

## COMPARING THE EFFECT OF ONLINE WORD-OF-MOUTH COMMUNICATION VERSUS PRINT ADVERTISEMENTS ON INTENTIONS USING EXPERIMENTAL DESIGN

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### ABSTRACT

Portals allowing consumers to share experiences on the Internet which are called blogs have become an information source that customers use more and more. This study aims to compare the effect of advertisements-an impersonal communication tool- with blogs- a personal communication tool- using an experimental design. The effect of blogs and advertisements on purchasing intentions of university students for mobile phones was investigated through experimental design which was conducted on four groups of university students, all of which included about 20 individuals. Findings indicate that exposure to different information sources like blogs and ads created a significant difference on intentions. The change caused by the exposure was greater for blogs than for ads. Unfavorable blogs created the largest change on intentions. These findings may warn marketers to consider online communication more and take precautions against negative online word-of-mouth communication.

**Keywords:** *Blog, Advertisement, Mobile Phone*

### ÖZET

Tüketicilere internette deneyimlerini paylaşma olanağı sağlayan ve blog adı verilen portallar, müşteriler tarafından daha fazla başvurulan bir bilgi kaynağı olmuştur. Bu çalışma, kişisel bir iletişim aracı olmayan reklamlar ile kişisel bir iletişim aracı olan blogların etkilerini deneysel bir tasarım kullanarak karşılaştırmayı amaçlamaktadır. Deney yöntemi kullanılarak, her birinde 20 kişinin olduğu dört grup üniversite öğrencisinin cep telefonu satın alma niyeti üzerinde blog ve reklamların etkileri araştırılmıştır. Bulgular, bloglar ve reklamlar gibi farklı bilgi kaynaklarına maruz kalmanın niyetlerde anlamlı bir fark yarattığını göstermektedir. Maruz kalmanın neden olduğu değişim, bloglarda reklamlardan daha fazladır. Olumsuz bloglar niyetlerde en büyük değişimi yaratmıştır. Bu bulgular, pazarlamacıları çevrimiçi iletişimi daha fazla dikkate alma ve olumsuz çevrimiçi ağızdan ağza iletişime karşı önlemler almaları konusunda uyarabilir.

**Anahtar Sözcükler:** *Blog, Reklam, Cep Telefonu*

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**INTRODUCTION**

Individuals make a lot of decisions every day. Part of these decisions is related to consumer purchasing. Some researchers have analyzed consumer decision making in three phases: Input, process and output (Schiffman and Kanuk, 2007). Consumers incidentally or consciously (because of their interest in the product group) may keep information in their memory although they have no intention to purchase the product. This information which makes up the input phase is collected mainly from two sources: marketing efforts and socio-cultural environment. These information help to shape consumers' product related values, attitudes, and behavior before they recognize a need to purchase a product (Schiffman and Kanuk, 2007). The marketing input aims "to reach, inform and persuade customers to buy and use its products" through marketing mix strategies. Socio-cultural inputs, on the other hand, are non commercial sources of information like product experiences of others, comments of a family member, usage of the item by a neighbor and critics in a magazine. Besides, social class, culture and subculture are also influential on how consumers evaluate and adopt products.

The second phase of consumer decision making after "input" is the "process". To be able to start the "process" of purchasing decision, the consumer must first recognize that he/she has a need. Recognition of need does not guarantee that the consumer will proceed through the decision process. The importance of the need at that time and consumer's belief about the existence of a certain solution to the problem determines the continuation of the purchase process (Blackwell, Miniard and Engel, 2001). If the purchasing process is to continue, the consumer has to search information about the alternatives. Search is defined by Blackwell et al. (2001) as "motivated activation of knowledge stored in memory or acquisition of information from the environment concerning potential need satisfiers". The definition clearly points to two types of search: internal and external search which will be discussed in the next section. After all this search and evaluation "process", the consumer forms an intention and then makes (or does not make) a purchase. This

## **Comparing the Effect of Online Word-Of-Mouth Communication versus Print Advertisements on Intentions Using Experimental Design**

purchasing activity is the last phase of the consumer decision making which is called "output".

