## THE IMPACT OF ELECTRONIC WORD OF MOUTH ON ONLINE IMPULSE-BUYING BEHAVIOR ON ZANBIL ONLINE STORE

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**Abstract.** In today's highly competitive markets, corporate executives are looking for new ways to make people aware of their products and improve their brands. Therefore, they use different marketing methods to attract more customers. One of the most effective methods that are based on interpersonal communication is electronic word of mouth (eWOM) marketing. In recent years, with the increase in internet users in Iran, a good opportunity has been created for companies to use this innovative method along with traditional marketing methods. The present study is an applied and a descriptive-survey type research. The statistical population includes customers of Zanbil website. For sampling we use convenience sampling, and collected 384 filled questionnaires. The purpose of this study was to investigate the effect of eWOM on online shopping behavior. After reviewing theoretical foundations and findings of previous researches, we prepared a conceptual research model and hypotheses. The findings showed that eWOM have a significant effect on online shopping behavior.

Keywords: eWOM, online impulse-buying behavior.

**Problem statement.** One of the most accepted concepts in consumer behavior is the word of mouth relationship that has an important role in shaping consumer behavior and attitude. In marketing, word of mouth relationship mostly refers to consumer recommendation and suggestions to other people. Speed and a lack of commercial prejudices to brand or product or service has made it an effective information source for selection tool for consumers especially in cases that previous shopping experience is limited [2]. From the advent of information technology and internet, word of mouth marketing described in different terms like viral marketing, marketing via email, word of mouth marketing, and word of mouth advertising [10].

Word of mouth advertisement includes all informal electronic communications of consumers over internet that are related to usage or the characteristics of special goods or services or sellers. These kinds of advertising have become an important arena for consumers' opinion and because of accessibility appear to be even more efficient from word of mouth in the world offline [1]. On the other hand, one of the most important topics in the field of consumer behavior is impulse- buying behavior. Impulse Buying is a hidden side of consumer behavior that skilled salespeople can take advantage of it using different incentives and raise the amount of their sales. Impulse Buying or unplanned buying is one of the important aspects of consumer behavior that touches many interesting and important points in marketing activity and behavior [3]. Impulse buying is an unintended compelling, hedonic and complex behavior where the speed of buying decision overshadows any thought, consideration and comparison [7]. In this research, to find the impact of eWOM on impulse buying behavior we check this issue among the buyers of Zanbil online store and given that this kind of research has not been conducted among online buyers in Iran, in this study we examine the impact of eWOM on impulse buying behavior to find out whether eWOM impacts impulse buying behavior among online consumers ornot?

Literature review. In reference [8] the impact of eWOM on impulse buying behavior has been investigated. This research uses regression and SPSS software and the results showed that eWOM has a significant impact on impulse buying behavior. Reference [7] examines the impact of shop space on impulse buying behavior. This study examines the intermediary impact of population variables on the relationship between the two variables. This survey, conducted among 18 stores in Pakistan. The results showed that retailers can enhance impulse buying behavior by improving the store environment. In reference [9] the impact of word of mouth on consumer buying intention has been studied. This study was conducted among clothing stores in Pakistan and the results showed that word of mouth has a significance impact on the consumer buying intention. In reference [5] the effect of positive word of mouth advertising on buying brans from stores has been investigated. To analyze the data they have used confirmatory factor analysis and structural equation modeling. The findings of the research show that there is a positive relationship between word of mouth advertising and buying intention from private brands, and there is a positive relationship between positive word of mouth advertising and the perceived image of the store. Based on these findings, there is a negative relationship between the perceived image of the store and the perceived risk of brand of stores, as well as the perceived risk of brands and intention to buy brands from shops. There was no significant relationship between the perceived image of the store and the intention to buy of the store brand. In reference [4] the effect of word of mouth advertising on the consumers intention to buy y using the attitude of the recipient of the message about the product and the loyalty (case study: Golrang consumers in Tehran) as a mediator has been studied. The type of study was applied category and in terms of purpose it was descriptive - survey type. The target population includes all buyers of Golrang goods in Tehran. A sample including 384 individuals selected using random cluster sampling method. The research questionnaire was developed by the researchers and professors and the validity confirmed using confirmatory factor analysis and its reliability was confirmed using Cronbach's alpha which was 0.964. Based on the study, six hypotheses have been tested using confirmatory factor analysis, path analysis and examining their significance. The results show that consumers

