



Analyzing Consumer Buying Behavior Through Word of Mouth: An Empirical Assessment

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ABSTRACT

The research focuses upon finding the role of Word of Mouth on Consumer Buying Behavior. Consumers have to make a decision for buying a particular product and for that they have to go through a certain process and WOM plays a vital role in making that decision for them. The study examines the role of word-of-mouth dimensions i.e., perceived usefulness of WOM, attitude towards the WOM and past experiences. The researchers used simple random sampling to select the respondents. The researchers used survey mechanism is used to collect the data. Researcher selected a population sample of 440 students. People belonging to different departments from the entire university were chosen for conducting the research. The researchers used regression analysis to test the hypothesis of current research. According to the results of this study, all aspects of word-of-mouth have a significant impact on customer buying behaviour. More precisely, perceived usefulness influences online customer purchasing behaviour significantly. Additionally, customer attitude has a significant impact on consumer purchasing behaviour. In conclusion, the data demonstrated that prior customer experience has a considerable impact on online consumer characteristics and consumer purchasing behaviour.

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1. Introduction

Word of mouth is the common means of spreading information from person to person. This can be of any type ranging from negative word of mouth to positive word of mouth depending upon the experience the person spreading WOM has over the particular thing. It is not easy to manage Word of Mouth because people have a free opinion about what they say about anything.

This leads us to a survey that brings us to a level that shows that WOM cannot be controlled but can be made positive (Zhang et al., 2022). To enhance word of mouth and give people a positive idea about a particular product there are a few things that need to be noticed. The first thing is to manage the word of mouth and pay people to spread positive WOM, control advertisements and make a strong basis for WOM to control what people say and how they perceive when they hear something about a particular product (Jasin, 2022).

Word of Mouth is one of the most effective forms of marketing that can be done on the web. The development of user-generated content (UGC) on the Internet provides customers with a variety of channels via which they may impart their thoughts, preferences, or experiences with other individuals. In addition, it opens up new opportunities for businesses to capitalize on WOM marketing. One commentator once said that there is no need to throw money on Superbowl advertisements since people are now moving to WOM advertising and blogging (Cheung & To, 2021). In this manner, it is essential to get to know whether WOM is genuinely successful and, provided that this is true, how its effect contrasts and how consumers take this for their buying decision making. (Sosanuy et al., 2021).

The problem we have worked upon in this research paper is that to find out whether word of mouth plays a vital role in consumer buying behavior or not. The major focus is upon the purchase decision with a mediating role of perception development. With word of mouth being such a heavy source of information these days it needs to be noticed whether it affects the buying behavior of consumers and develops a certain perception in the minds of consumers or not. Word of mouth is considered to be one of the most vital and the least understood marketing strategy used by several people for their products and their promotions. It has become vital because there seems to be no more room for marketing when WOM is not a viable strategy being used (Mai & Liao, 2021).

Word of mouth has become an important strategy for advertising about particular products. Companies and individuals have chosen WOM for marketing of their products and it has become a convenient option for spread a common notion. The objective of this research is to find out whether WOM has affected people's buying behavior and whether their perception is being affected by the contagious word of mouth. Word of mouth plays a very significant role in spreading information about something. People in different places of the city are being told about the product through word of mouth. This notion is used because of convenience and because less money is used in spreading word of mouth. Thus, current study investigates the effects of word of mouth on the buying behavior of students of Sargodha University, Sargodha Pakistan.