Consumers collect information from various sources. One of the developments that affect the nature of consumer decision making is the Internet because it serves as a channel of a new information source. Information sources available to consumers on the Internet include but are not limited to web sites, reviews, comparisons, e-mails, chat rooms, bulletin boards, directories and portals, website evaluators, forums, fan clubs, user groups and weblogs. Some of them are generated by marketers and some by consumers. A weblog is "a web site where one or more regular authors initiate discussion on a topic of their choosing" (Dwyer, 2007). Weblogs are personal, consumer generated sources hence their influence is expected to be greater compared to advertisements which are impersonal marketer generated sources. Although the influence of advertisement on consumer decision making has been the focus of numerous research, the interest on the effect of weblogs remained limited.

This study aims to find out whether and to which extent weblogs affect consumer decision making in comparison to advertisements. Consumers' intention to purchase a certain brand before and after exposing to weblogs and advertisements are tested and compared. All the data are collected through an experiment. The authors believe that the findings of the study will provide insight into the effect of online information sources on purchase decision. In addition, it is hoped that the marketers will consider weblog information as an important source to affect consumers hence take precautions in their marketing activities ranging from marketing research to complaint management.

### **LITERATURE REVIEW**

#### **Information Search**

Information search is "the stage of buyer decision process in which the consumer is aroused to search for more information" (Kotler and Armstrong, 2006). The extent of search depends on:

- ***Cost versus benefit*** – acquiring the information has more benefits than its perceived costs.

- ***Easy access to information***- If information can be gathered easily, search can be conducted easily. Internet is a means to reach information easily and efficiently.
- ***Perceived risk of the decision***- If the risk is high, more detailed search is required.
- ***High price of the product***- If price is high, more effort is invested to search.

Search can be undertaken in the form of internal and external search (Blackwell et al., 2001). Initially, consumers scan their memories about different product alternatives. These internal data may exist because of prior experience and information gathering activity or it can be the result of being exposed to certain marketing stimuli or observation of other consumers incidentally. The quality and the adequacy of the knowledge and the ability to retrieve it will determine whether the consumer will rely on the internal search or not.

For some consumers, products and situations this internal search may be sufficient to make a satisfactory decision. If internal search is insufficient, the consumer may decide to undertake external search which represents collecting information from the marketplace (Blackwell et al., 2001). External search has two forms: Pre-purchase search and ongoing search. Pre-purchase search is conducted before an upcoming purchase decision while ongoing search "takes place on a relatively regular basis regardless of sporadic purchase needs" (Bloch, Sherrell and Ridgeway, 1986). Most of the decisions are based on a combination of internal and external information (Schiffman and Kanuk, 2007). The reason behind ongoing search is to develop a knowledge base for future decisions or just the enjoyment of the activity (Blackwell et al., 2001).

The major motivation for pre-purchase search is the wish to make better consumption choices, which is positively associated with the concept of perceived risk. That is as the perceived risk increases, search increases and becomes complex and extensive (Blackwell et al., 2001; Schiffman and Kanuk, 2007). Some other factors that lead to increased pre-purchase search are insufficient knowledge about a product category and the importance of purchase (Schiffman and Kanuk, 2007). First time buyers lack necessary information to make their decision depending only on internal search. Even the experienced consumers may need external search. The information may become old since their last purchase. Also, if the consumer is not satisfied with his/her previous purchases, he/she will need a more detailed search (Solomon, 2007).

## **Comparing the Effect of Online Word-Of-Mouth Communication versus Print Advertisements on Intentions Using Experimental Design**

### **Information Sources**

Information sources are categorized in different ways by different authors. For example Andreasen (1968; as cited in Mitra, Reiss and Capella, 1999) identified four information sources: (1) impersonal advocate [print media and broadcast advertising], (2) impersonal independent [popular articles and broadcast programming], (3) personal advocate [salespeople], and (4) personal independent [friends and relatives].

As it can be seen, the advocate type of sources is organized by marketers while independents are created either by consumers or media. A similar approach was used by Cox (1967; as cited in Mitra et al., 1999) who classified sources in three groups: (1) consumer dominated [interpersonal information channels], (2) marketer dominated [packaging, promotion, advertising] and (3) neutral sources [consumer reports, newspapers]. Lee, Lee and Schumann (2002) made a very similar classification using different names:

- marketer-provided (e.g., corporation, industry),
- independent third-party (e.g., government, independent agencies), and
- interpersonal (e.g., family, friends).

