

**A STUDY ON THE INFLUENCE OF WORD OF MOUTH OVER DIGITAL MARKETING
TOWARDS CONSUMER PURCHASE DECISIONS**

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Abstract:

Today the word of mouth has played vital role in marketing of products and services. The awareness on consumer education as paves the way for quality of purchase decisions. Consumer purchase decision is entirely based on information and its trust. There are many factors are influencing the behaviour of consumers to take right decision on product and services. This paper contains influence of word of mouth over digital marketing towards consumer purchase decisions and their quality of decisions and satisfaction are measured.

Keywords: Information, Communication, Marketing; Consumer satisfaction

I. Introduction of the study:

In an economic context, advertising is a subcategory and integrated part of all the activities that promote a brand (marketing), next to, e.g., pricing or other forms of marketing communication like personal selling. Advertising has several important societal functions. In markets it is an important factor in facilitating competition between firms because it enables them to communicate efficiently with consumers and thus to compete for their attention and preferences. Moreover, it is a key source of funding for mass media in many media systems and the advertising industry is an important employer. Digital marketing is a form of marketing and advertising which uses the Internet to deliver promotional marketing messages to consumers.

Word of mouth is one of the oldest ways of conveying information. Many persons have suggested that word of mouth is a person-to-person communication tool, between a communicator and a receiver, who perceives the information received about a brand, product, or service as non-commercial. Likewise, These interpersonal exchanges provide access to information related to the consumption of that product or service over and above formal advertising, i.e., that goes beyond the messages provided by the companies and involuntarily influences the individual's decision-making. Word of mouth is widely regarded as one of the most influential factors affecting consumer behaviour. This influence is especially important with intangible products that are difficult to evaluate prior to consumption, such as tourism or hospitality. Consequently, Word of mouth is considered the most important information source in consumers' buying decisions and intended behaviour. In other words, overall satisfaction leads to the possibility of revisiting and recommending the destination. As a result, Word of mouth can influence many receivers and is viewed as a consumer-dominated marketing channel in which the senders are independent of the market, which lends them credibility. This independence makes word of mouth a more reliable and credible medium.

II. Need for the study:

The study is based on the dependence of consumer while making any purchase, whether they depend on word-of-mouth information or digital information. This study can help to understand the Influence of Word of mouth over Digital marketing towards Consumer Purchase decisions. After globalization, there is a stiff competition among companies due to increased sales promotion strategies and consumer requires quality of information for purchase decisions. Hence, it is essential to study the Influence of word of mouth over digital marketing towards consumer purchase decisions. Such an understanding facilitates Consumers to enhance their quality of decisions for better satisfaction on product and services.

III. Objectives of the Study:

1. To analyze the demographic profile of consumers that impacts behaviour of consumers towards purchase decisions.
2. To know the level of relationship between variables and its impact on consumers purchase decisions.
3. To know the level of consumer satisfaction towards purchase decisions after purchasing through word of mouth communication.

IV. Research design:

The study is based on both primary and secondary data. The necessary data was gathered basically through a structured questionnaire designed to obtain information from the consumers. The demography of the sample unit has been confined to Chennai city only. Chennai is a city with a population representing the people of all parts of India. The demography of the sampling unit was selected based on the basis of high awareness of consumers in recent years. The study is descriptive in nature and the data has been collected by way of convenience sampling method. The questionnaire served to 108 respondents and 102 respondents gave response, out of which, the final sample consisted of 88 respondents which were complete and usable for the study. The response rate was 86% and it's considered to be satisfactory in view of the experience of the previous researchers. The respondents were consumers who have connected with Purchase Decisions. After collecting the data has been arranged in a tabular form. Keeping in view the objectives of the study, percentage analysis, correlation and regression test have been used for data analysis.

V. Review of Literature:

[Anne Martensen & Lars Gronholdt \(2016\)](#) spoken about "The Effect of Word-Of-Mouth on Consumer Emotions and Choice: Findings from a Service Industry" that positive and negative word of mouth (WOM) has an asymmetric influence on emotions, behavioural attitude and intention. They also found that positive WOM has a larger impact than the social norm on behavioural attitude and intention and that negative WOM has an impact equal to that of the social norm.

