Research Paper:

"Impact of Electronic Word of Mouth (e-WOM) on Purchase Intentions of Customers"

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ABSTRACT

In the recent years, the tremendous amount of increasing traffic on internet has completely changed the dynamics of business and marketing world. In the last five years, social media websites are now emerged as a new mainstream media for the people around the globe and proved it as the most viable and potential medium to enter in new markets and attract new customers. With the advent of social media networking and marketing in the past few years, e-WOM is now a great matter of concern for all the marketing specialists and firms because it plays an important role in the buying process and purchase intention of customers. Considering this fact, almost all the companies are now trying to develop effective marketing strategies to make profitable relationships with its customers through working on e-WOM. It is therefore the aim of our research is to examine the effect of e-WOM (electronic word of mouth) on the purchase intentions of customers. In this research, we used S-O-R (Stimuli-Organism Response) Theory to explore and identify the relationship among user generated social media content, trust in user generated content, perceived credibility of e-WOM, tie-strength, prior knowledge, and the purchase intentions of customers. Our study comprises on the responses of 320 participants. The majority of our participants were from the age category of youth and the responses were conducted online through questionnaire which is evaluated through Likert Scale of 0 to 5. Our questionnaire consists of 22 scale items. The statistical working analysis was done through SPSS software. The results concluded that our SOR Model is very strong and valid. The analysis revealed that there is a significant effect of user generated social media content on the purchase intentions of employees and the perceived credibility of e-WOM among online users is reasonably influential, therefore it significantly affect the purchase intentions of customers. The analysis also showed that trust in user generated media content is the most important factor and it significantly influence purchase intentions of customers. Besides that prior knowledge regarding product/brand is also a reasonable factor which strongly influences purchase intentions of customers. However, our research analysis also revealed that tie strength between e-WOM publishers and recipients does not significantly impact the purchase intentions of customer. The findings of this research implicate that the marketing professionals and managers should take e-WOM into their highest concern and design effective marketing strategies accordingly so they will able to build up good profitable long term relationships with its customers through interactive and effective social media communication and e-WOM.

Keywords: *electronic word of mouth, e-WOM, e-WOM perceived credibility, purchase intentions, user generated social media communication, trust in user generated content.*

TABLE OF CONTENTS

INTRODUCTION

INTRODUCTION

The recent advancements in information technology and the emerging phenomenon of online social networking websites have completely transformed the way of transmission of data (Kaplan & Haenlein, 2010). In this new era of digitalization, Electronic Word of Mouth (e-WOM) has been recognized as one of the most important determinant and constituent of information transmission (Beresford Research, 2009). The phenomenon of e-WOM is significantly influencing the buying process of customers because people can easily access information about different brands/products online through communicating with their friends, engage in online brand communities, discussion forums, or through other social media influencers. It is a very surprising phenomenon that most of the people tend to rely on other users' opinion and information before making any buying decision and researches also show that they sometimes even make buying decisions offline on the basis of information that was acquired online. It shows that opinions, views, comments, feedbacks, and product/brand related content uploaded on social media websites are now much matter of concern for customers as well as marketers (Gonzales, A. L., & Hancock, J. T., 2011). It is therefore in the light of growing social media network and its influential role in e-Commerce, electronic word of mouth (e-WOM) is the most important phenomenon to study in order to comprehend the right degree to which it affects people's buying behaviors and decision process. This articles examines the factors that contribute positively or negatively in purchase intentions of customers as well as we it figures out the extent to which online users trust in user generated social media content and what role do tie strength and prior knowledge would play in the purchase intentions of customers. This research paper compromises of four main sections. The first section talks about scope, objective, research questions and hypothesis of our research. The second section consists of literature review, theoretical framework and conceptual framework. The third section consists of research design and methodology. Whereas, the last section comprises of presentation of results and analysis which are followed by conclusion, limitations, and suggestions.

BACKGROUND

The recent researches on social media reveal that there are an increasing number of online users all around the globe who spend tremendous amount of time on cyber world in order to connect with other people, increase socializing and search for required information (Cheung et al, 2008). The study of 2016 on social media usage shows that almost 2.22 billion users are available on social media websites and it is expected to increase to 3.12 billion by the year 2020 (Pettersen, 2017). This fact is undeniable that social media, such as social

networking sites (e.g. Facebook, Whatsapp), micro blogging sites (e.g. Twitter, Pinterest), media sharing websites (e.g. Instagram, Snapchat), and video sharing sites (e.g. YouTube) have completely transformed and revolutionized our way of living. These social websites have changed our daily routines and way of thinking as well (Podoshen, J. S. & Andrzejewski, S. A., 2012).Over the past few years, the companies and marketers are trying to build-up and strengthen the relationship of customers with their brands (Wilcox and Stephen, 2013). These web based technologies have also provided numerous promising opportunities for building effective e-WOM communication with online users in this digital world. Lots of Companies and marketers are now using social media platforms as customer-to-customer commination. They are building online pages and brand community forums to provide adequate information about their brands as well as allow other users to generate their content regarding brand and allow other users to share their views, feedback, feeling and information about their brands (Cheung and Thadani, 2012). Therefore, it is not surprising that concept like e-WOM is gaining more popularity and become a serious matter of concern for the social media marketers.

Electronic word of mouth is defined as the act of consumers talking a product/brand or service on social media websites (Wilcox and Stephen, 2013). It is defined as the dynamic and ongoing information exchange process between consumers regarding product or service which is available on internet. (Ismagilova et al. 2017). It can be done through users sharing their reviews, feelings and experiences about a product in the comment section of social websites or users generate their own content in terms of blogs, vlogs or tutorials on social media website regarding product features, benefits, price, personal experience and satisfaction (Hausemer et al. 2017). The information and reviews shared by users on social media websites regarding any product/brand have great impact on the purchase intentions of customers. The social websites' users give reasonable amount of importance to other users' experience and views regarding product or brand and their buying intentions are strongly reliance on e-WOM. (Socialbakers, 2013). Due to the higher interdependence of customer on e-WOM, it is very necessary for academia researchers and industry professionals to investigate the impact of e-WOM on the purchase intentions of customers. We need to develop theories regarding e-WOM that could possible answer and control the factors which positively or negatively impact purchase behaviors of customers and to identify to what extent do these factors impact buying intentions of customers. The adequate amount of researches on e-WOM would also help marketers and managers to design effective marketing strategies specifically regarding e-WOM so that they can serve to their customers more accurately and precisely and build good profitable relationships in the long run.

SCOPE OF THE STUDY

The past studies regarding e-WOM and its impact on the purchase intention of customers were very fragmented and not integrated. The different researches in the past used different constructs therefore there is no any integrated study that explains all the possible constructs that significantly impact the relationship between e-WOM and purchase intentions of employees. Therefore our research specifically revolves around different construct of e-WOM that significantly impact purchase intentions of customers. We have included mediation and moderating variables as well to accurately defines and explain the true impact of e-WOM on purchase intentions of employees. We identified major constructs related to e-WOM and the extent to which they affect purchase intentions of customers. We also built and integrative framework through S-O-R Theory which explains the impact of e-WOM on the purchase intentions of employees. We believe that the framework will provide an important foundation for the future researches on electronic word of mouth.

PROBLEM STATEMENT

The rapid advancements in information technology and the emergence of social media websites as new main stream medium have changed the conventional business dynamics for both marketers and consumers. The consumers buying behaviors and intentions are now strongly subjected or influenced by their online social circle and communities. The customers are now so much dependent on other users' views, feedback, comments and experiences regarding product/brand. Therefore in today's digital world, electronic word of mouth plays significant impact on the purchase intentions of customers.

PURPOSE OF RESEARCH

The purpose of this research is to examine the extent to which e-WOM generated or shared by users on social media websites can influence purchase intentions of customers.

OBJECTIVE OF RESEARCH

The objectives of this research are to:

1. Analyze the overall impact of e-WOM on purchase intentions of customers.

2. Analyze the role of perceived credibility of e-WOM on purchase intentions.

3. Analyze the extent to which consumers trust in e-WOM and its impact on purchase intentions.

4. To analyze the importance of user generated social media content on buying behavior of customers.

5. Comparison between tie strength and prior knowledge and its impact on e-WOM and purchase intentions of customers.

RESEARCH QUESTIONS

1. What are the factors that are strongly associated with e-WOM and purchase intentions of customers?

2. Does perceived credibility of e-WOM is strong enough to affect purchase intentions of customers?

3. Do customers really trust in all types of e-WOM communication available on social media websites?

4. What type of user generated social media content actually alters purchase intentions of customers?

5. Does e-WOM really affects purchase intentions of customers if the user has already prior knowledge about product/brand?