purchase intention word of mouth advertising with a mediating variable, recipient message has impact on attitude towards the product and commitment. The role of gender as a moderating variable in the relationship between the word of mouth and recipient attitude to product was not confirmed, but the role of education as a moderating variable in the relationship commitment and intention to buy was confirmed. In reference [6] the impact of eWOM on buying intention of consumers was studied using customer-based brand equity among students (case study: laptop products of Dell). The theoretical basis and the findings from previous research establish the conceptual model and the hypothesis. The findings showed that eWOM has impact on the dimensions of brand equity, except for brand awareness and finally, according to the findings, some suggestions were presented.

# **Research purposes**

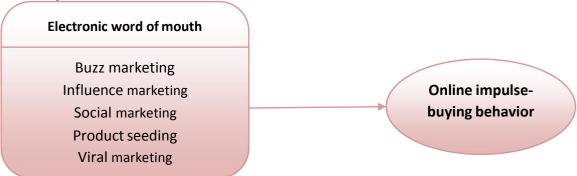
Main objective:

Evaluate the impact of eWOM on online impulse buying behavior

### Sub- goals:

Evaluate the impact of Buzz marketing the on online impulse buying behavior Evaluate the impact of influence marketing on online impulse buying behavior Evaluate the impact of social marketing on online impulse buying behavior Evaluate the impact of product seeding on online impulse buying behavior Evaluate the impact of viral marketing on online impulse buying behavior

1. Conceptual model of research



## Figure 4-1. Conceptual model of the research [8]

**Research methodology.** In terms of purpose this research is an applied study and it is a descriptive-survey type. Statistical population includes customers of Zanbil website. Since the number of customers is indeterminate, according to Morgan table the sample size should be 384 people. In this research we use convenience sampling method. Data collection tool are a questionnaire that includes 6 questions on impulse buying behavior and another questionnaire that includes 15 questions to investigate eWOM. We use content validity to confirm validity and Cronbach's alpha to confirm reliability. The next step we Kolmogorov test to investigate normality and then structural equation modeling and path analysis.

**Results. Kolmogorov test to investigate normality of data.** To implement statistical methods and calculating desired statistics and logical inferences about the research hypothesis the most important factor is choosing the appropriate statistical methods for research. To this end, determining the distribution of the data is priority. For this purpose, in this research, to check the assumption of normality of the data we used Kolmogorov-Smirnov Test.

Kolmogorov-Smirnov Test which named after the Russian statisticians is a non-parametric method for determining the consistency of the experimental data with the selected statistical distributions. The Kolmogorov-Smirnov Test or K-S is a method for checking theoretical consistency of empirical data distribution. Kolmogorov-Simonov test is a method to check normal distribution of observations collected.

Variable	Significance level (sig.)	Test result
Buzz Marketing	.769	Normal distribution
Influence marketing	.417	Normal distribution
Social marketing	.577	Normal distribution
Product seeding	.69	Normal distribution
Viral marketing	.537	Normal distribution
Online impulse buying behavior	.687	Normal distribution

Table 6-1 results of the Kolmogorov - Simonov test for research variables

This test is verify the normality of data claims about the distribution of a quantitative variable, for instance is the distribution of evaluated variables normal? Therefore, in this study, the distribution normality of each variable is tested. The hypotheses of the study are as follows.