Mira Rakic & Beba Rakic (2018) has investigated "From word-of-mouth marketing to word of mouth in the traditional and digital media" that consumers use the recommendations as a source of information in deciding on their purchase. This paper presents model "4M", according to which 4 key ways to spread recommendations are: "mouth", "mouse", "mobile phone" and mix – a combination of previously mentioned ways. Findings show that word of mouth marketing has to be an integral part of holistic marketing activities of an organization.

Magdalena Brzozowska-Wos and Bruno Schivinski (2019) found that positive online reviews affect each Customer-based brand equity (CBBE) variable in the context of an online catering outlet in their study "The effect of online review on consumer-based brand equity case study of the Polish restaurant sector." Negative E-WOM only affects perceived quality and brand loyalty when a well-known catering establishment offers the option of placing orders via internet platforms. However, it has no effect on brand recognition or association.

Junga Kim and Chunik Lee (2019) analyzed "A comparative study of face-to-face word of mouth and social electronic word of mouth." The findings reveal that F2F word of mouth communications have more persuasive power than social electronic word of mouth with respect to knowledge gain, information sharing behaviors, brand attitudes and future purchase intentions. As for the relationship between word-of-mouth givers and receivers, F2F word of mouth sources tend to be perceived as having stronger ties than social electronic word of mouth, while also being more homophiles and trustworthy.

Rashmi Rai & Shruti Tripathi (2020) concluded from their study "consumer buying psychology and brand perception: influence of word-of-mouth communication" that there is a significant correlation between word of mouth and consumer buying behaviour, wherein consumer behaviour was measured in terms of Brand Perception, Search and Risk Reduction.

VI. Results & Discussions:

A percentage frequency distribution is a display of data that specifies the percentage of observations that exist for each data point or grouping of data points. It is a particularly useful method of expressing the relative frequency of survey responses and other data. The following table shows the demographic profile of consumers.

Table No. 1.1 Demographic Profile of Consumers

Variables	Particulars	No. of Respondents	% of Respondents
Age	18-30	80	90.9
	31-45	03	3.4
	45-60	03	3.4
	Above 60	02	2.3
Gender	Female	59	67
	Male	29	33
Occupation	Homemaker	02	2.3
	Private Employee	03	3.4
	Government Employee	29	33.0
	Self employed	04	4.5
	Student	50	56.8
Family Monthly Income	Below Rs.25000	35	39.8
	Rs. 25001-50000	30	34.1
	Rs.50001-100000	14	15.9
	Above Rs. 100000	09	10.2
Marital Status	Married	19	21.6
	Unmarried	69	78.4

From the Table No. 1.1 it is found that, 90.9% respondents are from the Age group of 18-30 years; 3.4% of the respondents' are from the group of 31-45 years and 46-60 years; 2.3% of the respondents are from the group of above 60 years. According to Gender classification 67% of the respondents are Female and 33% of the respondents are Male people. According to Occupation classification 56.8% of the respondents are Students; 33% of the respondents are Government employees; 4.5% of the respondents are Self-employed persons; 3.4% of the respondents are Private employees and 2.3% of the respondents are Home makers. According to Family Monthly Income Classification 39.8% of the respondents are earning monthly income below Rs.25,000 rupees; 34.1% of the respondents monthly earning is between Rs.25,000 – Rs.50,000; 15.9% of the respondents are in the monthly income level of Rs.50,000- Rs.1,00,000 and rest of them are in the level of Above Rs.1,00,000. According to Marital Status Classification 78.4% of the respondents are unmarried people and rest of them are married people.

Influencing of variables on consumer purchase decisions:

The regression test is used to identify the influencing variables of consumer purchase decisions. The same test was applied on these variables and the results are given in Table No.1.2.

Table No. 1.2 Model Summary of Consumer Purchase Decisions

Model	R	R Square	Adjusted R Square	Std. Error of Estimate
	.135	.618	.017	.776

From the Table No.1.2, it is found that $r = 0.135$, r^2 is 0.618, adjusted $r^2 = 0.017$ and SE of the estimate 0.776. It could be inferred from above statistical result that the variables on consumer purchase decisions at 5% level. This shows that there is good fit of regression on these variables.

Table No. 1.3 ANOVA of Consumer purchase decisions

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	.936	04	.312	.519	.671

Residual	50.519	84	.601		
Total	51.455	88			

From the Table No.1.3, it is found that F value = 0.519, P = .000 which is systematically significant at 5% level and it may concluded that the regression fit is significant. The variables are highly significant in explaining the factors of consumer purchase decision. Further the individual impact is measured through t test values as shown in Table No.1.4 indicating word of mouth over digital marketing significant co-efficient have 98% influence on consumer purchase decisions.