6. What is the role of degree of tie-strength among online users in purchase intentions?

7. How marketers can design effective marketing strategies to positively influence customer buying intentions through user generated social media communication & e-WOM?

HYPOTHESIS

H1: Perceived credibility of e-WOM has significant effect on purchase intentions of employees.

H2: Trust in user generated content has significant effect on purchase intentions of employees.

H3: Prior Knowledge regarding product/brand has significant effect purchase intentions of customers.

H4: User generated social media communication has significant effect on purchase intentions of customers.

H5: Strong Tie among online users has significant effect on purchase intentions of employees.

H6: Perceived credibility of e-WOM significantly mediates the relationship between user generated content and purchase intentions of employees.

H7: Trust in user generated content significantly mediates the relationship between user generated content and purchase intentions of employees.

H8: Prior Knowledge regarding product/brand significantly reverses the relationship between e-WOM and purchase intentions of customers.

H9: Tie Strength among online users significantly strengthens the relationship between user generated communication and purchase intentions of employees.

LITERATURE REVIEW

In this era of digitalization and rapid growth of information technology around the globe, the ways of shopping have fully been transformed (Liu et al., 2015). The advent of Web 2.0 has completely changed the dynamics of buying behaviours and buying decision process of customers (Pettersen, 2017). The rapid advancements in Web 2.0 and the emergence of social media websites as a new main stream media, the information transmission is much easier, faster, accessible and convenient (Hausemer et al., 2017). With the extension of internet from computers to mobile, flow of information has evolved around the globe. Whether it is the choice of a restaurant or buying a new car, people flick it on their phones to make a decision. The trend of reviews has become a vital source of information for the internet users that also affect the sales of various products and consumer picks as evident from the studies(Berger, Sorensen, & Rasmussen, 2010; Chintagunta, Gopinath, & Venkataraman, 2010; Sun, 2012; Zhu & Zhang, 2010). Nowadays, people tend to rely on other users' comments, reviews and feedback before making any buying decision. Therefore, electronic word of mouth strongly influences purchase intentions of customers (Schivinski & Dabrowski, 2016).

Electronic word of mouth is defined as any positive or negative statement made by and potential, former, or actual customer on the internet regarding any product/brand that readily available over internet (Hennig-Thurau et al., 2004). According to Cheung et al. (2008) the number of consumers using web 2.0 tools, such as online brand communities, discussion forums, web blogs and social media websites, to exchange product information with each other is increasing at a tremendous rate. It provides opportunity to all social websites users around the globe to share their views, feedback, experience and recommendations regarding products/brands and also read opinions, reviews and suggestions shared by other users as well (Cheung and Thadani, 2012). This advancement has paved the way for social networking where massive amount of conversations are observed daily between the users where they rate the product, write or read a review, involve into discussions, participate in the forums and also share their own personal experiences(Hajli, 2015) This content sharing among users are termed as user-generated content (UGC) (Tang, Fang, & Wang, 2014). Nowadays social websites such as Facebook, Integra, Twitter, Online Brand Communities, Discussion Forums, Pinterest, Blogs, Vlogs, and so forth, are termed as e-WOM sharing platforms. On these platforms, users interact with each other, share their views, lifestyle and interest and strongly influence buying behaviours, decision making process and purchase intentions of each other (Hausemer et al., 2017). Therefore, the sources of e-WOM is much more diversified and enriched than years ago.

Many recent studies of e-WOM has concluded that electronic word of mouth is one of most important information source for customers when they make any buying decision (Park and Kim, 2008) It has been shown in the prior researches that customers' offline buying intentions and behaviors are strongly influenced by on online word of mouth (Cheung, Luo, Sia, and Chen, 2009). Cheung and Thadani (2012) research revealed that almost 91% of customers would love to read and listen reviews, feedbacks, blogs and other forms of user generated content before purchasing new product/service whereas 46% of them further said that their buying intentions and behaviours are strongly influenced by electronic word of mouth. However one recent study on e-WOM also argued that electronic word of mouth is neither fully reliable nor transparent. The effectiveness of e-WOM is dependent on some other factor as well, like perceived credibility and trust in user generated content, and therefore e-WOM has serious doubts on the purchase intentions of customers (Hausemer et al, 2017). Although, e-WOM on the internet plays supporting role for making a right decision in the future (Yin et al. 2012). At times it is difficult for many users to decide between the truthfulness of information on the social media (Acar and Muraki 2011).
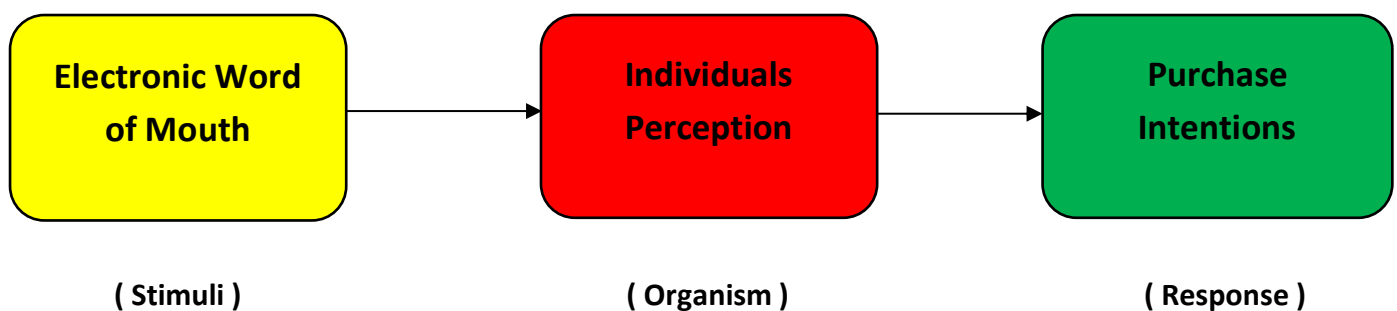
This article aims to fill the literature gap in the vast sea of information in accordance with the effect of user generated content on internet, essential for the contemporary age of social media, as marked by Schivinski & Dabrowski, (2016) and Taylor (2013), in their researches. The study is completed with the objective of assessing a model empirically that is proposed to investigate the effects of user generated content on the purchase intention of the consumers and to examine the moderating effects of prior knowledge, trust in user generated content and perceived credibility on the purchase intention. The proposed model actively contributes to the development of literature in the utilization of web communications to generate content on brand. It also highlights the moderations of (prior knowledge, perceived credibility and trust in the information) by the reviewer or user of content.

THEOROTICAL FRAMEWORK

The main purpose of this research is to identify the influence of different constructs related electronic word of mouth on the purchase intentions of customers. The e-WOM comes from a number of different platforms and users which have direct or indirect response on the purchase intentions and buying behaviors of customers. Therefore we have used Stimuli-Organism- Response Theory to explain the phenomenon of e-WOM on the purchase intentions of employees. The other reasons behind why we choose S-O-R Theory to conduct our research are as follows. Firstly, this theory has been used in a wide number of prior marketing researches related to online shopping behaviours, purchase intentions, and brand

loyalty (Baker, Grewal, and Parasuraman, 1994; Jacoby, 2002; Park, Shin, and Ju., 2014; Tang, Zhang, and Wu, 2015; Zhang et al., 2014). The second reason to use S-O-R Theory in our research is that prior researches also used this theory in order to examine the effect of e-WOM on purchase intentions and buying behaviours of employees (Eroglu, Machleit, and Davis, 2013; Fang 2012)

According to S-O-R Theory, our environments contains stimuli (S) that causes effect on the organism (O) and due to which the organism show response (R) or change in its state (Mehrabian and Russell, 1974). Stimuli can be understood as any environmental force or factor that arouses individuals' emotions and feelings (Donovan et al., 1994). The organism is basically understood as cognitive system or emotional system of a person (Jacoby, 2002). Whereas, response is basically the physiological behaviour or change induced in a person because of provoking certain stimuli (Jiang et al., 2010). In our research design, electronic word of mouth is a stimuli, which affects perceptions of individuals (organism) and due to which customer buying intentions (response) are strongly influenced or altered (Fang, 2014 & Vieira, 2013).

