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The Relationship between Traditional and Electronic Word of Mouth and Customer Experience Quality in the Appliance Industry in South Africa

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A research report submitted to the Faculty of Commerce, Law and Management, University of the Witwatersrand, in partial fulfilment of the requirements for the degree of Master of Management

Johannesburg, 2017

Supervisor:
Professor Russell Abratt

ABSTRACT

Interest in word of mouth (WOM) communication to promote and generate curiosity in products and brands has existed for many years, given that WOM is more influential on consumer behaviour than other marketer-controlled sources. Additionally, consumers are now demanding more than just a competent product offering, but rather seeking an experience around what they are purchasing. The current study explores the relationship between traditional and electronic word of mouth pre- and post-purchase and customer experience quality in the major domestic appliance industry in South Africa. The findings, from a survey of 144 respondents, indicate that consumers are actively engaged in seeking out all forms of WOM pre-purchase, and in providing all forms of WOM post-purchase. In addition, respondents are highly satisfied with the quality of the experience they have with their brand of appliance purchased, but that this alone does not account for why they engage in post-purchase WOM.

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DECLARATION

I, Lorraine de Graaff, declare that this research report is my own work except as indicated in the references and acknowledgements. It is submitted in partial fulfilment of the requirements for the degree of Master of Management in the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in this or any other university.

Lorraine de Graaff

Signed at ……

On the …….. day of …… 20…..

DEDICATION

This is dedicated to my husband Dion, who has never wavered in his support for me. Thank you for always knowing the right thing to do or say to help me to finish this degree when I was too overwhelmed to see the wood for the trees; whether through words of encouragement, tough love or at times some nagging. I couldn't and wouldn't have done it without you. Thank you my love.

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I would like to thank Professor Mike Bendixen who helped refine an initial mediocre topic into one which was truly ‘new’ and one that could cross countries. Your invaluable help with the statistical element of the research is much appreciated and I believe I would have struggled to complete this without your assistance.

To my company, Whirlpool, I thank for allowing me the time and flexibility to complete my studies. I hope the results can be used to shape future plans for the brand.

Lastly, I would like to thank my supervisor, Professor Russell Abratt, for ‘choosing’ me to be one of his special few to supervise. I have learnt so much from you and appreciate your guidance, support and understanding through this process. You are by far the most entertaining and engaging lecturer I have ever had. Thank you for being challenging, supportive and the most memorable part of my MMSM journey.

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Chapter 1: Introduction

1.1 Purpose of the study

Marketing scholars and practitioners have been interested in word of mouth (WOM) communication to promote and generate interest in products and brands for many years, with research into the topic emerging in the post-war 1940s (Buttle, 1998). The reason for this interest is understandable; research and common practice suggest WOM is more influential on consumer behaviour than other marketer-controlled sources (Buttle, 1998; De Meyer & Petzer, 2014).

Traditional WOM (tWOM) as a medium of communication has, over the past decade or so, been amplified with electronic WOM (eWOM) due to the rapid growth of the internet, and more specifically social media platforms that provide an information-intensive environment (Beneke, Mill, Naidoo & Wickham, 2015). Both forms of WOM have received a lot of attention from scholars, with numerous studies focused on motivations and antecedents to engage in tWOM and eWOM (Anderson, 1998; Buttle, 1998; East, Uncles, Romaniuk & Riley, 2014; Lang & Hyde, 2013), post purchase eWOM behaviours (Hennig-Thurau, Gwinner, Walsh & Gremler, 2004; Kreis & Gottschalk, 2015), and comparisons of how eWOM differs from tWOM (Eisingerich, Chun, Liu, Jia & Bell, 2015; Lovett, Peres & Shachar, 2013).

The concept of customer experience and customer experience quality (CEXQ) has equally received increasing attention in both the academic and managerial literature in recent years (Frow & Payne, 2007). This may be because as consumer goods and services become more commoditised (Lemke, Clark & Wilson, 2011); consumption experiences are becoming increasingly important to customers. Customer experiences are "…considered as offerings which can be created or customized to fulfil customers' individual needs" (Chang & Horng, 2010, p. 2401). However, the result of a good customer experience is not always a quality experience. The reason

for this is customer experience quality is likely to be determined from the point of view of an individual customer (Vargo & Lusch, 2004). Research findings suggest that customer experiences have a major impact on business and marketing outcomes leading to customer satisfaction, loyalty and WOM communication (Klaus et al., 2013). Despite the plethora of studies on these topics individually, there have been few studies which link either tWOM or eWOM, pre- or post-purchase, to customer experience quality, representing a gap in the existing literature. Thus, the purpose of this study is to investigate the relationships between pre- and post-purchase tWOM and eWOM and customer experience quality.

Data for this study focused on one industry sector, major domestic appliances, both the brand and product purchased and the retailer where it was purchased. The data was collected in Johannesburg, South Africa. An additional element, whilst not the primary focus of the study was considered - that is the personality characteristics and propensity of consumers to receive and send word of mouth communication into the market place for the chosen industry and geographic area. Gaining an academic and practical understanding into these relationships will hopefully contribute to the knowledge on this current topic and in the field of consumer behaviour.

1.2 Context of study

1.2.1 Theoretical background

This study is grounded in consumer behaviour theory, and the impact that personality traits and consumer communication have on a customers' experience with a product, brand or service.

Trait theory has been the primary basis for personality research in the marketing field ((Mulyanegara, Tsarenko & Anderson, 2009). Typical examples of studies include; attempting to find a relationship between a set of personality variables and assorted

consumer behaviours such as purchases, media choices, innovation and product choice, to name a few (Engel, Blackwell & Miniard, 2005: 273; Grubb & Grathwohl, 1967; Kassarjian, 1971; Mooradian & Olver, 1997; Mulyanegara et al., 2009).