1.2 Research Objectives

The basic objective of this research is to find out the factors related to the word of mouth that actually affects the buying decision of consumers. The specific objectives include whether

- To investigate the effect of perceived usefulness of word of mouth on consumer buying behavior
- To investigate the effect of attitude towards word-of-mouth effects on consumer buying behavior

- To investigate the effect of past experience effects on the consumer buying behavior

2. Literature Review

Consumer Buying behavior is basically the process through which the individuals tend to purchase any particular product or service keeping in mind their resources and efforts (Zhao et al., 2020). According to a survey, generally people tend to buy the products or services not due to the influence of the quality of the product or the advertisements but because they have heard good words about that product or service from their family or friends (Zhao et al., 2020). Word of mouth has an important role in building up the intention of purchasing any product in the minds of customers. According to the results deduced from a study, it has been concluded that the impact of electronic word of mouth on the consumer buying behavior has a strong relationship with the brand image of that product. Different studies have revealed the fact that the word of mouth is considered to be the most consistent and reliable source of information. Moreover, the ads, reviews and comments of people have different impacts on the minds of customers which in return are responsible for developing perception. The preferences and buying behavior of customers are affected by the critical factor termed as the word of mouth (Ahmad et al., 2014).

Word of mouth is considered to be the most effective tool in comparison with any other marketing tool that can affect the buying decision of consumers. The electronic word of mouth is considered to be the effective way which helps consumers in making perception about a particular brand (Mahmud et al., 2020). Consumer behavior is the behavior which is displayed by the people in searching for and consuming those products and services which are expected to satisfy their needs. Marketers who put in their great effort in the advertising campaigns cannot compare the satisfaction level of consumers achieved through word of mouth communicated from their own trust worthy sources. Word of mouth is the most reliable and effective source if a product seems to be complex to any customer, if customer wants to get further information about any product and even if the customer wants to evaluate about any particular product (Aslam et al., 2011)

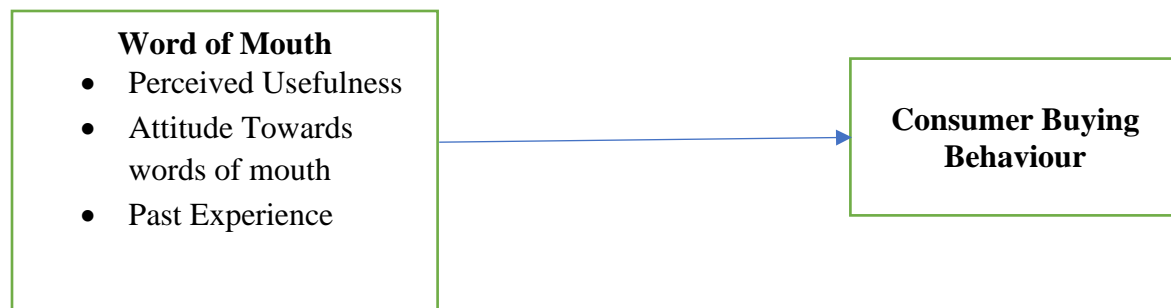
According to Hossain et al. (2017), the first thing that comes in the minds of customers while purchasing any product is the experience of their friends and family regarding that product. According to research, the risk and uncertainty attached with the purchase of services is effectively reduced through the communication of word of mouth. Word of mouth is one of the central ways through which any sort of information can be distributed among different individuals belonging to different classes and areas. It is one way through which the views and perceptions of the people can be changed and altered. Word of mouth can create long lasting and impacting image in the minds of individuals if it is used properly. The value of word of mouth is twice more effective than the value of advertising for the customers as the advertising focuses on mass marketing while word of mouth focuses on individual marketing (Almana & Mirza, 2013).

Social communication is another name for the word of mouth through which different believes, perceptions, ideas and experiences are shared amongst different individuals. People belonging to different age groups and marital status prefer the opinions and experiences of other people to take any decision (File & Prince, 1992). The word of mouth is taken as negative review or a positive review. Positive word of mouth helps customers in remembering about the product

for a longer period of time. While the negative word of mouth has negative impact on the minds of customers and they only remember the disadvantages of the product. The source of word of mouth and the buying behavior of the customers towards any product have a positive relationship with each other. This means that the positive word of mouth compels the customers to buy the product (Schindler & Bickart, 2005). Word of mouth has a great impact on the judgment about a product whether that is a short term or a long term. Higher the impact of the word of mouth is if it is communicated by an expert person regarding that product.