Electronic Word of Mouth	→	Individuals Perception	→	Purchase Intentions
(Stimuli)		(Organism)		(Response)

Figure 1.1 Theoretical Frameworks.

CONCEPTUAL MODEL

MOD 1   MOD 2

| Tie Strength | | Prior Knowledge |

IV   DV

| User Generated Contents | | Purchase Intention |

MED 1

| Perceived Credibility |

| Trust in Information |

MED 2
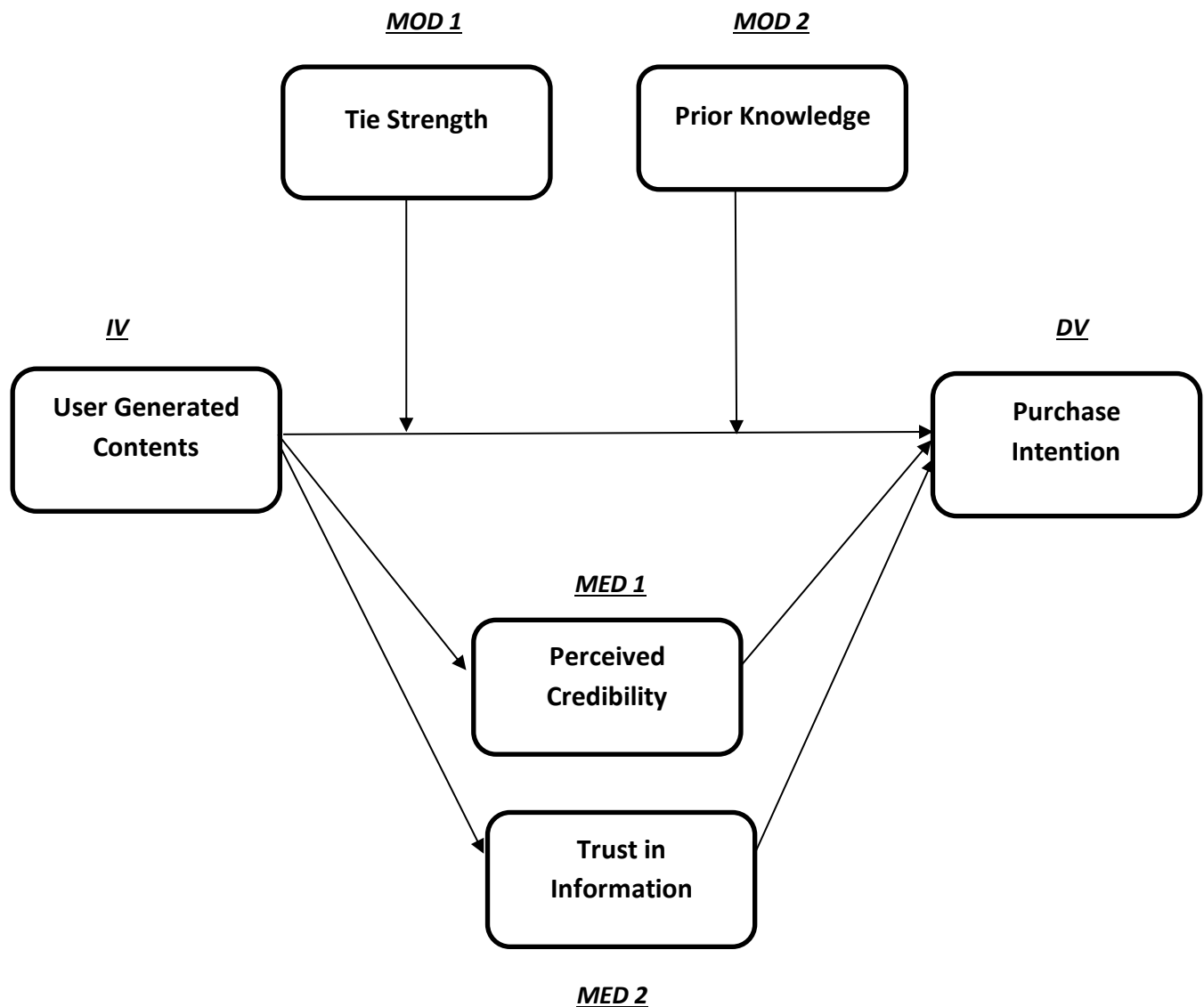
| *Figure 1.2 Conceptual Models* |

Electronic word of mouth has become an increasing factor in influencing purchasing decision of consumers. As usage of internet is rapidly increasing around the world, it also provides a new platform for people to engage and participate in different marketing activities and also provide them a platform to share their experiences with the rest of the world. The Internet provides several business opportunities to people and also plays an important role in changing the behavior of consumers through electronic promotions, electronic word of mouth and reviews on social media (Lee, 2009). Social media is one of the key platforms for increasing the online sales of any brand has a majority of people uses social media and their buying behavior shapes from reading and trusting the reviews provided on such platforms.

Social media adoption by consumers plays an important role for retailers as well as consumers and online businesses. Consumers are now more aware of products and its usage due to information gathered from social media by the company itself as well as its existing customer's reviews (Goh et al., 2013). The uses of social media have increased dramatically from the past decade with an estimation of more than 32% of the population around the world are using different platforms of social media in 2016. Many researchers and marketers conducted several research related to the power of social media on E-businesses and also investigates how marketers and businesses harness the power of social media. This literature review involves secondary data of different past scholars' researches about social media power in terms of authenticity and interactions between consumers. This chapter also discussed the gaps identified from previous researches and includes the relationship of variables.

1) <u>PURCHASE INTENTIONS:</u>

Social media has become an important point where businesses contact for reaching customers. Bojkovska et al., (2014) claims that around 50% of people claims that they got to know about a brand on social media through electronic word of mouth. Social media websites are a public platform providing consumers to share their positive or negative reviews and opinions related to products they buy online. Consumers are interacting with other consumers on social media is an increasing trend and this factor is also beneficial for brands as they can identify through social media about the needs and demands of their customers, it provides an opportunity to improve their products. Moreover, this factor also helps consumers in purchasing decisions. In the light of Athapaththu et al., (2018) around 71% people who experience satisfied shopping through online brands use to recommend others about those brands and their satisfaction from their products, whereas customers also demand a real person to person interaction in order to reduce the risk level and anxieties and makes a purchase intention as well as decision easier. Brands increase their word of mouth on social media and customer loyalty by providing better customer service and resolving queries of customers through social media. As people like to have interactive communication with companies and this also increases customer satisfaction which in return increases positive word of mouth and buying intentions of consumers. People are having less trust on advertisement and are more influenced by word of mouth due to online reviews and E-WOM, people believe on other people who experienced the product by themselves this influence their purchase intentions and decisions positively as well as negatively also. An online review is very much similar to the traditional way of word of mouth communication. According to von Helversen et al., (2018) the increased number of positive reviews increases customers purchase intentions and reduce the level of risks and, the number of reviews increases the popularity of the online brand existence and also represents its market performance and product quality.

2) <u>PERCEIVED CREDIBILITY:</u>

Sargunani & Bruce, (2015) states that most consumers judge a brand on the basis of four factors: quality, credibility, superiority, and consideration. Among all these four factors the most difficult one to build is credibility. Mostly performance of companies is influenced positively by credibility. Credibility is the most crucial factor for any type and size of businesses due to the increasingly competitive market (Lim & Van Der Heide, 2014). It is crucial as it influences positively consumers purchase intentions and minimizes the risks of quality or scams. As more people are now turning towards online shopping, building credibility on social media has become an important factor. One of the most important factors in building credibility on the internet is through reviews and rating systems. In the view of Kusumasondjaja, Shanka & Marchegiani, (2012) most consumers are now relying on such reviews and electronic word of mouth in order to make purchase decisions. Therefore online credibility is equally important for brands to manage their customer reviews. Social media is also a very important aspect for startup businesses as they help to do mass marketing through social media and the reviews and rating on social media especially on Facebook plays an integral role to increase their customer base (Goldsmith et al., 2000). Positive reviews on Facebook increase the credibility for business and also encourage the buying intention of the customer. Perceived credibility has a positive relation with purchase intentions as consumers are positively influenced to purchase if the perceived credibility is high