Given the proliferation of theories and studies to explain consumer behaviour using personality traits and individual differences, there was a need to integrate personality variables into a more comprehensive and integrative framework (Baumgartner, 2002; Bosnjak, Galesic & Tuten, 2007). One such model is described by Mowen (2000), who published the Metatheoretical Model of Motivation and Personality (or 3M Model), and refers to it as "providing a structural basis for integrating personality traits, situations and behavioural tendencies of individuals" (Harris & Lee, 2004, p. 56). Mowen, Park & Zablah (2007) demonstrate that motivation and personality are antecedents of consumers' disposition to receive and send market place information. It is logical that these dispositions drive the extent of pre-purchase and post-purchase tWOM and eWOM.

The importance of creating superior customer experiences and managing those experiences has become of increasing importance to companies across many industries (Frow & Payne, 2007; Verhoef et al., 2009). It has been recognised in many organisations as the base for companies' efforts to differentiate themselves and create a competitive advantage (Chang & Horng, 2010). Research has demonstrated the existence of a strong link between customer experiences and profitability, given that customer experiences can have a great impact on business performance (Klaus et al., 2013). The value in creating superior customer relationships is a critical path to achieving successful marketing outcomes, such as customer loyalty, repeat purchase and word of mouth (Anderson, 1998; Klaus et al., 2013). It is logical to assume that this applies to both tWOM and eWOM.

As a consensus, satisfaction or dissatisfaction with a product or service has been identified as the main antecedents to a person engaging in WOM (Anderson, 1998; Buttle, 1998; East et al., 2014; Lang & Hyde, 2013). According to expectancy

disconfirmation theory (Buttle, 1998; Churchill & Suprenant, 1983), in most contexts, when a consumer's expectations are met by a product or service, then satisfaction will be experienced. If expectations are not met there will be dissatisfaction. And if expectations are exceeded, then there will be consumer delight (Buttle, 1998; Lin & Heng, 2015). Customers use communications to form beliefs and expectations about the performance and quality of a product. Thus, the intention to engage in WOM is linked with the consumers' perceptions of value and quality (Hartline & Jones, 1996). This implies that pre-purchase tWOM and eWOM would mediate the relationship between customer experience quality (CEXQ) and post-purchase tWOM and eWOM. In other words, the quality of the experience may not directly cause a consumer to engage in post-purchase WOM, but the perceptions of quality and value obtained pre-purchase via WOM could intervene to explain the relationship between the two.

1.2.2 South African context

Given its recent tumultuous past, South Africa provides an interesting context in which to conduct this study. In the 23 years since its first democratic election, South Africa has developed into a country with ongoing infrastructure and social development, a free constitution, entrepreneurial development and protection, a transparent budget, and steady progress in the living standards of the black majority ("Huge potential of South Africa", 2005; "Global Competitiveness Report 2015-2016", n.d.).

However, the country still faces many challenges; unemployment and debt remain high, tough economic times have led to a decrease in consumer spend, there is an increase in race-driven social issues, and corruption and internal divisions remain at all levels of government (Sherrington & Fisher, 2016). It is in these turbulent markets, like South Africa, that WOM has proven to be an effective tool in the marketing mix (Mason, 2008).

In the face of the current environment, marketing strategies to capture consumer loyalty have shifted as well. Reviews of advertising and communication narratives highlight a shift away from the optimistic, improved status, “rainbow integration” of recent decades. Rather, creative work and storytelling is focused on the home and family relationships (Sherrington & Fisher, 2016). Integrated marketing communication has emerged in the country through experiential brand activations and big promotional campaigns featuring SMS promotions due to the high penetration of mobile phones in the country (“Huge potential of South Africa”, 2005).

However, South Africa does lag behind other markets in the penetration of the internet, which is underdeveloped by comparison (“Huge potential of South Africa”, 2005). In a recent survey of global internet usage, only 52.6% of South Africans have access to the internet, compared with 89% in the United States (US) and 91% in the United Kingdom (UK). The penetration rate of social media sites like Facebook also lags behind developed markets: 26% in South Africa compared to 59% for the UK (Internetstats, n.d.).

Research globally suggests that WOM is more influential on consumer behaviour than other marketer-controlled sources (Buttle, 1998; De Meyer & Petzer, 2014). In fact, traditional advertising and media is not seen as the credible source it once was (“Global trust in advertising”, 2015). This is particularly true for Western European and North American markets. However, in less developed countries like South Africa, consumers still place a significant amount of trust in advertising, with 64% of consumers saying they ‘trusted advertising’ versus 28% in Denmark (“Word of mouth”, 2007).

The major domestic appliance (MDA) industry has an estimated value of R12 billion in South Africa, resulting in 3.34 million units sold in a year (GfK, 2016). The MDA category consists of free standing and built in appliances (e.g. fridges, ovens, washing machines) and is sold to consumers through a variety of mass retail, independent and specialist outlets. Like other sectors within the white goods

industry, MDA manufacturers are struggling to deliver products and services that meet consumer expectations and offer differentiation versus competitors (Brombacher et al., 2012). Given the relatively large outlay of money for an appliance (versus a fast-moving grocery item), the relationship with a potential consumer begins with an information search on features, benefits and price; continues through purchase and consumption; and beyond consumption with after-sales and technical services offered under warranty. With local and global manufacturers participating in the market, the environment is dynamic and provides an interesting context within which to conduct the current study.

It is in this environment of low internet and social media penetration, comparatively high trust in traditional advertising, and the proven effectiveness of WOM communication that the current study is placed.

1.3 Problem Statement

Recently, there have been numerous research studies into pre- and post-purchase tWOM and eWOM, the differences between these two forms of communication; and into customer experience quality. However, there have been few studies linking either tWOM or eWOM (pre- or post-purchase) to customer experience quality (Klaus et al., 2013). There is a need to further explore the linking of these critical topics to close this gap in knowledge.