All groups of classifications used the distinction of personal and impersonal sources. Impersonal sources are retailers, catalogs which are marketer dominated or they may be some articles in newspapers evaluating alternatives, direct-mail brochures, product advertisements, internal Web sites, and some consumer reports published on the Internet (Beales, Jagis, Salop and Staelin, 1981). On the other hand, personal sources range from salespeople to friends and relatives. Salespeople are paid for giving this information thus they are marketer dominated sources. However, information from relatives and friends are gathered by word of mouth communication which is free of charge and consumer dominated.

### **Word-of-Mouth as an Information Source**

Consumers utilize word-of-mouth (WOM) recommendations to provide information, to support and reinforce their buying decisions (Fill, 2002). WOM is "product information transmitted by individuals to individuals" (Solomon, 2004). Reliance on WOM depends on factors

related to both product and the consumer knowledge. If the product has a symbolic value, and the consumer is less knowledgeable, he/she considers personal information sources more than impersonal ones (Midley, 1983; Solomon, 2007).

WOM is likely to be more reliable and trustworthy than recommendations obtained from more formal marketing channels (Solomon, 2004). Since information from personal sources is considered more credible than the impersonal sources, WOM communication is more influential than marketing communication like advertisements (Bickart and Schindler, 2001). Also, the influence of WOM on consumer purchases has been strongly established (Herr, Kardes and Kim, 1991; Laere and Heene, 2003; Scott, 2003; Sillence and Baber, 2004).

The most critical characteristic of WOM is the source credibility assigned to individuals whose opinions are sought after and utilized in the buying decision process (Fill, 2002). A new phenomenon about the WOM is that the advent of the Internet has been offering individuals a new channel for acquiring WOM.

### **Online Word-of-Mouth**

Consumers nowadays are using the Internet when searching for information. Internet is a flexible, less expensive and powerful medium to communicate with different people. Peterson and Merino (2003) argued that the Internet offered information that is similar to information obtained from real world physical sources; one of them is information similar to that acquired from face-to-face WOM communications, from friends, family members, customers, or experts. With the Internet, consumers now are able to collect more unbiased product information from other consumers and to offer their own consumption-related advice by participating in online (or electronic) WOM (Hennig-Thurau, Gwinner, Walsh and Gremler, 2004).

The Internet provides opinion leaders with efficient ways to spread information, while at the same time greatly facilitating information searching for opinion seekers (Sun, Youn, Wu, and Kuntaraporn, 2006). Online WOM represents "any positive or negative statement made by potential, actual, or former customers about a product or company, which is made available to a multitude of people and institutions via the Internet" (as cited in Hennig-Thurau et al., 2004).

Online word-of-mouth (OWOM) is a computer mediated communication. People spread their opinions through the Internet. It was found that each opinion leader has the potential to influence 14 people

### **Comparing the Effect of Online Word-Of-Mouth Communication versus Print Advertisements on Intentions Using Experimental Design**

on the Internet (as cited in Sun et al., 2006). Within the Internet, there are various channels for transmitting and acquiring OWOM. OWOM communication has led to form different online communities through emails, weblogs, chat rooms, bulletin boards, and instant messenger clients. For example, Web-based consumer-opinion platforms enable consumers to read consumption opinions and experiences of other consumers and to write their own contributions (Hennig-Thurau et al., 2004). Similarly, Fong and Burton (2006) considered eBay's discussion boards as a good source of information for users or for potential purchasers desiring to find out more about a product prior to the buying decision.

#### **Differences between Traditional WOM and OWOM**

WOM only occurs when people start sharing information or ideas with others. The other people are likely to be real-world friends or acquaintances for traditional WOM, however in the OWOM context, they can include completely strangers. By using search engines, people can look for the opinions of strangers (Sun et al., 2006). The growth of electronic discussion boards has brought about a channel for OWOM between people who have never met (Fong and Burton, 2006).