Past experience plays a crucial role in the re-purchase of a product/brand by a consumer. Purchase behavior of the consumer depends upon the past experience. Past experience matters a lot while making a decision for a purchase. Some researchers say that it is critical because it facilitates in buyer decision producing method as it is concerned with the buy practice (Maru File et al., 1994). Customer examination is characterized as tactile recognition in which they see and structure the assessment about the stock and the organizations in view of tangible boosts before choosing to purchase. It is recommended that perception can be of three categories that is self, price and perception of benefit (Kuo & Nakhata, 2019).

Theoretical Background



3.0 Methodology of the study

The research design we chose for our research is quantitative in nature. The researchers used deductive approach to conduct this study. Further, positivism philosophy was used by researchers to conduct this research. The nature of the study is cross-sectional. The unit of the analysis for this research was students studying in different department of Sargodha University. The target population of the current study was students studying in all departments of Sargodha University. The researcher selects five departments randomly to receive the responses from target audience. The researcher used probability research technique to select the most appropriate sample for current research. The researchers used simple random sampling to select the respondents. The researchers used survey mechanism is used to collect the data. First of all, an appropriate questionnaire was being designed and checked for its reliability. Then the questionnaire was distributed to the sample respondents and the desired results were deduced. The results proved that our research design was appropriate and gave correct results. We selected a population sample of 440 students. People belonging to different departments from the entire university were chosen for

conducting the research. The results were gathered from the population sample by giving them questionnaires and getting their answers. Researchers incorporated online Google form in our study to get the results from the respondents online. After getting the results, the data was entered into SPSS and the results were generated which proved out to be correct and suitable for the research study.

4.0 Results

4.1 Reliability Analysis

Table 1 shows the Reliability Statistic generated shows the Cronbach's Alpha of all independent and dependent variables. The table indicated that all the variables CA values are more than 0.70. This depicts that the data being collected against observed variable is stable, consistent and shows that true picture.

Table 1: Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Perceived Usefulness WOM	10.6480	3.266	.745	.865
Attitude WOM	10.7007	3.295	.821	.833
Past Experience WOM	10.7147	3.899	.747	.867
Consumer Buying Behaviour	10.8667	3.456	.742	.863

4.2 Factor Analysis

Factor analysis is a statistical method for determining the role of unseen factors in explaining relationships between correlated and measurable variables. The Kaiser-Meyer-Olkin (KMO) test is used to assess the size of a sample and get insight into the factors that contribute to the observed variance. Results from a KMO factor study must be in the range of 0.5 and 1. To put it another way, the KMO value is more than 0.5. Since KMO indicates sample appropriateness (Kaiser & Rice, 1974). The results of Bartlett's test of sphericity are less than 0.5 by 0.000, suggesting a statistically significant correlation between the variables.

Table 2: Factor Analysis

KMO and Bartlett's Test	
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.821
Bartlett's Test of Sphericity	Approx. Chi-Square
	706.666
	df
	6
	Sig.
	.000

4.3 Correlation matrix

The relationship between the variables was analyzed using a correlation coefficient. Since the current study relied on a Likert scale, the researchers looked for a correlation by means of Pearson's coefficient. It is necessary to confirm linearity of the connection using Pearson correlation before proceeding with regression. Table 4.3 shows a significant positive connection between the all the observed variables. Additionally, if the correlation matrix value is under 0.80 than the researcher predicts that there is no issue of multicollinearity between the variables. As the values are less than 0.80 so researcher assure no issues in data regarding multicollinearity. Thus, findings of this study revealed that all the variables are significantly related with each other and their level of correlation is also acceptable.

Table 4.3 Correlations

		Perceived Usefulness WOM	Attitude WOM	Past Experience WOM	Consumer Buying Behaviour
Perceived Usefulness WOM	Pearson Correlation Sig. (2-tailed)	1			
Attitude WOM	Pearson Correlation Sig. (2-tailed)	.755**	.000 ₁		
Past Experience WOM	Pearson Correlation Sig. (2-tailed)	.615**	.692**	1	
Consumer Buying Behaviour	Pearson Correlation Sig. (2-tailed)	.613**	.692**	.690**	1

** . Correlation is significant at the 0.01 level (2-tailed).

4.4 Regression Analysis

Table 4.4 shows the model summary results. The value of R square shows the predictive power of the model which is .572 indicating that 52.7% independent variables explain outcome variables.