1.3.1 Main problem

The relationship between pre- and post-purchase tWOM and eWOM and customer experience quality is unknown.

1.3.2 Sub-problems

1. Establish the disposition to send and receive tWOM and eWOM market place information pre- and post-purchase.
2. Model the relationship between customer experience quality and post-purchase tWOM and eWOM.
3. Understand the intervening relationship pre-purchase tWOM and eWOM has on customer experience quality and post-purchase tWOM and eWOM.

1.4 Significance of study

Currently there has been no research, as far as this researcher has found, that considers the relationship between personality traits of those sending and receiving the two WOM communication channels, and the impact this has on customer experience quality at different points in the consumer purchasing cycle. As such, this study may lay the groundwork for future research on the subject. Given the importance of WOM in the marketing mix, an increasing number of brands within South Africa may turn to WOM, and more specifically eWOM, as a route to establish relationships with consumers. This research will be able to provide guidance in terms of tailoring specific WOM programmes in a traditional or electronic setting.

More specifically it may assist those practitioners in the appliances and electronics sectors to better understand the role of that WOM plays in this industry and provide guidance on how to manage this through the quality of the experience consumers have with the brand, products and after sales service provided by manufacturers.

1.5 Delimitations of study

- This study will focus on a specific market sector, namely the major domestic appliances market.

- The study is confined to the major brands that play a significant role within the category, as defined by market research agency GfK.
- Respondents will be sourced from one geographic location, namely Johannesburg, South Africa.
- Respondents will be sourced from leading appliance retail outlets in the Johannesburg area.
- Respondents will qualify for inclusion in the study if they have purchased a major domestic appliance in a six months' period prior to data collection.

1.6 Definition of terms

1. **Personality** is defined as "… the intrinsic organization of an individual's mental world that is stable over time and consistent over situations" (Mulyanegara et al., 2009, p. 235).
2. **Word of mouth** is defined as "…informal communication between private parties concerning evaluations of goods and services" (Anderson, 1998, p.6).
3. **Customer experience** has been defined as "…the customer's subjective response to the encounter with the firm, which includes the communication encounter, the service encounter, and the consumption encounter" (Kim & Choi, 2013, p. 323).
4. **Customer experience quality** is "…likely to determine the perceived value of service and further, leads to other outcomes such as purchase intent" (Kim & Choi, 2013, p. 323).
5. **Major domestic appliance** is defined as "…a large machine used for routine housekeeping tasks such as cooking, washing laundry, or food preservation" (GfK, 2016).

1.7 Assumptions

- Respondents will be willing to answer interview questions, honestly and to the best of their abilities.
- Respondents will be any recent purchaser of a major domestic appliance.

- Respondents will have sufficient knowledge required to answer the asked questions, as well as providing additional insight.
- Gender will be of no consequence to their answering ability.

Chapter 2: Literature Review

2.1 Introduction

The following chapter contains a review of the literature on personality, WOM communication and customer experience quality. The aim of the literature review is to demonstrate an understanding of previous research conducted on each of these topics and to create a conceptual model for the study that has a high likelihood of success.

2.2 Background discussion

The literature review begins with a brief overview of personality traits as they relate to consumer behaviour. Given there has been little to no work done on the specific personality traits which highlight an enduring disposition (Mowen et al., 2007) to send and receive tWOM and eWOM pre- and post-purchase, a brief description of the model that was used to measure this in the current study will be discussed.

The literature continues with an in-depth analysis of WOM and the role it plays in the contemporary marketing mix. There has been a plethora of marketing studies focusing on this topic, both as input into consumer decision-making, and as an output of the purchase process (Bone, 1995). Whilst studies have focussed on tWOM or eWOM, there is limited understanding of how the two differ from each other (Eisingerich et al., 2015). The literature review will examine the two communication modes and highlight key differences and similarities described in recent studies. This leads to a description of customer experience and the importance of creating superior experiences for consumers. The prevailing research models used to measure CEXQ are explored as is the role of WOM as an input into customer experience and the influence it in turn has on output WOM.

The literature review concludes with the presentation of the conceptual framework alongside the five hypotheses of the study.

2.3 Personality

Interest in the relationship between personality and consumer behaviour has existed since the importance of marketing was first recognised (Haugtvedt, Petty & Cacioppo, 1992). Thus, researchers in the fields of psychology and consumer behaviour have developed numerous tools to assist in understanding this relationship – from theories that identify personality characteristics, scales that classify personality traits and multivariate techniques that systematically relate personality traits to behaviour (Plummer, 2000). These researchers have advanced the hypothesis that individuals who consume in a certain manner will also manifest certain common personality characteristics, leading to a prediction of consumer behaviour (Grubb & Grathwohl, 1967).

2.3.1 3M Model of Personality and Motivation

Given the proliferation of theories and studies to explain consumer behaviour using personality traits and individual differences, there was a need to integrate personality variables into a more comprehensive and integrative framework (Baumgartner, 2002; Bosnjak et al., 2007). One such model is described by Mowen (2000), who published the Metatheoretical Model of Motivation and Personality (or 3M Model), and refers to it as providing a structural basis for integrating personality traits, situations and behavioural tendencies of individuals (Harris & Lee, 2004). In other words, it "seeks to parsimoniously integrate the fragmented work on individual differences in consumer behaviour within one overarching framework" (Baumgartner, 2002, p. 287). Thus, it has been described as a catalyst for understanding both reactive and proactive behaviour (Sujan, 2001). The model was developed in part to provide an organising structure for understanding the interrelationships among personality constructs (Mowen et al., 2007).

The model consists of four hierarchical levels. These four levels are surface traits, situational traits, compound traits, and elemental traits (Sun & Wu, 2012). Mowen (2000) argues that to understand the causes of enduring behavioural tendencies, one must identify the more abstract traits underlying surface behaviours (Sujan, 2001).