Online discussions entail personal experiences and opinions transmitted by the written word while the traditional WOM involves spoken word. It is permanent and it enables the consumer to obtain information at his/her own pace (Bickart and Schindler, 2001). Written format of OWOM provides some benefits. It is more formal and the message carries lower risk of being changed while it is being transferred. However in traditional WOM, as the message is passed from one individual to another, each individual adds or deletes something from the message. The message can reach many people through OWOM. Since the sender does not see the receiver, there is less pressure and emotional affect. Hence, it can be said that OWOM is more cognitive. On the other hand, it is easier and faster to reach opinions through OWOM (Phelps et al., 2004).

Comparing OWOM information and marketer-generated Internet information; Bickart and Schindler (2001) suggested that the former might have greater credibility, relevance and empathy, which makes OWOM information to have a greater effect on consumer behavior. Credibility comes since they are written by consumers, without vested interest in the product and intentions to manipulate the reader. The fact

that the information provided by the consumers can be expected to demonstrate the typical product performance makes it more relevant for the reader than marketer-generated Internet information. Finally, the enthusiasm of an OWOM writer, who expresses the joys of a particular product, could directly give rise to some similar feelings in the minds of the readers.

The experiment conducted by Bickart and Schindler (2001) on 61 undergraduate business students showed that at the end of a 12-week period, the students who collected information from online discussions reported greater interest in the product topic compared to those who collected information from the marketer-generated sources.

Another experiment conducted on 180 students in Taiwan revealed that recommendations of other consumers influenced the choices of the students more effectively compared to expert recommendations (Huang and Chen, 2006). The high number of positive customer reviews vis-à-vis the number of negative customer reviews turned out to positively affect consumer on-line choices.

## **RESEARCH HYPOTHESES AND METHODOLOGY**

### **Hypotheses Development**

Both commercial and customer mediated information sources influence the decision of customers as explained in the previous sections. Since ads are commercial media their impact can be expected to be lower than personal information (WOM). A new personal information source – online WOM- is expected to create a greater effect on the customer decision making. It is also known that unsatisfied customers have the potential to affect more people compared to the satisfied customers. Hence, negative OWOM can be expected to have a greater effect than any other type of OWOM and ads.

- H<sub>1</sub>:** The exposure to different information sources will create a significant difference on intention to buy.
- H<sub>2</sub>:** The difference between intentions before and after being exposed to certain information sources will be significantly different.
- H<sub>3</sub>:** OWOM creates a greater change in intentions compared to ads

### **Data Collection**

The experiment involved the exposure to different information sources which are print ads and customer reviews on a certain model of

### **Comparing the Effect of Online Word-Of-Mouth Communication versus Print Advertisements on Intentions Using Experimental Design**

mobile phones. Print advertising comprises both sought and unsought communications. Sought communications are actively searched by consumers during information search phase (Blythe, 2003). TV advertising, on the other hand, is mainly an unsought medium; it works best for activating needs or providing information for the internal search (Blythe, 2003).

Since it is not logical to assume that there would be purely favorable or purely unfavorable customer reviews, the authors prepared three sets of customer reviews (1) four positive and two negative customer reviews; (2) four negative and two positive customer reviews and (3) three positive and three negative customer reviews all of which are taken from the web site of an online retailer, which can be considered as a retailer-sponsored blog. While preparing these sets, the authors read all available reviews and named each review either as positive or negative and randomly selected the reviews to be included in the sets. In addition to these 3 sets of customer reviews, a print advertisement was selected forming four sets of information. Each group was given 5 minutes to read the ad and the customer reviews and at the end of five minutes, they were taken back.

Data were collected through two questionnaires, one given before the experiment and the other after the experiment, in two days time. First questionnaire was conducted before the exposure to the information sources. On the first day, the students were given a questionnaire which contained questions about their mobile phone behavior. Specifically, it was intended to discover whether the participants had a mobile phone, its brand, which brands they have purchased, those mobile phones with which they are satisfied and dissatisfied, how frequently they purchase a new mobile phone, and sources of information they utilize before purchasing a mobile phone along with some questions on demographics. At the end of this questionnaire the researchers asked their intention to buy for three brands of mobile phones as a percentage. One of these brands was the mobile phone about which the authors gave an ad and three sets of customer reviews.