3) <u>TRUST IN INFORMATION:</u>

The transparency of social media provides a path for user-generated content in order to become a trusted way of brand communication. In a past study by Maslowska, Malthouse & Viswanathan, (2017) it has been identified that 62% of people read the recommendations about an online brand on social media into which 98% of them are trustworthy and 80% people claim that these reviews affect their purchase decisions. User-generated content is known as any material which is created from outside professional practices which reflects efforts and such materials are publicized online. With the rapid increase of internet users has the ability to share their thoughts and opinions about any product or service they used before or are planning to use (Rudolph, 2015). There are thousands of websites having thousands of reviews about different products or services in different languages out of which many are paid reviews, fake information or misrepresentation of products whereas hundreds of reviews are based on original products and by authentic consumers. Reviews can be found as detailed and thought full just by one click providing an opportunity to consumers to identify different features of products and by providing the opportunity to learn about it before making a purchase decision. Trust in social media eliminates the perceived risks and uncertainties also. Trust in social media or social network creates an atmosphere which reduces opportunistic behaviors and allows people to interact openly. It encourages actions

and behaviors and also provides ease in making a decision. According to Schivinski & Dabrowski, (2016) trust plays an important role and impacts positively on the attitudes of consumer and increases the willingness to purchase and share user-generated content. Trust in terms of user-generated brand recognition becomes high when the reviewer or recommender is one of the Facebook friends. People tend to trust their friends more as compared to anonymous or strangers on Facebook. Social media also involves several unverified information, misinterpretation, as well as misrepresentation and fabricated contents, many Facebook or other social media users, find it difficult to identify the paid reviews which are based on false information due to which decision making or purchase intentions reduces. It has been identified that most people tend to trust consumers as compared to trust in companies due to the honest reviews provided by customers about the product they used before. The consumer's review is the authentic voice of experience which comes from a corporate mouthpiece. The era of mad-man advertisement has been passed out now people wants to hear the experiences of other consumers; they don't trust the advertisements anymore. In this modern online era, UGC is one of the best ways to increase the authenticity of customers. Electronic word of mouth is one of the most effective ways of providing information or sharing information on the internet about any product or service it is one of the methods on which people trusted more. Most of the people claim that they trust on information provided by consumers on the internet who are their friends on social media and 50% claims that they trust shared information provided on the internet by strangers also. According to research, 92% of people trust user-generated contents more as compared to traditional advertisements of products. It is proved from past researches that user-generated content has more trust and increases the purchase decision of customers as compared to an advertisement. Therefore user-generated content has a direct relationship with trust and purchase decisions. Social media provides consumers a vast platform in order to provide the voice to the prior customers to share their experiences and opinions. It has become an influential channel for consumers to believe in shared information rather than influenced by advertisement.

4) **PRIOR KNOWLEDGE:**

Awasthy et al., (2012) states in their research, online purchase decisions are influenced by user-generated content as well as prior knowledge about the product. It has a great impact on the purchase decision and intentions of consumers. Consumers having less knowledge of products face difficulty in purchase decisions whereas consumers having prior knowledge of products are more likely to purchase intentions towards the product or service. Consumers having prior knowledge are confident in order to identify the true reviews or information provided on social media and tends to have balanced purchase intentions, they purchase after proper identification and validation of information they achieved from social media. They have the potential to access knowledge more effortlessly as compared to such people

who lack in terms of knowledge of products (Cheong & Morrison, 2008). Researcher's claims that prior knowledge reduces the need to identify the information related to alternatives and also limits the search of additional information through external sources. Whereas, consumers having prior knowledge tends to perform better in terms of identifying valid information as they already know the difference between false and useful knowledge related to product or service.

5) USER-GENERATED CONTENT:

In terms of user-generated content, users are playing a significant role in increasing the purchase intentions of consumers as they increase the role of producers such as consumers and producers are adding more value in terms of services or information (Maksimova, 2018). UGC is known as reviews which are posted by different consumers; it involves criticisms, comments or self-experience related to services or products, its features, utility, design, delivery or packaging (Mir et al., 2013). Online companies and shopping websites provide a platform to consumers to review their products whether they are satisfied or disappointed, this helps other consumers in decision making and increases the opportunity of electronic word of mouth. User-generated content provides customers a medium to express their opinions, reviews, and preferences and also provide an opportunity to join an interactive virtual community. The perception of users through online reviews influences the perception of quality and credibility of a service or a product and also increases the chances of purchase of such product by consumers (Park et al., 2007). Online purchase intention has been identified to be influenced by different factors such as purchase intentions, information sharing and reviews provided on social media related to any product or service. User-generated content is a better influencer as compared to the advertisement; it influences purchase intentions and also gains consumer trust more quickly as compared to advertisements. User-generated content involves potential in it to change the behavior and attitude of consumers towards a service or a product and also builds the ability of customers to form an opinion related to the products which affect the purchase decision. According to Sethna et al., (2017) consumers have more trust in UGC as compared to the company's own personal information provided on their websites.

In the light of this literature review, it has been identified that variables have a positive relationship with purchase decision and intention, whereas user-generated content plays an important role in building the trust of consumers and influencing purchase intention and decisions of consumers. Moreover, credibility is the most crucial factor in influencing the purchase decision. Consumer's perceived credibility has an important role in influencing or changing the purchase decision of consumers. The next chapter involves the methodology of this research.

METHODOLOGY

VARIABLES

Based on literature review and past researches on e-WOM, we decided to use total of 6 construct in our empirical research to accurately and precisely found the impact of electronic word of mouth on the purchase intentions of employees. The Independent Variable in our research is *User Generated Social Media Content* (a.k.a e-WOM). The Dependent Variable in our research is *Purchase Intentions of Customers.* We have also included mediation and moderation variables in our research as well to study their role and influence on the relationship between e-WOM and purchase intentions of customers. The Mediation Variables in our research are *Perceived Credibility of e-WOM* and *Trust in User Generated Content.* In spite of that, the Moderating Variables that we included in our research are *Prior Knowledge Regarding Product/Brand* and *Tie-Strength between Online Users.*

RESEARCH DESIGN

Our research is based on a research paradigm of Positivism which states that there is only single reality which can be measured. Our research is a quantitative study that aims to study the impact of electronic word of mouth on purchase intentions of customers. Our research revolves around different factors that really contribute in between e-WOM and purchase intentions of customers. The research is specifically designed in such a way that it measures what role do Tie- Strength and Prior Knowledge in the relationship between e-WOM and purchase intentions of employees. Besides that, our research also covers the role of perceived credibility of e-WOM and Trust in User Generated Content on the relationship between electronic word of mouth and purchase intentions of employees. We conducted an online survey based on convenience sampling of 320 respondents and then we checked our conceptual model through empirical study of participants' responses.

QUESTIONNAIRE DESIGN

 Since it is a quantitative study and empirical research, we have designed an open ended questionnaire from the past researches and literature reviews to evaluate impact of e-WOM and other e-WOM related factors on purchase intentions of customers. Our questionnaire consists of 22 scale items of 4 different constructs and the responses are collected on the Likert Scale of 0 to 5 i.e. Strongly Disagree to Strongly Agree respectively. The first part of our questionnaire is consent form where we asked our participants that their participation in this research is voluntary, their data will remain confidential, and they are eligible for this survey if they use social media to follow their prefer products/brands. The second part of questionnaire is designed to collect demographic data of our respondents. The third part of our questionnaire asks questionnaire about which product/brand they follow on social media websites and what sites they usually use to follow their preferred products/brands. The

fourth part consists of 22 scale items related to 4 constructs and the respondents were asked to give their responses on the basis of their personal experiences.

DATA COLLECTION

The data for this research is collected through online survey. Because of limited budget and time constraint, we designed our questionnaire on goggle forms and then sent its link to our university fellow undergraduates, graduates and post graduates and asked them to be part of our group. We have also uploaded our questionnaire on different online discussion forums and communities to accurately target right category of people for data collection. Once we reached the right number of responses on our survey, we download spread sheet file from Google forms and upload it on SPSS to conduct statistical analysis.

SAMPLE DESIGN

The inclusion criteria of our research is that we targeted people who have access to internet and use social media websites to actively follow their preferred products/brand on different social media websites like YouTube, Twitter, Facebook, Instagram, Online Brand Communities and Discussion Forums. The sampling technique that we used to conduct this empirical descriptive research is Convenience Sampling (a.k.a Non Probability Sampling). The online research survey was sent to 500 social media users. But due to limited social circle and time constraints, the number of participants that filled our survey was 320. There were equal representation of male and female in our survey and the majority of our respondents who participated in our survey was youth such that their age lies in between 20 to 40 years.

