occurred. Firstly, the chosen variables for testing the items were dependent on the theory presented in chapter 2 and a possibility exists that other important variables might have been omitted due to that selection. However, the researchers argue that their choice represents a valid and complete set of variables, while other variables such as motivations for listening to WoM were treated as given based on previous research. Secondly, the method fails to address the discrepancies between the social and natural world (Bryman and Bell, 2011: 168) that might have prevented the data collected from being practically useful regarding WoM and the automobile industry. Nevertheless, the researchers attempted to overcome this obstacle by applying a constructionist perspective during the qualitative part of the research. Thirdly, in the survey the researchers employed measurement scales, which are argued to be artificial and dependent on respondents' interpretation of certain key terms (Ibid: 168).

However as already discussed, those measures were also employed by previous researchers and proved to be applicable. Fourthly, it needs to be acknowledged that the understanding of the concept of trustworthiness might differ among individuals. Yet, the researchers argue that those differing meanings shared the same underlying characteristics, wherefore they did not significantly influence the outcome of the survey. The final limitation is the reliance on employed instruments and procedures, which may fall short while connecting research and everyday life (Ibid: 168). This might be the case if respondents provided answers to questions referring to persuasiveness with regard to the source of the messages, but eventually their actual behaviour might differ from the answers they have provided. Lastly, there was the possibility of non-response error occurrence (Bryman and Bell, 2011: 665). However actions aiming at increasing the number of respondents were taken, i.e. giving a short introduction of the research study to gain interest of potential participants, providing a customised link and finally posting reminders inviting non-respondents to take part in the survey. It is argued that the actions taken resulted in the respondents' engagement and personal involvement in the research, as illustrated by the number of comments made by study participants on both of chosen platforms (see Appendix 2).

### **3.4.2 QUALITATIVE DATA COLLECTION LIMITATIONS**

The researchers acknowledge the fact that the setting in which the interviews take place as well as the interviewers can exert influence on how the interviewees react and respond during the interview. However, it is affirmed that due to the friendly atmosphere and a lack of evoked pressure on the interviewees, they provided their truthful opinions. Furthermore, the nature of the investigated phenomenon is not controversial, nor does it touch upon taboo topics, which rules out the possibility of the interviewees being embarrassed of their opinions or not willing to share their experience. Moreover, during the first get-together meeting the researchers stressed the importance of the interviewees' honest input. This means that the interviewees were encouraged to express their genuine opinions, even if they would seem controversial or socially unacceptable. By doing this, the researchers claim that a possible data collection limitation resulting from biased input was evaded.

The qualitative data collection is argued to be rather subjective, which means that the researchers might have been too reliant on the variables they determined to be of significance (Bryman and Bell, 2011: 408), such as homophily/social ties, trustworthiness and persuasiveness. Thus, the choice of these most important variables had a vital impact on the outcome of the qualitative part. Moreover, the exact replication of a qualitative study and thus its findings is troublesome, since it is dependent on researchers' predilections and subjective leanings as well as interviewees' responses (Ibid.: 408). The researchers concede that a generalization of findings based on a sample size of 8 interview participants is restricted (Ibid.: 408). Thus, the small sample size may cause certain boundaries as the semi-structured interviews delivered extensive and in-depth information rather than aimed at generalizing to

a larger population. However, the researchers overcame the latter limitation by conducting quantitative data of a larger sample size with the online survey. Therefore it is argued that the overall research findings are generalizable and applicable to the automobile industry and the chosen target group. Yet, a generalization to other settings such as low-involvement products is not applicable, due to distinct characteristics of the products and differing purchasing decision-making processes.

### **3.5 EVALUATION**

The research evaluation is based on the criteria of reliability, replication and validity (Bryman and Bell, 2011: 54). The reliability of this study is defined in its lending itself for repetition with obtaining the same or similar results under constant conditions on all occasions. Hereby, the goal was to minimise errors and bias in order to ensure that if following researchers applied the same procedures, similar or comparable findings and conclusions could be drawn. Furthermore, a proper research design is of weighty importance, since researchers' insufficient knowledge or contradicting logic may hamper internal validity. Validity of the research is often regarded as internal or external (Yin, 1994; Gill and Johnson, 1991 in Amaratunga et al., 2002: 29), which is discussed in the following paragraphs dedicated to the chosen methods. The third aspect of validity, the so-called ecological validity, refers to whether the research findings are applicable in people's daily and natural social settings (Bryman and Bell, 2011: 43). Overall, ecological validity of the study is argued to be high. The argument supporting this statement is that the quantitative and qualitative parts of the research address respondents online and offline, which are natural environments for both WoM dimensions. Moreover, the researchers claim that the results generated from this study find applicability within the investigated social settings.

#### **3.5.1 QUANTITATIVE METHOD EVALUATION**

With regard to the quantitative approach, *internal validity* refers mainly to the researchers' confidence in their assessment of causation between variables (Bryman and Bell, 2011: 42f). The researchers argue that internal validity shows certain weaknesses due to the difficulties in establishing causal directions withdrawn from the survey data. However, to overcome this fault the researchers not only statistically tested the correlation between variables, but also attempted to confirm their results in the semi-structured in-depth interviews. *External validity* is a key criterion in quantitative research and refers to the extent to which any research findings can be generalised beyond the immediate research sample (Ibid.: 43). The researchers argue that in this case external validity is considered as high within the high-involvement context of automobiles. This is because of the fact that the random sampling process generated a representative sample of respondents, which enhances the external validity of the study (Ibid.: 43; 56).

Quantitative research is dependent on measurement validity, which relates to whether measures implied in the study reflect the concepts they are supposed to represent (Ibid.: 42). The researchers argue that the use of multiple choice, Y/N questions and questions using Likert scale provided efficient and good quality results when measuring respondents' answers; thus also supporting *internal reliability*. Moreover, the measures applied in the survey design and analysis were adopted and adapted from previous research articles as well as marketing scale literature (see Chapter 3, section 3.1.2). Nevertheless, these were not sufficient in terms of providing an explanation of results, wherefore also more in-depth research data of the qualitative part was required. Even though, validity and reliability are separate constructs, they are related since the first presumes the latter. Reliability refers to the consistency of the measure of a given concept and relates to stability, internal reliability and inter-observer consistency (Ibid.: 158). The stability is argued to be high since the researchers state that measures employed in the study would not significantly vary over time. This is because previous researchers already proved the stability of applied measures, as presented in the Chapter 3, section 3.3.1.2. Moreover, inter-observer consistency was not involved, since there was no subjective judgement implicated in the analysis of the survey. Furthermore, due to the fact that this study was conducted in a social context, which included peoples' thoughts and opinions about how they behave in regard to offline and online WoM, an exact replication of the quantitative results is not possible. The researchers gathered their survey data on Facebook and LinkedIn groups, which are dynamic in nature and constantly changing due to new members' acceptance, new postings and other innovations of the SNSs. Nevertheless, the researchers argue that within a time frame of up to 1 year, similar results of the survey can be achieved, presuming that the future researchers apply a similar research strategy and use the same methods.

### **3.5.2 QUALITATIVE METHOD EVALUATION**

Various critical stances concerning reliability and validity also have been taken into account by qualitative researches. According to LeCompte and Goetz (1982) *external reliability* is difficult to meet in qualitative research, as social-settings are not "freezable", which means that the conducted semi-structured interviews of this study are difficult to replicate exactly (Bryman and Bell, 2011: 395). However, similarly to the quantitative evaluation, it is argued that if other researchers adopt similar social roles to the original researchers, use similar characteristics of chosen participants and follow the established interview-guide, they are able to generate comparable results. Further, due to the fact that two researchers conducted this study, both of them had to come to a consensus in the understanding of actions and interpreting codes derived from the interviews and thus enhance *internal reliability* (Ibid.: 395). This was reached by a close collaboration between the researchers as well as constant and sufficient discussions about the studied data.

*Internal validity* of this study is enhanced as the researchers cross-checked the received information from the interviews with the results of the survey. Hereby, the researchers were able to verify certain noticeable aspects by returning to areas of interest (i.e. persuasiveness) and by re-questioning ambiguities regarding the perceived meanings. In order to detect any potential bias, again it was advantageous that two researchers were conducting the study; thus one could critically examine and "control" the other researcher. However, *external validity* is a general weakness in qualitative research as a small sample of 8 interviewees is employed. Effectively, the degree to which the qualitative findings can be generalized across all social-settings is lower. (Bryman and Bell, 2011: 395) Hereby, it is argued that by using representative samples within the chosen target group of automobile consumers and by following the same interview guide for each interview, the level of reaching a higher external validity is given. While conducting the qualitative interviews it was important to gain access to the right individuals who were open and motivated to converse their experience and opinions. Thus making external validity and the possibility to generalize the qualitative findings less important than valuable rich and in-depth data (Bryman and Bell, 2007: 200f).

## **3.6 DATA PROCESSING**

### **3.6.1 QUANTITATIVE SURVEY**

The first step of the analysis involved processing all the data derived from the survey into a concise and interpretable form. The questions providing nominal data based on arbitrary categories were coded numerically in the excel file, i.e. with regard to gender the answer "Male" was coded as 1, while the answer "Female" was coded as 2. The questions employing ordinal values were based on ranked categories of answers based on a five-point Likert scale. The points on the scale corresponded to the numerical codes applied in the excel file, i.e the answer "Strongly disagree" was reflected by 1, while the answer "Strongly agree" was reflected by 5. Additionally, dichotomies represented by Yes/No questions were treated as interval measurements and also coded numerically. These were taken into consideration when assessing respondents' particular characteristics in terms of whether they have bought an automobile or were thinking of buying one. Secondly, the stipulated data was uploaded into computer software. The researchers chose the programme "R", which is a credible tool for statistical computing and graphic data display. Researchers aimed at looking at results derived for items, which constitute the hypotheses framework in both, offline and online settings. Those results were compared, by using applicable statistical tests described in detail in Chapter 4. Moreover, the researchers investigated the correlations between variables and drew causal inferences based on the correlation coefficients. Hereby, descriptive statistics as well as results of the conducted tests presented in tables and histograms are provided in the upcoming chapter. Finally, the identified patterns and relationships between variables were the base for conducting the semi-structured offline interviews.

### 3.6.2 QUALITATIVE SEMI-STRUCTURED INTERVIEWS

The researcher's objective of the qualitative analysis was to identify categories, relationships and assumptions, which support the findings of the quantitative data results and fill the gaps for a sophisticated elaboration of the subject of research. Hereby, the researchers applied the deductive content analysis as it allowed testing the theoretical issues arising from the survey results and also enhanced the overall understanding of data obtained from the interviews. Moreover, it was feasible to assign words into fewer content related categories that comprised of illustrative quotes, which enabled the researchers to devise patterns of consumer behaviour. (Elo and Kyngäs, 2007: 108f) The aim was to support the elaborated theoretical hypotheses framework by obtaining in-depth information and consumers' meanings towards the studied phenomenon of offline and online WoM (Ibid.: 111). Thereby, the researchers retested the hypotheses from Chapter 2 within a new context by applying the following steps for analysing the qualitative material, as illustrated in figure 5: a) initial study of data by revising the transcripts, b) developing categories, c) coding the data according to the categories, d) connecting and interrelating codes and e) analysis and interpretation.

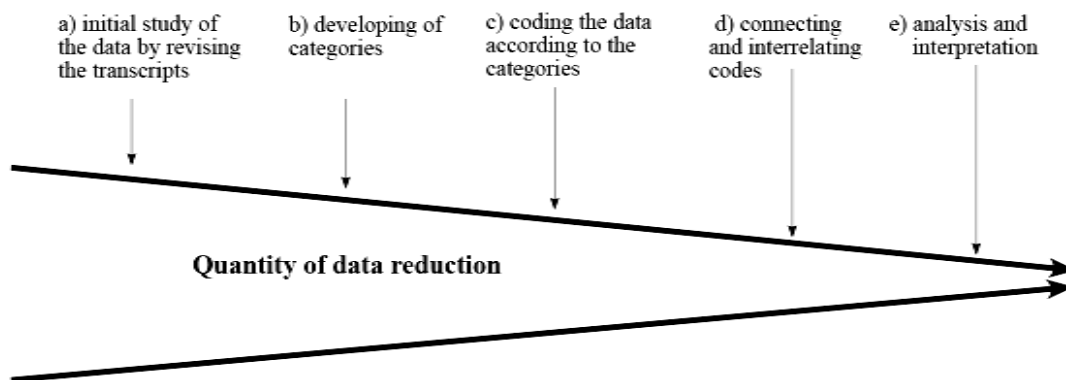


Figure 5: Steps for analysing the qualitative material (Own source).

After the transcription of the recorded semi-structured interviews the researchers started systematically reading and *reviewing the transcribed information* in order to develop initial categories. Hereby, the *development of categories* was based on the generated hypothesis framework (Chapter 2, section 2.1), whereas it was important that the researchers provided a detailed description of the categories' content, i.e. the meanings of the categories in order to support validity to the results. (Ibid.: 111f) With the aid of these category definitions, the *coding* was established and the collected material reviewed for content and coded correspondingly to the identified categories. (Ibid.: 255) For the reason that two researchers were involved in data processing, consensual coding was applied. This means the interviews were coded according to prior established categories and afterwards compared by both of the researchers in order to clarify any discrepancies through discussions by aiming to arrive at a consensual solution (Ibid.: 256). Further, the most significant codes were identified, based on the interviewees' responses given to open questions during the semi-structured interviews. Consequently,

the *code items* were defined based on the key words that were delivered by the interviewees. Hereby, the goal was to systematically analyse the gathered data whereby the coding with its illustrative quotes reflects the participants' ideas and expressed behaviours. Thus, the interviewees provided their own explanations and their underlying facets of the questioned concepts according to their understanding. The researchers applied concise naming of the codes, which is *followed* by a table representing the codes and quotes of the respondents' answers and is presented in the following discussion of Chapter 4. An important aspect of the interview analysis was also to *identify patterns, correlations, relationships and trends* between the 7 categories of the research. Finally, a detailed analysis and interpretation of the most significant interview results was provided in combination with the analysed results of the online survey. Hereby, with the analysis of the interviews, the researchers were able to confirm and support the established hypotheses as well as to arrive at new theoretical considerations for future research. (Ibid.: 257)

### **3.7 TRIANGULATION**

The established research design applying the use of an online survey and semi-structured interviews, was found to be the most suitable for this study in order to accomplish triangulation of the gathered data. Hereby, the data processing of both collection methods was undertaken in separate phases, whereas the results were addressed in the form of an overall analysis (Chapter 5). For the reason that the survey results provided factual data of the chosen items from the hypotheses framework, the semi-structured interviews were most appropriate to gather information explaining why automobile consumers act and reason as they do. Thus, they greatly supplement the survey results by providing a more in-depth understanding about the investigated concepts. (Bryman and Bell, 2011: 633f) The researchers argue that by applying semi-structured interviews the respondents provided explanations about their behaviour patterns which was required in order to support the presumed cause-and-effect relationship between the defined variables. Moreover, a profound explanation of the survey results became possible to acquire for the researchers. Thus, the analysis of this study was primarily based on triangulation. The researchers applied their deductive skills and reasoning for creating connections between sets of data that in isolation would not explain the approached phenomenon. Yet, in the case of a combination and appropriate usage of perceived and/or proven connections it allowed an adequate analysis leading to a qualified conclusion of the research. Therefore it is argued that, triangulation was required in order to cross check the findings from both, the online survey and the semi-structured interviews in order to analyze and discuss the investigated phenomena. (Bryman and Bell, 2011: 398; 631) Hereby, the researchers processed and analyzed all of the acquired data throughout the study in the prism of the applied theoretical concepts, the selected philosophical stances, and their own reasoning and understanding.



## 4. EMPIRICAL FINDINGS

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*The fourth chapter provides a presentation of the quantitative data derived from the online survey results as well as of the qualitative data obtained from the semi-structured interviews. Firstly, descriptive statistics are presented, followed by an argumentation for the chosen statistical tests and verification of the hypotheses. Furthermore, the qualitative data is categorised and coded which is supported by an explanation of the meaning of the codes.*

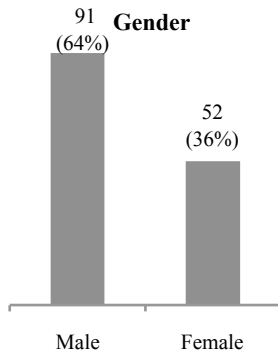
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### 4.1 SURVEY RESULTS: DESCRIPTIVE STATISTICS

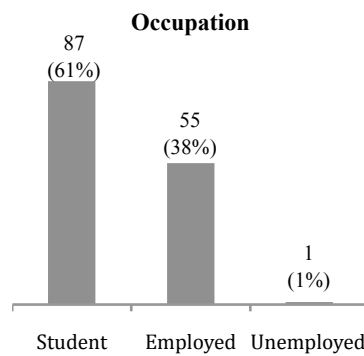
The online survey was distributed within Facebook and LinkedIn automobile related user groups. During 7 days the online survey attracted 268 respondents, whereof 46 respondents did not complete the survey, thus the researchers had to withdraw their answers from the pool of total answers. Furthermore, 51 respondents indicated that neither they have bought an automobile nor they are planning to purchase one in the given time frames, ipso facto excluding them from the sample. Finally, 28 respondents had to be excluded from the sample since they did not belong to the target group of 18 – 30 year olds. Therefore the final number of valid and analysed surveys is 143.

The demographic data concerning gender and occupation of the respondents is graphically represented in the following section. The sample shows a domination of male respondents (91 individuals constituting 64% of the sample), over females (52 individuals constituting 36% of the sample) presented in the *Histogram 1*. This unequal distribution might be caused by the fact that automobile related groups on Facebook and LinkedIn attract rather men than women; thus more men came across the invitation to fill in the survey.

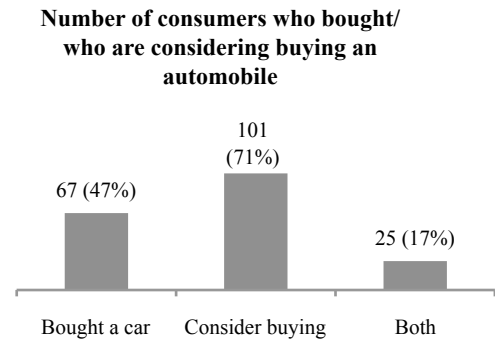
Moreover, most of the respondents were students (87 individuals constituting 61% of the sample) and professionals (55 individuals constituting 38% of the sample), while only 1 individual was unemployed, which is illustrated in the *Histogram 2*. Additionally, 67 respondents have already bought an automobile in the last 24 months, while 101 consider buying one in the upcoming 24 months. Out of those 101 respondents, 25 individuals already bought an automobile and are also considering buying another one in the given time frame, as is presented in the *Histogram 3*.



*Histogram 1: Gender*

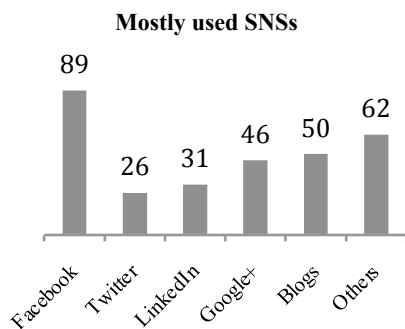


*Histogram 2: Occupation*

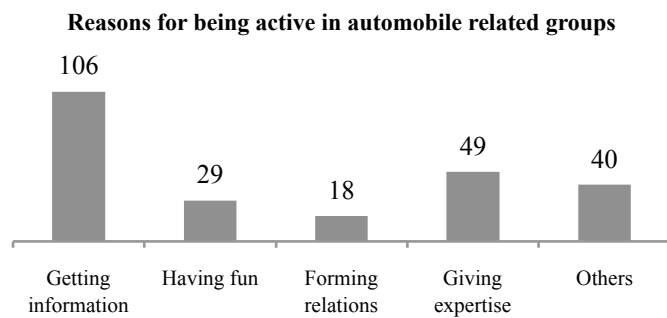


*Histogram 3: Number of consumers who bought/are considering buying a car*

Below, the most commonly used social networking sites and reasons for being active in online automobile related groups are presented in *the Histograms 4 and 5*. The results regarding those are not given in percentages since the nature of questions was multiple choice and the respondents could mark more than one answer.