Table No. 1.4
Influencing of variables on consumer purchase decisions

Particulars	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error			
(Constant)	4.423	.730		6.057	.000
Information collection	.210	.176	.133	1.189	.238
Friends & Family Suggestions - After purchases (Word of Mouth)	.037	.151	.030	.248	.805
Choosing of Right products & services – Suggestions by Friends & Family (Word of Mouth)	.070	.137	.061	.514	.609

From the Table No.1.4, it is found that Information collection (t = 1.189, P = .238), Friends & Family suggestions - after purchases (t = 0.248, P = .805), Choosing of Right products & services – Suggestions by Friends & Family (t = 0.514, P = 0.609) are statistically significant at 5% level. Therefore it may be concluded that these variables are influenced the consumer purchase decisions.

Application of regression test discloses the consumer purchase decisions are influenced by variables like information collection, friends & family suggestions and choosing of right product and services. The correlation test is used to find the relationship between the factors of consumer purchase decisions.

The relationship between Information collection and Brand Shifting:

It is assumed that the above variables are Information collection and Brand shifting have some influence on consumer purchase decisions. Karl Pearson’s Co-efficient of correlation was applied to find out the inter relationship between these variables. The results are shown in Table No. 1.5.

Table No. 1.5 Information collection and Brand shifting

Particulars		Information collection	Brand Shifting (After Suggestions)
Information collection	Pearson Correlation	1	.565
	Sig. (2-tailed)		.007
	N	88	88

It is found from the Table No. 1.5 that there is a Moderate degree of relationship between Information collection and Brand Shifting ($r=0.565$). It reveals that shifting of brand is varied on the basis of Information collection.

The relationship between Satisfaction level and Risk factor:

It is assumed that the above factors are Satisfaction level and Risk factors have some influence on consumer purchase decisions. Karl Pearson’s Co-efficient of correlation was applied to find out the inter relationship between these factors. The results are shown in Table No. 1.6.

Table No. 1.6
Information collection and Brand shifting

Particulars		Satisfaction level	Risk factor
Satisfaction level	Pearson Correlation	1	.370
	Sig. (2-tailed)		.002
	N	88	88

It reveals from the Table No. 1.6 that there is a low degree of relationship between Satisfaction level and Risk factor ($r=0.370$). It reveals that satisfaction level is having less relationship with the risk factor.

The relationship between Trust on Friends & family suggestions and Satisfaction level:

It is assumed that the above factors are Trust on Friends & family suggestions and Satisfaction level have some influence on consumer purchase decisions. Karl Pearson’s Co-efficient of correlation was applied to find out the inter relationship between these factors. The results are shown in Table No. 1.7

Table No. 1.7
Trust on Friends & family suggestions and Satisfaction level

Particulars		Trust on Friends & Family suggestions	Satisfaction level
Trust on Friends & Family suggestions	Pearson Correlation	1	.907
	Sig. (2-tailed)		.854
	N	88	88

It reveals from the Table No. 1.7 that there is a high degree of relationship between Trust on Friends & family suggestions and Satisfaction level ($r=0.907$). It reveals that high Trust on Friends & family suggestions lead to increase the satisfaction level of consumers with regard to purchase decisions.

VII. Conclusion:

After development of technology and Digital world, still now people rely on word- of- mouth communication from friends and family which is trustable and tangible in the hands of the consumer. Generally information is very important for choosing of right product and services. Hence this study found that, how the information played significant role in consumer purchase decisions through word

of mouth communication. This study analyzed the changing behaviour of consumer purchase decisions with respect to demographic profile and all the variables are having good relationship with each other. Thus, word of mouth communication played a vital role in the consumer purchase decisions and help them to have a better satisfaction.

VIII. Suggestions:

1. Generally the consumers before go into the purchase decisions; they need to analyze the information (word of mouth communication) meticulously for the improvement.
2. The Government may monitor different types of company's advertisements with in the periodical intervals to protect the people from false advertisements.
3. The Government or any other agency may conduct consumer education programmes to create awareness among the public for enhancing their quality of purchase decisions.

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