This model has been applied to a variety of consumer behaviour contexts, such as volunteer behaviour (Mowen and Sujan, 2005), sports fan identification (Donavan, Carlson & Zimmerman, 2005), travel behaviour (Scott and Mowen, 2007), online shopping (Bosnjak et al., 2007), and WOM communications (Mowen et al., 2007). The model also provides guidance to marketers on how to:

- segment the marketplace,
- provide psychographic inventories,
- position brands,
- create promotional themes, and
- develop brand personalities (Sujan, 2001)

An example of the 3M model is shown below.

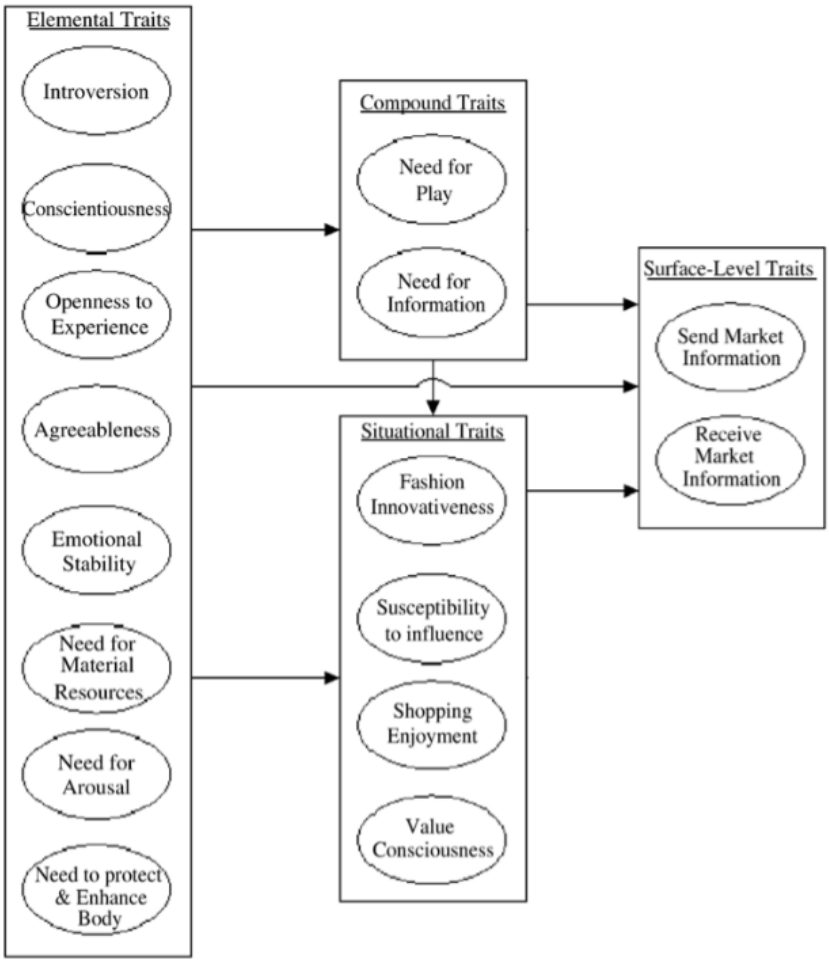


Figure 1: An Exploratory 3M Model of consumers' disposition to seek and receive market information (Mowen et al., 2007)

By adopting the 3M model as a theoretical foundation, and specifically utilising Mowen et al. (2007) application to word of mouth, this study examines personality traits as the antecedents of the disposition to receive information pre-purchase, and to send market information post-purchase to others.

The next section presents an overview of WOM as a tool in the marketing mix, the role it plays in consumer decision making, and the differences between tWOM and eWOM.

2.4 Word of Mouth

Word of mouth is a concept that scholars have been pondering for over 2400 years, although modern research into the subject only began in the post-war 1940's (Buttle, 1998). WOM has been described as "informal communication between private parties concerning evaluations of goods and services" (Anderson, 1998, p. 6), and includes product related discussions and sharing product related content. The communication can be a direct recommendation or a mere mention and be literal word of mouth (face-to-face discussions), or 'word of mouse' (online mentions and reviews) (Berger, 2014). Libai et al. (2010) take a broader definition of WOM as "…the transfer of information from one customer (or group of customers) to another customer (or group of customers) in a way that has the potential to change their preferences, actual purchase behaviour, or the way they further interact with others" (p. 269). It is a form of marketing communication that is "consumer-dominated" where the sender of the information is independent of the company (Sicilia, Delgado-Ballester & Palazon, 2016).

The interest in WOM through a consumer behaviour lens stems from the fact that it plays an important role in shaping consumers' attitudes and behaviours (Berger, 2014; Meuter, McCabe & Curran, 2013). Research and common practice suggests that WOM is more influential on consumer behaviour than other marketer-controlled sources (Buttle, 1998; De Meyer & Petzer, 2014), perhaps due to its informal, interpersonal and credible nature (Harrison-Walker, 2001; Hawkins, Mothersbaugh & Best, 2013: 624; Sweeney, Soutar & Mazzarol, 2012).

Keller and Libai (2009) state that social talk generates over 3.3 billion brand impressions each day and influence everything from the movies consumers watch to the websites they visit (Berger, 2014). A plethora of studies points to the influence of WOM on consumer behaviour:

- Katz & Lazarsfeld (1955) (as cited in Godes & Mayzlin, 2004) found WOM seven times more effective than newspaper and magazine advertising, four times more effective than personal selling, and twice as effective as radio advertising in influencing consumers to switch brands.
- Day (1971) calculated that WOM was nine times as effective as advertising at converting unfavourable or neutral predispositions into positive attitudes.
- A study by Bughin, Doogan and Vetvik (2010) suggests that 'word of mouth is the primary factor behind 20 to 50% of all purchasing decisions…and…generates more than twice the sales of paid advertising" (p.8)
- Another study by Berger & Schwartz (2010) suggests an even greater impact, citing at least 70% of consumers' purchase decisions were influenced by WOM, especially in the food, beverages, banking and technology industries.