On the second day, the students were separated in four groups who were given a print advertisement, and customer reviews of the mobile phone in question. The second questionnaire was given after they read the ad and customer reviews. This questionnaire asked their intention to buy this specific model of the mobile phone and the name of

the students were asked in both of the questionnaires in order to match the answers in both of the questionnaires.

### **Sample Design**

In order to test the effect of advertising and blogs as information sources on consumer behavior, an experiment was designed. University students were chosen as the sample, because they were supposed to have mobile phones and utilize OWOM as a source of information before purchasing a mobile phone. 87 students who study in freshman, sophomore and junior classes participated in the experiment. The size of the four groups ranged from 19 to 23 students (Group1= 22; Group2= 23; Group3= 19; Group4= 23). Group 1 was given an ad, Group2 was given favorable customer reviews (4 favorable and 2 unfavorable), Group 3 was given unfavorable customer reviews (4 unfavorable, 2 favorable) and Group 4 was given equal number of favorable and unfavorable customer reviews (3 favorable, 3 unfavorable).

The sample was randomly distributed among groups. The means of the intentions before exposure to information in each group show no significant differences ( $F=0.462$ ;  $p= 0.710$ ). In other words, the groups do not differ with respect to their intentions to purchase Brand X. Hence, it can be said that the groups were quite similar to each other.

### **Data Analysis**

In order to test the presence of differences, the authors used one way analysis of variance (ANOVA). To be able to conduct ANOVA, there are mainly two assumptions: 1) population normality and 2) homogeneity of variance. Kurtosis and skewness values show whether the sample is distributed normally. A kurtosis value between  $\pm 1.0$  is considered appropriate for most psychometric purposes while  $\pm 2.0$  value is also considered acceptable (George and Mallery, 2003; 98). On the other hand, as the skewness value comes closer to 0, the distribution comes closer to normal distribution (Nakip, 2003; 240). Skewness and kurtosis scores for both before and after intentions fall within these ranges ( $Skewness_{before}=-0.431$ ,  $kurtosis_{before}=-0.807$ ;  $Skewness_{after}=-0.025$ ,  $kurtosis_{after}=-1.076$ ) which meets the first assumption. Also, homogeneity of variance was insured since the Levene statistics were not significant for intentions before and after exposure (Coakes and Steed, 2001; 81) ( $Levene\ statistics_{before}=0.790$ ,  $p_{before}= 0.503$ ;  $Levene\ statistics_{after}=0.699$ ,  $p_{after}= 0.555$ ).

**Comparing the Effect of Online Word-Of-Mouth Communication versus  
Print Advertisements on Intentions Using Experimental Design**

**FINDINGS**

**Demographic Profile of the Sample**

The age of the sample ranged between 19 and 31. The average age of the 4 groups of students were 21. The highest deviation is observed in the second group because the only student whose age was 31 was in this group. More than half of the sample was females. In all of the groups, females were more than males except Group 4. Nearly half of the sample was composed of sophomores followed by juniors and freshmen, respectively. This is true for each group. The number of juniors exceeds or is equal to the number of freshmen in all four groups except Group 2.

**Table 1: Demographic Profile**

		<b>Group 1 (n= 22)</b>	<b>Group 2 (n= 23)</b>	<b>Group 3 (n= 19)</b>	<b>Group 4 (n= 23)</b>	<b>TOTAL (n=87)</b>
<b>AGE (means)</b>		<b>21.45±0.91</b>	<b>21.61±2.23</b>	<b>21.37±1.34</b>	<b>21.08±1.50</b>	<b>21.38±1.57</b>
<b>GENDER</b>	<b>Female</b>	<b>15</b> (68%)	<b>12</b> (48%)	<b>12</b> (63%)	<b>11</b> (48%)	<b>50</b> (57%)
	<b>Male</b>	<b>7</b> (32%)	<b>11</b> (52%)	<b>7</b> (37%)	<b>12</b> (52%)	<b>37</b> (43%)
	<b>TOTAL</b>	<b>22</b> (100%)	<b>23</b> (100%)	<b>19</b> (100%)	<b>23</b> (100%)	<b>87</b> (100%)
<b>CLASS</b>	<b>freshman</b>	<b>4</b> (18%)	<b>6</b> (26%)	<b>4</b> (21%)	<b>7</b> (30.5%)	<b>21</b> (24%)
	<b>sophomore</b>	<b>9</b> (41%)	<b>13</b> (57%)	<b>10</b> (53%)	<b>9</b> (39%)	<b>41</b> (47%)
	<b>junior</b>	<b>9</b> (41%)	<b>4</b> (17%)	<b>5</b> (26%)	<b>7</b> (30.5%)	<b>25</b> (29%)
	<b>TOTAL</b>	<b>22</b> (100%)	<b>23</b> (100%)	<b>19</b> (100%)	<b>23</b> (100%)	<b>87</b> (100%)