Table 4.4 Model Summary

Mode	R	Adjusted R	Std. Error of the Estimate	R Square Change	F Change	df1	df2	Sig. F Change
1	.756 ^a	.572	.47430	.572	131.594	3	296	.000

a. Predictors: (Constant), Past Experience WOM, Perceived Usefulness WOM, Attitude WOM

Table 4.5 demonstrates that the F significance value is less than 0.05, indicating that the model is suitable for further study.

Table 4.5 ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	88.809	3	29.603	131.594	.000 ^b
	Residual	66.587	296	.225		
	Total	155.397	299			

a. Dependent Variable: Consumer Buying Behaviour

b. Predictors: (Constant), Past Experience WOM, Perceived Usefulness WOM, Attitude WOM

Table 4.6 indicated that WOM dimension of perceived usefulness has significant and positive effect on consumer buying behaviour ($\beta = .119$ and P value 0.030). Further, the findings indicated that WOM dimension of attitude has significant and positive effect on consumer buying behaviour ($\beta = .331$ and P value 0.000). Lastly, the findings indicated that WOM dimension of past experience has significant and positive effect on consumer buying behaviour ($\beta = .331$ and P value 0.000).

Table 4.6 Coefficients

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.119	.174		.684	.494
	Perceived Usefulness WOM	.119	.055	.129	2.176	.030
	Attitude WOM	.331	.065	.331	5.128	.000
	Past Experience WOM	.471	.066	.382	7.106	.000

a. Dependent Variable: Consumer Buying Behaviour

5.0 Discussion and Conclusion

The findings of current research indicated that all dimensions of Word of Mouth have significant influence on consumer buying behaviour. The findings of current research are in line with previous researches as most of the authors suggested that positive word of mouth has significantly and positively influence on consumer buying behaviour (Li et al., 2022; Zhai et al., 2022). Further, the findings confirm H2's claim that perceived usefulness has significant influence on online consumer buying behaviour. The findings of current research are in line with previous researches as most of the researchers suggested that perceived usefulness has significantly and positively influence on online consumer buying behaviour (Al-Abbadi et al., 2022; Alhaimer,

2022). Moreover, attitude of customers has significant influence on consumer buying behaviour. The findings of current research are in line with previous researches as most of the authors suggested that positive attitude of customers has significantly and positively influence on consumer buying behaviour (Jasin, 2022; Kurdi et al., 2022). Lastly, the results revealed that past experience of customers has significant variables and online consumer and positive effect on consumer buying behaviour. The findings of current research are in line with previous researches as most of the authors suggested that positive perception of consumers regarding WOM has significantly and positively influence on consumer buying behaviour (Lim et al., 2016; Miyazaki & Fernandez, 2001).

Spreading positive word of mouth can be a better idea for companies and groups. People can use WOM marketing for spreading knowledge or information about their products and with the help of positive word of mouth, more people can be targeted. For WOM internet is a valid resource. People can find better information when they hear about it from others and most people rely on other resource as well. This is a better idea of how things can be marketed in the world of digital era. Interviews were not included in the research. Through interviews we could have found better answers from people and quick response could have been taken. We have been area based and took respondents from Punjab University. If we took respondents from other universities or other areas, a better result would have been generated and better research would be conducted.

Authors Contribution

Tahir Matila: Conceived the presented idea and developed the theory literature search, study design

Aamir Shahzad: Literature search, data collection, Methodology, proofreading and editing

Saima: drafting and data analysis

Conflict of Interests/Disclosures

The authors declared no potential conflicts of interest w.r.t this article's research, authorship, and/or publication.

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