STATISTICAL TECHNIQUE

Once we reached to 300+ responses on our survey, we had stopped receiving further responses. Then we downloaded spreadsheet of our responses from goggle forms and upload it on SPSS software (Statistical Package for social Sciences) to conduct statistical analysis. On SPSS, we have performed various tests to evaluate normality of data, demographic analysis, reliability of scale items, validity of scale items, correlation among different concepts and regression analysis for hypothesis assessment and goodness of fit test to verify our conceptual model.

RESULTS & DISCUSSIONS

RESPONDENTS' PROFILE

The table 1.1 mentioned below shows that we had 320 participants in our online survey. The percentages of males and females participated in our survey was 50% which means that we had equal representation of both genders. Almost 90% population of our survey belonged to the youth age group such that there ages lie somewhere in between 16 to 30 years. The majority of our respondents, almost 82%, were students whereas about 14% of respondents were employed. Overall 64% of our respondents use social media websites regularly and with higher frequencies. Almost 70% of our respondents use main stream social media like YouTube, Facebook and Instagram to follow their preferred brands/products and to connect with people around the globe to gain information about their preferred product/brand.

Table 1.1 Respondents' Profile

VARIABLES		FREQUENCY	PERCENTAGE
GENGER	Male	160	50.0
	Female	160	50.0
AGE	16 - 20 Years	132	41.3
	21 - 25 Years	124	38.8
	26 - 30 Years	46	14.4
	31 - 40 Years	12	3.8
	41 - 50 Years	2	.6
	Above 50	4	1.3
USAGE	Very Low	4	1.3
	Low	10	3.1
	Normal	100	31.3
	High	96	30.0
	Very High	110	34.4
STATUS	Student	262	81.9
	Employed	44	13.8
	Unemployed	10	3.1
	Own Business	4	1.3
	YouTube	48	15.0
	Online Brand Communities	26	8.1

WEBSITES	Blogs	12	3.8
	Vlogs	64	20.0
	Facebook	96	30.0
	Instagram	74	23.1

DESCRIPTIVE STATISTICS

In order to ensure the normality of data and to obtain univariate normality, we ran the test of descriptive analysis on SPSS which is summarized in Table 1.2 mentioned below.

Table 1.2 Descriptive Statistics

		PERCEIVED CREDIBILITY	PURCHASE INTENTIONS	TRUST IN USER GENERATED INFORMATION	PRIOR KNOWLEDGE	USER GENERATED SOCIAL MEDIA CONTENT	TIE STRENGTH
N	Valid	320	320	320	320	320	320
	Missing	0	0	0	0	0	0
Mean		3.1438	3.5453	3.2313	3.5292	3.2729	2.7667
Std. Deviation		.89085	.69474	.75672	.70958	.79805	.91795
Skewness		-.498	-.642	-.662	-.718	-.915	.141
Kurtosis		-.091	2.422	.698	1.185	.865	-.497

As we can see that all the constructs have Kurtosis and Skewness values lies within the range of ±3.5, therefore we can conclude that the given data has a normal tendency (Hair Jr. et al, 2010).

CONSTRUCTS RELIABLITY

The reliability of all the constructs that we used in our research has been tested through SPSS and the findings are summarized in the table 1.3. All the contracts have Cronbach's Alpha value greater than 0.7 which shows that all our constructs are reliable and consistent.

The below table shows that the reliability of User Generated Social media communication is the highest such that (α=.903, M=3.273, SD=0.798) while the reliability of Prior Knowledge is the lowest such that (α=0.692, M=3.529, SD=0.709)

Table1.3 Constructs Reliability

CONSTRUCTS	CRONBACH'S ALPHA ON STANDARDIZED ITEM	NO OF ITEMS	MEAN	S.D
Perceived Credibility	0.872	3	3.144	0.890
Purchase Intentions	0.823	4	3.545	0.695
Trust in User Generated Content	0.805	3	3.231	0.757
Prior Knowledge	0.692	2	3.529	0.709
User Generated Content	0.903	6	3.273	0.798
Tie- Strength	0.866	3	2.767	0.918

CORRELATION ANALYSIS

Correlation Analysis is done in order to ensure that all the constructs used in our research are correlated with each other. Therefore we ran the test on SPSS to verify that all the constructs used in our research are correlated with each. The results are summarized in the table 1.4. After correlation analysis, we check Multicollinearity in our data whose results are also showed in the table 1.5

Table 1.4 Correlation Test

		PERCEIVED CREDIBILITY	PURCHASE INTENTIONS	TRUST IN USER GENERATED INFORMATION	PRIOR KNOWLEDGE	USER GENERATED SOCIAL MEDIA CONTENT	TIE STRENGTH
PERCEIVED CREDIBILITY	Pearson Correlation	1					
PURCHASE INTENTIONS	Pearson Correlation	.390	1				
TRUST IN USER GENERATED INFORMATION	Pearson Correlation	.364	.639	1			
PRIOR KNOWLEDGE	Pearson Correlation	.214	.521	.402	1		

USER GENERATED SOCIAL MEDIA CONTENT	Pearson Correlation	.293	.445	.468	.368	1	
TIE STRENGTH	Pearson Correlation	.137	.209	.318	.177	.547	1

According to Bryman 2005, the correlation amongst the constructs should be in between 0.20 – 0.90. The above table 1.4 shows that the correlation among our different constructs almost lays within the required criteria so we can conclude that the different constructs used in this research are correlated with each other. The above table shows that the correlation between Trust in user generated content & Purchase Intentions is the strongest that is 0.639 whereas the weakest correlation lies in between Tie strength and Purchase intentions that is 0.137.

Table 1.5 Multicollinearity Test

Model		Collinearity Statistics	
		Tolerance	VIF
1	PC_1	.349	2.867
	PC_2	.361	2.770
	PC_3	.388	2.580
	PI_1	.475	2.106
	PI_2	.497	2.012
	PI_3	.459	2.178
	PI_4	.419	2.387
	UGIT_1	.436	2.295
	UGIT_2	.342	2.921
	UGIT_3	.356	2.808
	PK_1	.584	1.712
	PK_2	.508	1.967
	PK_3	.782	1.279
	UGSMC_1	.334	2.994
	UGSMC_2	.373	2.681
	UGSMC_3	.366	2.731
	UGSMC_4	.323	3.100
	UGSMC_5	.345	2.895
	UGSMC_6	.477	2.095
	TS_1	.267	3.748
	TS_2	.292	3.421
	TS_3	.481	2.081

According to Bryman 2015, the value of tolerance must not be less than 0.20 whereas the value of VIF must not exceed 5.0 other wise there is high inter-association among all the constructs. The above table 1.5 shows that all the constructs are unique and distinguishing and do not possess high inter-association because the value of tolerance of each construct is less than 0.20 and the VIF is not greater than 5.00. It means that our constructs have not high multicollinearitty amongst each other.

EXPLORATORY FACTOR ANALYSIS (EFA)

Exploratory factor Analysis is carried out in a research to describe variability among different constructs used in the study. As per the rule of thumb, the loadings in the exploratory factor analysis should be greater than 0.7 or at least greater than 0.5. We have also applied exploratory factor analysis test on our data through SPSS. The results are shown in the table 1.6.

Table 1.6 EFA for the Constructs

Construct	Original Items	Kaiser-Meyer Olkin	Barley Test of Sphercity	Cumulative Factor loading	Item Retained
Perceived Credibility	3	0.740	681; P=.000	79.79%	4
Purchase Intentions	4	0.767	459; P=.000	66.56%	3
Trust in User Generated Content	3	0.686	327; P=.000	72.02%	3
Prior Knowledge	3	0.577	129; P=.000	56.50%	2
User Generated Content	6	0.901	1093; P=.000	67.48%	6
Tie- Strength	3	0.713	495; P=.000	79.13%	3

The above table shows that al the assumptions of moderate correlations, independent sampling and linear relationships were met. Kaiser-Meyer-Olkin (KMO) for all the constructs, used in the research, is greater than 0.6 except Prior Knowledge which is greater than 0.5 which is acceptable (Hair J., Black, Babin, Anderson, & Tatham, 2006). According to Leech

(2005) if one or two variables are failed to satisfy the condition of 0.6 then there is no issue. The Barley Test of Spehercity for all the constructs was found to be significant at P <.05.

