ANTECEDENTS AND CONSEQUENCES OF EWOM IN SOCIAL COMMERCE

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ABSTRACT

As a business paradigm, social commerce (s-commerce) has brought about a new stage of innovation, and by extension, has transmuted the power from sellers to buyers. S-commerce is an integration of transactional and social activities, in which, individuals may spread word of mouth (WOM) about their shopping experiences, knowledge, as well as providing information about product and services to their friends. This kind of social interactions among individuals has increased the potentials of eWOM communication. Most of the studies in relation to eWOM happen to be fragmented as they consider either the antecedents or consequences of eWOM leading to conflicting results especially in s-commerce. The present study aims to look into the antecedents and consequences of eWOM in s-commerce from different literatures and aggregate them into a comprehensive model to guide future research. This study will help managers and practitioners to understand the antecedents and consequences of eWOM communication, and it will also spur the research community to delve into more research in order to investigate other drivers as well as consequences of eWOM communication in s-commerce.

Keywords: eWOM, Social commerce, Social media, Purchase intention, Antecedents, Consequence

1. INTRODUCTION

Consumers, at present, have the tendency to exchange their sentiments and encounters about products between each other and this is alluded to as Word of mouth (WOM)[1]. WOM refers to somebody's casual opinion about products and brands from his/her experience of using them [2]. Notably, the communication among buyers may happen physically or by separation and due to its significance in marketing for quite some time, it has been referred to as a substitute to conventional communication tools, and also has an exceedingly influential asset [3]. With the advent of internet, the impact of WOM has become even more prominent [4]–[7]. The internet has grown astronomically in the past few years, maximizing its reach and cross-industry impact [8]. Moreover, the evolution of the social web has changed the internet into a collaborative setting, especially given the introduction of social media, in which consumers can connect and create content online [9]. Through social media, customers are now at liberty to create and share consumption experience among peers. This shared information is referred to as Electronic Word of Mouth (eWOM) and is defined as any positive or negative 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 [5]. eWOM can be created by both consumers and merchants. Consequently, they are alluded to as user generated content and marketer-generated content respectively. Merchants impart their content by means of organization-controlled sites, while consumers spread their content through social media sites [10]. eWOM conversations among consumers in s-commerce often revolves around brands [11]; and hence, they are naturally expected to have a strong impact in influencing consumers' behaviour [12]. Recent empirical studies have shown that effective collaboration in the form of WOM is a necessary condition for the success of s-commerce [13]. It should be noted that industrial statistics has shown the effectiveness of eWOM communication. A study conducted by [14] revealed that 61% of consumers search for customer reviews and blogs prior to buying a new item, and 80% of consumers prior to making their buying decisions, are likely to
purchase online after consulting online customers’ reviews. Due to these enormous potentials of eWOM, researchers are now giving great interest in eWOM; in which considerable amount of research relating to eWOM has been carried out [10], [15]. With the ever growing market competition in commerce, eWOM information has transformed into an effective tool in moulding consumers’ attitudes and behaviours [16].

Nowadays, e-commerce companies engage or interact with their customers to get informed feedbacks on their product [17]. This engagement marks the evolution of a new form of business model which is called s-commerce [18], [19]. S-commerce is defined as an evolution of e-commerce, in which, social interaction is the hallmark of this mechanism and consumers are encouraged to create content using social media [20]. In s-commerce, the sellers ultimate aim is to transform consumers into brand advocates, whereas the buyers aim is to make better informed purchasing decisions [21]. It is found that by 2021, nearly 50% of the U.K consumers’ population will be involved in s-commerce [22]. With the huge potential associated with s-commerce, research in this field appears to be as wide open as the phenomena itself [23].

Previous studies have looked into the antecedents or drivers of eWOM [24], [25] and the consequence or influence of eWOM [26], [27] in s-commerce. However, most of these studies happen to be fragmented as they consider different approaches and obtain contradicting results. For this reason, this study brings to fore the antecedents and consequences of eWOM in s-commerce to bridge the knowledge gap concerning the drivers and consequence of eWOM communication by building a comprehensive model using all factors from the reviewed literature.