H0: data distribution is normal

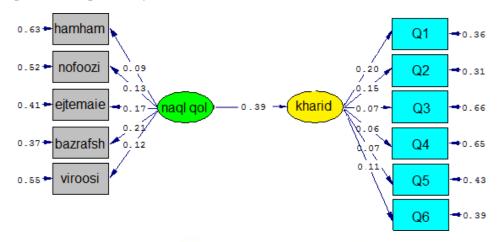
H1: data distribution is not normal

Based on the software output and significance value which is shown briefly as sig., we investigate the normality of variables distribution. Sig is also known as P-value. The lesser is the sig. value, the easier is rejecting the null hypothesis. Alpha ( $\alpha$ ) is errors level that researchers consider (usually 5 percent). In general we can say: *IF Asymp. Sig. (2-tailed) < \alpha=0.5 \rightarrow H0: <i>Reject* 

*IF Asymp. Sig.* (2-tailed)  $\geq \alpha = 0.5 \rightarrow H0$ : Not Reject

Therefore, since data is normal, we use structural equations using LISREL software.

Structural equations and path analysis



Chi-Square=74.24, df=44, P-value=0.00293, RMSEA=0.078

Fig 6-1 standard estimation pattern of structural model of research

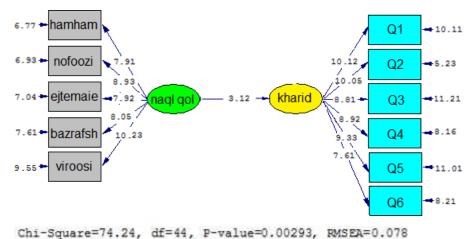


Fig 6-2 significance value pattern of structural model of research

Figures 6-1 and 6-2 show the relation between independent and dependent variables. Significance value model or t-value shows the significance of each parameter and if the absolute amount is bigger than 96.1 the model parameters are significant. Since the significance values of model parameters are bigger than 96.1; the hypothesis related to its variable is confirmed.

Table 6-2 analysis of	path between research variables (	(testing the sub hypothesis)
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Hypothesis	Path	□ coefficient	Ŧ	Hypothesis Result
1	impact of Buzz marketing on online impulse buying behavior	□=0.0	t=7.91	confirmed
		9		
2	impact of influence marketing on online impulse buying behavior	□ =. 13	t=8.93	confirmed
3	impact of social marketing on online impulse buying behavior	□ =. 17	t=7.92	confirmed
4	impact of product seeding on online impulse buying behavior	□ =. 21	t=8.05	confirmed
5	impact of viral marketing on online impulse buying behavior	□ =. 12	t=10.23	confirmed
6	impact of eWOM on online impulse buying behavior	□ =. 39	t=3. 12	confirmed
	Researcher's findings]			-

[Researcher's findings]

## 2. discussion and conclusion

#### Suggestions based on sub Hypothesis 1

Zanbil website administrators talk on the benefits of goods to create Buzz around the product or service to stimulate and exited customers.

Zanbil website administrators mention the use of celebrities from the goods sold at the website to create Buzz around the product or service to stimulate and exited customers.

Zanbil website administrators talk about discounts for goods sold at the website to create Buzz around the product or service to stimulate and exited customers.

The website should consider presenting unique teasers that showcase stories about its products

To complete and promote the Buzz created by it customers, the company should create videos and clips about its products

Those movies and videos should be made available on YouTube or Aparat

### Suggestions based on sub Hypothesis 2

Zanbil should attract followers on webpages using interesting content.

Zanbil should buy Instagram pages that have many followers and use them to its interests.

Zanbil should buy popular Instagram pages.

Promote the site on virtual pages that have lots of followers.

Guide and promote mentions by famous users on social pages.

Zanbil should make its ads more appealing.

## Suggestions based on sub Hypothesis 3

The organization should allocate part of its income to social issues.

Promote social and environmental actions taken on the site.

Zanbil should present social issues that may affect individual prosperity and society prosperity

It should not sell any product that is not environmentally friendly.

## Suggestions based on sub Hypothesis 4

Giving the appropriate products to relevant people at suitable time should be the strategy of Zanbil site.

At Zanbil website a celebrity should advertise the products

## Suggestions based on sub Hypothesis 5

Zanbil should promote website or goods from popular individuals

It should build a platform to adopt or provide inspiring programs that brings relatives and peers at social networks or virtual groups to promote goods available on Zanbil

The site should conduct psychological study of its community and consider different interests.

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