*Histogram 4: Mostly used SNSs*



*Histogram 5: Reasons for being active in automobile related groups*

Facebook was indicated as the mostly used social networking site. The results confirm the researchers' choice of Facebook as being an efficient platform for reaching respondents online, as also stated in Chapter 3. Other platforms (not specified in the survey) as well as blogs and Google+ are often preferred for online interaction. LinkedIn was chosen only by 31 respondents, which can indicate that this platform is not as widely used for participating and engaging in automobile related groups. Moreover, since most of the respondents were students, it can be assumed that they do not use this professional network yet, and it is not preferred to other listed platforms.

The main reasons for being active in automobile related groups are in line with the reasons derived from the theory in Chapter 2 (section 2.1). Hereby, the respondents' ample motivation for being active on SNSs is the ability to get information and others' opinions about automobiles followed by giving own expertise regarding those. 29 respondents declared that they also want to have fun. It is interesting to note that only 18 individuals stated that their motivation is to form online relations with

other group members. The researchers argue that consumers do not emphasise the necessity of bonding and creating virtual relations. In addition, the following two frequency tables summarise the answers provided by the respondents.

**Frequency table 1:**

This frequency table 1 summarizes the answers provided by the respondents to all questions basing on the five-point Likert scale.

Question <sup>1</sup>	Strongly disagree	Disagree	Neutral	Agree	Strongly Agree
Search for information: offline (Q4)	3 (2,1%)	24 (16,78%)	33 (23,08%)	58 (40,56%)	25 (17,48%)
Search for information: online (Q5)	1 (0,7%)	4 (2,8%)	10 (6,99%)	65 (45,45%)	63 (44,06%)
High involvement and information search (Q8)	3 (2,1%)	0	10 (6,99%)	48 (33,57%)	82 (57,34%)
Use of offline information (consumers who already bought a car) (Q10a)	4 (2,8%)	4 (2,8%)	12 (8,39%)	28 (19,58%)	19 (13,29%)
Use of online information (consumers who already bought a car) (Q10b)	4 (2,8%)	3 (2,1%)	9 (6,29%)	31 (21,68%)	19 (13,29%)
Use of offline information (consumers who are planning to buy a car) (Q12a)	3 (2,1%)	2 (1,4%)	20 (13,99%)	45 (31,47%)	31 (21,68%)
Use of online information (consumers who are planning to buy a car) (Q12b)	1 (0,7%)	7 (4,90%)	14 (9,79%)	34 (23,78%)	44 (30,77%)
Homophily: offline (Q13)	8 (5,59%)	43 (30,07%)	56 (39,16%)	34 (23,78%)	2 (1,4%)
Social ties: offline (Q14)	3 (2,1%)	0	10 (6,99%)	76 (53,15%)	54 (37,76%)
Homophily: online (Q15)	6 (4,20%)	43 (30,07%)	58 (40,56%)	30 (20,98%)	6 (4,20%)
Social ties: online (Q16)	1 (0,7%)	3 (2,1%)	30 (20,98%)	83 (58,04%)	26 (18,18%)
Offline homophily and social ties in relation to trustworthiness (Q17)	2 (1,4%)	1 (0,7%)	33 (23,08%)	79 (55,24%)	28 (19,58%)
Online homophily and social ties in relation to trustworthiness (Q18)	3 (2,1%)	16 (11,19%)	49 (34,27%)	67 (46,85%)	8 (5,59%)
Offline trustworthiness in regard to persuasion (Q19)	2 (1,4%)	3 (2,1%)	25 (17,48%)	93 (65,03%)	20 (13,99%)

<sup>1</sup> The template of the questionnaire is attached in Appendix 3.

Online trustworthiness in regard to persuasion (Q20)	3 (2,1%)	3 (2,1%)	41 (28,67%)	81 (56,64%)	15 (10,49%)
Offline persuasion in regard to decision making (Q21)	1 (0,7%)	2 (1,4%)	16 (11,19%)	102 (71,33%)	22 (15,38%)
Online persuasion in regard to decision making (Q22)	3 (2,1%)	9 (6,29%)	28 (19,58%)	87 (60,84%)	16 (11,19%)

Table 2: Frequency table 2 with questions basing on five-point Likert scale

### Frequency table 2:

The frequency cross-table 2 summarises respondents' answers concerning their factual situation of owning or purchasing an automobile. It can be observed how many survey respondents already purchased an automobile and how many are thinking of purchasing one in the upcoming 24 months. The cross tabulation between NO/NO answers shows that the sample did not include individuals who neither have made such a purchase, nor are planning one in the given time frames.

Have bought an automobile (Q9)	Thinking of buying an automobile (Q11)		
	YES	NO	Row Total
YES	25	42	67
	37,30%	62,70%	46,90%
	24,80%	100,00%	
NO	76	0	76
	100,00%	0,00%	53,10%
	75,20%	0,00%	
Column Total	101	42	143
	70,60%	29,40%	

Table 3: Frequency table 2: Questions basing on Y/N answers

## 4.2 REASONING FOR THE APPLIED TESTS

The researchers used the Wilcoxon rank test with continuity correction (further on referred to as the *Wilcoxon test*), the one-sided Mann-Whitney U test and Kendall's tau correlation coefficient. The reason for using non-parametrical tests is that none of the results follows a normal distribution. This is also the reason for presenting medians instead of means. The Wilcoxon test refers to the location of data and compares observed results across two occasions or conditions in repeated measures or matched pairs context, in order to investigate whether there exist significant differences between the results from the two sets of data (Burns and Burns, 2008: 277). The Mann-Whitney U test refers to the location shift of data (i.e. difference in median) and ranks scores from two samples into one set of

ranks, which in turn is tested for verification if there is a systematic clustering into two groups paralleling the samples (Ibid.: 270). Moreover, the test compares two samples of data and whether there is a significant difference between results in those samples, the scores from one sample are assumed to be generally larger compared to the scores of the other sample (Ibid.: 269). By comparing the scores, the researchers are able to investigate whether one sample presents higher or lower scores than the second sample, i.e. the researchers can argue that the results significantly differ and compare the investigated concepts in offline and online settings. 3 was chosen for the alternative hypotheses in all Wilcoxon tests presented in this chapter, since it reflects the “neutral” answer from the five-point Likert scale. 0 was chosen for all alternative hypotheses in all Mann-Whitney tests, since it reflects the difference in median when comparing groups. Kendall’s tau, unlike other correlation coefficients, indicates whether the answers provided in several related questions are concordant or discordant. This information provides important insights to the researchers, as for instance if tau ( $t$ ) =0.545, then according to the odds ratio formula  $(1+t)/(1-t)$  it is 3.396 times more likely that the respondent gives the same answer in two questions. For instance, if a respondent chooses the “strongly agree” option from the Likert scale provided for one question, then it is 3.396 times more likely that the respondent will also provide the same answer in the next question regarding the same concept. Therefore it can be said that the respondent is likely to provide the same answer to questions regarding trustworthiness of online information and consequently its influence on persuasiveness, rather than answer both of these questions differently. This formula was be applied as a tool for looking at cause and effect relationships between the variables and making inferences regarding the related concepts proposed in the hypotheses framework.

## 4.3 RESULTS OF STATISTICAL TESTING

### 4.3.1 HYPOTHESIS 1 – HIGH-INVOLVEMENT AND WOM COMMUNICATION

*H1a: Consumers’ information search for high-involvement products is positively associated with offline Word-of-Mouth communication*

*H1b: Consumers’ information search for high-involvement products is positively associated with online Word-of-Mouth communication*

Consumers who have already bought an automobile were asked to state which sources they used to search for information regarding their purchase<sup>2</sup>. Due to the fact that that both p-values derived from the test are low, the researchers state that offline and online WoM communication was applied for obtaining information about automobiles. Moreover, both offline and online sources were addressed to a comparable extent<sup>3</sup>.

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<sup>2</sup> Both of the p-values <0.001, Wilcoxon test, *Table 1*.

<sup>3</sup> Both of the p-values >0.05, Mann-Whitney test, *Tables 2 and 3*.

Question	p-value	Median
Use of offline information (consumers who already bought a car) (Q10a)	2.279e-07	4
Use of online information (consumers who already bought a car) (Q10b)	2.981e-07	4

Table 4: Wilcoxon tests results Q10a and Q10b (alternative hypothesis stating that location parameter = 3)

Question	p-value
Use of offline information vs. use of online information (Q10a vs. Q10b)	0.6622

Table 5: Mann-Whitney U test result Q10a and Q10b (alternative hypothesis stating that the true location shift is **greater** than 0)

Question	p-value
Use of offline information vs. use of online information (Q10a vs. Q10b)	0.3378

Table 6: Mann-Whitney U test result Q10a and Q10b (alternative hypothesis stating that the true location shift is **less** than 0)

The same results were derived from the answers provided by individuals who consider buying an automobile in the upcoming 24 months; the respondents would use both offline and online WoM as sources of information search<sup>4</sup>. The findings are further confirmed, whereas no statistically significant difference could be found for the planned use of offline and online WoM<sup>5</sup>.

Question	p-value	Median
Use of offline information (consumers who are planning to buy a car) (Q12a)	7.085e-15	4
Use of online information (consumers who are planning to buy a car) (Q12b)	2.769e-16	4

Table 7: Wilcoxon tests results Q12a and Q12b (alternative hypothesis stating that location parameter = 3)

Question	p-value
Use of offline information vs. use of online information (Q12a vs. Q12b)	0.9282

Table 8: Mann-Whitney test result Q12a and Q12b (alternative hypothesis stating that the true location shift is **greater** than 0)

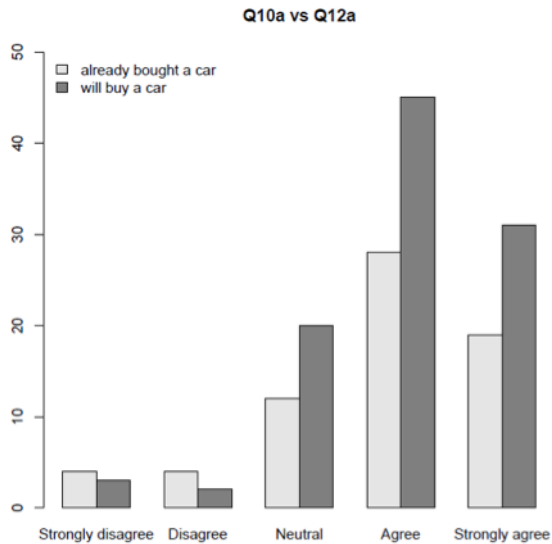
Question	p-value
Use of offline information vs. use of online information (Q12a vs. Q12b)	0.07179

Table 9: Mann-Whitney test result Q12a and Q12b (hypothesis stating that the true location shift is **less** than 0)

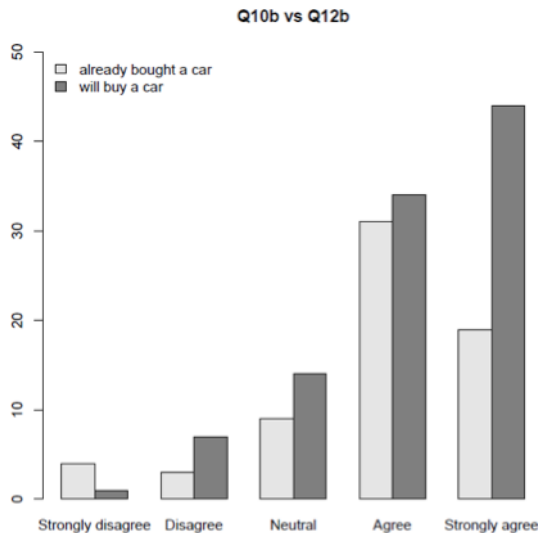
<sup>4</sup> Both of the p-values <0.001, Wilcoxon test, Table 4.

<sup>5</sup> Both of the p-values >0.05, Mann-Whitney test, Tables 5 and 6.

The answers concerning the use of offline information provided by consumers who already bought a car and by consumers who are planning such a purchase are presented in *Histogram 6*. Lastly, *Histogram 7* presents answers regarding the use of online information provided by consumers who already have bought an automobile and by consumers who are planning to purchase one.



*Histogram 6: Use of offline information provided by Consumers who already bought a car vs. consumers who are planning to buy one*



*Histogram 7: Use of online information provided by consumers who already bought a car vs. consumers who are planning to buy one*

Overall, the results support the proposed hypotheses 1a and 1b, stating that when searching for information, consumers use offline and online WoM communication.

<b>Outcomes of results of hypotheses 1:</b>	
<i>H1a: Consumers’ information search for high-involvement products is positively associated with offline Word-of-Mouth communication</i>	<b>Supported</b>
<i>H1b: Consumers’ information search for high-involvement products is positively associated with online Word-of-Mouth communication</i>	<b>Supported</b>

**4.3.2 HYPOTHESIS 2 – WOM COMMUNICATION AND HOMOPHILY/SOCIAL TIES**

*H2a: Following offline WoM information regarding high involvement products is positively related to homophily and social ties with the message sender*

*H2b: Following online WoM information regarding high involvement products is positively related to homophily and social ties with the message sender*

The researchers investigated whether homophily is important for the message receiver to follow information provided within an offline setting. The results indicate that the respondents disagree with the statement that it is important to be homophilous with the message sender in order to follow WoM

provided offline<sup>6</sup>. Afterwards the researchers investigated the role of social ties within an offline environment. The results indicate that the respondents agree that it is important to have a social tie with the message sender<sup>7</sup>.

Question	p-value	Median
Homophily: offline (Q13)	0.004848	3
Social ties: offline (Q14)	< 2.2e-16	4

Table 10: Wilcoxon tests results Q13 and Q14 (alternative hypothesis stating that location parameter = 3)

The importance of homophily was also tested within the online WoM environment. The generated results provide the same conclusion as within an offline setting, i.e. the respondents generally state that homophily is not important to them<sup>8</sup>, which is further confirmed when comparing both environments. Therefore the researchers state that homophily is equally perceived offline and online, i.e. no statistically significant difference was found when comparing offline and online settings<sup>9</sup>.

Question	p-value	Median
Homophily: online (Q15)	0.02539	3

Table 11: Wilcoxon test result Q15 (alternative hypothesis stating that location parameter = 3)

Question	p-value
Homophily offline vs. homophily online (Q13 vs. Q15)	0.6312

Table 12: Mann-Whitney test result Q13 vs. Q15 (the alternative hypothesis stating that the true location shift is **greater** than 0)

Question	p-value
Homophily offline vs. homophily online (Q13 vs. Q15)	0.3691

Table 13: Mann-Whitney test result Q13 vs. Q15 (the alternative hypothesis stating that the true location shift is **less** than 0)

The following *Histogram* 8 presents the answers to questions regarding homophily and it can be easily noticed that most of the provided answers indicated the insignificance of homophily in offline and online settings.

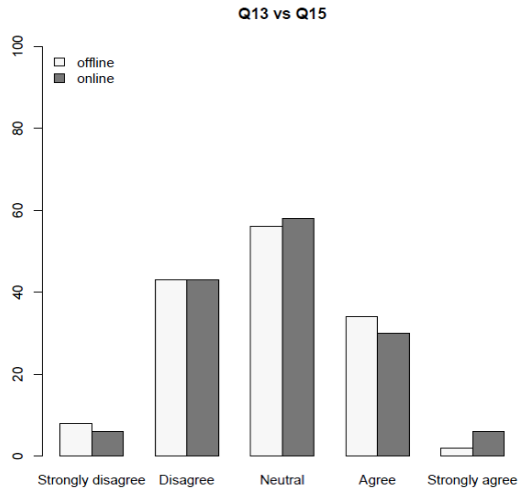
<sup>6</sup> p-value < 0.01, Wilcoxon test, Table 7.

<sup>7</sup> p-value < 0.001, Wilcoxon test, Table 7.

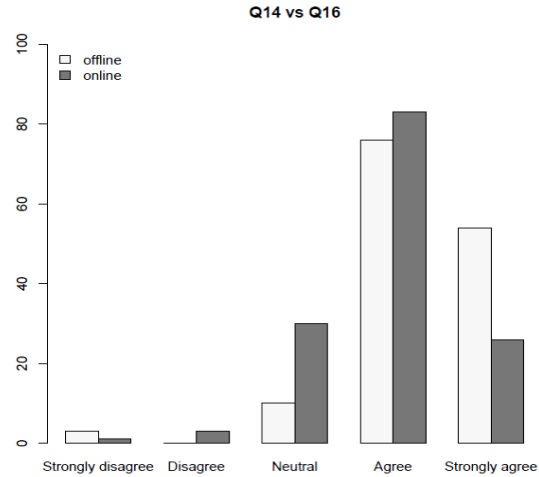
<sup>8</sup> p-value < 0.05, Wilcoxon test, Table 8.

<sup>9</sup> Both of the p-values > 0.05, Mann-Whitney test, Tables 9 and 10.





Histogram 8: Homophily offline vs. homophily online



Histogram 9: Social ties offline vs. social ties online

Furthermore, social ties and their importance within the online environment were tested<sup>10</sup> and generated the same outcomes as within the offline setting, i.e. they are regarded as important factors influencing the purchase decision-making. As further tested, a statistically significant difference concerning social ties and their importance within offline and online settings was stated<sup>11</sup>, which is illustrated in *Histogram 9*. This result confirms the theoretical stance that online ties tend to be weaker than offline ties. By taking this into consideration, the researchers aimed at obtaining more in-depth insights in regard to social ties and homophily aspects with the semi-structured interviews.

Question	p-value	Median
Social ties: online (Q16)	< 2.2e-16	4

Table 14: Wilcoxon test result Q16 (alternative hypothesis stating that location parameter = 3)

Question	p-value
Social ties offline vs. Social ties online (Q14 vs. Q16)	6.906e-06

Table 15: Mann-Whitney test result Q14 vs. Q16 (the alternative hypothesis stating that the true location shift is **greater** than 0)

Question	p-value
Social ties offline vs. Social ties online (Q14 vs. Q16)	1

Table 16: Mann-Whitney test result Q14 vs. Q16 (the alternative hypothesis stating that the true location shift is **less** than 0)

Overall, the results derived from the questions regarding hypotheses 2a and 2b are argued to be inconclusive, since only social ties were proved to be important for the message receiver in order to

<sup>10</sup> p-value <0.001, Wilcoxon test, *Table 11*.

<sup>11</sup> p-value <0.001, Mann-Whitney test, *Table 12*.

follow WoM, either offline or online. Homophily on the opposite proved to be of no importance for the respondents within both settings.

<b>Outcomes of results of hypotheses 2:</b>	
<i>H2a: Following offline WoM information regarding high involvement products is positively related to homophily and social ties with the message sender</i>	<b>Inconclusive</b>
<i>H2b: Following online WoM information regarding high involvement products is positively related to homophily and social ties with the message sender</i>	<b>Inconclusive</b>

### 4.3.3 HYPOTHESIS 3 – HOMOPHILY/SOCIAL TIES AND TRUSTWORTHINESS

*H3a: Offline WoM messages based on homophily and social ties are trustworthy*

*H3b: Online WoM messages based on homophily and social ties are trustworthy*

The respondents generally agree that the messages provided by homophilous offline sources and via social ties are trustworthy<sup>12</sup>. The same observation was done basing on the respondents' answers regarding online homophilous sources and social ties<sup>13</sup>.