2. SOCIAL COMMERCE AND EWOM

With the recent development observed in Web 2.0 and online networking, e-commerce firms have now began to coordinate new innovations on their sites with the aim of providing their customers with more social and engaging shopping experience [28], [29]. The growing proliferation of social media has given consumers the opportunity to continuously participate in online discussions of various kind and to actively disseminate their unique experiences and divergent views on product [30]. One of the rationales in s-commerce is that social media is capable of benefitting commercial transactions of merchants by means of establishing effective customer interactions, improving the nature of that interaction among consumers to the businesses [9]. Consumers have reportedly realized that social media is an appealing platform for sharing divergent views and unique consumption experiences with companions and associates [31], [32] using eWOM. eWOM is a major determinant of consumer behavior [33]. S-commerce encourages the collaborative strength which relies on information sharing that is capable of helping consumers to make informed decisions and fulfills customers’ need at the same time[34]. Some of the recent studies have indicated that consumers progressively perceive social media as an aspect of s-commerce with an end goal of acquiring information about new brands on the market[35]–[37]. Consumers may therefore have access to social knowledge and experiences with the help of s-commerce that lead them to better understand their purchasing purposes, and better still, make more informed and accurate decisions [38]. Such interactions have shaped s-commerce which in turn enhance creativity [39] and led to increased sales for merchants [20].

3. METHODOLOGY

In an attempt to realize the aim of this study, we use the systematic literature review (SLR) approach. SLR is referred to as a process of identifying, evaluating, and interpreting all available research relevant to research questions, area of study, or rising phenomenon of interest [40]. Analyzing previous studies is an important endeavor in all disciplines [41]. A sound literature study should; systematically consider quality literature; provide a basis any research; indicate the novelty of the research work, and also suggest future research attractions and benefits [42], [43]. The present study employs the approach proposed by [40]. According to [40], an SLR activity revolves around three phases: Planning the Review, Conducting the Review and Reporting the Review. In all phases there are predefined tasks.

The ultimate aim of the present study is to answer the research question stated below:

**RQ1.** What are the antecedents or drivers of eWOM information in s-commerce?

**RQ2.** What are the consequences of eWOM information in s-commerce?

**RQ3.** What is the suitable research model for eWOM information in s-commerce?

3.1 Review Protocol

A review protocol specifies the methods that will be used to undertake a specific systematic review and it is a significant part of the review as it
tends to reduce the possibility of researcher bias [44]. According to [44], the components of a protocol include all the elements of the review plus some additional planning information: Background, Research questions, Search strategy, Study selection process, Quality assessment, Data extraction, and Synthesis of the extracted data. The protocol for this study is as presented in Figure 1.

**RQ1.** What are the antecedents or drivers of eWOM information in s-commerce?

**RQ2.** What are the consequences of eWOM information in s-commerce?

**RQ3.** What is the suitable research model for eWOM information in s-commerce?

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**Stage one**

**Search strategy**

Automatic search using keywords

Keywords: s-commerce, eWOM, online WOM, e-commerce, consumer review

ACM Library, AIEEE, IEEE Explorer, EBSCOhost, Taylor and Francis, emeraldInsight, ISI Web of knowledge, ScienceDirect, Scopus, and ThomasReuters Web of Science

Exclude duplicated studies using Mendeley

Exclusion and inclusion criteria

Exclude studies based on exclusion and inclusion criteria

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**Stage two**

Manual search using forward and backward technique on primary paper references

Results: primary studies

Apply quality assessment

Data extraction

Synthesis of extracted data

Reporting

*Figure 1: Review Protocol*
3.2 Inclusion and Exclusion Criteria

In carrying out any literature review there is the need to ensure the relevance of the of the reviewed articles to the problem at hand. In this study we use this technique to ensure quality and relevance of the articles. Given that the ultimate aim of this study is to examine the antecedents and consequences of EWOM in s-commerce, consideration is giving to journal articles, conferences and book chapters written in English language. Table 2 presents the criteria for the inclusion and exclusion technique employed in this study.

