

The Power of E-Word of Mouth Marketing on Consumers' Purchase

By

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11436

A thesis presented to the Department of Management Sciences, Bahria University Karachi Campus, in partial fulfillment of the requirements of the MBA degree



SPRING 2014

Bahria University Karachi Campus

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ACKNOWLEDGEMENTS

At first, Thanks to Almighty Allah, Who's the most merciful and compassionate, with the blessing of Whom I could complete this thesis in good time.

I especially would like to give my heartiest thanks to Sir Suleman Basarvi whose guidance and devotion became strength while writing and completing thesis. His direction remained a constant inspiration. I greatly acknowledge his role and contribution. It leads to the current shape of the thesis which will be a source of progress on the subject not only in present, but also in future.

I would also like to thank my project leader Miss Sadaf Alam, who gave me very beneficial tips to gather information for this project and also help me in preparation of this report.

At this moment I also thank almighty God for the blessings showed upon me, my parents for their support and care and also my friends for their valuable suggestions. This project report is a collective effort of all and I sincerely remember and acknowledge all of them for their excellent help and assistance throughout the project.

ABSTRACT

This study aims to explore the causal relationship between e-word-of-mouth (e-WOM) and its influence on purchase decisions through structural equation modeling (SEM). Five constructs were formulated through literature review: expertise, search extent, own experience, trustworthiness, and e-WOM effect. Results of this study show that four constructs all have positive influence on e-WOM effect, and own experience has the most influence on purchase decisions. Existing electronic word-of-mouth (e-WOM) studies mainly focus on original e-WOM sending and searching/receiving behavior, investigating factors in the communication process and influences on the participants. While marketers repeatedly exclaim that original e-WOM communication is more and more difficult and expensive to create on the Internet; furthermore, it is less and less beneficial. This study addresses the gap between the marketers' needs and the existing academic studies, investigating e-WOM from a new perspective. Following an assessment of various literatures, this study incorporates a communication process model into electronic word-of-mouth communication and constructs a conceptual framework for re-word-of-mouth behavior on the internet. Based on the literature review and focus group interview, we find that e-WOM Motives can be generated by e-WOM Search and e-WOM Response. This study can help online companies to provide more effective and beneficial online information services for both consumers and themselves.

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