Thus, marketers view WOM as an indicator for market response and product success (Godes & Mayzlin, 2004; Riivits–Arkonsuol & Leppiman, 2014) and as a valuable tool in the marketing mix (Harrison-Walker, 2001). It is because of WOM's significant impact and reach that companies have identified it as a key driver of overall business success (Meuter et al., 2013) and describe themselves as being "especially interested in leveraging consumer-2-consumer interactions to influence individual purchase behaviours and (ultimately) business performance" (Libai et al., 2010, p. 272). Consequently, WOM has often been referred to as "free advertising" (Buttle, 1998).

However, because of its influence, firms are increasingly devoting more resources to programmes aimed at influencing consumer and customer interactions. This form of WOM advertising can involve incentivising (Chew & Wirtz, 2001) and rewards to encourage consumers and customers to talk about a product, service or company to those in their network (friends and family) thereby "setting in motion a chain of communication that could branch out through a whole community" (Mason, 2008, p. 207).

2.4.1 Characteristics of WOM

Describing or characterising WOM in terms of its role within the marketing mix requires a comparison to traditional advertising. Advertising has been defined as:

> A printed, written, oral and illustrated art of selling. Its objective is to encourage sales of the advertiser's products and to create in the minds of people, individually or collectively, an impression in favour of the advertiser's interest. (Presbrey, 1929, p. 1).

> Consist(ing) of all activities involved in presenting to a group a non-personal, oral or visual, openly sponsored identified message regarding a product, service, or idea. The message, called an advertisement, is disseminated through one or more media and is paid for by the identified sponsor. (Stanton, as cited in "Advertisement: Definitions and Features", n.d.).

> Any paid form of non-personal presentation and promotion of goods, services, or ideas by an identified sponsor. (American Marketing Association, as cited in Kotler & Keller, 2009, p. 5).

Advertising, by these definitions, is paid for, non-personal and openly company-sponsored communication. While historically, the tongue-in-cheek definition of WOM as free advertising may have been the case, in the present day this distinguishing characteristic has been eroded (Buttle, 1998) given the investments firms are now devoting to it.

Buttle (1998) found that WOM can be characterised by five factors:

- Valence: positive or negative messaging.

- Focus: beyond WOM between consumers, but also customers, suppliers / alliances, employees, influential, recruitment and referral markets.
- Timing: before or after a purchase, therefore as pre-purchase information or output WOM.
- Solicitation: WOM may be offered with or without solicitation, it may be sought or not.
- Intervention: while WOM can be organically or spontaneously generated, more and more companies are proactively interfering to stimulate and manage WOM activity.

More recently Chen, Wang & Xie (2011) added intensity, being the volume of WOM messages expressed by consumers.

2.4.2 Antecedents of WOM

Most of the studies into WOM have focused on identifying its consequences (Anderson, 1998; Berger & Schwartz, 2011), far less consideration has been given to its drivers and why consumers talk about what they do (Berger & Schwartz, 2011). As a general consensus, satisfaction or dissatisfaction with a product or service has been identified as the main antecedent to a person engaging in WOM (Anderson, 1998; Buttle, 1998; East et al., 2014; Lang & Hyde, 2013). According to expectancy disconfirmation theory (Buttle, 1998; Churchill & Suprenant, 1983), in most contexts, when consumers' expectations are met by a product or service, then satisfaction will be experienced. If expectations are not met there will be dissatisfaction. And if expectations are exceeded, then there will be consumer delight (Buttle, 1998; Lin & Heng, 2015). Customers use communications to form beliefs and expectations about the performance and quality of a product. Thus, the intention to engage in WOM is linked with the consumers' perceptions of value and quality (Hartline & Jones, 1996).

However, satisfaction or dissatisfaction with a product or service may not be enough to engage in WOM communication alone. Additional elements such as customer

commitment and trust have been cited as key additional antecedents of WOM (Brown, Barry, Dacin & Gunst, 2005; Harrison-Walker, 2001; Lang & Hyde, 2013). Brown et al. (2005) define commitment as it relates to WOM as "…an enduring desire to maintain a relationship with a specific entity" (p. 126), whether that be a brand or organisation. In addition, trust, which has been defined as "…being willing to rely on a business partner" (Morgan & Hunt, as cited in Lang & Hyde, 2013) has been shown to be a strong predictor of WOM.

Research in the field of consumer behaviour show that WOM is driven by motivation and personality (Berger & Schwartz, 2011; Mowen et al., 2007). Anderson (1998) found that altruism, a desire to appear well informed, ego defence and a reduction in cognitive dissonance were all motivations to engage in giving market place information. Other factors such as perceived knowledgeability, sociability, personality and desire to help others were also cited as drivers (Ferguson, Paulin & Bergeron, 2010; Packard & Wooten, 2013). Whilst those seeking market place information do so predominately for information-seeking purposes and self-enhancement (Packard & Wooten, 2013). The common theme in these studies is the *socially-motivated* aspect for individuals to engage in WOM (Berger, 2014; Berger & Schwartz, 2011; Ferguson et al., 2010; Lovett et al., 2013).

A few of these social drivers are explored below:

2.4.2.1 Self-Enhancement

Recent research proposes that consumers talk about things that provide them with 'social currency' (Berger & Schwartz, 2011). Social currency has been defined as "…all the existing and potential resources which arise from the presence of social networks and communities – either online or offline. Put simply, social currency is information that is shared by people as they go about their everyday lives. It is the total economic value of each person's or entity's relationships, both in real-life and on the Internet" ("What is social currency?", n.d.). WOM is a vehicle by which

consumers signal or enhance their perceived expertise on a topic, brand or company (Lovett et al., 2013). This tendency to self-enhance is a fundamental human motivation (Fiske, as cited in Berger, 2014) as people generally like to be perceived in a positive light. As a result, consumers are more likely to share things that make them look good. In order to achieve this, positive WOM is generally more effective than negative as well as the increased quality or status associated with a particular brand (Lovett et al., 2013).