<table>
<thead>
<tr>
<th>Inclusion Criteria</th>
<th>Exclusion Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Journal article and conference proceedings only</td>
<td>Uncompleted studies</td>
</tr>
<tr>
<td>Published within selected period of time (2011 – 2016)</td>
<td>Not in English</td>
</tr>
<tr>
<td>Peer reviewed articles</td>
<td>Outside the selected time frame</td>
</tr>
<tr>
<td>Study manuscript written in English</td>
<td>Duplicated studies</td>
</tr>
<tr>
<td>In the domain of social commerce, social media marketing, social shopping</td>
<td></td>
</tr>
</tbody>
</table>

3.3 Search Strategy

The search strategy employed in this study involves two phases: automatic and manual phase. The primary studies were identified in the automatic phase. Some renowned online databases were considered to retrieve a wide range of publications. According to Webster and Watson 2002, a researcher should not constrain his search process to certain journals. The online databases used are: ACM Digital Library, AIS eLibrary, IEEE Explorer, ISI Web of Knowledge, ScienceDirect, Scopus, and ThomasReuters Web of Science. To carry out the automatic search, keywords were also used in the search process. The keywords used are: “eWOM”, “electronic word of mouth”, “Word of mouth”, “online review”, “world of mouth”, “online recommendations”, “social commerce”, “online shopping”, “social e-commerce” and “social business”. The second phase involves the manual search. The researcher uses the backward and forward search method to obtain the citations of the selected studies [41]. Mendeley reference manager tool was employed to synthesize the retrieved articles and remove all duplicates.

3.4 Study Selection Process

With a well structured search strategy completed, the study selection process takes center stage. This step indentifies related studies to the present study. The result of the initial search produces 270 literatures. Mendeley was used to remove duplicates after which we ended up with 230 articles. The inclusion and exclusion criterion is then applied on both abstract and conclusion from which we eliminate 91 articles, leaving us with 139 studies. From this point full-text scanning was used for the entire study. Finally, the quality assessment criteria is applied, were additional (15) articles are removed leaving the researcher with a total of 124 studies as the primary study.

3.5 Quality Assessment

After the inclusion exclusion criteria, it is significant to evaluate the quality of the selected articles [44]. In carrying out quality assessment, researchers’ judgment must be based on some quality criteria. These criteria could be, a set of factors or questions which are considered on every article [40], [45]. In this study we develop five QA criteria to evaluate the quality of every article:

QA1. Does the topic of the article corresponds to eWOM, s-commerce?
QA2. Does the article address eWOM, s-commerce?
QA3. Does the researcher(s) effectively present the methodology in the article?
QA4. Does the researcher(s) effectively present the steps in collecting data?
QA5. Is the analysis well presented in the article?

3.6 Inclusion and Exclusion Criteria

A data extraction form is developed at this stage to help gather relevant information from the selected literature. The extraction process is carried out using two tools: Mendeley and Microsoft Excel spreadsheet. Several columns were created in excel in the extraction stage: authors, title, journal type, issue, methodology, context, theory, results/findings, limitations, recommendation, citation count, and year of publication. These items are described in Table 2.

<table>
<thead>
<tr>
<th>Extracted Data</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authors</td>
<td>Name of the authors</td>
</tr>
<tr>
<td>Title</td>
<td>The name of the paper</td>
</tr>
<tr>
<td>Journal type</td>
<td>The name of the journal</td>
</tr>
<tr>
<td>Issue</td>
<td>Volume, page number, issue number</td>
</tr>
<tr>
<td>Methodology</td>
<td>Quantitative, Qualitative, or Mixed Method</td>
</tr>
<tr>
<td>Context</td>
<td>The domain of the study</td>
</tr>
<tr>
<td>Theory</td>
<td>Theory adopted by the paper. e.g TAM, TRA</td>
</tr>
</tbody>
</table>
3.7 Publication Sources

As can be seen from figure 2, majority of the publications retrieved are from reputable journals and leading conferences in information systems. The review processes adopted helps in improving the validity of the research findings. The majorities were journals (82), followed by conferences (37) and the rest is from book chapters.