<b>Question</b>	<b>p-value</b>	<b>Median</b>
Offline homophily and social ties in relation to trustworthiness (Q17)	< 2.2e-16	4
Online homophily and social ties in relation to trustworthiness (Q18)	4.235e-09	4

Table 17: Wilcoxon test results Q17 and Q18 (alternative hypothesis stating that location parameter = 3)

Moreover, when offline and online WoM messages are compared, offline WoM is perceived as slightly more powerful than online WoM<sup>14</sup>.

<b>Question</b>	<b>p-value</b>
Offline homophily and social ties in relation to trustworthiness vs. online homophily and social ties in relation to trustworthiness (Q17 vs. Q18)	5.102e-07

Table 18: Mann-Whitney test result Q17 vs. Q18 (the alternative hypothesis stating that the true location shift is **greater** than 0)

<b>Question</b>	<b>p-value</b>
Offline homophily and social ties in relation to trustworthiness vs. online homophily and social ties in relation to trustworthiness (Q17 vs. Q18)	1

Table 19: Mann-Whitney test result Q17 vs. Q18 (the alternative hypothesis stating that the true location shift is **less** than 0)

Overall, the results indicate that Hypotheses 3a and 3b are accepted. Nevertheless, the researchers argue that the results represent only a positivistic point of view, without taking the constructionist

<sup>12</sup> The p-value <0.001, Wilcoxon test, Table 14

<sup>13</sup> The p-value <0.001, Wilcoxon test, Table 14

<sup>14</sup> Both of the p-values <0.001, Mann-Whitney test, Table 15

perspective into consideration by looking at respondents' meaning and understanding of trustworthiness. Therefore the concept of trustworthiness within the context of offline and online WoM was further investigated in the semi-structured interviews.

<b>Outcomes of results of hypotheses 3:</b>	
<i>H3a: Offline WoM messages based on homophily and social ties are trustworthy</i>	<b>Supported</b>
<i>H3b: Online WoM messages based on homophily and social ties are trustworthy</i>	<b>Supported</b>

#### 4.3.4 HYPOTHESIS 4 –TRUSTWORTHINESS AND PERSUASIVENESS

*H4a: Trustworthiness of offline WoM message is positively related to the message's persuasiveness*

*H4b: Trustworthiness of online WoM message is positively related to the message's persuasiveness*

The proposed hypotheses aim at providing the answer to whether the trustworthiness of offline or online WoM message is reflected by the message's persuasiveness. In general, the respondents agree that a trustworthy message received offline or online may persuade them towards a purchase decision.<sup>15</sup> Moreover, the researchers found a statistically significant difference between the trustworthiness of offline and online WoM messages and their impact on persuasion<sup>16</sup>, i.e. the obtained results in regard to both settings proved the preference towards offline WoM communication.

<b>Question</b>	<b>p-value</b>	<b>Median</b>
Offline trustworthiness in regard to persuasion (Q19)	< 2.2e-16	4
Online trustworthiness in regard to persuasion (Q20)	< 2.2e-16	4

Table 20: Wilcoxon test results Q19 and Q20 (alternative hypothesis stating that location parameter = 3)

<b>Question</b>	<b>p-value</b>
Offline trustworthiness in regard to persuasion vs. Online trustworthiness in regard to persuasion (Q19 vs. Q20)	0.01643

Table 21: Mann-Whitney test result Q19 vs. Q20 (the alternative hypothesis stating that the true location shift is **greater** than 0)

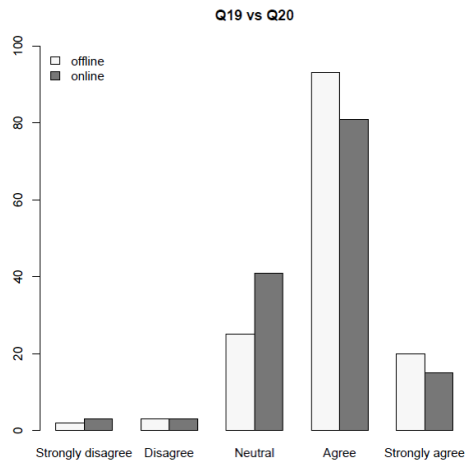
<b>Question</b>	<b>p-value</b>
Offline trustworthiness in regard to persuasion vs. Online trustworthiness in regard to persuasion (Q19 vs. Q20)	0.9836

Table 22: Mann-Whitney test result Q19 vs. Q20 (the alternative hypothesis stating that the true location shift is **less** than 0)

Following *Histogram10* presents respondents' answers of offline and online trustworthiness in regard to persuasion. It can be observed that both offline and online WoM are agreed to be trustworthy and have an impact on persuasion, whereas a tendency to lean towards offline WoM is also illustrated.

<sup>15</sup> Both of the p-values <0.001, Wilcoxon, Table 17.

<sup>16</sup> P-value <0.05, Mann-Whitney test, Table 18.



*Histogram10: Offline vs. online trustworthiness in regard to persuasion*

Therefore, the results indicate that hypotheses 4a and 4b are accepted, which means that the trustworthiness of a message is positively related to the message’s persuasiveness within both WoM settings. Thus, the researchers aim at identifying the crucial criteria of the WoM message, which is necessary to persuade the message receiver towards a potential purchase-decision. In order to achieve this purpose, the interviews cover the relationship between trustworthiness of the message and its persuasiveness.

<b>Outcomes of results of hypotheses 4:</b>	
<i>H4a: Trustworthiness of offline WoM message is positively related to the message’s persuasiveness</i>	<b>Supported</b>
<i>H4b: Trustworthiness of online WoM message is positively related to the message’s persuasiveness</i>	<b>Supported</b>

### **4.3.5 HYPOTHESIS 5 – PERSUASIVENESS AND PURCHASE DECISION-MAKING**

*H5a: Persuasive offline information of high-involvement products influences purchase decision-making*

*H5b: Persuasive online information of high-involvement products influences purchase decision-making*

The researchers investigated whether persuasive information received either offline or online can influence respondents’ purchase decision-making. The respondents state that persuasive information can have an influence on their automobile purchase decision<sup>17</sup>, within offline and online settings. These findings are further confirmed<sup>18</sup> and it is stated that offline WoM has more persuasive influence on the purchase decision-making than online WoM.

<sup>17</sup> both of the p-values <0.001, Wilcoxon test, Table 20.

<sup>18</sup> p-value <0.01Mann-Whitney test, Table 21.

Question	p-value	Median
Offline persuasion in regard to decision making (Q21)	< 2.2e-16	4
Online persuasion in regard to decision making (Q22)	3.192e-16	4

Table 23: Wilcoxon test results Q21 and Q22 (alternative hypothesis stating that location parameter = 3)

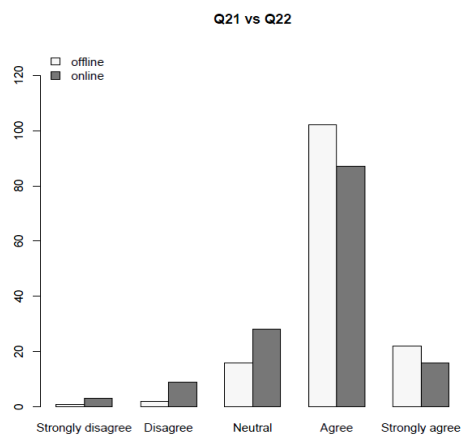
Question	p-value
Offline persuasion in regard to decision making vs. online persuasion in regard to decision-making (Q21 vs. Q22)	0.001957

Table 24: Mann-Whitney test result Q21 vs. Q22 (the alternative hypothesis stating that the true location shift is **greater than 0**)

Question	p-value
Offline persuasion in regard to decision making vs. Online persuasion in regard to decision-making (Q21 vs. Q22)	0.998043

Table 25: Mann-Whitney test result Q21 vs. Q22 (the alternative hypothesis stating that the true location shift is **less than 0**)

The following *Histogram 11* summarises the answers provided by the survey respondents in regard to offline and online persuasion on decision-making. It is observed that both, offline and online WoM, are agreed to be persuasive and thus influence consumers' purchase decision-making, with a dominance of offline WoM.



Histogram 11: Offline persuasion vs. online persuasion in regard to decision-making

Therefore, the above results indicate that hypotheses 5a and 5b are accepted, which means that a persuasive message regarding high-involvement products influences the purchase decision-making in both WoM settings, with a dominance of offline WoM. However, those results do not indicate the reasons behind this dominance, wherefore the researchers aimed to discover an explanation of this relationship with the semi-structured interviews.

Outcomes of results of hypotheses 5:	
H5a: Persuasive offline information of high-involvement products influences purchase decision-making	<b>Supported</b>
H5a: Persuasive online information of high-involvement products influences purchase decision-making	<b>Supported</b>

### 4.3.6 SUMMARY OF THE HYPOTHESES

The following figure 6 shows a representation of the conducted tests, based on the hypotheses framework. The *p-values* for the *Wilcoxon tests* and the *Mann-Whitney test* are illustrated for the tested items.

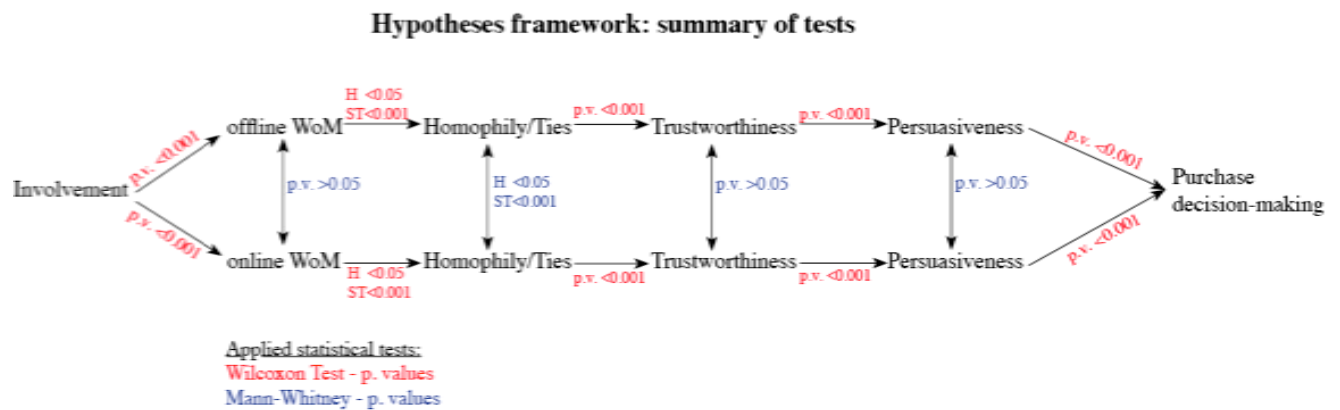


Figure 6: Summary of the hypotheses framework

### 4.4 CORRELATIONS

The researchers investigated the correlations between answers regarding particular concepts given in the survey. Hereby, all correlations were measured using Kendall’s tau and are summed up in *Table 23* below. All of the associations between tested answers are moderate, meaning that the derived results are not random. The highest value of tau is recognised for the correlation of online trustworthiness and persuasiveness of online information. A similar relationship is discovered for offline trustworthiness and persuasiveness of offline information. Due to the results of the correlation test, the researchers can draw an inference regarding the social ties and their impact on trustworthiness with moderate confidence.

Moreover, the researchers also draw an inference regarding trustworthiness as a cause of persuasion. Furthermore the lowest value of tau is calculated for the correlation of online homophily and online trustworthiness and a similar result is obtained concerning offline homophily and offline trustworthiness. This confirms the previous test results concerning homophily, which indicated that homophily is not an important factor for the respondents in order to perceive a message as more trustworthy and persuasive.

<b>Correlation between:</b>	Offline homophily AND Offline homophily and social ties in relation to trustworthiness (Q13, Q17)	Offline social ties AND Offline homophily and social ties in relation to trustworthiness (Q14, Q17)	Online homophily AND online homophily and social ties in relation to trustworthiness (Q15, Q18)	Online social ties AND online homophily and social ties in relation to trustworthiness (Q16, Q18)	Offline homophily and social ties in relation to trustworthiness AND Offline trustworthiness in regard to persuasion (Q17, Q19)	Online homophily and social ties in relation to trustworthiness AND Online trustworthiness in regard to persuasion (Q18, Q20)	Offline trustworthiness in regard to persuasion AND Offline persuasion in regard to decision making (Q19, Q21)	Online trustworthiness in regard to persuasion AND online persuasion in regard to decision making (Q20, Q22)
<b>Kendall tau (t)</b>	0,288	0,233	0,144	0,336	0,418	0,386	0,409	0,545
<b>Odds ratio</b>	1,809	1,608	1,336	2,012	2,436	2,257	2,384	3,396

Table 26: Kendall's tau correlations

## 4.5 COMPARISON BETWEEN GROUPS

The researchers investigated whether there are differences in responses given by consumers who have already bought an automobile and between consumers who are planning to buy one. For each question the researchers have tested whether a difference in location of answers between the two distinguished subgroups can be stated. The comparison was possible despite differing group sizes, since the test scales the results accordingly and thus the results are given in percentages. For the majority of the questions no significant differences were found, yet the results generated for offline and offline information search in regard to social ties differ. Moreover, consumers who have already bought an automobile proved to be more positive towards offline information search than prospective consumers<sup>19</sup>.

<b>Question</b>	<b>p-value</b>
Offline information search of consumers who have bought a car vs. offline information search of consumers who are thinking of buying one	0.02636

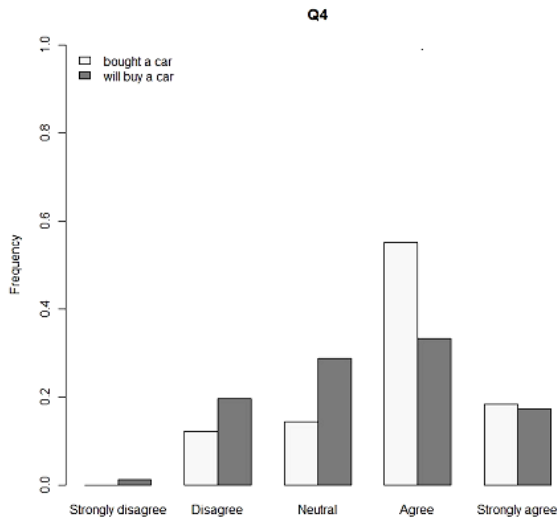
Table 27: Mann-Whitney test result Q4: Consumers who have bought a car vs. Q4: Consumers who are thinking of buying one (the alternative hypothesis stating that the true location shift is **greater** than 0)

<b>Question</b>	<b>p-value</b>
Offline information search of consumers who have bought a car vs. offline information search of consumers who are thinking of buying one	0.9736

Table 28: Mann-Whitney test result Q4: Consumers who have bought a car vs. Q4: Consumers who are thinking of buying one (the alternative hypothesis stating that the true location shift is **less** than 0)

The comparison of the two group results is presented in the following *Histogram 12*. Hereby, it can be observed that offline WoM is preferred by consumers who have already bought an automobile.

<sup>19</sup> p-value <0.05, Mann-Whitney test, Tables 24 and 25



*Histogram 12: Offline information search of consumers who have bought a car vs. offline information search of consumers who will buy one*

This discovered difference in responses is considered as particularly interesting by the researchers, wherefore this issue was addressed during the interviews. Moreover, consumers thinking of buying an automobile proved to be more positive towards listening to offline WoM provided by people they know in person.<sup>20</sup> Similarly to the previous finding, the researchers addressed this particular result during the interviews.

Question	p-value
Offline social ties: consumers who bought a car vs. Offline social ties: consumers who will buy a car.	0.9756

*Table 29: Mann-Whitney test result Q14: Offline social ties: consumers who bought a car vs. Q14: Offline social ties: consumers who will buy a car (the alternative hypothesis stating that the true location shift is **greater** than 0)*

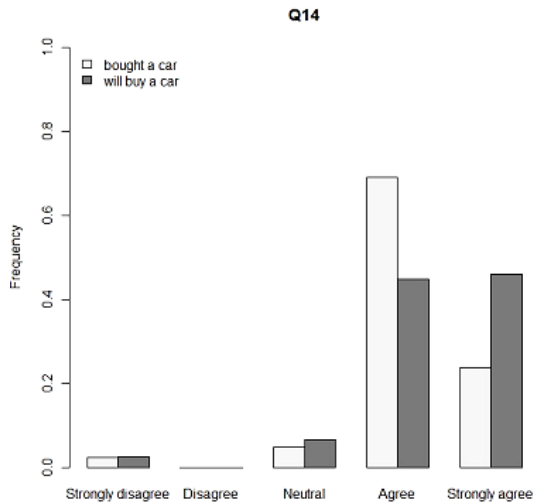
Question	p-value
Offline social ties: consumers who bought a car vs. Offline social ties: consumers who will buy a car.	0.02437

*Table 30: Mann-Whitney test result Q14: Offline social ties: consumers who bought a car vs. Q14: Offline social ties: consumers who will buy a car (the alternative hypothesis stating that the true location shift is **less** than 0)*

*Histogram 14* presents the comparison of data derived from both groups of consumers' answers. It is noticed that consumers thinking of buying an automobile show a stronger preference towards following offline WoM provided by individuals they know in person.

<sup>20</sup> p-value <0.05, Mann-Whitney test, *Table 27*.





Histogram 14: Offline social ties: consumers who bought a car vs. offline social ties: consumers who will buy a car.

## 4.6 INTERVIEW RESULTS: CONTENT PRESENTATION

The third Chapter (section 3.6.2) already provided an explanation of how the qualitative data was coded and processed. Hereby, the researchers apply the 7 categories derived from the hypothesis framework, according to which the coding was established. The defined codes were supported with illustrative quotations that represent the participants' opinions, ideas and expressed behaviours, which are presented in the following tables and paragraphs.

### 4.6.1 HIGH INVOLVEMENT

Categories	Code	Illustrative Quotes
<b>High Involvement</b>	<i>Time</i>	„I spent a lot of time in looking for information...”; “it took a lot actually trying to find all the information...”; “several weeks...”; “2,5 months to come to a decision...”; „like half a year...”
	<i>Money</i>	“It’s too much money to lose...”; “it’s like a lot of money...”
	<i>Product value</i>	“the biggest purchase I have ever made in my life...”; “valuable object...”, “such big purchase...”; “my first car I bought...”
	<i>Security</i>	“very careful...”; “really, really, really sure...”; “I wanted to be cautious and not bite into a lemon...”
	<i>Experience</i>	“ I like to know what people had their experiences...”

Table 31: High-involvement content presentation

The researches defined *high-involvement* as the first category since automobiles belong to the group of high-involving products. While purchasing or thinking of purchasing an automobile, consumers dedicate a long and careful consideration to the research process. Thus, basing on the interviewees' responses the following codes were identified for this category. One of the most important indicators

of high-involvement products is the **time** dedicated to the information research, especially as these products involve substantial risk and are not frequently purchased. Thus, compared to low-involvement products, consumers spend more time and effort in gathering information regarding their set of potential automobile choices. **Money** is also considered as a major factor, since automobiles are high-cost products and consumers spend a considerable amount of financial resources on that purchase. Hereby, for many of the interviewees within the target group of 18 – 30-year-olds, it is (was) the first important high-cost purchase. In addition, also the **product value** has to be considered due to the fact that an automobile’s value can be treated not only in financial, but also in intangible terms. This means that for many of the individuals within the target group it is a purchase, which also represents a high personal meaning. **Security** is another significant aspect due to the fact that before buying an automobile, consumers are more careful while doing their information research aiming to increase their own security in their choice. Thus, consumers are more cautious before making the final purchase decision and pursue to obtain a higher reassurance of their decision via different information sources, such as offline and/or online WoM. According to the interviews, also hands-on **experience** of the information provider is fundamental while making a decision in regard to purchasing an automobile. Thus, experience is considered as a factum and consumers seek for others’ opinions or ask for feedback in order to relate that information to their own situation. Thus, as stated by the interviewees when the received information is based on purchase-related experience from known individuals, it represents a higher level of reliability.