2.4.2.2 Expressing Uniqueness

Beyond self-enhancement, consumers may share their views on certain topics or ideas to signal that they possess certain characteristics, knowledge, or expertise in a particular area (Berger, 2014; Packard & Wooten, 2013). Consumers can therefore demonstrate their uniqueness through consuming and possessing certain brands, often those that are highly differentiated from other brands (Lovett et al., 2013). Certain consumers are more likely to share their knowledge than others. Market mavens, for example, are a minority of consumers who are highly involved or engaged in the marketplace (Brown et al., 2005; Clark & Goldsmith, 2005). They have general market place knowledge or expertise about brands and stores, and report themselves as being more likely to actively engage with other consumers regarding their enthusiasms (Goldsmith, 2010).

2.4.2.3 Desire to converse

The desire to converse and socialise with others is a basic human need (Rosen, as cited in Lovett et al., 2013). A study by Sicilia et al. (2016) revealed that a person's need to belong cultivated the desire to talk to others about their preferred brand. Berger and Schwartz (2011) found that if a topic or brand was of interest, and if it was easily accessible, it eases an individual's ability to use it in conversation (Lovett et al., 2013). Consumers may also participate in WOM communication to engage in small talk, sharing information as a way to fill conversational space (Berger, 2014). In

order to help consumers regulate their emotions, they may engage in WOM to generate social support if they have had a negative product, brand, or service experience or if they feel the need to vent as a way to provide catharsis to reduce the emotional impact of a negative experience (Pennebaker et al., as cited in Berger, 2014).

2.4.2.4 WOM and consumer decision- making

Besides the social drivers of engagement in WOM, certain functional drivers have been identified through numerous research papers. One of the most commonly cited is that of information seeking and information giving (Packard & Wooten, 2013). If there is uncertainty around what to buy, a consumer may engage in WOM to actively seek out the missing information (Berger, 2014; Lovett et al., 2013). This is a key step in the consumer decision making process and enables consumers to evaluate different options and alternatives prior to purchase. The full consumer decision-making process is shown below:



Figure 2: Consumer decision making process (reproduced from Kotler & Keller, 2009)

In turn, if an individual is asked to provide information on a product or service they have experience in or knowledge of, they would similarly engage in WOM communication. This could occur if the individual was satisfied or dissatisfied with the product or service.

The amount of effort a consumer puts into searching depends on a number of factors

such as the category (e.g. number of competitors, differences between brands), product characteristics (e.g. product importance, product complexity), consumer characteristics (consumer interest in product category) and situational characteristics (Perner, n.d.).

Involvement in a purchase can be either temporary or enduring. Temporary involvement occurs if the consumer is not specifically interested in the product category, but may become involved long enough to be able to make an informed decision (Perner, n.d.). Enduring or permanent involvement exists if a consumer shows interest over a long period of time (Hoyer & MacInnis, 2008). For the purpose of the current study, it is assumed that consumer involvement in the MDA category is temporary due to the long purchase cycle and functional nature of the products. Figure 3 below outlines the consumer decision making process when temporary involvement is present.

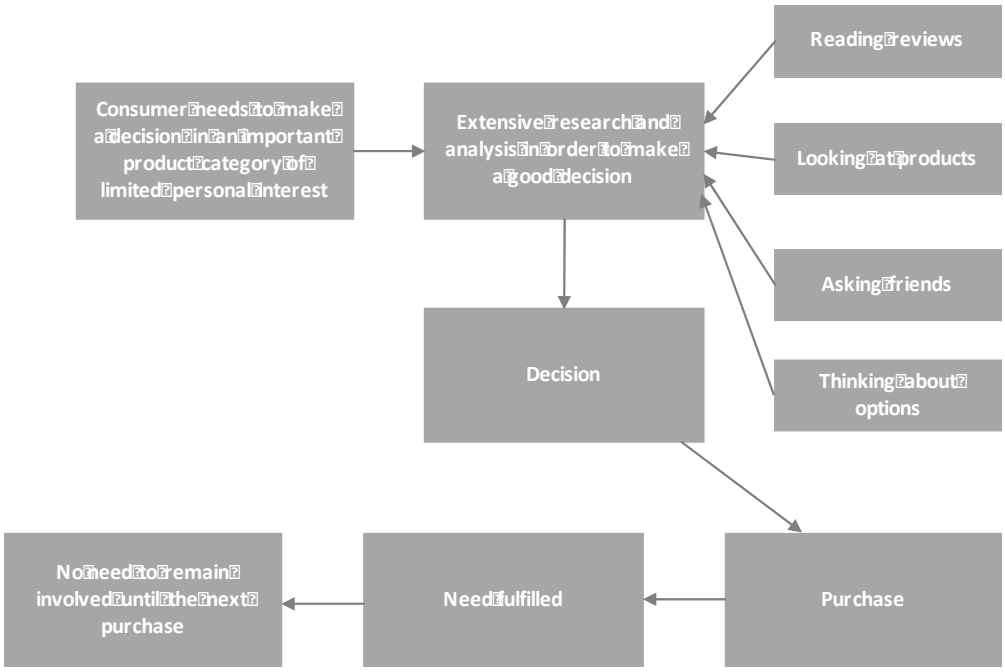


Figure 3: Consumer decision making with temporary involvement © Lars Perner.

As shown in Figure 3, traditional, social and internet WOM are all involved in the search to help consumers make a good purchase decision.