![Figure 2: Studies and their Sources](image)

4. RESULTS AND DISCUSSIONS

With a well structured search strategy completed, the study selection process takes center stage. This step indentifies related studies that will aid in achieving the ultimate goal of the study. The result of the initial search produces 207 articles. Mendeley was used to remove duplicates after which we ended up with 164 articles. The inclusion and exclusion criterion is then applied on both abstract and conclusion from which we eliminate 55 articles, leaving us with 109 articles. From this point complete text review was employed for the entire study. Finally, the quality assessment criteria is applied, were additional 16 articles are removed leaving us with a total of 93 articles as a final list of our primary study The analysis of the primary studies is carried out in two stages. At the first stage, the researchers identify the antecedents or drivers of eWOM information, whereas, in the second stage, the consequences of eWOM information were identified for onward discussion. The antecedents and consequences are shown in Table 3.

Table 3: Antecedents and Consequences of EWOM Information

<table>
<thead>
<tr>
<th>Antecedents</th>
<th>Consequence</th>
<th>Author(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Experience, Acquaintance</td>
<td>Brand equity, Purchase intention</td>
<td>[25]</td>
</tr>
<tr>
<td>Tie strength, homophily, trust, normative influence</td>
<td>Brand awareness, Purchase intention</td>
<td>[46]</td>
</tr>
<tr>
<td>Tie strength, firm attribution, feeling of injustice,</td>
<td>Brand loyalty, purchase intention</td>
<td>[26]</td>
</tr>
<tr>
<td>Trusting beliefs, value co-creation</td>
<td>Trusting beliefs, value co-creation</td>
<td>[50]</td>
</tr>
<tr>
<td>Need of information, information quality, information</td>
<td>Purchase intention</td>
<td>[51]</td>
</tr>
<tr>
<td>Visual aesthetics, Navigability, User friendliness,</td>
<td></td>
<td>[52]</td>
</tr>
<tr>
<td>Privacy/Security, Entertainment, community drivenness</td>
<td></td>
<td>[53]</td>
</tr>
<tr>
<td>Flow, Trust, Virtual social network</td>
<td>Purchase intention</td>
<td>[54]</td>
</tr>
</tbody>
</table>

The antecedents are grouped into relational factors (Tie strength, homophily, informational
influence and acquaintance), technical factors (Visual aesthetics, Navigability, User friendliness, Privacy/Security, Entertainment), information characteristics (information quality, information credibility), individual characteristics (experience) and consumer behavior (community drivenness, need of information, attitude towards information, perceived behavioral control, self enhancement, normative influence, subjective norm).

4.1 Proposed Model

This study proposes a comprehensive model for all antecedents and consequences of eWOM in s-commerce as shown in figure 2. It elaborates on the different aspects that should be considered while investigating the antecedents as well as possible consequence of eWOM in s-commerce.

4.2 Antecedents

Several factors have been considered to serve as antecedents of eWOM in the literature by the research community. We choose the most frequently occurring antecedents and discuss in details below.

4.2.1 Experience

Experience is defined as displaying some level of recognition with a specific item, that is achieved with some form of interaction [25]. It also serves as prior knowledge of consumers about the consumption of a particular product making it a close correlate of consumer expertise [56]. This experience makes consumers to create and share content with other consumers, and such conversation revolves around brands [11]; and hence, they are posited to have a strong impact in influencing consumers’ behavior [12]. This impact also increases with the expertise of the eWOM source.

Generating a higher level customer experience appears to be the ultimate aim of present day retailers [57]. Consumers’ experience according to [25] plays a key in influencing eWOM engagement of s-commerce users. Experienced consumers attain enhanced cognitive capital due to their lengthy engagement with a product or service and their ability to apply (as well as generate) useful information, applications and tacit norms [25].

4.2.2 Acquaintance

Acquaintance is defined as the sum of direct active contacts between the sender and the audience reached by a post. The greater the level of acquaintance the more effective the message as more and more members will want to mimic the

Figure 3: Proposed EWOM Model

Potentials customers tend to depend so much on the experience of the existing customer in making their purchase decision as eWOM information is considered more credible than traditional advertisement [58]. This is because experienced individuals are more likely to post meaningful, credible, useful and attractive content online [59], [60], which is more likely, in turn, to engage and attract new users [61]. For this reason, consumers experience is a significant antecedent of eWOM information.