#### 4.6.2 OFFLINE WOM

Categories	Code	Illustrative Quotes
<b>Offline WoM</b>	<i>Dealerships</i>	“car dealerships, of course I would (...) test drive cars...”; “ I went to a close dealership to see the brand I was interested in...”
	<i>Family and friends</i>	“for offline information I would ask (...) friends from which I know that they know something about cars...”; “I also talked to some friends of mine about different possibilities..”; “Well, before I bought my car I talked to my dad who has more knowledge on that area than I do...”
		“I know how they (friends and family) drive and I know what their background is and the credibility that comes out of them is from my knowledge of knowing them as a person... I am not saying that the others are not credible, but it’s just from an individualistic way that I rather listen to my friends”
	<i>Face-to-face conversations</i>	“I chose offline because I think that it is more reliable the information that you get from your friends and people that you know because I feel more comfortable talking face-to-face to people than searching online...”
	<i>Personalization</i>	“I think information from people that I know... I think that would be more suitable like for me as a person. So that I get from somebody I know (...) and who knows me, that would be really personalized to my needs”
	<i>Honest intentions</i>	“the intention behind people I know personally, I know that the intention is good. If my father advises me something he advises me which is the best in my interest...”, “As I said, face-to-face allows it to a greater degree I think to establish whether the person (...) tells me the truth and is a honest person”
		“From my father I expect only information (...) with his own experiences about

	<i>Experience</i>	buying cars, ahh I don't expect him to be an expert (...) but being knowledgeable by having a lot of own experience"; "Yeah, and that was based on first-hand experience of friends with their Golfs"
<b>Offline</b>		"Ahm one of my uncles... well he is a mechanic and I think he has a way more knowledge on that area than my dad has, so I had a chat with him about it"
<b>WoM</b>	<i>Traditional search</i>	"Reasons for going offline I think is personal as I am not too keen on finding stuff online, I like the old school way; (...) I go and find out things because when you do that you end up finding different things which you didn't know about, which you didn't think of asking about"

Table 32: Offline WoM content presentation

**Family and friends** are regarded as the most important sources for obtaining offline information before purchasing an automobile. Since these are individuals known to the interviewees, they generally hold more credibility in giving advice or in providing opinions and experience. Furthermore, consumers seek offline WoM in settings in which they expect to receive automobile related "expert" information, as well as to see and test-drive the product; thus **dealerships** are highly considered as potential sources of offline information. All of the respondents explicitly highlighted the importance of **face-to-face conversations** and personal contact when seeking WoM in offline environments. Moreover, the interviewees perceive such a setting as more comfortable and the received information as more reliable in comparison to information received online. Another important consideration of offline WoM is the **personalization** of the provided message, as the interviewees generally prefer to obtain information, which is adjusted to their specific needs and characteristics. This means the message sender is often familiar with the personal values or lifestyle of the information seeker and therefore also able to provide more specific advice suitable to the given context. Furthermore, the respondents stated that within an offline setting the intentions of the message sender are perceived as **honest**, which in turn affects their perception of the person's trustworthiness. Due to the fact that the information provider is a known person, the consumer is able to select whom to ask for advice by choosing to turn to a reliable person. Moreover, former consumers' **experience** is regarded as an important factor for individuals who seek reassurance in their potential automobile choice. This means that received first-hand experience is perceived as valuable information and is provided by individuals who are rather knowledgeable about automobiles. All of the interview respondents still apply offline WoM, also referred to as the **traditional search**, for gathering information about automobiles and explicitly state that it is a very reliable communication source. Besides, it is regarded as a better tool for accessing additional information on what the consumer did not think about beforehand; thus it discovers certain issues, which are worth considering while communicating with each other.

### 4.6.3 ONLINE WOM

Categories	Code	Illustrative Quotes
Online WoM	<i>Google search</i>	“when I first looked for information about cars I looked online”; “I googled it and looked up forums...”; “I think I would start with just putting, like randomly putting, something into the google and then probably, like, go to the different car manufacturers’ websites”
	<i>SNSs</i>	“Social networks are too open to provide good quality information. I used mostly the companies’ websites in order to check the details of each car, like horsepower, engine and stuff”  “Facebook and LinkedIn from my point of view, especially when you are buying a car, is just bullshit...”  “I never ask any questions on Facebook because it has no credibility to me or any online forums... yeah some people have specific platforms when you buy for example a super-car there are forums to meet up but that is like more a socializing thing than gather information about the fact or what goes on with the car”
	<i>Technical facts</i>	“all the comparison I did via Internet by looking at the technical specifications of the cars online and on the websites of the automobile companies”; “And online it is just that you have to filter out the people who are giving their opinions there... and online are usually more things that you can find out...”
	<i>Information quantity</i>	“if I read... 100 times the same in a forum then it is a different story than if I have a selected little source of one person who has it’s individual opinion on it”  “Because it’s the easiest and fastest way and I could get information from a lot of people and a lot of experts and a lot of people who actually used or bought those cars. So it’s a much bigger network than I have with my friends or relatives I know”  “It’s not that I don’t trust online... I mean I still look at it and see what they have to say... so it is more out of curiosity, go to see what people have to say online, you can get hundreds of different views on it... so I just see what the general point is out of those 100s of comments... Let’s say I don’t base my decision on those comments, as I still like to do my offline research and see what I get out of it”
	<i>Curiosity</i>	“a general opinion from people that I didn’t know perhaps, but those wouldn’t be weight as heavily as personal opinions from people I do know and I spoke to in person... it would be just more curiosity that I use these platforms”  “a general opinion from people that I didn’t know perhaps, but those wouldn’t be weight as heavily as personal opinions from people I do know and I spoke to in person”; “it would be just more curiosity that I use these platforms”

Table 33: Online WoM content presentation

The **google search** was denoted to as the most commonly used and concise tool for accessing online WoM by the interviewees, which further guides them through their information search. With this search engine consumers are able to discover a wide range of automobile related information, which might lead them to various SNSs, blogs, forums or other online platforms. Moreover, the respondents refer to **SNSs** only as platforms to socialize, whereas automobile related **forums** are mostly used to search for more specific information. Since they are easily accessible and inclusive, such SNSs and forums might provide information, which is not available within the consumers’ offline social network. Hereby, when looking for advice on such social platforms, especially on forums or automobile related community groups, the interviewees filter the found information basing on the characteristics of the source provider and quality of information. Interestingly, it was found that even

though the interviewees are able to contact known and familiar people on SNSs such as Facebook or LinkedIn in order to obtain opinions or advice, they do not consider it as an adequate setting for conducting such an information exchange. Furthermore, consumers tend to use online sources for receiving more **technical facts** and technical specifications about certain automobiles. They state that it is possible to obtain expert information by using specific online platforms, which means that “expert information” might be easier accessible online than offline. Another significant factor derived from the interviews is the **information quantity**, which is larger to a certain extent and also easier accessible online in comparison to offline sources. It is found that when the same or similar information is repeatedly shared between users, the consumers’ perception enhances the influence of that particular information by making it more reliable via referring to the mass of all users providing it. The last significant factum for the respondents to search online information and advice was **curiosity**. This means that many consumers apply online searches only to see what other individuals think and discuss about their favourite automobiles. However such acquired information would not strongly influence interviewees’ decision-making.

#### 4.6.4 HOMOPHILY/SOCIAL TIES

Categories	Code	Illustrative Quotes
Homophily/ Social Ties	Age	<p>“being i.e. in the same age-category, or income level and so on...those are the similarities that aren’t so important to me...”; “I trust more older people when it comes to cars...”; “ I was more influenced by elder people who were more experienced... they were more trustworthy than people my age...”</p> <p>“it’s more important for me that the person is older and has more experience...”; “a person that is older and different to me than in my age group...”; “the fact the person is older is in one way beneficial since I trust this person having more life experience...”</p> <p>“Well, I have a friend who also has a van, but it is a bit an older one and he recommended me not to buy this van because it is really a high-cost maintenance, but otherwise I was more relying on elderly advice...”</p>
	Gender	<p>“we don’t have to share that...”; “it’s important for me that the person ... maybe even... is male...”; “Gender does not have that much of effect...”</p>
	Familiarity with message sender	<p>“first and foremost I talk to people I know...”; “knowing the person personally is very important...”; “the fact that a personal tie exists is quite important for me...”; “I got most of the information (from people I knew because) I think that is the closest way to find out information...”</p> <p>“it is really important to have a relationship with that person but even if they are not exactly the same as I am they still know my characteristics, so they know what advice to give me...”; “ if it’s somebody I know then I would trust that person more than if it’s just a stranger...”</p> <p>“the strength that I am close to the person and that I know the person makes a message trustworthier to me...”; “because I know that the person I am asking and I know won’t give me bad advice... and I presume I am getting a good feedback from the asked source...”</p>
	Family & friends	<p>“I have a number of family friends...”; “I can ask them anything and I know they will tell me the truth...”; “your friends have similar tastes... so you rely more on information they provide...”</p>

	Personalisation	“they know me personally and they know my lifestyle and they might have a good personal opinion on what would be a good fit for me”, “real value comes from them knowing me”, “they just need to be aware of... my situation”, “the same things important to him as are for me”
<b>Homophily/ Social Ties</b>	Gut feeling	“my personal reflection of how I felt about their knowledge...”; “you have to make a difference... between guys who really know about cars and often they don’t have time to write stupid things on blogs.... And guys who kind of think that they know everything about cars...”; “more reliable because you know the people...”; “you already know that they are trustworthy persons...”; “I feel that person is more involved into cars...”

Table 34: Homophily/Social Ties content presentation

An important indicator supporting reliability and trustworthiness of a given information is the factor of **age**, which matters especially if the message sender is older and thus has more experience-related advice in regard to automobiles. Therefore individuals often listen to their parents, in particular to fathers’ advice in order to derive to a suitable decision. The interviewees view similarity in **gender** as having little or none influence on their perception of the message sender and have therefore no significant influence on a message’s trustworthiness. However, **familiarity with the message sender** is important for individuals, which refers to the existence of a social tie between the message sender and receiver. Thus, the consumer knows the person from whom he/she is receiving information about potential automobile choices, wherefore the level of reliability is a priori stronger. Consequently, **family and friends** are considered to be persons of trust by having a strong influence on respondents’ purchase decisions. Because of the fact that a prior personal relationship exists, consumers perceive that the received advice applies to their individual needs. Moreover, the researchers define **personalization** as a further factor influencing trustworthiness of a message, which means that when the social tie is stronger, the received information might be more personalized in terms of personal values, lifestyle or needs. For instance, basing on interviewees input, the given message might be tailored to consumers’ characteristics since the message provider knows the circumstances in which the information receiver makes the decision and is therefore able to deliver a well-adjusted solution. The respondents also state that while receiving information, the sensed **gut feeling** influences their decision-making. This means that individuals fashion their own opinion about the received information and follow their own feelings and instincts in rating the message as more or less reliable.

#### 4.6.5 TRUSTWORTHINESS

Categories	Code	Illustrative Quotes
	<i>Tie strength</i>	“just because of the fact that I know the person...”; “because the person is a big factor, but that’s not the fact that on Facebook... I know the people on Facebook too, but I don’t want that opinion...”; “I think maybe it’s not personal enough on Facebook, it’s not detailed enough, there is not enough conversation that happens, I find... it is difficult to have any conversation of any real value...”
<b>Trustworthiness</b>		“Just the fact that the tie exists in some way is important to me...”; “my parents because are like a person... I know I can trust them... they... give me good advice and that they know what my context is,... my circumstances and what would best suit

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	me...”; “And I think in the last instant, when it actually goes into buying a car, I would trust more somebody I know...”; “Persons known to me are trustworthy because they do not want to profit of me...”; “Most of the information that I got I did know the people in person and other information that I got from them was from their friends, or family friends so if they told me about problems, that means that I could trust them”
	<p><i>Gut feeling</i> “And it’s not the same way online because it’s harder to I think find a guy that is trustworthy...”; “but the feeling is that offline is a bit more trustworthy. But it’s just a feeling, nothing rational I think”</p> <p>“I think most of the guys who are writing on blogs they actually don’t know that much about it... So I think you have to filter the guys writing online... some of them don’t have an engineering background but giving advice, which is not true”; “I think always offline information is more trustworthy that online information...”</p>
<b>Trustworthiness</b>	<p><i>Message sender’s knowledge</i> “I would guess if I am asking anyone I presume that this person knows what he/she is talking about otherwise I would not asking or I would ask if he/she knows anyone who could help me out with this info I am looking for. So I think I chose who I could talk to with beforehand rather than just going randomly around, talking to everybody and getting information from people who have some idea but yeah it’s not that they don’t know it’s just that I don’t wanna base my decision on someone who doesn’t really know about it.”</p> <p><i>Personalisation</i> “it is more personalized if you get information offline from your friends, so for me it is more trustworthy and more helpful and I think it is more applicable to your situation...”</p> <p><i>Unbiased</i> “The message sender should be unbiased... it has to seem a bit rational when you receive the information”; I think my dad is a really objective about it and he is not that kind of guy who says for example: only because my son likes that car I should support him... so if he thinks critical about it he would say it. And on the Internet it is pretty much the same thing, like if there are problems with a car people don’t try to hide them I think.”</p> <p><i>Authenticity</i> “I think it has to be authentic, like, it has to be somebody who seems like he knows what he is talking about. And, uhm, it has to seem that he doesn’t want to sell anything so not related to the car brand itself”</p> <p><i>Source</i> “I would rather trust him blind, but the Internet I wouldn’t trust blind.”; “Well, my parents because they are the people I trust most I think and because I know they are older than me and they have bought a car a couple of times so they have much more experience and they know what to look out for”</p> <p>“First of all, the emittent... whoever gives me the message, that it the most important thing. Because I know either by experience that this person is benevolent towards me such as family members, or I know from other people’s experiences such as friends that they have had good experiences with that person – either offline or online. So it is mainly own experiences or experiences of friends and relatives knowing that a certain person gives you valid information”</p> <p>“And I don’t think Facebook doesn’t really look like a source I can trust, because it’s so more of a fun thing, and like social thing, and I think I would trust, like, real forums that are dedicated to cars more than I would trust groups on Facebook.”</p> <p><i>Quantity</i> “ahm one source itself is not reliable for me but when you look up many different platforms and you get similar or same information then the information gets more secure to me and gives me more security...”; “If I read a certain amount of information in online forums or platforms that conforms that it is the same then I trust that.. so for example if 100 people say the same then it is probably true. So it is the mass that makes me trust them more.”</p>

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Table 35: Trustworthiness content presentation

Trustworthiness was considered as one of the cornerstones in following WoM by the interviewees, regardless of the environment in which it is provided. Hereby, the existence of a **tie strength** is an important indicator for the respondents to perceive a WoM message as trustworthy. This means that consumers rather trust individuals with whom they have already a social connection to a certain extent, than unknown information providers. Moreover, the respondents state that basing on their **gut feeling**, information can be perceived as more or less trustworthy and the consumers' derived feeling might be a reflection of intuition rather than rationality. Thus, the nature of information provided, either offline or online, has impact on the message receiver's perception of messages. The **message sender's knowledge** about automobiles is also considered as an important indicator towards trustworthiness. Accordingly, if the information provider has a specific background or expertise about automobiles (i.e. engineering, mechanic) the level of trustworthiness is regarded to be higher. Furthermore, the respondents state that the **personalisation** of a message is important; therefore when a message is tailored to recipient's needs they perceive it as more trustworthy. Moreover, the message sender should provide information, which is free of bias, prejudice or favouritism and thus regarded as rather rational. If the provided information is perceived as **unbiased** and objective by the information seeker, the level of trustworthiness is supported. Another considerable aspect is the **authenticity**, whereby the respondents indicated that authenticity of the message and the sender's intentions are significant in the process of trustworthiness, since the message is not perceived as an attempt of selling a particular automobile. Additionally, the **experience** of the information sender is an important factor in enhancing the level of trustworthiness, as this person is able to deliver hands-on experience to the consumer who is buying or thinking of buying an automobile. The respondents perceived other individuals as experienced if they have already purchased an automobile, which made received information from them simultaneously more valuable. The **source** of the message is recognised by the interviewees as an influential factor when processing WoM information and regarded as the environment in which the message is shared as well as the person sending the information. According to the results of the interviews, offline WoM messages are considered as more trustworthy and affect consumers' decision-making in a stronger manner. In addition to the information source also the **quantity** of similar or same information leads to a higher level of a messages' trustworthiness. This means, if consumers obtain a certain amount of information about his/her potential automobile choice from other consumers, it is regarded as "mass message/opinion" which corroborates more security towards their decision-making.

#### 4.5.6 PERSUASIVENESS

Categories	Code	Illustrative Quotes
	<i>Reaction to received</i>	"I might present that review to somebody else that I know in person and see what they think about it..."; "If it would be something really big then it could play a role... but if it is a small factor that is not so important ... then maybe I wouldn't (react)..."; "it can



<b>Persuasiveness</b>	<i>message</i>	make me do a background check...”; “I saw a picture... and I really liked it... so I think that was a deciding point in making my opinion...”; “it wasn’t that deciding for me the offline WoM because everybody was saying ... that’s a bullshit car... so they didn’t influence me that much ... I didn’t listen (to) what they told me”; “maybe I would do more research...”
	<i>Own experience</i>	“driving the car... how the car feels, going to the dealership...”; “it is very much about being in person...”; “ after I drove the car... I just didn’t bother about (problems)...”
	<i>Setting role</i>	“face-to-face would probably be more persuasive than online or social networks...”; “ I would believe more in offline than online information...”; “you also have to take into consideration the person you are talking with...”
	<i>Emitter’s role</i>	“you also have to take into consideration the person you are talking with...”; “I was also influenced by them (salespeople in dealerships) because they are experts...”; “it is really important how convincing a person is...”; “if you get similar information from more of your friends, then you are getting more persuaded...”; “(if) other person really supports that decision... and gives me the feeling that I can trust that and that I can really base my decision on that...”; “My father to me has the highest rating of personal trustworthiness but he is not an expert in cars...”; “one person wouldn’t change my decision...”
	<i>Social networks’ role</i>	“social networks are at the bottom of the power to persuade me...”
	<i>Message characteristics</i>	“more information I get can make me change my mind”, “ most of the information I got online were just straight facts, not opinions and I think most of the opinions that mattered I got offline...”; “how many arguments... and how valid the arguments seem and especially if you see them applicable in your situation and to your own characteristics...”; “I would also value more the information that he has from his own experience...”; “combine general trustworthiness with technological expertise...”
	<i>Attitude towards the message</i>	“you mostly can see out the comments that they are kind of experts or no and if the given message is valuable or not...”; “I wouldn’t get influenced from somebody from whom I think doesn’t know anything about cars...”; “entries on online forums and other information on the Internet are at the last place because they have to reach a critical mass to become trustworthy...”; “the messages I received, let’s say 40 – 50% it did persuade me...”; “so I never base my decision on only one opinion...”
	<i>Moment in time</i>	“of course it depends on the stage of information search”, “(it) would influence me less than if I was in the beginning of my search...”