CONSTRUCT & DISCRIMINANT VALIDITY TEST

Validity refers to the extent to which instruments (scale) used in the experiment measure exactly what they are supposed to measure. According to Fornell (2010) validity is established through two sources Convergent Validity & Discriminant Validity. Convergent validity measures scale items to identify how much are they converge to accurately measure specific concept. It establishes through AVE (Average Variance Explained). The value of AVE should be greater than 0.50. Discriminant Validity measures how much the different concepts are unique or distinct with each other. It is measure through finding sq. root of AVE and places it in correlation table instead of 1 value.

Table 1.7 Construct & Discriminant Validity

	AVERAGE VARIANCE EXPLAINED (AVE)	PERCEIVED CREDIBILITY	PURCHASE INTENTIONS	TRUST IN USER GENERATED INFORMATION	PRIOR KNOWLEDGE	USER GENERATED SOCIAL MEDIA CONTENT	TIE STRENGTH
PERCEIVED CREDIBILITY	0.7979	**0.893**					
PURCHASE INTENTIONS	0.6656	0.390	**0.816**				
TRUST IN USER GENERATED INFORMATION	0.7202	0.364	0.639	**0.849**			
PRIOR KNOWLEDGE	0.5650	0.214	0.521	0.402	**0.752**		
USER GENERATED SOCIAL MEDIA CONTENT	0.6748	0.293	0.445	0.468	0.368	**0.821**	
TIE STRENGTH	**0.7913**	0.137	0.209	0.318	0.177	0.547	**0.889**

The above table shows that convergent validity for each construct is obtained because average variance explained for each construct is greater than 0.40. The above table also shows that discriminant validity is also ensured and each construct is unique and distinctive with each other because the square root of each variant explained is greater than the square of each pairs of respective correlation.

REGRESSION ANALYSIS

Regression analysis is done through ANOVA table. It is used to calculate impact of IV on DV and for the hypothesis assessment to conclude our research findings and study. ANOVA table is also used for Goodness of Fit for our conceptual model. In ANOVA, if the F value is greater than 3.86. It shows GOODNES OF FIT of the model. R-square is amount of variance in DV because of all IV. It should be greater than 30%. Beta shows 1 unit change in IV will change DV by what units. Error shows the unexplained change in DV because of other IVS that does not include in our research. Hypothesis Testing is based on the value of sigma. Hypothesis is rejected if the value of sigma is greater than 5% which means t_value should be greater than 1.96 for the acceptance of hypothesis.

Table 1.8 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.724[a]	.524	.516	.48312

The above table 1.8 shows that our model explains 52.4% of variance in DV because of IV. The remaining 47.6% is the unexplained part of variance because of other factors that our not included in our research.

Table 1.9 ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	80.679	5	16.136	69.133	.000[b]
	Residual	73.289	314	.233		
	Total	153.968	319			

With reference to the above Table 1.9, since p=0.00 and the f value is greater than 3.86, it means that our model has satisfied the condition of Goodness of Fit.

Table 2.0 Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.707	.167		4.229	.000
	PERCEIVED CREDIBILITY	.111	.033	.143	3.364	.001
	TRUST IN USER GENERATED INFORMATION	.398	.044	.434	9.114	.000
	PRIOR KNOWLEDGE	.273	.043	.279	6.381	.000
	USER GENERATED SOCIAL MEDIA CONTENT	.119	.045	.137	2.635	.009
	TIE STRENGTH	-.055	.035	-.072	-1.546	.123

The above Table 2.9 contains the summarized results of regression for the overall model of the research study. $R^2 = 0.524$; P<.05, F (5, 319) = 69.133.

The results of the regression analysis for the overall model indicates that the predictors Perceived Credibility, Trust in User Generated Content, Prior Knowledge, User Generated Content and Tie Strength match up with Purchase Intentions of customers and 36.2% of the variance (R^2=0.524, F (5, 319) =69.133, p<.05), is a large effect.

Furthermore the hypothesis assessment summary is as follows:

H1: Perceived credibility of e-WOM has significant effect on purchase intentions of employees. *(ACCEPTED)*

H2: Trust in user generated content has significant effect on purchase intentions of employees. *(ACCEPTED)*

H3: Prior Knowledge regarding product/brand has significant effect purchase intentions of customers. *(ACCEPTED)*

H4: User generated social media communication has significant effect on purchase intentions of customers. *(ACCEPTED)*

H5: Strong Tie among online users has significant effect on purchase intentions of employees. *(REJECTED)*

All the hypothesis were accepted/rejected on the basis of Regression Analysis done through SPSS summarized in the Table 2.0.Furthermore, the regression analysis revealed that PR, UGIT, PK, and UGSMC positively influence toward purchase intentions of customers. However TS is contributing negatively towards purchase intentions of customers.

MEDIATION ANALYSIS

In this research we have two mediating variables Perceived Credibility and Trust in User Generated Content which significantly mediates the relation between e-WOM & purchase intentions. Mediation is the indirect effect of IV (x) on DV (y) through Mediating variable (Me). There are two types of mediation. The first type is *Partial Mediation;* it is when the direct effect remains significant even after indirect effect. The second type is *Full Mediation;* it is when the direct effect remains insignificant after indirect effect. We have run the Mediation Analysis on SPSS and the results obtained are attached below:

```
**************************************************************************
Model  : 4
    Y  : PI_T
    X  : UGSMC_T
   M1  : PC_T
   M2  : UGIT_T

Sample
Size:  320

**************************************************************************
OUTCOME VARIABLE:
 PC_T
```

Model Summary

R	R-sq	MSE	F	df1	df2	p
.2930	.0858	.7278	29.8597	1.0000	318.0000	.0000

Model

	coeff	se	t	p	LLCI	ULCI
constant	2.0733	.2016	10.2838	.0000	1.6767	2.4700
UGSMC_T	.3271	.0599	5.4644	.0000	.2093	.4448

```
**************************************************************************
OUTCOME VARIABLE:
 UGIT_T
```

Model Summary

R	R-sq	MSE	F	df1	df2	p
.4679	.2189	.4487	89.1339	1.0000	318.0000	.0000

Model

	coeff	se	t	p	LLCI	ULCI
constant	1.7792	.1583	11.2394	.0000	1.4677	2.0906
UGSMC_T	.4437	.0470	9.4411	.0000	.3512	.5361

```
**************************************************************************
```

OUTCOME VARIABLE:
 PI_T

Model Summary

R	R-sq	MSE	F	df1	df2	p
.6759	.4568	.2646	88.5967	3.0000	316.0000	.0000

Model

	coeff	**se**	**t**	**p**	**LLCI**	**ULCI**
constant	**1.1956**	**.1526**	**7.8333**	**.0000**	**.8953**	**1.4959**
UGSMC_T	**.1405**	**.0413**	**3.4024**	**.0008**	**.0593**	**.2218**
PC_T	**.1242**	**.0351**	**3.5370**	**.0005**	**.0551**	**.1932**
UGIT_T	**.4640**	**.0447**	**10.3793**	**.0000**	**.3761**	**.5520**

```
****************** DIRECT AND INDIRECT EFFECTS OF X ON Y ****************

Direct effect of X on Y
     Effect         se          t          p        LLCI       ULCI
      .1405       .0413     3.4024      .0008       .0593      .2218

Indirect effect(s) of X on Y:
           Effect     BootSE   BootLLCI   BootULCI
TOTAL       .2465      .0436      .1611      .3332
PC_T        .0406      .0154      .0145      .0730
```

```
********************** ANALYSIS NOTES AND ERRORS **********************

Level of confidence for all confidence intervals in output:
  95.0000

Number of bootstrap samples for percentile bootstrap confidence intervals:
  5000

------ END MATRIX -----
```

The above attached table shows that our model is significant because it explains 85.8% of variance and p<0.05. The direct effect of User generated social media content on Purchase intention is 0.1405. It means that if UGSMC increases by 1 unit then PI will increase by 0.1405 units. But, because of mediating variable 1 i.e. Perceived credibility the indirect effect of UGSMC on PI through PC is 0.1242. Similarly, because of mediating variable 2 Trust in User Generated Content the indirect effect of UGSMC on PI through UGIT is 0.4640. The table also shows that both the mediating variables have partial mediation effect between UGSMC & PI. Both the calculation for two mediating variables are also significant at p<0.05 so both the hypothesis are accepted.