**Mobile Phone Usage Behavior of the Sample**

Brand X which had sufficient number of favorable and unfavorable customer reviews on the Internet was selected as the brand about which information is searched. 17 % of the sample was the current users of the Brand X while 11 % (n=10) were past users. In total, only 21 % of the sample was familiar with the brand. Among 10 customers who had used the brand in the past, 8 were satisfied with the brand while 2 had unsatisfactory experience. Half of the satisfied students were in Group 2 and all of the unsatisfied students were in Group 4. Nearly 80% of the students utilized internet as a source of information to purchase mobile phones. Half of the sample change their mobile phones once in more than 2 years while only 8% changes their mobile phones more frequently (once in a year).

**Table 2: Mobile Phone Usage Behavior of the Sample Associated with the Given Brand**

Mobile Phone Usage Behavior	Group 1 (n= 22)	Group 2 (n= 23)	Group 3 (n= 19)	Group 4 (n= 23)	TOTAL (n=87)
<b>Current users of Brand X</b>	3	3	5	4	15 (17%)
<b>Duration of Using Brand X</b>					
For 6 months	0	1	4	2	7
For 1 year	3	2	1	0	6
For 2 years	0	0	0	2	2
<b>Past users of brand x</b>	1	4	2	3	10 (11%)
<b>Satisfied with the performance of the Brand X</b>	1	4	2	1	8
<b>Unsatisfied with the performance of the Brand X</b>	0	0	0	2	2
<b>Utilization of internet as an information source</b>	20	17	12	19	68 (78%)
<b>Frequency of changing mobile phones</b>					
Once a year	4	2	1	0	7 (8%)
Once in 2 years	6	13	4	6	29 (33%)
Once in more than 2 years	12	8	14	17	51 (59%)

## Comparing the Effect of Online Word-Of-Mouth Communication versus Print Advertisements on Intentions Using Experimental Design

### Hypothesis Testing

**H<sub>1</sub>:** The exposure to different information sources will create a significant difference on intention to buy.

Students in Group 1 had the lowest intention to purchase Brand X while students in Group 4 had the highest intention before the experiment was conducted. However, the groups showed no significant differences in their intentions. After the ads and the customer reviews were given to the experiment groups, Group 3 had the lowest intention while Group 1 had the highest intention. The group that read unfavorable customer reviews had the lowest intentions. The next group whose intentions are little bit higher than the previously mentioned group was given equal number of favorable and unfavorable customer reviews (Group 4). Students in Group 2 had the highest intentions among the three groups who were exposed to customer reviews. This could be expected since Group 2 were exposed to favorable reviews. The only group where exposure created an increase on the intention was the one exposed to ads. A significant difference was found among the intentions of the four groups who were exposed to different information sources. Hence H<sub>1</sub> is accepted.

Table 3 gives the difference between the before and after experiment intentions of the groups. The greatest change in intentions was created in Group 3 who was exposed to unfavorable reviews followed by Group 4 who was exposed to equal number of favorable and unfavorable reviews. The lowest change is observed in the group who was exposed to an ad. The amount of change in intentions among groups are significantly different from each other ( $p=0.001$ ). Hence, H<sub>2</sub> is accepted.

**H<sub>3</sub>:** OWOM creates a greater change in intentions compared to ads

In Table 4, the intentions of the students exposed to ads are compared with the ones exposed to blogs (customer reviews, OWOM). Changes in intentions in all three groups of students who were exposed to blogs were significantly different from that of who were exposed to ads. So the impact of OWOM was greater than that of ads on intentions. H<sub>3</sub> is accepted.