Table 36: Persuasiveness content presentation

Persuasiveness of the received information is argued to have the highest impact on the purchase decision-making and the following codes are accordingly defined. The **reaction to a received message** differs between interviewees, which means that the obtained information can be reassessed via other sources or not further considered in the process of purchase decision-making. For instance, if consumers have their own “expertise” knowledge about automobiles it is rather unlikely that they get strongly influenced towards a certain decision. Only when the obtained information is perceived as trustworthy and valuable in content, consumers consider it as influential and playing a role in decision-making. The respondents also referred to the importance of their **own experience** with automobiles, as this is one of the facets persuading them towards the final purchase decision-making. When already having own experience with purchasing automobiles, the value of obtained information is assessed from a different perspective basing on own established ideals, criteria and knowledge. Moreover, the **setting** in which the exchange of information takes place was indicated as influential

while assessing the persuasiveness of the message. The interviewees distinguish between offline and online environments and for the reason that they regard offline WoM information overall as more trustworthy, it also shows a stronger impact on persuasiveness towards their decision-making. The role of the message sender, also referred to as the **emitter**, is significant since it can predispose the recipient's feelings towards the received information and thus have an impact on the final purchase decision. **SNSs** influence the persuasiveness of a message as they possess the power of mass distribution of information and also contain a variety of automobile related interest groups, where consumers share their opinions and get advices from other users. However, according to the interview results, SNSs are regarded to be at the bottom of power to persuade consumers due to the fact that provided information on such sites has to reach a critical mass to become trustworthy and thus persuasive. The **message characteristics** are a further indicator within this category, as the received information holds a different power of persuasiveness on the consumers depending on its content. The information consisting of straight facts, general opinions, strong arguments or specific expertise advice influences automobile consumers differently. Moreover, the respondents expressed their personal **attitudes** towards the received information and indicated their actual or projected behaviour basing on those attitudes. Therefore it is important to investigate how the interviewees perceive the received messages, due to the fact that their attitudes towards those messages drive their factual or prognosed behaviour. The **moment in time** plays a vast role concerning the power of persuasiveness, since depending on the stage of the information search process, consumers react differently. The respondents explicitly stated that after conducting extensive research during a longer period of time (i.e. up to 6 months) and being very secure about the choice, a provided information influences them less than at the beginning of the search.

#### 4.6.7 PURCHASE DECISION-MAKING

Categories	Code	Illustrative Quotes
<b>Purchase decision-making</b>	<i>Negative/positive information</i>	“if there are obviously any negative reviews, that would play a part in my purchasing decision. Yes, probably more than positive reviews I think...”
	<i>Information provider</i>	“LinkedIn isn’t quite a platform that I see would influence any of my purchase decisions...”; “But the more sensitive part of the decision was taken due to my offline connections...”  “You really have to be persuasive in order to make me change my decision... I base my decisions on valuable received information but I don’t base my decisions on one person’s opinion”; “well since it was just me and friend... of course his opinion influenced me and I wouldn’t really trust the seller of the car... so it was my friend...”
		“and then my friend was with me and he said that the car was fine... so my friend was just supportive, he wasn’t trying to convince me, I was the one making the decision, but he was there... he was giving me the save feeling from the expert side, because he had a clue how an engine works...”; “not only does the source matter but also the message being sent matters in terms of how much it would influence my purchasing decision.”
	<i>Reaction to received</i>	“So I would say that my behaviour was affected, especially by persuasive messages and messages applicable to me”; “I think that if you have done your research

	<i>message</i>	thoroughly and have reached a certain degree of certainty it is rather unlikely that your whole plans change... it may occur but it is not very usual..."
<b>Purchase decision-making</b>	<i>Information processing</i>	<p>"I think it depends... on where in my information searching process I am. So in the beginning I would maybe just throw that car out and only look at the other ones, but in the end if I had... already made my decision... and then I get persuaded that it's a crappy car, I would go back like one or two steps and look back at which cars I had in my consideration then and look at those cars again"</p> <p>"I gather the information and then process them and get a conclusion... I trust my instincts... basing on some knowledge which is getting bigger in the process of searching for an automobile"; "When I buy a car I do a lot of research before..., so it depends on the stage I am in... if I am still in the looking stage maybe it would influence me..."</p> <p>"in general I don't think so because I am already in the last stage and by that time I m pretty sure what I want to buy and I am sure about possible problems and so on..."; "A decision-making for me is a long-term step process. As you find more information and as you go ahead... this influences your behaviour, because the information gathering has the purpose of structuring your behaviour."</p>
	<i>Offline vs. online information</i>	<p>"of course the most impact had my offline social network as it was more personalized. But... the message can be from an expert, but if this expert doesn't know me, I could perceive the information as not so valuable..., because it is not personalized"; "mainly by the offline I am talking now because that's what influenced me the most."</p> <p>"So that is what I base decisions on, from personal experiences I have heard from people... it can be also second hand, third hand... but WoM from person to person that came to me, from a person I knew... I listen to (my friends) not to random persons and in that my decision was based on my friends, family, co-workers and other people I know... so I... asked for their opinion (which) influenced me a lot; so offline information helped me in making my final decision."</p> <p>"so I am still a bit old school... I do look at online opinions and I am not saying that I neglect it, but I don't let it base my decisions on it.. so it is just additional information for me and it doesn't affect my decision"; "I am gonna say that online information didn't help me to make my decision but I didn't base my decision solely on online sources. Most of my decision was based on offline and then going to the dealership and having a personal experience."</p> <p>"the information I searched online... was different that the one I received offline; so the combination of the two helped me making the decision."</p>

Table 37: Purchase decision-making content presentation

The purchase decision-making is the outcome of all the previous undertaken steps in the information research and processing, which are affected by the prior introduced categories and their codes. The respondents take both, **positive and negative WoM** into consideration when making a final purchase-decision of an automobile. It is found that they prefer to receive negative and critical information while seeking offline and online WoM, whereby negative information is considered to be more influential than positive information in regard to decision-making. The **information provider** is regarded as strongly influential since this is the person on whom the consumers base the weight of information on. By referring to the attribution theory, it is stated that consumers draw attributions in regard to the information provider and his/her credibility. The **reaction to a received message** means if information is received, the WoM seeker assesses the value of the information and reacts correspondingly to it. Thus, the interviewees state that basing on the messages' content and

perception, consumers behave accordingly. This means that they either perceive the message as trustworthy and persuasive, thus take it into consideration, or they disregard it according to the discounting principle. Moreover, decision-making bases on long-term **information processing** and depending on the stage in which the consumers are in, the message's persuasiveness differs. As already mentioned, when consumers are in the last stage of the decision-making they rarely get influenced and persuaded. This happens due to the fact that they already gathered and processed a vast amount of information and advice on which they based their choice. When it comes to making the final automobile purchase, the interviewees weight the importance of **offline and online information** and compare their factual or prognosed impact on the purchase decision. Hereby, the researchers found that overall offline WoM has a stronger impact on the purchase decision-making, as provided information is perceived as more valuable, reliable and trustworthy.

## 5. ANALYSIS AND DISCUSSION

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*In this chapter the results derived from the online survey and semi-structured interviews are analysed in relation to the hypotheses framework and theories of WoM communication presented in Chapter 2. The analysis aims at providing insights into how traditional and electronic WoM influence automobile consumers' purchase decision-making. The chapter consists of 7 subsections, which analyse each item of the hypothesis framework. Afterwards the hypothesis framework derived from the theory is evaluated according to the findings of this study.*

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### 5.1 INTRODUCTION

As already presented in Chapter 2, the developed framework involves items of high-involvement, offline WoM, online WoM, homophily/social ties, trustworthiness, persuasiveness as well as purchase decision-making and is a representation of the interconnecting steps. Furthermore, the researchers analyse each of those items individually in order to arrive to a solid conclusion and answer the posed research question. The constructionist interpretations based on the interview results shed light on the positivistic results generated by the survey and thus enable the researchers to obtain an understanding of the underlying reasons for consumers' actions.

#### 5.1.1. HIGH-INVOLVEMENT

Due to the fact, that automobiles belong to the high-involvement product category the analysis of the established hypotheses framework departs from this context. Both of the hypotheses regarding information search for high-involvement products were confirmed, and as discussed in the following sections are applicable for offline and online WoM communication. The survey results clearly indicate that all of the consumers who have purchased or who are thinking of buying an automobile apply an extensive research before making the purchase decision and approach both of the communication channels to a comparable extent. The reasons for taking such actions were elaborated on during the qualitative data gathering from the interviews. It can be stated that the overall results of the study confirm the O'Cass'es (2000) theoretical views in regard to automobiles as being meaningful and engaging objects in consumer's life. During the interviews the respondents stated their concerns in regard to making such a purchase and based on these, the researchers argue that consumers aim to minimize their perceived risk associated with an automobile purchase, which appertains to the theory of high-involvement. One of the interviewees defined purchasing an automobile as "*the biggest purchase I have ever made in my life*", while another stated that it is a "*valuable object*" and therefore "*it is too much money to lose*". As illustrated, the respondents assessed their high-involvement in terms of financial resources that the purchase requires and therefore calls for a vast amount of research

time. Interestingly, the product value was also expressed in intangible terms, which refer to personal and emotional meanings that an automobile can embody for a consumer. By exemplifying the above statement the respondents declared that: *“it was my first car...”* or *“I wanted to get a car that looked good and different to other cars....”*. It indicates that such an emotional attachment towards a product is an inherent element which has the capability to affect individual’s reasoning and thus also behaviour. Moreover, it is argued that high-involvement concerning the automobile product category is appraised in both, financial and emotional terms. Thereby, the researchers allude that these are complementary dimensions which holistically define individuals’ high-involvement within this product category.

Further, consumers dedicate a long period of time to thoroughly research and gather information, opinions and advice about potential automobile choices. This is underpinned with the following quotations: *„I spent a lot of time in looking for information”*, or that it took *„half a year to come to a decision...”*. It is inferred that the consumers invest a lot of time in the information search, yet the researchers could not detect a *golden rule* as each individual has different values and priorities and thus determines own criteria concerning their purchase. However, it is argued that the information search process involves at least three to six months, in some of the interview cases even longer. The researchers suppose that consumers strive to obtain own “expert knowledge” about this sphere of interest by dedicating a long time to the information search, which is caused by consumers’ attachment of ample weight to their high-involvement purchase choices. This is also indicated by the following statements: *“I want to be really, really, really sure...”*, or *“I wanted to be cautious and not bite into a lemon...”*. The researchers assess these quotes as consumers’ strive for cautiousness embodied in the collection of relevant and valuable information regarding the pre-selected automobiles before making a final decision. According to the first quote, the weight put on the meaning of words is highly noticeable. The fact that the respondent repeated the expression *“really”* three times indicates the prudence coherent with the highly involving nature of automobiles. Putting such emphasis on recurring wording before the deliberated adjective, in this case *“sure”*, stresses the expression’s importance. The aim is to obtain as much reassurance as possible towards a particular choice, wherefore this consumer diligently considered his potential purchase options. Moreover, the other interviewee explicitly stressed that he does not want to *“bite into a lemon”*, which might refer to the fact that he had already a negative experience with high-involvement purchases and therefore sets a stronger focus on researching sufficient information. It is argued that while gathering automobile-related information, consumers have to be careful and weight the relevance and credibility of received input from other sources in order to form their own opinion about potential purchase choices. This is supported by the fact that the majority of the interviewees stressed the value of obtaining information about others’ experience in regard to purchasing and driving their automobiles, which is strongly taken into account when receiving and assessing data utilizable for the final decision-making. Basing on the

above, the researchers conclude that asking for others' experiences and opinions is one of the most significant precepts to guide consumers' behaviour and processing information. Moreover, it is regarded as the best way to alleviate dissatisfaction and reduce the perceived purchase-related risk. These findings are also consistent with research of Abramson and Desai (1993), which indicated consumers' extensive information search within a high-involvement scenario. Further, by basing on the overall study results the researchers infer that consumers consequently feel more confident in making their choice due to the fact that a higher amount of obtained information increases their own knowledge about automobiles. This in turn leads to an enhanced security and certainty in deriving to their right choice.

Overall, based on the survey and interviews, it is contended that the extensive search for offline or online information is indispensable in making a purchase-decision of a high-involvement product. Additionally, it is affirmed that consumers determine how they start gathering information and carry out their research process by using offline and online WoM in sequential phases or simultaneously. This determination is based on individual's assessment of the available WoM channels, which is elaborated on in the following subsections.

### **5.1.2 OFFLINE WOM**

The study findings support the reasoning that consumers rather listen to WoM communication than to companies' formal messages, including their advertisements (Lee and Youn, 2009). Nonetheless it was not known to the researchers, which of the available WoM channels consumers prefer while seeking information about potential automobiles. Hereby, the survey results indicate that consumers use online WoM for gathering information and opinions about potential automobile choices, however they lean towards offline WoM channels. Even though this preference for offline WoM in comparison to online WoM is slight, the analysis of the interviews provides precise reasons for this existing difference.

First and foremost, the participants specified that family and friends are their first offline social contact for seeking information and opinions. Hereby, in the prism of the traditional information search, in particular fathers are the primer contact persons of trust, which is also demonstrated in the following quotes: *"I asked my father first, because whatever I do in life I ask him first; he is the person I trust most with such matters..."* or *"before I bought my car I talked to my dad..."*. These statements provide substantial insights into how the interviewees approach the information search. Therefore it is argued that targeting fathers for obtaining offline automobile-related information is a natural demeanour. In comparison to mothers, individuals within the target group consider them in general as more knowledgeable concerning technical issues and automobile purchases. Moreover, it is inferred that such a preference towards this source occurs due to a very strong social tie between the

information seeker and the message provider, as the latter is not only a confident, but is also able to provide valuable advice basing on his eventual hands-on experience. Thus, fathers are considered as more competent regarding automobile purchases and it is common for consumers to seek advice and back up their decisions with their parent's opinion.

Secondly, when asking family members or friends for advice, the respondents consider their intentions as honest which in turn, as inferred by the researchers, enhances the level of trustworthiness towards the received message. Compared to online messages whereby the information provider is often not known to the information seeker, consumers state that: *"the intention behind people I know personally, I know... is good"*. The quote illustrates how consumers attribute feelings of trust towards the messages received offline. The attribution is made basing on the perceived honesty of the message sender and his/her intentions as well as the significance of a close prior relationship, which is argued to be a cornerstone in building trust.

Thirdly, it is claimed that while conversing with people known in person, the basic level of trust is already established and as a consequence consumers automatically assign a higher degree of credibility to the information received in such an ambiance, compared to online settings. The following quote demonstrates this issue: *"I know what their (friends and family) background is and the credibility that comes out of them is from my knowledge of knowing them as a person... I am not saying that the others are not credible, but it's just from an individualistic way that I rather listen to my friends"*. According to this statement the choice of the WoM channel is claimed to be an individual matter, which is dependent on the person's assessment of the source and context characteristics. The researchers argue that while communicating personally with the information provider in a face-to-face setting, certain feelings of security towards the potential purchase are conveyed. In other words, when consumers interact with individuals known to them, they simultaneously make inferences and draw attributes regarding the message sender and the message itself. Therefore, by referring to Wyer and Carlston (1979) in the field of attribution theory, the situational and informational cues derived from the offline setting have influence on behaviours and behavioural intentions of the message receiver. This happens because a person can treat the information as trustworthy and thus eventually be persuaded towards a certain purchase decision, basing on acquired positive attributions. These conclusions support the theory of Breazeale (2008), who declared that an important characteristic of offline WoM is its unique ability of influence, due to the flexibility of interpersonal communication and perceived source reliability.

Fourthly, the interviewees state that the messages delivered via a direct and personal contact are better adjusted to their specific needs. Consequently, the researchers claim that a message's personalization plays a significant role towards offline messages' trustworthiness and credibility. In order to obtain more personalized messages and information, automobile consumers tend to seek face-to-face



conversations and therefore heavily apply the traditional information search, which is demonstrated in the following quote: *“When you talk to friends and they describe their whole experience then you get a better impression of what the real issue could be. So, they are more reliable to me and offline is stronger than online to me”*. It is inferred that offline WoM is utilised in order to gather a complete and cohesive understanding of the message. Accomplishing the latter results in an increased certitude towards the received feedback. It could be stipulated that the interviewee refers to his previous experience with online WoM, where he did not receive sufficient information, which in turn might have caused his dissatisfaction and predisposed his inclination towards offline WoM channels. Additionally, another interviewee stated that: *“I chose offline because I think that it is more reliable the information that you get from your friends and people that you know because I feel more comfortable talking face-to-face to people than searching online”*. Therefore, it is exposed that offline WoM represents a higher level of messages’ reliability and credibility, which result from the comfort generated in a face-to-face ambiance. Online information search on the other hand is contrasted with that valued feeling and could be speculated to evoke rather pejorative associations. Thus, basing on these findings, the researchers argue that offline WoM has a stronger impact on consumers’ perception of trustworthiness and resulting persuasiveness because of the direct nature of the occurred information exchange.

Further, consumers also seek information at automobile dealerships, whereas a tendency towards dealers’ own partiality could be found and the consumers realise that the sales personnel rather aims at selling than at providing true advice and opinions. This is shown in the following quote: *‘I don’t trust them (salespeople) ‘cause they just want to sell a car’*. It is interesting to note how decidedly the interviewee expressed his opinion towards salespeople. By doing that, he depreciated their presumably supportive role and reduced it to a rather pushing function. Thus, despite the fact that automobile dealerships can partly influence consumers by providing for instance price discounts or test-drives, the researchers argue that consumer-to-consumer marketing based on the advocacy of other users is still stronger in its influence on consumers’ decision-making. Furthermore, the study results prove that the latter is regarded as more valuable for automobile consumers compared to traditional marketing executed by dealerships. Additionally, when consumer groups were compared basing on their automobile purchase situation, a puzzling fact was encountered. It was discovered that the survey respondents who have already purchased an automobile consider offline WoM as a more important information search channel, compared to the consumers who are thinking of purchasing an automobile. Interview participants who have already finalised their purchase expressed the same preference. The researchers claim that this discrepancy occurred because existing consumers have the possibility to refer to their actual purchase experience and thus can accurately list the information sources they have utilised in their search. Prospective consumers on the other hand can only hypothesise in regard to their anticipated actions, wherefore they presume to apply the online

information search to a greater extent. Nevertheless, this projection of behaviour is limited since those individuals express their actions they would take; yet, this does not imperatively mean that they would behave as planned in a factual situation. Therefore, in order to accurately analyse the data, consumers' perfective or imperfective purchase situation has to be taken into account. Further reasons why offline WoM might have stronger impact on trustworthiness and persuasiveness are discussed in the following subsections of this chapter.

### 5.1.3 ONLINE WOM

The survey results indicate that besides of using offline WoM, consumers also gather automobile related online information and opinions. Although the quantitative data proved only a small preference towards offline sources for the information search, the data gathered from the interviews enabled the researchers to provide specific reasons for this instance. Hereby, all of the interviewees stated that they use/used mainly the google search engine to find information about automobiles, due to the possibility to access a large online information network. With the engine search, consumers can effortlessly approach specific automobile related platforms such as forums, blogs or companies' websites. An interesting aspect derived was that almost all of the interviewees address such online platforms primarily to satisfy their curiosity when seeking information about automobiles: *"general opinion(s) from people that I didn't know... but those wouldn't be weight as heavily as personal opinions from people I do know and I spoke to in person, so it would be just more out of curiosity that I use these platforms"*. Thus, it is stated that online WoM is mostly consulted due to the feeling of inquisitiveness, which is claimed to be consumers' motivation for information acquisition. Furthermore, the target group of younger consumers is not only heavily involved in using the Internet, but are also very active on various online social platforms. Corresponding to the McKinsey report (2012), young individuals browse the Internet and use social media, especially Facebook, everyday. A vast amount of the automobile related user groups can be accessed on such SNSs and the researchers claim that the desired information can be easily approached. Thus, the genuine human eagerness for satisfying curiosity causes individuals to seek information not only on online platforms as forums, blogs or companies websites, but also on SNSs such as Facebook or LinkedIn.