2.4.3 Consequences of WOM

Consequences or outputs of WOM have been studied extensively with many far-reaching outcomes cited. Lang & Hyde (2013) posit that the consequences of WOM can be categorised in three broad areas: affective, cognitive and behavioural. Affective response to WOM would result in a heightened emotional state for the receiver of the WOM communication, enthusiasm, confidence and optimism (Christophe & Rimé, 1997; Sweeny et al., as cited in Lang & Hyde, 2013; Phelps et al., 2004). A cognitive response would include greater brand awareness, higher expectations of a product and easier retrieval from memory and consideration for a brand (Ferguson et al., 2010; Grewal et al., as cited in Lang & Hyde, 2013; Liu, 2006; Webster, 1991; Zeithaml et al., 1993). Arguably the most visible and easier to measure outcomes are behavioural. These include product trial, brand switching and the retransmission of WOM (Baker, Donthu & Kumar, 2016; Buttle, 1998; Godes & Mayzlin, 2009; Lang & Hyde, 2013; Trusov, Bucklin & Puwels, 2009).

2.4.4 Electronic WOM (eWOM)

Due to the rise of digital technology, consumers now have access to a wealth of information regarding products and services (Sweeney et al., 2012; Trusov et al., 2009), and thus, tWOM as a medium for communication has been amplified by eWOM communication (Beneke et al., 2015). The rapid growth of the internet and, more specifically, social media platforms, has enabled consumers to share their personal experiences, thoughts, and opinions easily to a global community (Dellarocas, 2006). In fact, industry studies have shown that on average 2.4 billion daily online conversations occur that involve a brand (Baker et al., 2016).

Academic research into the field of eWOM first appeared in the late 1990's (Riivits-Arkonsuo & Leppiman, 2014), and since then a plethora of studies have followed. A definition of eWOM by Hennig-Thurau et al. (2004) appears to be referenced most frequently in the literature; "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" (p. 39).

Whilst eWOM shares many characteristics with tWOM, like valence and intensity (De Meyer & Petzer, 2014), eWOM does have some distinct characteristics (Hennig-Thurau et al., 2004). These include scalability (directed to multiple individuals), speed of diffusion, multi-way exchanges of information, availability over an indefinite period, use of various technologies and platforms, and anonymity (Dellacoras, 2006; Hennig-Thurau et al., 2004; Riivits-Arkonsuo & Leppiman, 2014).

EWOM can take place in a variety of online channels including company websites, social media, product review sites, news groups and blogs (Hennig-Thurau et al., 2004; Kreis & Gottschalk, 2015). One of the fastest growing channels is social media, which is defined as "…a group of Internet based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of User Generated Content" (Chu & Kim, 2011, p. 47). Social media formats include social networking sites (e.g. Facebook, Twitter, and MySpace) which have become the most popular online activity, ahead of email (Chu & Kim, 2011). These platforms provide consumers with WOM tools enabling their voices and opinions to be heard too many i.e. recommend, share, like, comment, reply and retweet (Riivits-Arkonsuo & Leppiman, 2014).

There is millions of product or company-related comments from consumers that are available to Internet users (Hennig-Thurau et al., 2004). EWOM in social networking sites occurs when consumers provide or search for this content through these platforms (Chu & Kim, 2011). Consumers can associate themselves with a brand by becoming a friend or fan of the brand page, thereby voluntarily exposing themselves to communication with the brand and other consumers (Chu & Kim, 2011). Brands like Coca-Cola have amassed large followings on the social networking site Facebook, with over 93 million members (Relling, Schnittka, Sattler & Johnen, 2016). These sites are also known as social network brand communities (SNBC's) and are

defined as "…groups of varying sizes that interact online to achieve their members' personal and shared goals and whose members are admirers of the brand that is the focus of the community" (Relling et al., 2016, p. 1). Research has shown that active participation in SNBCs can enhance community members' brand commitment, loyalty and WOM communication about the brand (Relling et al., 2016).

Online opinion forums or communities are similarly gaining in popularity. These forums allow for users to share information or opinions on a topic, which act as an online feedback mechanism, resulting in large-scale WOM networks (Dellarocas, 2003). Examples of these sites include epinions.com, consumerreview.com and Tripadvisor.com (Anderson & Simester, 2014; Hennig-Thurau et al., 2004), where the primary purpose of the site is the product reviews themselves. Whilst these sites are dedicated to consumers sharing an opinion on various topics, online retailers provide the same service through product review facilities (e.g. Amazon.com).

These online reviews and opinions have become an important resource for consumers when making purchase decisions (Mayzlin, Dover & Chevalier, 2014), which ultimately help a consumer choose a product per their individual preferences based on other consumers' consumption experiences (Kostyra, Reiner, Natter & Klapper, 2016; Moon & Kamakura, 2016). The reviews may also provide an additional piece of information for consumers that can then be used as a "quality indicator" to decrease uncertainty in the decision-making process (Kostyra et al., 2016). Thus, studies into the relationship with purchases have recently surfaced, demonstrating that online consumer reviews can influence attitudes, intentions, behaviour and can be linked to online and offline sales (Chevalier & Mayzlin, 2006; Duan, Gu & Whinston, 2008; Reichelt, Sievert & Jacob, 2014; Senecal & Nantel, 2004). A study by Rosario, Sotgiu, De Valck & Bijmolt (2016) found a positive correlation between eWOM and sales, however the effectiveness did differ across "platform, product and metric factors" (p. 297). A study of book sales on Amazon.com by Chen, Fay & Wang (2003) found that user recommendations were positively associated with sales. Additionally, the Wall Street Journal found that 71%

of US adults who purchase online use consumer product reviews to inform their purchases, and 42% of them trusted the source (Chen et al., 2011).