4.2.2 Acquaintance

Acquaintance is defined as the sum of direct active contacts between the sender and the audience reached by a post. The greater the level of acquaintance the more effective the message as more and more members will want to mimic the
behavior of an acquaintance given that market is now emotionally driven. The greater the size of acquaintances a customer has, the more the opportunity for mimicking and responding. For this reason, observing and mimicking acquaintances will increase the likelihood of eWOM generation and sharing in s-commerce [25]. Prior acquaintance with the sender results in selection bias owing to the abundance of online cues and information an individual is surrounded with, which offers some degree of connectedness as compared to, say, a stranger, and is therefore able to mitigate source uncertainty over the content [62], [63]. Acquainted individuals are relatively more interested in each other and share an increased chance to reciprocate with each other. Interestingly, [25] considers acquaintance with members as a key determinant of eWOM engagement in s-commerce.

4.2.5 Perceived Behavioral Control (PBC)

PBC is an individual’s consideration of the ease or difficulty of carrying out a certain behavior. When consumers consider the creation and sharing on content online as fun, easy and free from effort they tend to embrace that culture. Conversely, if the sharing of information is considered as a burden or difficult, then consumers will most likely refuse to engage in eWOM conversation. Empirical evidence have shown that the integration of PBC in the Theory of Planned Behavior (TPB) model has had a great impact on the prediction of behavioral intentions [66]. Therefore, PBC is considered as an antecedent of eWOM information in s-commerce.

4.2.6 Navigation

Navigation alludes to the navigational plan used to help or frustrate users as they access various segments of a website [67]. Every activity within a social shopping website is controlled by its navigational aspect. It is expected that companies will design their websites to simulate real life shopping navigation that will provide an ultimate affordance for both potential and existing customers alike. When consumers considers the navigational aspect of a shopping website as user friendly, they tend to be glued towards the site, thereby sharing valuable consumption experiences with other potential customers. Hence, the need to give priorities to the navigational aspect of s-commerce website in the design phase, which has been shown to be an antecedent eWOM.

4.3 Consequence

The consequence of eWOM has long been established in the literature. It is believed that eWOM information influences consumers behavior such as brand equity [27], purchase intention [68–70] etc. Brand equity can be argued to encompass all the other constructs related to brand. The researcher chooses purchase intention as it appears more frequently and the other factors leads to it in the reviewed literature in addition to brand awareness, brand equity, and value co-creation to elaborate on them.

4.3.1 Brand Equity

Brand equity as a construct is considered as one of the most important consequence of eWOM marketing [71]. Consumer brand equity alludes to the differential impact that brand knowledge has on consumers’ brand value
perceptions [72]. eWOM is believed to strongly influence consumers' behavior as the communication mostly relates to brand. Most of the literature considers brand equity as an added value that a brand name place on a product [73]. Being that eWOM originates from individuals with consumption or usage experience about a particular product, it provides credible and reliable information for potential consumers as regards to brands[74]. For this reason, eWOM affects brand equity through its ability to effectively mould customers’ interactions with a particular brand [75]. Therefore, brand equity is considered as a consequence of eWOM communication in s-commerce.

4.3.2 Purchase Intention

Purchase intention is widely considered as a predictor of actual purchase [76] as it represents the likelihood that an individual will purchase a particular product[77]. It is also acknowledged that eWOM ‘information influences consumers’ purchase intention [68]–[70]. Consumers purchase decision making process follow three stages and they are: requirement cognition, information gathering and the purchase behavior[78]. Additionally, the literature confirms that purchase intention occurs as a direct consequence of eWOM[79]. Nowadays, consumers tend to go in search of information that would guide and reduce their anxiety as it relates to purchasing[80]. Thus, eWOM is found to exert a significant influence on purchase intention.