**Table 3: Intentions of the Four experiment Groups Before and After Being Exposed to Different Information Sources**

<b>Intentions</b>	<b>Group 1</b>	<b>Group 2</b>	<b>Group 3</b>	<b>Group 4</b>	<b>TOTAL</b>	<b>F-Value</b>
<b>Intentions Before the experiment</b>	53.64±28.04	60.57±29.44	61.84±33.80	64.13±33.73	60.03±30.98	<b>0.462</b>
<b>Intentions After the experiment</b>	57.73±24.63	42.39±25.36	28.26±25.19	32.17±21.24	40.48±26.25	<b>6.339***</b>
<b>Difference between the Intentions Before and After the Experiment</b>	4.09±34.14	-18.17±31.00	-33.58±32.80	-31.96±33.37	-19.55±35.62	<b>6.066***</b>

\*\*\* p≤ .001

**Comparing the Effect of Online Word-Of-Mouth Communication versus Print Advertisements on Intentions Using Experimental Design**

**Table 4: The Difference between the Changes in Intentions Created by Ads and Blogs**

	<b>Mean differences</b>
<b>Group 1 vs. Group 2</b>	22.26*
<b>Group 1 vs. Group 3</b>	37.67***
<b>Group 1 vs. Group 4</b>	36.05***

\*p≤ .05 \*\*\*p≤ .001

**CONCLUSION**

The Internet has become an important medium for both marketers and customers. It is a medium to buy, sell and advertise products, to share product experiences, and to collect information about firms, products and competitors. The Internet enables customers who do not know each other to share their product experiences. This OWOM communication has the ability to reach millions of people around the world or at least around the market in which the product is being sold. So OWOM has a greater capacity to reach many more people compared to WOM. On the other hand, marketers use advertisements to inform and persuade people to purchase their brand. Customers also collect information from ads which are marketer dominated information sources. This study aims to find the effect of OWOM and compare it to the effect created by ads.

The experiment results show that both ads and blogs influence intentions. Students' intentions before and after being exposed to information sources showed a significant difference. The students who are exposed to OWOM information changed their intentions more than the ones being exposed to the ad. Interestingly, blogs that contained the highest number of favorable customer reviews caused a decrease in intentions. This can be attributed to the fact that favorable reviews were not sufficient to eliminate the effect of unfavorable ones. Unfavorable OWOM creates a greater change in intentions compared to any other information under investigation in this study. It is known that unsatisfied customers affect more people than satisfied customers. Since OWOM is the result of product experiences, people are sharing their satisfactions and dissatisfactions through the Internet. Marketers can collect information from customers' reviews. They can improve their products or they can emphasize the features that are appreciated by their customers in their promotional activities. Also, customer reviews on competing brands will also help the marketers figure out their strengths and

## **Gül Bayraktaroğlu ve Bilge Aykol**

weaknesses. Therefore, OWOM can also be considered as an information source for marketers, too. Marketers can also try to find ways to limit unfavorable OWOM. Firms can hire specialists to answer and manage unfavorable OWOM as soon as it appears on the Internet.

The results of this study also point out that firms should focus on more recently emerged tools to inform their customers. The influence of ads on customers' decision making might have been decreasing because of recent developments in information technology like the Internet. Hence, it can be proposed to marketers not to just rely on ads. They should keep a close eye on the Internet and they should try to form their communication on the Internet, too.

For further research, the influence of prior experience with the brand on the effect of blogs and ads can be investigated. The information collected from different sources may affect both the criteria chosen to evaluate alternatives and their importance rankings. The consideration set may also change as a result of information given by different sources.

The effect of information sources may also differ with respect to perceived risk, type of product and also customer's potential to accept risk. The level of perceived risk will influence the depth of information search. If the product is expensive and/or complex, the perceived risk will increase hence will the need for more information. On the other hand, not all the consumers searching for the same product will conduct the same level of information search since their capacity to take risks is different. A further research can be designed to analyze the effect of different information sources for different products, different levels of risk averseness and how much risk is perceived with the particular purchasing decision.

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**Comparing the Effect of Online Word-Of-Mouth Communication versus Print Advertisements on Intentions Using Experimental Design**

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