However, an interesting finding is despite the fact that the target group approached in the survey proved to be heavily engaged on SNSs such as Facebook or LinkedIn, the interview respondents did not regard these sites as applicable and reliable for obtaining valuable automobile related information. For instance one of the respondents stated that: *"social networks are too open to provide good quality information..."*, which indicates that such SNSs are too inclusive and therefore regarded as arenas for socialising rather than for providing valuable information automobile consumers are questing for. This factum is even more sturdily expressed by another consumer who said that: *"Facebook and LinkedIn from my point of view, especially when you are buying a car, is just bullshit..."*. The researchers

regard this colloquial locution as a representation of a very strong opinion expressed in a language used mostly by younger individuals. The interviewee is referring to his own experience with the approached information search channel while purchasing an automobile and even though he uses Facebook on a daily basis, he did not consider this SNS for obtaining purchase-related information. These findings contradict the results of a recent study of Dealer.com (2012), which declared that Facebook successfully influences automobile consumers towards their decision-making. Therefore, it is inferred that SNSs are treated as an applicable arena for spending spare time, yet it is not perceived as a medium applicable for addressing and gathering reliable information in regard to high-involvement products such as automobiles.

Interestingly, it was found that in comparison to Facebook and LinkedIn, automobile related blogs and forums are perceived as more suitable for the prior mentioned purposes of information search and the messages encountered on these sites are considered as more credible and trustworthy. The researchers claim that this is caused by the fact that a diversified range of issues is found on the latter platforms and rather involves “expert” opinions as well as technical matters, than superficial or casual conversations as often occurring on SNSs. Thus, due to the access to this large and manifold set of information on such online platforms, it is stated that online WoM is also a strongly considered information source. However, since the online WoM provider is mostly not known in person and can be anonymous, a certain degree of insecurity is argued to be present. Nevertheless, this concern can be levelled once the emitter proves his/her possession of automobile-related knowledge. In order to assess the message sender’s knowledge and thus reduce the level of insecurity, the message seeker should filter the messages according to their quality and reliability, so that the pros and cons about potential choices can be evaluated. These findings are consistent with the research by Lee and Youn (2009) who declared the rather anonymous nature of online WoM, wherefore it is imperative that the information seekers acknowledge online messages’ quality and credibility.

Moreover, it was found that when searching for technical facts about automobiles, consumers prefer rather online than offline sources, due to their easy accessibility on companies’ websites or their official profiles on Facebook or LinkedIn. One participant argued that: *“all the comparison I did via Internet by looking at the technical specifications of the cars online and on the websites of the automobile companies”*. According to the interviews, consumers utilise these sites to seek performance-related facts in order to compare potential purchase objects. However, as the interview results further implicate, sole technical facts do not have enough potential to influence nor persuade automobile consumers towards their final decision-making. The latter might be partly based on technical facts, yet the researchers claim that personal experience and/or expertise advice from former consumers have more potential for persuasion towards the final purchase decision. Moreover, the quantity of information found online is the sequential important factor concerning online WoM in regard to an increased trustworthiness of the given information. Hereby, it is argued that the more of

the same or similar information about a product, brand or service is provided, the more trustworthy the message is perceived. Reaching this critical quantity might easily occur in automobile related online groups, such as on forums, blogs or SNSs, as the diffusion of information on these platforms is regarded as broad and fast. A further elaboration upon this issue is given in the subsection corresponding to trustworthiness.

#### **5.1.4 HOMOPHILY/SOCIAL TIES**

The hypotheses treating offline and online WoM as being positively related to homophily and social ties proved to be inconclusive, since the survey participants valued only social ties as relevant. Interestingly, those results support the argument that homophily and social ties should be treated as separate, yet related constructs, which was stated in Chapter 2 of this thesis. As reflected in the calculated median, the majority of the survey respondents stated being neutral or tending to disagree with the statement that sharing homophily with the message sender is important in order to follow offline or online WoM. The overall study results show that homophily's role turned out rather inversely, compared to the findings of Ruef et al. (2003) who stated that homophilous sources enhance the level of trust towards the message provider. The principle of homophilous characteristics of sharing age and gender have proved to be of none importance for the study participants in regard to both, offline and online settings.

Moreover, the survey findings generate the opposite representation of the original concept as it was proved that heterophilous sources in terms of age are more valued to follow WoM communication. The researchers consider the preference towards elderly advice as puzzling. It could be assumed that the youngest consumers included in the target group would strive to boycott elder peoples' opinion, while the oldest individuals in the target group would be stipulated to be more independent due to their already acquired maturity. Nevertheless, basing on the overall study results it is proven that when making a high-involvement purchase decision, consumers prefer to rely in general on older and thus more experienced individuals who can support them during the process. This logic is reflected in the following statement provided by one of the interviewees who claimed that he trusts: *"more older people when it comes to cars..."*. Moreover as previously mentioned, in particular relying on fathers is interesting, since it could be speculated that young consumers strive to fit into the group of peers and would seek their acceptance. Despite the fact that the majority of the interviewees admit asking friends and peers for feedback in regard to their automobiles of choice, an older person is still perceived as an axiom for providing most relevant advice. As further illustrated in the following quote provided by one of the female interviewees, not only the age of the message emitter is of importance, but also the gender of the person: *"it's more important for me that the person is older and has more experience and maybe even that he is male..."*. Hereby, it is clearly stated that she prefers to follow WoM provided by men, whereas such a preference was also noticed in the answers provided by male

interviewees. This occurrence is baffling due to the fact that it touches upon gender stereotypes, which could be assumed to be alleviating in power in the modern society. Therefore the researchers presume that this is not a conscious attempt of classifying genders, it is rather assumed to be caused by the strive for risk minimisation, which could be levelled by relying on expert's advice. Nevertheless, this stereotypical thinking and stipulating that only men possess expert advice and information in regard to automobiles seem to be rooted in most of the interviewed young consumers' minds. This is argued to be caused by the transfer of stereotypes from older to younger individuals (i.e. parents to children) who might take them for granted without applying own critical judgement to these formed attitudes. However, one of the interviewees presented an opposing point of view by saying that "*age, gender, race doesn't really matter to me*" when following WoM communication. This statement could be argued to be dependent on the individual's personality and openness on others as well as his inclination towards paying attention to the content messages' content rather than to the message sender. Therefore, according to the above-adduced statements and the opinion of the majority of study participants, the researchers profess that young consumers prefer to seek information and advice regarding high-involvement products not from homophilous sources, but rather from sources, which are heterophilous in terms of age and gender.

Social ties on the other hand proved to be important for all of the study participants. As the calculated median indicates, the majority of the respondents agree that having an established social tie with the message sender is important in order to follow either offline or online WoM. Moreover, statistical testing and the interview results confirmed the findings of Granitz and Ward (1996) and Chatterjee (2001), who stated that social ties are stronger offline than online. This disparity is argued to be caused by the basic mechanism for developing a tie, which is easier to obtain in an offline setting, since already a basic familiarity and face-to-face conversing set the base for building and enhancing the strength of tie. It is argued by the researchers, that building a social tie is the starting point for developing trust and a sense of reliability towards the message content and its sender(s). One of the interviewees referred to this stipulation by saying that it is important for her to have a prior relationship with the individual providing the information, while it is not important to be in the same age group or gender as that person. Instead of focusing on similarities, the interviewee valued most that these people: "*know my characteristics, so they know what advice to give me*". Therefore it is stated, that the interviewee sets much store by valuing social ties due to the fact that the advice provided via those address the emotional and financial assessment of a person's high involvement. This proves that knowing the individual in person has more significance to all study participants, than sharing similar characteristics as age, gender or interests.

In addition, another interviewee referred to the familiarity with the message sender by stating that: "*if it's somebody I know, then I would trust that person more than if it's just a stranger*". Accordingly,

the researchers argue that in contrast to homophily, social ties constitute a weighty factor in following and relying on WoM. Based on the survey results, it is interesting to note that consumers who have already bought an automobile and consumers, who are thinking of buying one, differ in regard to their attitudes towards social ties. Consumers who have already purchased an automobile showed more appreciation towards offline social ties than consumers who are thinking of accomplishing such a purchase. The researchers deduce that such a preference is entailed due to the fact that consumers already owning an automobile could set a situational benchmark regarding their behaviours and attitudes and thus provide their accurate opinions in regard to that. The forthcoming consumers on the other hand could not refer to their completed actions and in consequence prospected their behaviours rather than referred to solid facts. Thus, when assessing the importance of social ties, consumer's purchase situation has to be taken into consideration. Moreover, it has to be alluded that the strongest social ties are established between family members and friends, and according to the interview results the researchers claim that these are the individuals who have the most impact on an information seeker's final purchase decision. One interviewee's statement provided the basis for drawing an inference in regard to a cause and effect relationship between the strength of a social tie and its impact on trustworthiness: *"the strength that I am close to the person and that I know the person makes a message trustworthier to me"*. It is argued that the strength of a social tie positively influences the perceived level of trustworthiness towards received WoM. This means that the stronger the tie, the higher level of trustworthiness is reached, which subsequently leads to a higher degree of persuasiveness on consumers' decision-making.

Further, the interviews provided the researchers with a comprehensive understanding of the families' and friends' roles in decision-making. The researchers argue that even in the light of an occurred shift towards the ubiquitous Internet as well as the use of social media and their SNSs, consumers still put a lot of emphasis on information provided in a traditional setting by individuals closely known to them. As one of the interviewees said: *"the real value comes from them (friends as family) knowing me"*, which is further elaborated by another interviewee stating: *"I can ask them (friends and family) anything and I know they will tell me the truth"*. Thus, once more it is stressed that consumers confirm strongly relying on information provided by close ties and consider them as trustworthy. Further, it is stated that basing on familiarity with the message provider, consumers attribute feelings of security and trust. These feelings are expressed by the consumer's confidence in the bond between the information seeker and its provider. Moreover, a very strong tendency to rely on obtained offline information is observed and such reliance is mandatory in order to follow WoM advice.

Social ties generated in online settings might be perceived as similar in value, which is illustrated in the following quote: *"I could ask somebody on Facebook and they could send me a message and that would be trustworthy too"*, and was also proved by the survey results. However as already argued, ties generated online base on consumers' acknowledgement of the context and their drawn attributes in

regard to the message sender and the received message. Therefore online information acquired from acquaintances, known or not known in person is appreciated. The researchers elucidate this occurrence basing on the fact that information received from those ties represents knowledge gathered from a diverse group of individuals and consequently enables a variety of potential inputs to a final decision; thus confirming the theoretical stance of Schindler and Bickart (2005).

Pondering on the above, the researchers infer that social ties are significant for both WoM settings, due to their more trustworthy nature and the quality of input they provide. This in turn, practically (in case of existing consumers) and potentially (in case of prospective consumers), affects their purchase decision-making. The researchers also argue that the individual's gut feeling complements the assessment of information provided by homo- and heterophilous as well as socially tied sources, since all consumers process information and attribute its value according to external cues and their own judgement.

### **5.1.5 TRUSTWORTHINESS**

The fifth category included in the hypotheses framework was the perceived trustworthiness of the message source as well as its content. Both of the hypotheses stating that offline and online WoM messages basing on homophily and social ties are trustworthy were accepted. However, as previously argued, the importance of homophily proved to be weaker than the one of social ties and is therefore not significant for enhancing the level of a sources' or messages' trustworthiness. According to the survey results, the existence of a social tie between the message sender and the message receiver is argued to be a major indicator towards the trustworthiness of a message, whereas the interviews show that offline WoM is strongly connected with this factum. It is argued by the researchers that the underlying reason of this occurrence is that individuals involved in a face-to-face communication are familiar with each other and consequently possess a stronger tie. This criterion heavily fosters building trust and sequentially favours the level of trustworthiness, which means that the information provided by the offline message sender is attributed as reliable and in general not further questioned by the information seeker. As previously stated, most of the interviewees regard their fathers as trustworthy persons to whom they initially turn and seek advice and opinions. One of the interviewees said: *"I would rather trust him (the father) blind, but the Internet I wouldn't trust blind"*. The researchers argue that such a strong statement emphasises the vital role of the social tie strength with the message sender. By using the word *"blind"*, the interviewee metaphorically relates to the highest obtainable level of trust, which is speculated to be achievable only in a direct and long lasting relation. Furthermore, when the father's figure is set against the trustworthiness of online sources, the latter are unambiguously proved to be weaker than offline sources. Moreover, it again reconfirms the strong tendency towards fathers being considered as primer persons to seek advice, which reinforces the tie strength and attributed trust. This finding is not treated as surprising due to the fact that seeking advice

from the most trusted sources can be argued as a logical consequence resulting from the conveyed higher perceived risk associated with automobiles.

However, an interesting finding emerged from the conducted interviews. Despite the fact that information seekers might also know the individual providing information on SNSs such as Facebook or LinkedIn, it was found that consumers still prefer to seek the information from the same person in an offline setting. In this respect one of the interviewees said that she used more offline than online contacts: *“because the person is a big factor, but that’s not the fact on Facebook... I know the people on Facebook too, but I don’t want that opinion...”*. The researchers interpret this as a strong preference towards a face-to-face discussion and close relation rather than distant and many-to-many conversation. Even though all of the study participants are heavily engaged in and spend a lot of time on such SNSs, and thus also identify themselves with such platforms, it could be assumed that they also seek others’ opinions and information there. However, a crucial factor indicating why consumers do not consider such SNSs for acquiring automobile related information is their quest for receiving rather personalised and detailed feedback, which is stressed by the following quote: *“I think maybe it’s not personal enough on Facebook, it’s not detailed enough, there is not enough conversation...”*. This statement alludes again to the preferred personal offline setting, even though the person who was providing the statement also mentioned that she spends plenty of time on SNSs. The interviewee expressed that she could conveniently ask the same person via a private message on this social platform, but does not take such a conversation into consideration. Such opinions occurred in nearly all of the interviews with differing levels of stressing the fact that obtaining automobile related information on Facebook is not regarded as adequate. The researchers argue that this might be caused by the interviewees’ preference towards obtaining the information in a direct way, which would involve not only an exchange of statements and opinions, but also non-verbal expressions that cannot be transferred online. Interestingly, these findings contradict the research of Chu and Kim (2011), who assumed that the *“friending”* aspect occurring on such SNSs enhances the credibility and trustworthiness of the given messages, thus making these platforms addressable. Moreover, Chu and Kim (2011) stated that the developed tie strength towards online websites or platforms has a positive influence on trustworthiness and credibility. Yet, this is refuted by the interview results, which state that the consumers do not perceive social networking sites as representing conversations of *“any real value”* in regard to high-involvement products. Therefore it is argued that SNSs are considered by most of the individuals as not appropriate for seeking and receiving purchase-related information. Nevertheless, as the survey and interview results proved, individuals aim to find online information most of the time on forums, blogs or company specific websites and consider such provided information as more trustworthy than social networking sites. It is argued that forums and blogs are accredited with more credibility and trustworthiness, since the consumers perceive them as more specific topic-oriented and thus less dispersed in their scope. Moreover, one of the speculated reasons



for such a preference is that consumers may perceive Facebook user groups as controlled by automobile companies rather than by users. In that case, presumed content moderation performed by the company would decrease the trust towards the content's reliability. On the other hand it is argued that forums are supervised by impartial and non-company related administrators, who ensure that the forum's content represents independent opinions and that biased, presumably company-generated information, is banned. It is argued by the researchers that such beneficial control over the content is appreciated, in comparison to artificial control, which could be observed on Facebook groups. Blogs are also perceived as trustworthy information sources and it is stated that this occurs for the same underlying reasons as in the case of forums. Additionally, it can be assumed that forum users and bloggers have acquired knowledge, which allows them to comment and write posts relating to automobiles. Nonetheless, regardless of the setting in which the communication takes place, characteristics of the message have to be taken into account, since this is the consecutive factor influencing trustworthiness of WoM communication.

The interview findings show that personalized messages are considered as more trustworthy due to the messages' adjustment to certain personal values, characteristics or lifestyle of the message receiver. That factum mostly occurs in offline settings as by reason of the stronger social tie, the information provider might easier deliver tailored advice. The researchers argue that this refers further to the authenticity of the message and its sender, which is another criterion for assessing the trustworthiness of the information source and its content. For WoM seeker it is vital to perceive the information as a non-attempt of selling in order to regard the information as valuable and take it into consideration during the decision-making process. The following quote demonstrates this issue: *"I think it has to be authentic..., it has to be somebody who seems like he knows what he is talking about and it has to seem that he doesn't want to sell anything"*. Assessing authenticity of the message is approached via a combination of rational thinking and emotional perceptions generated towards WoM communication. While accomplishing the mentioned assessment, the consumers evaluate the message sender's intentions by questioning them and referring to their so-called gut feeling. As derived from the interviews, the consumer's gut feeling towards received messages is considered to influence the perception of WoM communication and is argued to be often rather intuitive than rational. It was recognised that individuals tend to develop their own opinions in regard to the message providers they encounter offline and online and differentiate between: *"guys who really know about cars... and guys who kind of think that they know everything about cars..."*. This categorisation predetermines how consumers perceive information and fashion their opinions in regard to their assessments. Hereby, the researchers argue that when the sender shows some kind of expertise knowledge, the trustworthiness of the information source is simultaneously regarded as higher. Consequently, it also evokes a stronger persuasive influence towards consumers' decision-making. The message sender's first-hand experience sets the base for the information seeker's assessment of the level of expertise the sender

represents. As already presented in the offline WoM discussion, the level of trustworthiness is heavily enhanced due to the attested experience of the information sender. However, as online message senders are often unknown individuals, the information seeker cannot evaluate their previous experience due to the lack of the social tie. This leads to the fact that offline WoM generally shows a higher ability to affect and persuade potential consumers towards their decision-making, as the perceived personal experience is considered as a strong incentive for crediting a higher degree of credibility and trustworthiness towards the source provider. Online WoM on the contrary also provides first-hand consumer experience, however due to its remote nature and lack of face-to-face information exchange, consumers have to assess the incurred communication more cautiously than in offline settings. In this regard, it is debated that a message's assessment of trustworthiness is often based on own experience and knowledge of the WoM seeker. One of the interviewees explicitly stated: *"you have to know a bit about cars by yourself when you do a lot of research online... and online it is just that you have to filter out the people who are giving their opinions there..."*. Thus, the researchers declare that at least fundamental knowledge about automobiles should be present in order to accurately evaluate the information provided online. However, it is also stated that this posed requirement applies not only in an online setting, since information gathered offline also has to be assessed by the message receiver. The researchers argue, that this in turn refers back to the long dedicated research process, whereas consumers also quest for becoming some sort of "experts" in this field of purchase and thus aim to acquire more knowledge about automobiles. With this obtained knowledge it is more facile to sort out valuable and trustful information, offline as well as online.

Overall, through the process of interviews it was examined that the level of trustworthiness attributed to the source providers and their delivered message is essential in order to persuade and influence consumers in regard to their decision-making. Even though the statistical findings of the survey concerning trustworthiness only slightly point towards offline sources as being more trustworthy, the researchers consider the supplementing interview results as a strong reinforcement of the survey findings. Thus, it is argued that the overall results coherently proved that offline WoM has a stronger impact on trustworthiness and consequently on messages' persuasiveness towards decision-making.

### **5.1.6 PERSUASIVENESS**

Both of the hypotheses stating that persuasiveness of offline and online messages is positively associated with the message's trustworthiness were accepted. Therefore, the researchers argue that persuasiveness of the received message is a designating characteristic for the subsequent purchase decision-making in regard to high-involvement products. By referring to the attribution theory, which envisages the influence of WoM on persuasion, the researchers apply the already examined items from the hypotheses framework. The study findings confirm the theoretical stance of Prendergast et al. (2010) that social ties and derived attributes, related to the received message or to the message sender,

impact the perceived level of persuasiveness. Since different types of consumers' attributes towards WoM communication differently impact persuasion, the researchers defined three basic behaviour categories basing on interviewees' reactions to the received messages. The first category includes being influenced by the received message, the second involves double-checking information and seeking more reassurance, while the third implies disregarding the message due to the discounting principle. Respondents' behaviour types are argued by the researchers to be dependent on several focal features, such as the source of the message, the message's characteristics, the setting in which the communication takes place, the respondents' own experience and the moment in time in which the message is received. Those listed features and their role on persuasiveness are elaborated in the following paragraphs.