4.3.3 Value Co-creation

Co-creation behaviour is delineated as a joint, shared, simultaneous, peer-like process of producing value, both tangibly and symbolically [81] and comprises dimensions such as physical and/or psychological participation [82]. It also implies a pro-active strategy for empowering firms to create value through co-opting consumer skills [83]. In the traditional settings there is lack of direct customer involvement or knowledge of customer needs as they are considered outside the value creation chain. Consumers play the part of ‘validators’, remain detached amid design, and were used as test-subjects for exchanging information with designers to enhance the functionality and usefulness of products [83]. This epitomized the individual nature of firms in value creation as they are considered as producing agents while consumers are labeled consumption agents. These consumers have no role in the value creation process. Then come the era of the social web were consumers have become active stakeholders in devising solutions to pressing problems rather than being passive in the whole value chain. In this approach, the ‘single-inventor perspective’ is replaced by a knowledge flow (inflow and outflow) process between stakeholders as partners [84]. Products, services and experiences are developed jointly by companies and their customers [85], [86] through collaboration that extends beyond organizational boundaries and integrates entities external to the firm [87]. As indicated by service-dominant logic, customers are seen as members of the value creation chain instead of passive receivers of value [88]. Research reveals that consumers partake in co-creating value with employees, other consumers, and the setting [89]–[91]. Consumers who participate in creating value in the consumption process are shown to be more satisfied than passive agents [82], [92]. Armed with various tools, consumers no longer accept whatever firms pass on to them as they are now spoilt with alternatives, they now want to collaborate and create value. Nowadays, firms have realized the strength of these consumers as they have become more knowledgeable and wield enormous power; as a result these firms have co-opted their customers into the value creation process. For example, some firms set out competitions for consumers to propose the best design for their next product. The firm chooses the best of designs presented by the consumers and incorporate it into their initial design process thereby meeting consumer’s needs and increasing return of investment. By adopting a collaborative approach in a value creation process to capture customer needs, companies will remain competitive based on differentiation achieved through knowledge of customer needs and cost leadership that understands and minimizes costs associated with product-life cycles and new product development [93], [94]. As eWOM is a manifesto form of consumers’ engagement or collaboration, it has been shown that eWOM has a direct impact on value co-creation.

4.3.4 Brand Awareness

Brand awareness is one of the most significant consequences of eWOM as every decision taken by consumer depends on the knowledge or level of awareness they have about a brand. It is found that the only relevant brands which can be considered for purchasing or repurchasing are those with a high awareness level (attitude) [95]. Brand awareness is considered as a
means through which individuals become informed and accustomed with a brand name and recall and recognize the brand [96]–[98]. It is also one's active and passive knowledge of a particular brand [99]. eWOM is a veritable source of brand awareness and also a vital tool for a firm's success. Firms that incorporate eWOM as a marketing tool are more competitive and vice versa [100]. eWOM help in disseminating this form of knowledge about brand to potential consumers thereby increasing bridging their knowledge gap about such brand. Earlier, companies devote so much of their resources to advertisements which cost a huge fortune but provide less return on investment compared to the free eWOM communication. This is because customers complaint of information asymmetry and distrust towards the message passed by the advertisers. Brand awareness is very likely to contribute to customers perception of price fairness due to the level of awareness of the consumer [101]. Several studies have examined the influence of eWOM on brand awareness [36], [47], [102]. Brand awareness affects consumer attitude towards reviews and recommendations. Thus, it is believed that eWOM would have a positive impact on brand awareness.

5. CONCLUSION AND FUTURE WORK

Most of the studies considered in this research were conducted using different approach and also obtain varying results. The ultimate goal of the present study is to create a better understanding of the antecedents as well as the consequences of eWOM in e-commerce. With guidelines derived from SLR, the study presents several antecedents and consequences of eWOM information that if considered will improve consumer participation in eWOM information as well as increase firms’ profit.

This study enhances the body of knowledge by showcasing key factors that affects eWOM information as well as its impact. The proposed model will guide managers and practitioners on the various aspects to consider when encouraging consumers to engage in eWOM information. In the future, more constructs can be investigated to improve the understanding of eWOM information in e-commerce.

ACKNOWLEDGEMENT

This work is supported by the Malaysia Ministry of Higher Education (MOHE) and Research Management Centre (RMC) at the Universiti Teknologi Malaysia (UTM) under the Research University Grant Category (VOT Q.J130000.2528.16H49).

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February, 2010.