H6: Perceived credibility of e-WOM significantly mediates the relationship between user generated content and purchase intentions of employees. *(ACCEPTED)*

H7: Trust in user generated content significantly mediates the relationship between user generated content and purchase intentions of employees. *(ACCEPTED)*

MODERATION ANALYSIS

In our research we have two moderating variables which are Prior Knowledge and Tie Strength. Moderation is the direct effect of IV on DV because of presence of the Moderating variables. Moderating variables strengthen/weak/reverse the relationship between IV and DV. We have also run the moderation analysis on SPSS and the results are summarized in the below attached table.

```
***********************************************************************
Model  : 2
    Y  : PI_T
    X  : UGSMC_T
    W  : PK_T
    Z  : TS_T

Sample
Size:  320

***********************************************************************
OUTCOME VARIABLE:
 PI_T
```

Model Summary

R	R-sq	MSE	F	df1	df2	p
.6392	.4086	.2900	43.3811	5.0000	314.0000	.0000

Model

	coeff	se	t	p	LLCI	ULCI
constant	.2090	.4053	.5156	.6065	-.5885	1.0064
UGSMC_T	.7098	.1419	5.0010	.0000	.4305	.9891
PK_T	1.1458	.1384	8.2810	.0000	.8736	1.4181
Int_1	-.2497	.0444	-5.6231	.0000	-.3371	-.1623
TS_T	-.6202	.1559	-3.9785	.0001	-.9268	-.3135
Int_2	.1715	.0445	3.8560	.0001	.0840	.2590

Product terms key:
```
 Int_1    :         UGSMC_T  x        PK_T
 Int_2    :         UGSMC_T  x        TS_T
```

Test(s) of highest order unconditional interaction(s):

	R2-chng	F	df1	df2	p
X*W	.0596	31.6191	1.0000	314.0000	.0000
X*Z	.0280	14.8684	1.0000	314.0000	.0001
BOTH	.0620	16.4552	2.0000	314.0000	.0000

```
    Focal predict: UGSMC_T  (X)
          Mod var: PK_T      (W)
          Mod var: TS_T      (Z)
```

Conditional effects of the focal predictor at values of the moderator(s):

PK_T	TS_T	Effect	se	t	p	LLCI	ULCI
3.0000	2.0000	.3036	.0512	5.9354	.0000	.2030	.4043
3.0000	2.6667	.4180	.0544	7.6830	.0000	.3109	.5250
3.0000	4.0000	.6466	.0944	6.8469	.0000	.4608	.8325
3.6667	2.0000	.1372	.0544	2.5206	.0122	.0301	.2442
3.6667	2.6667	.2515	.0490	5.1285	.0000	.1550	.3480
3.6667	4.0000	.4802	.0810	5.9255	.0000	.3207	.6396
4.0000	2.0000	.0539	.0616	.8759	.3818	-.0672	.1751
4.0000	2.6667	.1683	.0528	3.1885	.0016	.0644	.2721
4.0000	4.0000	.3969	.0778	5.1043	.0000	.2439	.5499

*********************** ANALYSIS NOTES AND ERRORS ***********************

Level of confidence for all confidence intervals in output:
  95.0000

W values in conditional tables are the 16th, 50th, and 84th percentiles.

Z values in conditional tables are the 16th, 50th, and 84th percentiles.

------ END MATRIX -----

The above attached table shows that our model is significant because it explains 40.56% of variance and $p<0.05$. The interaction effect 1 between UGSMC & because of moderating variable 1, that is, Prior Knowledge is -0.2497 which means that Prior Knowledge reverses the relationship between UGSMC & PI. The interaction effect 2 between UGSMC & PI because of moderating variable 2 Tie Strength is 0.1715 which means that Tie Strength amplifies the relationship between UGSMC & Prior Knowledge. Since both the two moderating variables are significant at $p<0.05$ both the hypothesis are accepted which are as follows.

H8: Prior Knowledge regarding product/brand significantly reverses the relationship between e-WOM and purchase intentions of customers. *(ACCEPTED)*

H9: Tie Strength among online users significantly strengthens the relationship between user generated communication and purchase intentions of employees. *(ACCEPTED)*

CONCLUSION

Since we are living in the era of digitalization where social media websites are emerging as new mainstream media so people are more much involved and engaged on social media websites for number of purposes. Electronic word of mouth is one of them, people uses number of social media websites to follow their prefer brands/products and curious about finding other views, feedbacks and comments about the product/brand. People also love to share their feelings, experiences and their own made content for their preferred products/brands. All these activities count in electronic word of mouth and have significant impact on purchase intentions of customers. The findings of our research study also explain and conclude the same phenomenon. Our research shows that there is a positive relation between electronic word of mouth and purchase intention of customers. People are more likely to make purchase intentions if they heard good e-WOM regarding their prefer product/brand. However there are other factors as well which mediates and moderates this relationship and the purpose of our research was to study that phenomenon. We have found that the Prior Knowledge about your prefer product/brand is a moderating variables which negatively affects the relationship between e-WOM and purchase intentions. It means that people who have higher Prior knowledge are more likely to be less affected by e-WOM on their purchase intentions. However we have also found that another moderating variable which significantly affect the relationship between e-WOM and purchase intentions is Tie Strength. Tie Strength strengthens the relationship between e-WOM and purchase intentions. It means that if the online users have greater tie strength amongst each other they are more likely to be influenced by e-WOM in their purchase intentions. Our research does not only focus on the role of moderating variables but we have also covered the role of mediating variables on the relationship between e-WOM and purchase intentions. The first mediating variable in our research is Perceived Credibility and the findings show that perceived credibility is a very important mediator that explains the relationship between e-WOM and purchase intentions. It means that after obtaining e-WOM, customers immediately start to perceive the credibility of source, if the generated social media content is credible then their purchase intentions are significantly impacted. The second mediator in our research is trust in user generated content and our research reveals that it significantly mediates the relationship between e-WOM and purchase intentions. It means that if users have trust in user generated medial social content regarding product/brand, and then they are more likely to make purchase intentions. Our research analysis will help marketers to understand the true impact of e-WOM on purchase intentions of customers considering the stated mediating and moderating variables roles. The research findings will also help marketers to understand customers online behaviors and develop effective marketing strategies to manage e-WOM activities on social media websites and build brand community websites so that the customers are more engaged towards their product/brand, get more meaningful and reliable information, make positive purchase intentions which eventually enable firms to build good profitable relations with their customers in the long run.

RECOMMENDATION

The practical implications and recommendation of our research are very interesting. The marketers should design effective marketing strategies for online social media websites so that their customer purchase intentions positively impacted through e-WOM. Secondly, the firms should make online brand communities or at least pages and groups so they can actively engage and interact with their customers and upload meaningful information for them. The marketers should also try to collaborate with social media influencers so that the influencers give reliable informative reviews to online users which eventually compelled online users to make purchase intentions towards their product/brands. The marketers should also ensure that there is no any negative propaganda is propagating on social media websites regarding their product/brand because It will negatively influences the purchase intentions of its customers. The firms should also upload its own generated media content regarding product/brand on their social websites pages and communities and also encourage users to generate quality content on social media websites so the online users are more engaged and entertained towards product/brand and their purchase intentions increases. The marketers should also communicate strong message through commercial TV adv. and other promotional mix tools so their customers will not be negatively impact because of false e-WOM provide on social websites which negatively impacts purchase intentions of customers.

LIMITATIONS

There are certain limitations associated with our research study and its findings. The first limitation was financial resources constraints. We did not have enough financial resources to conduct this research at a very large scale. We also had limited time frame of 3 months and we are under graduate students so we did not have enough time to focus on large number of previous researches done of e-WOM because we have other academics obligations to follow as well. The third limitation was that this research conducted during the time frame of COVID-19 pandemic so everywhere it was lock down we did not have enough access to people. Therefore, our sample size was small and based on convenience sampling. In addition to that the majority of our respondents were from our own university, we were failed to collect data from various sources. Therefore the results are not generalizable for the whole population. Our model explained 52.4% of variance which is good but not promising. There are other factors associated with e-WOM as well which significantly influence purchase intentions of customers.