The researchers claim that the emitters of offline and online messages play an important part in persuading consumers towards potential purchase decisions. Due to the online environment's rather remote nature, consumers are claimed to attribute the message sender's credibility and persuasive potential by paying attention to his/her activity and input, rather than at the previous relationship with the person that is unattainable in this setting. One of the interviewees described the process of assigning attributions by saying: "*you mostly can see out the comments that they are kind of experts or no and if the given message is valuable or not*". The quote illustrates the classification of emitter's potential persuasion power by assigning them into two subgroups basing on their level of expertise. Afterwards, the messages received via online WoM are categorised on the grounds of this classification. This described process is argued to be an adaptation of the same mechanism functioning offline, yet the main difference is the frequency of its utilisation due to the larger number of information received in online settings in comparison to offline. As already mentioned, the quantity of received messages is argued to have an impact on persuasion and it has to be stressed that reaching a large amount of the same or similar messages is more easily achieved within an online environment.

Furthermore, the researchers state that the attributions towards a message provider's potential to persuade are also generated in the offline WoM setting. As one of the interviewees admitted, sales people in dealerships can be perceived as experts and thus might have a persuasive influence on the message receiver, due to their "*expert knowledge*". However, basing on the same interviewee's further utterance, the researchers state that this effect occurs only when an explicit cause arises. This means that the sales personnel's feedback is argued to have the potential to persuade consumers towards a purchase decision only when the message seeker sees their arguments as valid and applicable to their own situation. Therefore it is of vital importance, that the sales person does not convey mere selling intentions to the information seeker, as the latter perceives them as a negative impulse generated by the dealer. The researchers acknowledge that reaching this equilibrium point between providing tailored solution required by the consumer and meeting sales targets set by the company is troublesome, since finding such a balance is very much dependent on the dealer's hard and

soft skills. In this context hard skills stand for thematic and technical knowledge, while soft skills signify the ability to accurately capture consumers individual needs. Furthermore, provided that such balance is found, the crucial stage in persuading a consumer towards the purchase decision is the delivery of a message, which is attributed as personalised and trustworthy.

This leads to the next recognised focal feature of messages' characteristics. The interview participants emphasised the importance of the content of the message in regard to persuasion. In case, that the message contains solid facts or is regarded as reliable, the receiver can approach a "*background check*", which involves seeking more information. In case, that a particular message or advice recurs it is argued that the message receiver is persuaded towards further specific actions according to the already proposed categories of behaviours. Moreover, as the survey results denote, the setting in which the communication takes place has a potential influence on persuasion. The researchers claim that a face-to-face setting can be perceived as favourable in the eyes of some consumers, as illustrated in the quote: "*face-to-face (communication) would probably be more persuasive than online or social networks*". This is explained by the inclination towards a personal and direct contact when making a decision in regard to a highly engaging object. Yet, as the survey results indicate, the online environment also has the potential for persuasion, thus confirming Duhan's et al. (1997) arguments that electronic WoM provides access to a large and multifarious collection of opinions and advice. Therefore the researchers claim that a choice of the setting is caused by an individual's personal preferences.

The overall study results show that a message is potentially persuasive by coming either from a trustworthy source or by being attributed as trustworthy basing on its characteristics; regardless of the environment it originates from. This is shown in the correlation results, which proved to be the strongest for trustworthiness in regard to persuasion within all of the chosen measures. The outcome of the statistical testing shows, that there exists a moderate positive correlation between offline and online trustworthy messages and their impact on the persuasiveness of a message. Interestingly, the correlation between trustworthy messages and their impact on the persuasiveness of the message is slightly stronger online than offline. The researchers presume that such obtained results are caused by the respondents' consistent expression of their attitudes towards trustworthiness and thus persuasiveness of WoM. However, it has to be stressed that such a consistency does not entail a stronger preference towards any of the WoM sources, yet it proves that the respondents provided well-considered answers throughout the survey. This indicates their thorough understanding of the survey questions.

Additionally, consumers' own experience is argued to play a role in persuasion towards a final purchase-decision. One of the interviewees referred to his visit in a dealership to test-drive an automobile by saying that: "*it was a deciding point in making my opinion*". It is stated that a first-

hand experience with an automobile and the ability to relate to the feelings derived from seeing and driving it, is a persuasive indicator towards making a decision. However, this finding is not perceived as striking due to the fact that when purchasing such an engaging product, consumers pay a lot of attention to the tangible stimuli. These stimuli further influence their decision-making by evoking feelings of satisfaction or dissatisfaction, which subsequently drive consumers behaviour. Lastly, the moment in time is argued to be vital in their process. The following quote: *“if I was in the beginning of my search and somebody said that the car is crappy, then I would maybe... more easily throw it out of my consideration”* refers to the initial stage of information search, while the other respondent refers to the concluding stage by saying: *“at the end you know already a lot of things so you cannot get that much influenced by what you hear”*. The researchers assert that the respondents’ reactions are dependent on the information search stage and according to it the respondents react in different ways. Thus, the level of message’s persuasiveness upon purchase decision-making is argued to be also dependent on the moment in time when the message was received, which is also explicitly stated by all of the interviewees. The researchers further elaborate upon this finding in the following subsection.

### **5.1.7 PURCHASE DECISION-MAKING**

Both of the hypotheses stating that persuasive information received offline and online influences consumers’ purchase decision-making were accepted. The results of the survey indicate that both WoM sources are addressed during the decision-making process, whereby traditional WoM proved to be more influential than electronic WoM in persuading consumers towards their final decision. As already discussed by the researchers, the information value is of significant essence and is strongly taken into consideration during the decision-making process. Hereby, the participants refer to the statement that obtained information should not only be of positive nature, but also of critical or even negative. This means that consumers appreciate offline and online information, which is varied and apart from commendations also include problems occurring in the potential automobiles of choice. Thus, negative WoM information is determined to be even more influential in regard to automobile purchases, which also stays in line with the theories of Arndt (1967) and Schindler and Bickart (2005). They stated that negative WoM has a much stronger impact on consumers than positive WoM and the following interviewee’s quote demonstrates this factum: *“if there are obviously any negative reviews, that would play a part in my purchasing decision.... more than positive reviews I think”*. Thus, it is argued that consumers have an increased affinity towards critical or negative messages on online platforms, whereas it is assumed that the same occurrence can also take place within an offline environment. However, due to the distribution power of online settings, this occurrence is rather observed online, where consumers can easily access such information. This relates back to the assessment of WoM messages and their trustworthiness, which has to be evaluated in order to further consider such opinions and information. Moreover, consumers seek negative WoM provided by

offline sources to detect potential obstacles and to identify areas, which require special attention due to their problematic nature. It is inferred that consumers perceive such information as more valuable and thus also strongly consider it during their evaluation of potential automobile choices. The researchers argue that consumers strive to reach all of the eventual weaknesses of an automobile's performance and disclose potential deficiencies or negative experience from former consumers. During this investigation for negative information consumers enhance their level of security in regard to a potential choice or disqualify certain automobiles from their consideration set.

Further, based on the survey results, it is argued that sharing homophily with the message provider has no significant impact on consumers' decision-making. The attributed level of trustworthiness and persuasiveness is not dependent on sharing homophilious characteristics and consequently does not impact their decision by any means. However, the interview results reveal that the information provider is considered as having one of the strongest impacts on consumers' decision-making. Not only the tie strength, but also the knowledge, expertise and former experience of the message provider are significant in this scenario. The circumstance that the information source possesses relevant hands-on experience and knowledge about automobiles has a particularly strong impact on consumers' attitudes and opinions, wherefore the decision-making is influenced by the messages the sender conveys. According to the interviews, social ties in offline settings are a priori more valued, preferably listened to and treated as having a stronger influence on consumers' decision-making. Interesting in this regard is that even though the target group heavily engages on online platforms and SNSs such as Facebook, the results prove that the impact of the latter on decision-making is considered as little. The researchers argue that consumers do not primarily consider seeking automobile related information on SNSs, as they are rather regarded as platforms for entertainment. Therefore as already stated, specific automobile forums, blogs or companies' websites are preferred online WoM sources on which consumers look for opinions and advice. It is interesting to note that most of the consumers address those sources to obtain technical facts or to access a wider range of different opinions from other consumers, whereas the latter is mostly applied out of curiosity and does not have as strong impact on consumers as offline sources. The researchers argue that this occurs due to the rather impersonalized nature of messages provided online, which in general are not referred to only one person and thus also not adjusted to specific characteristics of an individual. This is illustrated by one of the interviewees who stated in this respect: *"of course the most impact had my offline social network as it was more personalized..."*. This quote stresses the higher potential of offline WoM to deliver more tailored information and trustworthy advice, which are corroborated by the majority of interviewees. Thus, the researchers consider the weighty importance of a higher message personalization within offline settings as a crucial factor influencing the decision-making. This is further demonstrated by one of the interviewees' statement: *"So I would say that my behaviour was affected, especially by persuasive messages and messages applicable to me"*. It is argued that the evaluation of the message is an

important factor impacting the behaviour of an individual and is strengthened when the received message accurately addresses the individuals' needs or interests. When consumers perceive the message as trustworthy and persuasive, they instinctively take it strongly into their consideration and evaluation set. When being irresolute, consumers double-check the information and tend to quest for more valuable information to reassure their potential choice. However when consumers perceive obtained messages as not applicable and utile, they tend to disregard them according to the discounting principle researched by Kelly (1967, 1972) and Buda (2003). This occurs when consumers examine the source provider's or the message's credibility and reliability and attribute them as low.

As previously discussed, consumers' purchase decision-making takes place basing on different stages and WoM can be applied in all of them. Accordingly, it is inferred that the change in behaviour is conditioned by the stage of decision-making in which the consumer receives the message. The researchers stress automobile consumers' long term research and decision-making process, which is exemplified by an interviewee's statement: "*Decision-making for me is a long-term step process. As you find more information and as you go ahead... this influences your behaviour, because the information gathering has the purpose of structuring your behaviour*". Consumers acknowledge the information stage they find themselves in when searching for information about potential automobiles. The messages encountered during the process of decision-making have to be evaluated basing on the moment in time in which the information was received and eventually be referred to the potential purchase options available to the consumer. Therefore, certain criteria to evaluate the options are formed and the longer consumers research for information, the more security can be reached in regard to a choice best satisfying their needs and desires. This is also highlighted by the theoretical stance of Kottler and Keller (2009) and the interview results, which confirm that depending on the consumers' stage of the decision-making, the power of persuasiveness on decision-making also differs. Based on the interview results consumers are more influenced by trustworthy and persuasive messages, while still being in the beginning of the information search process. After conducting extensive research, i.e. gathering and evaluating a broad range of advice and opinions, consumers derive to their own opinion on which the potential choice is based. Thus, it is rather unusual that consumers alter their pre-determined decisions due to the received information while being already in the alternative evaluation phase, right before making their purchase.

However, consumers tend to verify the provided information and reconsider their choice, which is underpinned with the following quote: "*it depends on where in my information searching process I am. So in the beginning I would maybe just throw that car out and only look at the other ones, but in the end if I had... already made my decision... and then I get persuaded that it's a crappy car, I would go back like one or two steps and look back at which cars I had in my consideration then and look at those cars again*". This strongly emphasises that the influence of obtained WoM information is dependent on the stage of the information process in which the consumer receives the message. It is

argued that due to very high-perceived risk that is caused by the substantial financial investment in the purchase, consumers cautiously evaluate the gathered information especially at the beginning of the decision-making process. However, the emerging pattern indicates that the more the research is conducted and the further the consumer proceeds with the information search process, the more security about the considered automobile is acquired. When consumers are already in the stage of evaluating the most deliberated alternatives and thus, are only one-step before terminating the decision, the researchers argue that only trustworthy information providers might impact them. Referring to the discussion about trustworthiness and persuasiveness it is stated that offline sources would impact consumers more than online sources. This occurrence relates back to the tie strength, the message's personalization and to the proximate communication setting, which consequently results in a higher level of obtained trustworthiness.

Overall, the results of the survey prove that offline WoM is more persuasive than online WoM towards decision-making. Moreover, basing on the findings from the interviews it is also argued that offline information has a stronger influence on the final purchase decision-making of automobile consumers. The researchers' reasoning for this phenomenon is that within a traditional conversation environment, the WoM provider is representing a higher level of trustworthiness, compared to an online setting. The following quote reflects this factum: *"the more sensitive part of the decision was taken due to my offline connections..."*. Hereby, the researchers interpret the *"sensitive part"* mentioned by the interviewee as more emotional by addressing consumers' gut feeling, which also evokes influence on the decision-making. Consequently, the opposing *"non-sensitive"* part of the information search is argued to be referring to the rather technical facts acquisition primarily taking place online. Nevertheless, as previously discussed, consumers gather online opinions on forums, blogs or automobile related discussion platforms, which are rather treated as supplemental information to form their own opinions. The researchers argue that in most cases such obtained information does not have a deciding influence on consumers purchase decision-making, which is also illustrated in the following quote: *"I do look at online opinions and I am not saying that I neglect it, but I don't let it base my decisions on it.. so it is just additional information for me and it doesn't affect my decision..."*. This quote provided by an interviewee assertively underlines the overall results of the accomplished research. It is stated that online WoM's role is regarded as supplementary source for gathering technical facts and used as a tool for reaching "mass opinions". However, the findings prove that the strongest impacts on the final decision-making are derived from offline sources whereas the emphasis was mainly given on a personal face-to-face setting, social tie as well as hands-on experience.



## 5.2 EVALUATION OF THE HYPOTHESES FRAMEWORK

Based on the hypothesized impacts of offline and online WoM towards consumers' decision-making, the analysis of the results proved that the proposed items are strongly interrelated and together constitute a concise liaison towards the final purchase decision-making. Moreover, causal inferences between the items were identified with a strong certainty towards their directions. The presented hypotheses framework proved to be feasible for both offline and online WoM environments, however when comparing those communication settings the impact of the items emerged to differ. It was found that neither offline nor online homophilous sources have significant impact on consumers while seeking and following WoM information, whereas social ties proved to be essential in order to consider obtained messages as trustworthy. Thus, offline social ties are considered as more influential due to the face-to-face setting and consumers' preference towards personalized messages, which are better approachable within offline settings. Online social ties are based on consumers' assessment of the message senders' credibility and reliability, which derive from the provided information. In this regard the researchers encountered the interesting aspect, that messages provided online have to be filtered based on consumers' own knowledge and experience with automobiles in order to evaluate the messages' quality and reliability.

Therefore, to consider WoM as trustworthy consumers should possess some knowledge about the researched field, which can be acquired during the extensive information search process. Moreover, important impacts of trustworthiness concerning offline and online WoM are derived from the existing tie strength, perceived expertise knowledge and experience as well as consumer's gut feelings. In regard to online WoM, especially the encountered quantity of similar/same information enhances the reliability of given messages. Further governing factors of persuasiveness are not only based on the previous mentioned items, but were also identified due to consumers' personal attitudes towards the received information as well as the moment in time of obtaining messages. The researchers further stress that the message source and its content characteristics are considered as important aspects and have significant influences on consumers' decision-making. Herewith, it was found that automobile consumers dedicate a vast amount of time to the decision-making process, whereby the power of persuasiveness of external WoM messages depends on the research stage in which consumers are. Interestingly, the consumers endeavour to receive also critical or even negative information about potential weaknesses of potential automobile choices, which has stronger impact on their decision-making than positive information. By taking all influencing factors of both WoM channels into consideration, the results show that automobile consumers weight a higher level of importance to the offline environment.

## 6. CONCLUSION AND CONTRIBUTIONS

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*This sixth and final chapter serves to conclude the main aspects of the triangulated findings in relation to the research question and aim presented at the beginning of this research. Hereafter, the practical and theoretical contributions of the study are outlined and suggestions for future research, which could further contribute to the field, are provided.*

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### 6.1 CONCLUSION

Consumers have always cherished directly expressed opinions and advice. Marketers may invest and execute carefully planned advertising campaigns, whereas what impacts consumer most is “expenseless” and brilliant in its simplicity: *Word-of-Mouth communication* derived from trustworthy offline or online sources. Due to the vast product choice within the automobile category, consumers call on offline and online WoM messages, which streamline their process of deriving to an adequate purchase decision. It was found that this influence is often strongest when consumers purchase an automobile for the first time as it represents a highly financial and emotional value, which is especially the case for the chosen target group. Further, it was found that consumers conduct extensive information search for obtaining more opinions and recommendations from former automobile consumers. This search is accelerated by online WoM, characterized by its easy accessibility and vast spread of information, which amplifies the originally one-to-one conversation into a one-to-many communication.

The study participants affirmed that they realise the opportunity to connect with other automobile consumers on forums, blogs, SNSs or other automobile-related websites. Moreover, also their daily commitment on these platforms was confirmed, yet surprisingly this engagement does not transfer to attributed trustworthiness of these online WoM sources. It is concluded that such a strong involvement in interaction with homophilous individuals is not a sufficient stimulus to accredit those sources as trustworthy and thus be persuaded towards a purchase decision. The researchers elaborate that the persuasive impact of WoM communication is dependent on individual’s assessment of the provided information, which is based on the following deduced focal criteria driving WoM impacts. The content of the message must refer to the product features and address the message receiver’s specific needs. It was found that meeting such a requirement is more effectively achieved offline due to the more personalized nature of the communication setting. Additionally, the emitter has to be either a person of trust or has to prove his/her product knowledge. Again, it is concluded that the offline milieu favours the level of trust attributed towards the message sender. Lastly, the setting in which the communication takes place has a crucial impact on the outcome evoked by the received messages. Hereby, it was confirmed that offline WoM settings are the preferred platform when it comes to seek

automobile related information. Considering all findings from the prior analysis, the researchers conclude that traditional WoM is perceived as more persuasive and thus also has stronger impact on automobile consumers' decision-making in the chosen target group of young consumers.

### **6.1.1 THE ROLES OF ELECTRONIC AND TRADITIONAL WOM**

Specific roles of both WoM communication channels and their interrelations are assessed based on the study findings. Young automobile consumers are heavily engaged on online platforms, especially on SNSs as Facebook. However, the study results revealed that WoM provided on the latter SNS is not taken into consideration nor valued by the target group. This means that even though a vast amount of daily time is spent on Facebook and accordingly individuals identify themselves with that social network by belonging to interest groups, consumers do not regard it as an appropriate communication platform for conversing about high-involvement purchases. An individual who has an extensive online network may willingly and consciously disregard advice from those sources due to the fact that only a close-tied network of trustees attains the real potential influence. Nevertheless, consumers heavily address forums, blogs and other automobile related platforms to procure a diverse set of information and opinions from other users in order to satisfy own curiosity, which is an integral part of the human nature. Thus, communication occurring on the dispersed online communities has a greater scope, yet is concluded as being confined in its impact. Overall, online WoM's role is considered to be supplemental for providing diversified background information and technical details.

In comparison, offline WoM still has the leading voice within the WoM communication environment of high-involvement products. The information received within these known and familiar offline networks is characterised by its limited reach, yet great impact. It is regarded as the preferred communication channel due to its ability to provide consumers with more personalised and adjusted content, where the information providers can deliberately advocate for the suggested advice. Additionally, the face-to-face conversation setting and the existence of the strong tie strength provide information seekers with the ponderable feeling of comfort in their decision-making. Young automobile consumers highly appreciate these factors as they find themselves in an exceptional situation and therefore incline towards information provided by the most trustful and close ties. Overall, offline WoM's role is recognised as reassuring, adaptive and prevailing in its persuasive influence on decision-making. The final remark resulting from the study is the depiction of the interrelation between the types of communication. It is concluded that traditional and electronic WoM function in symbiosis and are both approached when seeking information. The need to use one of the sources usually arises from the information received via the other, thus one of the sources sets a base for the other. Yet, the search for information regarding a high-involvement product such as an automobile entails a careful consideration of the use of sources and information obtained via those.

Lastly, it is stated that offline Word-of-Mouth communication has a stronger persuasive influence on automobile consumers' final purchase decision-making.

## **6.2 CONTRIBUTION**

### **6.2.1. MANAGERIAL CONTRIBUTION**

As online communities expand and grow in popularity, marketers have recognised their increasing importance and shifted their focus towards these platforms. Hereby, automobile dealerships and companies need to acknowledge that the purchase decision-making process applied by young consumers includes the Internet with its social media and user generated platforms. However, the assumed potential power shift of offline towards online WoM communication within the target group of young automobile consumers did not occur. Therefore even in the current era of digitisation and ubiquitous Internet, traditional forms of WoM communication should not be underestimated. Despite the fact that the phenomenon of offline WoM is well known to marketers, they may still be surprised to realize how significant its impact can be. Thus, equipped with the insights of this study, automobile companies are able to actively manage WoM created towards their products or brands, as the researchers provide significant factors influencing consumers in their high-involvement decision contexts. Based on the understanding of how existing consumers behave and what prospective consumers say about their assumed behaviour, companies can orchestrate campaigns, which will eventually generate the desired WoM messages. It is inferred that this knowledge will allow the companies to design strategies via which they can provide the right content to the right consumers in the right environment. Nonetheless, this design process has to be based on a consistent offline and online presence, which has to be handled with care and present accurate information required by the consumers. Thus, to capitalize on these WoM channels automobile companies should develop management strategies which include consumer listening, analysis and consumer outreach, offline as well as online by highly considering the traditional environment's predominance. Such consumer conversations have to be acted on in real-time and obtained feedback has to be evaluated and applied to modify internal processes, optimize promotion campaigns and improve the general consumer experience. Thus, by consciously listening to consumers and taking their words earnestly into consideration, insights obtained from this monitoring can be turned into business operationalisations including improvements of consumer relationship management, consumer loyalty or multi-channel communication strategies. These actions are of vital importance, since in the advent of social media consumers especially address direct contacts and seek meaningful relationships with dealers or automobile manufacturers. Moreover, this research delivers the crucial criteria, which are required for following WoM communication, thus providing tools for managing it. These tools combined with the industry know-how can be applied for turning new breed of consumers into loyalists and advocates of the given brand and in consequence influence companies' sales.

## 6.2.2 THEORETICAL CONTRIBUTION

This research contributes to existing WoM theories by providing an understanding of significant differences between traditional and electronic WoM within a high-involvement decision-making context. Moreover, fundamental insights about the influence of those sources on automobile consumers are provided. The researchers were able to test and reconfirm most of the existing theories of WoM communication within a high-involvement context and proved that theories relevant for offline WoM were also applicable for the online environment of WoM communication. In addition, this study provides valuable views in regard to a limitedly researched industry. Finally, a new outlook resulting from the fact that the researchers approached this concept by looking from a young and rather inexperienced consumer perspective is given to the existing concept of homophily.

## 6.3 FUTURE RESEARCH

Not only this research provides useful insights and implications for both, academic scholars and practitioners, it can also serve as a departing point for future research studies, which are worth mentioning. An interesting advancement would be looking at impacts of offline and online in regard to different product segments within the automobile industry. The researchers state that it would be of high interest to examine whether there are differences when seeking information about used, middle-class or premium automobiles. Moreover, it could be interesting to elaborate to what extent other forms of electronic WoM have an influential role directing up to a decision within a high involvement context. Such findings could be very valuable for automobile marketers and dealerships in order to provide a more holistic understanding of how consumer dynamics evolve and how these changes might impact their business in the upcoming years. A further area of investigation could be a comparison of the WoM communication channels and their effects on decision-making within different high-involvement product categories. Furthermore, it would be valuable to complement the data obtained from the survey and the interviews with an (n)ethnographic approach. This could be achieved by following online WoM platforms as well as real-time, offline shadowing consumers, who are thinking of purchasing an automobile. Thereby, it would be possible to directly observe consumer behaviours rather than depend on information delivered by the study participants. In the light of these alterations it could be elaborated on the role of WoM persuasiveness in the decision-making process and further confirm the stated cause and effect relationships between proposed items, which may provide new insights. Moreover, a repetition of the study in a period of time of 5 years could potentially provide different outcomes. The passage of time will result, *ceteris paribus*, in possible altered characteristics of the targeted age group and thus supposedly in a shift in preference towards a WoM channel. Addressing the research towards future consumers, who at the current moment in time are teenagers, might generate interesting outcomes in regard to the dynamics of the communication's evolution.

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# APPENDICES

## *Appendix 1: Semi-structured interview guide*

### **1. Introduction**

We want to thank you for taking the time to meet with us today. Our names are Anja Gfrerer and Judyta Pokrywka and we are both marketing students from the Lund University currently working on our master thesis. We would like to talk to you about your a) experience when you last time bought an automobile OR b) your insights regarding thinking of buying an automobile. Specifically, we would like to ask you about your thoughts and opinions regarding Word-of-Mouth and its persuasiveness when it comes to making a purchase of such a high involvement product. We will shortly present you the most important terms used in the interview in order to provide you a better and common understanding of those:

*High involvement product* means a meaningful and engaging object in people's life, mainly as the product brings along a higher perceived risk and higher personal relevance to the people. This leads to consumers putting more effort into own research before making a final purchase decision.

*Offline Word-of-Mouth* means face-to-face opinions, experiences, recommendations or other feedback about automobiles, provided by friends, family members, colleagues, peers or other acquaintances.

*Online Word-of-Mouth* is regarded as opinions, experiences, recommendations or other feedback about automobiles, given from former consumers within Social Media platforms (e.g. in different automobile discussion or fan groups on Facebook, LinkedIn or other social networking sites) or within other online platforms.

The interview should take approximately half an hour. In case of any misunderstanding, please do not hesitate to ask us your questions. We will be recording the session to transcribe the interview and also to properly analyse and code the data afterwards. All of your responses as well as your personal data will be kept confidential. Your responses will be shared only between the two of us conducting the interview. Chosen fragments of your responses might be quoted in the thesis, however when we will do that, we will only use your first name. Are there any questions about what we have just explained? Are you willing to participate in this interview?

### **2. Questions**

- 1a. During our recruitment meeting you said that you bought an automobile recently. Please describe how did you look for information.
  - Did you ask your offline network for information about automobiles?

- Whom did you ask? Why?
- Did you use the Internet during your search for information about automobiles? Why?
- Where did you look? Why?
- Did you use SNSs, i.e. Facebook, LinkedIn, etc.? Why?
- Did you spend a lot of time and effort on looking for information? Why?

1b. During our recruitment meeting you said that you are thinking of buying an automobile in the upcoming months. Please describe how you look for information.

- Do you ask your offline network for information about automobiles?
- Whom do you ask? Why?
- Do you use the Internet during your search for information about automobiles? Why?
- Where do you look? Why?
- Do you use SNSs, i.e. Facebook, LinkedIn, etc.?
- Would you spend a lot of time and effort on looking for information? Why?

2a. Did you differentiate between information that you received from people you knew in person and between people you did not know in person?

- Why?
- Which information did you prefer to follow, offline or online? Why?
- What kind of information did you expect to receive from those sources?

2b. Do you differentiate between information that you receive from people you know in person and between people you do not know in person?

- Why?
- Which information do you prefer to follow, offline or online? Why?
- What kind of information do you expect to receive from those sources?

3a. What made a message trustworthy for you?

- Why?
- Did you perceive one information source (i.e. offline or online) more trustworthy than the other?
- Please elaborate on that
- Did it happen that you changed your purchase decision because you received a trustworthy information?
- Please describe that situation.

3b. What makes a a message trustworthy for you?

- Why?
- Do you perceive one information source (i.e. offline or online) more trustworthy than the other?
- Please elaborate on that
- Would you be willing to change your purchase decision if you received a trustworthy information?
- In which case?

4a. What were the most important factors of the message for you in order to get persuaded towards an automobile purchase decision?

- Why?
- What kind of information had more influence on your purchase decision? Why?
- What kind of information had less influence on your purchase decision? Why?
- Did it happen that you changed your behavior because you received a persuasive information?
- Please describe that situation.

4b. What are the most important factors of the message for you in order to get persuaded towards an automobile purchase decision?


- Why?
- What kind of information would have more influence on your purchase decision? Why?
- What kind of information would have less influence on your purchase decision? Why?
- Would you be willing to change your purchase decision if you received persuasive information?

- In which case?

### 3. Closing

Is there anything else you would like to add or elaborate on? We will be combining the information provided by you and other interviewees and basing on that we will write the analysis and conclusions chapters for our thesis. Thank you for your time.

## Appendix 2: Participants' online input



**Anja Guadalupe Guzman Reyes** ▶ BMW ///MPOWER  
Hace 5 horas cerca de Lund · 🌐

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Hi automobile fans,  
for our master thesis we are conducting a research about automobiles and Word-of-Mouth. It would be great if you could fill in our survey below which will take you about 5 minutes. Thank you for your support and keep discussing ☺

[Automobile survey 2012](#)  
[www.surveymonkey.com](http://www.surveymonkey.com)

---

Me gusta · Comentar · Compartir

👍 A Osama Jarrar le gusta esto.



Hi! I am a student working on my master thesis which focuses on WoM in automobile industry. I would very much appreciate if you could fill in the survey below, it takes only 5 min. Thank you!

[Automobile survey 2012](#) [surveymonkey.com](http://surveymonkey.com)


Thank you for taking your time to complete this survey. For the purpose of our master thesis we investigate the phenomenon of offline and online Word-of-Mouth within the automobile industry. Your honest feedback is important to...

7 days ago

---


👍 Like    💬 Comment    ☆ Unfollow    🚩 Flag    More ▾

💬 3 comments



**Chris Williams** · My own opinion is that people will get preliminary information to sort out the pros and cons of a particular vehicle. Since people have hot buttons in what they are searching for such as styling, performance, price, value or utility they will try and quantify these items based on reviews. Ultimately unless there are very strong objections to a particular vehicle, people tend to make an emotional choice once they have the preliminary basics. The so called "Feel good" decision.

7 days ago · Like    👍 1



**Bill Diem** · The survey should have an answer "none" when asked what social networking sites I use for gathering car information. I use internet sites frequently, but not social networking sites. For those questions, I checked the "other" box, but I fear that the assumption that everyone taking the survey uses Social Sites for information gathering will distort the answers.





**Judyta Pokrywka** • thank you very much Chris and Bill for your contributions, I appreciate that.  
 @Chris - would you mind if I quote you in my thesis?  
 @ Bill - for the purposes of our thesis we state that LinkedIn is a social networking site, but I understand your concerns and I will put them in the "limitations part".

10 hours ago



Follow Kamal

**Kamal Al Hajj** • If I may add, people only look for internet help when the similarities between competing brands becomes too close. Nowadays there are no bad cars, but the experience of other owners can give an idea about the aftersales service experience an the ownership experience which cannot be found in a brochure.

7 hours ago • Like



**Judyta Pokrywka** • @Kamal - this is exactly what we have found during our interviews with recent and prospective car buyers. Your opinion only confirms our findings, thank you very much for your input!

1 second ago



**Judyta Pokrywka** ▶ Opel

12 godz. temu • 🌐



Hi! I am a student working on my master thesis which focuses on Word of Mouth and automobiles. I am gathering data for analysis and I would be very grateful if you could fill in the survey below, it takes only 5 min! Thank you!

<https://www.surveymonkey.com/s/automobilesurvey2012>

**Automobile survey 2012**  
[www.surveymonkey.com](http://www.surveymonkey.com)

Lubię to! • Dodaj komentarz • Udostępnij



**Opel** Hello Judyta,  
 thank you for your link! We will forward it to the relevant department :)  
 7 minut(y) temu • Lubię to!

**LinkedIn** Kontotyp: Standard



Start Profil Kontakte Gruppen Stellenmarkt Post Unternehmen Mehr

Post Suche ...

Post durchsuchen



Nachricht verfassen



Post

Nachrichtendetails

Gesendet

Archiviert

Papierkorb

Nachrichten

Einladungen

Antworten

Weiterleiten

Archivieren

Löschen

Spam melden

**RE: Hi, for our master thesis we are conducting a research about automobiles and Word-of-Mouth. It would be great if you could fill in our...**



**Keith Playell** • Managing Director of tyre and wheel alignment centre of excellence Skidmarques Ltd.

An: Anja Gfrerer

Datum: 28. April 2012

Sie und Keith Playell sind beide in einem Netzwerk oder einer Gruppe.

Hi Anja, happy to complete your survey. Can you send me a copy of your findings please. Our business has a voice in many forms of Social Media, so it would be good to see what current thinking is.  
 Good luck with the masters, best wishes Keith.

Antworten

### ***Appendix 3: Survey template***

Thank you for taking your time to complete this survey. For the purpose of our master thesis we investigate the phenomenon of offline and online Word-of-Mouth within the automobile industry. Your honest feedback is important to generate valid results and conclusions. The survey should take about 5 minutes and your answers will be completely anonymous. To get a better understanding of the wording used in the survey, please consider the described terms below.

**Offline Word-of-Mouth** means proving face-to-face opinions, experiences, recommendations or other feedback about automobiles, given from friends, family members, colleagues, peers or other acquaintances.

**Online Word-of-Mouth** is regarded as opinions, experiences, recommendations or other feedback about automobiles, given from former consumers within automobile related groups on Social Media platforms (e.g. in different automobile discussion or fan groups on Facebook, LinkedIn or other social networking sites).

If you have any questions about the survey, please contact us at [gim11jpo@student.lu.se](mailto:gim11jpo@student.lu.se).

Firstly, some questions about your demographics

**1. Age:**

- a) under 18
- b) 18 - 30
- c) 31 - 51
- d) over 51

**2. Gender:**

- a) Male
- b) Female

**3. Occupation:**

- a) Student
- b) Employed
- c) Unemployed

**4. I search for information and others' opinions offline (not on the Internet).**

Strongly Disagree       Disagree       Neutral       Agree       Strongly Agree

**5. I search for information and others' opinions online (on the Internet).**

- Strongly Disagree       Disagree       Neutral       Agree       Strongly Agree

**6. On which social networking sites are you mostly looking for information about products, brands or services (you can pick more than one answer)?**

- a) Facebook
- b) Twitter
- c) LinkedIn
- d) Google+
- e) Blogs
- f) Others

**7. Please mark your reasons for being active in automobile related groups on social networking sites (you can choose more than one).**

- a) Getting information and others' opinions about automobiles
- b) Having fun by interacting with other users sharing the similar interests in automobiles
- c) Forming online relations with other group members
- d) Giving expertise to other users about automobiles
- e) Others

**8. The more important the product is for me, the more I search for information regarding it.**

- Strongly Disagree       Disagree       Neutral       Agree       Strongly Agree

**9. I have purchased an automobile within the last 24 months.**

- a) Yes
- b) No

*If the answer of the previous question is YES, please answer the question 10. If the answer of the previous question is NO – please go straight to question 11*

**10. When you were about to purchase your last automobile, did you use the following sources to search for information:**

*a) Offline Word-of-Mouth*

- Strongly Disagree       Disagree       Neutral       Agree       Strongly Agree

*b) Online Word-of-Mouth*

Strongly Disagree       Disagree       Neutral       Agree       Strongly Agree

**11. I am considering to buy an automobile during the upcoming 12 months.**

a) Yes

b) No

*If the answer to the previous question is YES, please answer the question 12. If the answer to the previous question is NO – please go straight to question 13.*

**12. When thinking of purchasing an automobile, it is likely that you will use the following for searching information:**

*a) Offline Word-of-Mouth*

Strongly Disagree       Disagree       Neutral       Agree       Strongly Agree

*b) Online Word-of-Mouth*

Strongly Disagree       Disagree       Neutral       Agree       Strongly Agree

**13. It is important that you and the offline message senders share similar characteristics (for instance age, gender, interests) in order to follow the information they provide.**

Strongly Disagree       Disagree       Neutral       Agree       Strongly Agree

**14. I am willing to listen to offline WoM regarding automobiles provided by people I know and who have specific interest and expertise in automobiles.**

Strongly Disagree       Disagree       Neutral       Agree       Strongly Agree

**15. It is important that you and the online message senders share similar characteristics (for instance age, gender, interests) in order to follow the information they provide.**

Strongly Disagree       Disagree       Neutral       Agree       Strongly Agree

**16. I am willing to listen to online WoM regarding automobiles provided by people who I don't know in person and who have specific interest and expertise in cars.**

Strongly Disagree       Disagree       Neutral       Agree       Strongly Agree

**17. I consider offline Word-of-Mouth messages about automobiles provided by people who are similar to me (regarding age, gender, interests) and people I know in person as trustworthy.**

Strongly Disagree       Disagree       Neutral       Agree       Strongly Agree

**18. I consider online Word-of-Mouth messages about automobiles provided by people who are similar to me (regarding age, gender, interests) and people I do not know in person as trustworthy.**

Strongly Disagree       Disagree       Neutral       Agree       Strongly Agree

**19. If I perceive offline information about an automobile as trustworthy (message is reliable to me), it may persuade me towards a purchase decision.**

Strongly Disagree       Disagree       Neutral       Agree       Strongly Agree

**20. If I perceive an online information about an automobile as trustworthy (message is reliable to me), it may persuade me towards a purchase decision.**

Strongly Disagree       Disagree       Neutral       Agree       Strongly Agree

**21. Persuasive information I receive offline can have an influence on my purchase decision of my automobile.**

Strongly Disagree       Disagree       Neutral       Agree       Strongly Agree

**22. Persuasive information I receive online can have an influence on my purchase decision of my automobile.**

Strongly Disagree       Disagree       Neutral       Agree       Strongly Agree

Thank you very much for your participation.

*Appendix 4: Summary table: survey answers*

	<b>Min.</b>	<b>1st Qu</b>	<b>Median</b>	<b>Mean</b>	<b>3rd Qu</b>	<b>Max.</b>
<b>Q1</b>	2	2	2	2	2	2
<b>Q2</b>	1.000	1.000	1.000	1.364	2.000	2.000
<b>Q3</b>	1.000	1.000	1.000	1.399	2.000	3.000
<b>Q4</b>	1.000	3.000	4.000	3.545	4.000	5.000
<b>Q5</b>	1.000	4.000	4.000	4.294	5.000	5.000
<b>Q8</b>	1.000	4.000	5.000	4.441	5.000	5.000
<b>Q10a</b>	1.000	3.000	4.000	3.806	5.000	5.000
<b>Q10b</b>	1.000	4.000	4.000	3.879	5.000	5.000
<b>Q12a</b>	1.00	4.00	4.00	3.98	5.00	5.00
<b>Q12b</b>	1.00	4.00	4.00	4.13	5.00	5.00
<b>Q13</b>	1.000	2.000	3.000	2.853	3.500	5.000
<b>Q14</b>	1.000	4.000	4.000	4.245	5.000	5.000
<b>Q15</b>	1.000	2.000	3.000	2.909	3.500	5.000
<b>Q16</b>	1.000	4.000	4.000	3.909	4.000	5.000
<b>Q17</b>	1.000	3.500	4.000	3.909	4.000	5.000
<b>Q18</b>	1.000	3.000	4.000	3.427	4.000	5.000
<b>Q19</b>	1.000	4.000	4.000	3.881	4.000	5.000
<b>Q20</b>	1.000	3.000	4.000	3.713	4.000	5.000
<b>Q21</b>	1.000	4.000	4.000	3.993	4.000	5.000
<b>Q22</b>	1.000	3.000	4.000	3.727	4.000	5.000