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APPENDIX

Our research is specifically revolving around four different concepts namely Perceived Credibility, Trust in User Generated Content, Prior Knowledge, User Generated Social Media Content, and Tie Strength that are directly linked with Electronic Word of Mouth. These four concepts and their respective scale items helped us in calculating Impact of Electronic Word of Mouth on Purchase Intentions of Customers. In this research, we used a 5-point Likert scale ranging from "strongly disagree" to "strongly agree" to evaluate employees responses on e-WOM on purchase intentions.

QUESTIONNAIRE

This research is the part of our BBA course Methods in Business Research. We are conducting this research to study the impact of Electronic Word Of Mouth regarding any product/brand that influences customers' intention to buy that product/brand. Your responses will help us to analyse to what degree, e-WOM affects customers' purchase intentions both in positive & negative aspect.

This survey is anonymous such that respondents are not required to mention their names. The participation in this survey is completely voluntary and respondents can leave the survey any time if they want to. All the data shared by respondents in this survey will be kept confidential and will not be shared with anyone. The obtained results from this survey will then be collectively analysed and report in our research findings and conclusion.

Please fill out this survey with best of your knowledge and on the basis of your personal experiences.

Thank You

Gender: _____

Age: _____

Status: _____

Social Media Usage: _____

Q1. Please enter a brand you actively follow on social media. "(You will be using the chosen brand throughout the survey to answer the question)"

Yours' Answer:

Q2. What type of site you are using to get the reviews of other users?

>YouTube   >Online Brand communities   >Blogs   >Vlogs   >Facebook
>Instagram   >others (please Specify) _____

Q3.Please circle one number per statement to indicate your view towards the statement below, where *"1" represents strongly disagree (or strongly dislike) and "5" represents strongly agree (or strongly like).*

Perceived credibility					
1. e-WOM in social media/e Commerce website is factual	1	2	3	4	5
2. e-WOM in social media/e Commerce website is accurate	1	2	3	4	5
3. e-WOM in social media/e Commerce website is credible after considering information about products which are shared by my contacts in social media/other consumer in e commerce	1	2	3	4	5

Purchase Intention					
4. It Is very likely that I will buy the product	1	2	3	4	5
5. I will purchase the product next time i need a product	1	2	3	4	5
6. I will definitely try the product	1	2	3	4	5
7. I will recommend the product to my friends	1	2	3	4	5

Trust inn User generated information					
8. In general, I trust the information generated by the user on internet	1	2	3	4	5
9. I feel secure using the information generated by the user on internet	1	2	3	4	5
10. I feel comfortable using the information generated by the user on the internet	1	2	3	4	5

| Prior Knowledge					
11. I have enough expertise in domains related to the product I am intending to buy	1	2	3	4	5
12. I had personally experienced the product I am thinking to buying	1	2	3	4	5
13. I had spent a lot of time reading about the product I am intending to purchase on various sources	1	2	3	4	5

User generated social media communication					
14. I am satisfied with the content generated on social media sites by other user about brand	1	2	3	4	5
15. The level of content generated on social media sites by other user about brand meets my expectations	1	2	3	4	5
16. The content generated on social media sites by other users about brand is very attractive	1	2	3	4	5
17. The content generated on social media sites by other users about brand performs well, when compared to other brands	1	2	3	4	5
18. Content generated on social media sites by other users about brand clearly explains the value proposition of the brand	1	2	3	4	5
19. Content generated on social media by other users about brand provides a compelling reason to buy the brand	1	2	3	4	5

Tie strength					
20. My relationship with other users on social media is very close	1	2	3	4	5
21. I communicate with other users on social media at a very high frequency	1	2	3	4	5
22. I typically interact with each person in social media to a very great extent	1	2	3	4	5

-----------THE END-----------
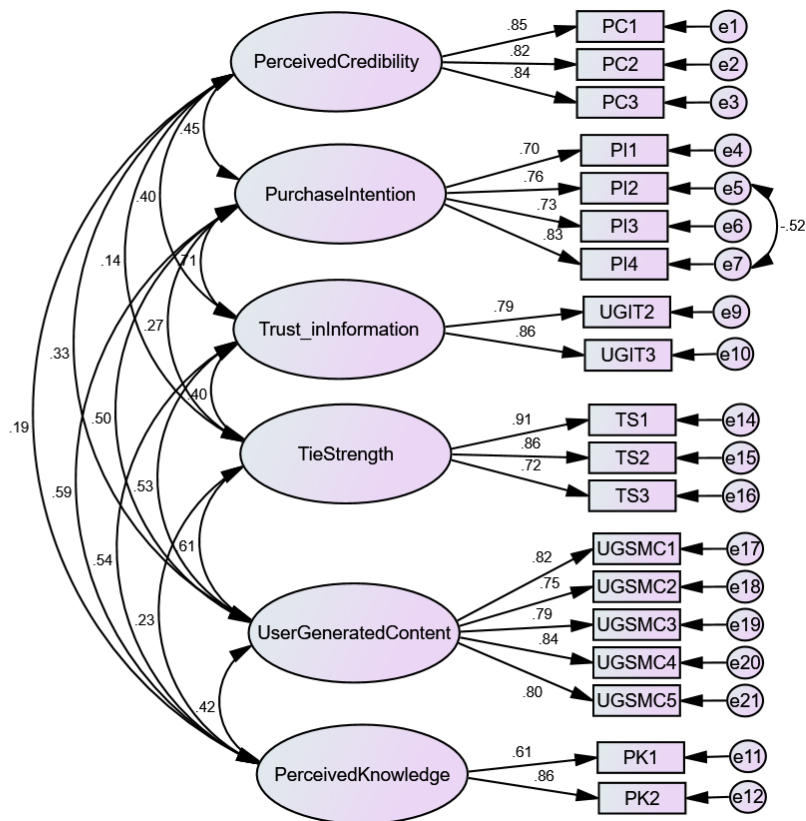
Model Validity Measures

Validity Analysis

	CR	AVE	MSV	Max R(H)	Perceived Credibility	Purchase Intention	Trust_inInformation	Perceived Knowledge	TieStrength	UserGeneratedContent
PerceivedCredibility	0.874	0.697	0.202	0.874	**0.835**					
PurchaseIntention	0.842	0.572	0.501	0.850	0.449***	**0.756**				
Trust_inInformation	0.812	0.683	0.501	0.819	0.403***	0.708***	**0.827**			
PerceivedKnowledge	0.713	0.561	0.349	0.780	0.190	0.590	0.539	**0.749**		
TieStrength	0.871	0.695	0.371	0.898	0.139*	0.275***	0.405	0.229**	**0.833**	

UserGener atedConte nt	0.8 98	0.6 37	0.3 71	0.900	0.331***	0.504***	0.531	0.419***	0.609* **	**0.798**

Validity Concerns

No validity concerns here.

HTMT Analysis

	PerceivedCre dibility	PurchaseInt ention	Trust_inInfor mation	PerceivedKno wledge	TieStre ngth	UserGenerated Content
PerceivedCredi bility						
PurchaseIntent ion	0.456					
Trust_inInform ation	0.403	0.708				
PerceivedKno wledge	0.170	0.650	0.511			
TieStrength	0.156	0.244	0.410	0.224		
UserGenerated Content	0.333	0.506	0.543	0.411	0.612	

HTMT Warnings

There are no warnings for this HTMT analysis.

References

Significance of Correlations:

† p < 0.100

* p < 0.050

** p < 0.010

*** p < 0.001

Thresholds From:

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Thresholds are 0.850 for strict and 0.900 for liberal discriminant validity.

--If you would like to cite this tool directly, please use the following: Gaskin, J., James, M., and Lim, J. (2019), "Master Validity Tool", AMOS Plugin. Gaskination's StatWiki.

Indirect Effects

Indirect Path	Unstandardized Estimate	Lower	Upper	P-Value	Standardized Estimate
UGSMC --> PC --> PI	0.044	0.026	0.069	0.001	0.060***
UGSMC --> UGIT --> PI	0.297	0.237	0.365	0.001	0.400***

References

Significance of Estimates:

*** p < 0.001

** p < 0.010

* p < 0.050

† p < 0.100

--If you would like to cite this tool directly, please use the following: Gaskin, J. & Lim, J. (2018), "Indirect Effects", AMOS Plugin. Gaskination's StatWiki.