It is no surprise then that online WOM has become an important promotional tactic for companies (Mason, 2008) who have responded with strategies to monitor or influence the content (Reichelt et al., 2014) of online conversations. To do this, some marketers may use eWOM to encourage the growth of brand communities, establish company-driven communities or post positive online reviews anonymously (Levy & Gvili, 2015; Reichelt et al., 2014). Levy and Gvili (2015) describe this type of artificial eWOM as "a eWOM message that is originated by marketers who then try to disguise its genuine source" (p. 95). The anonymity of participants in online communities enables marketers to hide their promotion as a consumer recommendation (Mayzlin, 2006). A study by the consulting firm Bain & Company cite an amount of $750,000 as the typical amount an average billion-dollar company spends on earned media a year (Rosario et al., 2016).

Given the potential negative perceptions these types of strategies may create with consumers, companies are employing less overt methods to influence online conversations. For example, offering rewards to consumer's who start favourable conversations about their products and identifying and targeting influential community members to persuade them to write positive reviews (Dellarocas, 2006). Consumers however are becoming sceptical of online reviews due to an awareness of the existence of this 'fake' promotional online chatter (Mayzlin, 2006), and as with tWOM, credibility and perceived source reliability are essential antecedents in eWOM adoption (Levy & Gvili, 2015; Petrescu & Korgaonkar, 2011).

2.4.5 Traditional WOM vs. Electronic WOM

Despite the considerable interest that tWOM and eWOM have received in recent years from scholars, there is limited understanding of how the two differ from one another (Eisingerich et al., 2015). One of the most obvious differences is that one

involves oral communication (tWOM) and the other, written (eWOM). Oral communication (i.e. face-to-face or over the phone) tends to be synchronous, meaning there is very little delay between delivering communication and receiving it back. Written conversations on the other hand are more asynchronous, where there is a time lag between email, text or online chat (Berger & Iyengar, 2013). This allows time to craft responses rather than providing immediate feedback. This asynchronistic characteristic can result in consumers' feeling less social anxiety and therefore willing to disclose more personal information and be more honest with their opinions (Meuter et al., 2013).

Additionally, some studies appear to suggest that eWOM on social sites is succeeding tWOM as a driver of consumer behaviour (Eisingerich et al., 2015), and that eWOM is therefore the more influential of the two (Levy & Gvili, 2015; Liang, Ekinci, Occhiocupo & Whyatt, 2013). A number of factors are cited as to why this is the case. Firstly, due to the rapid development of the internet, eWOM can be quickly disseminated and potentially reach larger audiences (He & Bond, 2015). Secondly, recipients of the messages actively seek a broader range of comments online and therefore do not rely only on the opinion of acquaintances (Riivits-Arkonsuo & Leppiman, 2014). Third, eWOM can be accessed immediately or after a period of time (Berger & Schwartz, 2011). Fourth, anonymity encourages people to publish reviews online knowing they cannot be identified. Lastly, eWOM communications enables an individual to build up personal and social networks (Liang et al., 2013).

Traditional WOM however is more intimate and personal than eWOM (Lovett et al., 2013). Unlike online interactions in which one airs a message to many (e.g. Facebook), offline conversations are frequently in a personal one-on-one setting (Hoffman & Novak 1996). In offline meetings (especially in face-to-face ones) the communication extends beyond the words. For example, tonality, facial expressions, and body language are all used. Offline interactions are also more interactive, in the sense that the other conversation parties are expected to respond and usually immediately (Morris & Ogan 1996). In contrast, online channels such as blogs, user

forums and Twitter are in many cases one directional and asynchronous, with no immediate (if any) response (Lovett et al., 2013).

Due to these differing factors, Eisingerich et al. (2015) found that consumers are less likely to offer eWOM than tWOM due to the perceived risk associated with the different communication modes. The social risks associated with eWOM were higher than tWOM given the reputation and social network one builds on the internet and the fact that it is transmitted to a larger group of people.

There are however a few commonalities between tWOM and eWOM. One commonality is that consumers who engage in WOM do so out of a motivation to participate in the communication process (Hennig-Thurau et al., 2004). Consumers are more likely to engage in either form of WOM if they are engaged with the product, brand or service (Riivits-Arkonsuo & Leppiman, 2014). WOM theory has suggested that consumers engage in WOM when their consumption experience does not match their expectations. This can also be expected to be relevant for eWOM (Hennig-Thurau et al., 2004).

2.4.6 WOM in a South African context

Understanding the differences in consumers' willingness to engage in both forms of WOM communications in the South African context is of interest to this study. Internet statistics demonstrate that the way people use the Internet varies across countries. These differences include usage frequency, number and type of contacts, interactivity, and content (Goodrich & De Mooij, 2014). South Africa, as already mentioned, has a lower level of internet penetration than more developed countries.

WOM may also be more applicable in some markets or business contexts than others. For example, in high technology markets, companies are more willing to use WOM as an information source. Companies can provide free product to industry experts and opinion leaders with the aim of encouraging the spread of WOM

(Mason, 2008). While the current study does not include high technology products, it does involve an industry in South Africa (MDA) which relies on advances in technology to drive consumer benefits. Mason (2008) found that WOM is more effective in a turbulent versus a stable market. One can argue South Africa is a turbulent market from a political, economic and social perspective.

The following section explores the concept of customer experience quality and its importance for companies in providing superior experiences to drive business outcome and competitive advantage.

2.5 Customer Experience Quality (CEXQ)

Marketing practice and research have undergone a series of significant transformations over the past 25 years (Maklan & Klaus, 2011). Scholars and practitioners have long since been concerned with the customer value beyond functional attributes and benefits, resulting in a paradigm of brand and customer experience (Nysveen, Pedersen & Skard, 2013). In the 1990's there was a shift from creating product brands to building customer relationships through services marketing (Klaus et al., 2013; Maklan & Klaus, 2011). More recently, research suggests that even services are becoming commoditised (Lemke et al., 2011) and that another transformation has occurred, one of creating compelling customer experiences (Maklan & Klaus, 2011). Gilmore and Pine, as cited in Lemke et al. (2011), propose that consumers are now demanding more than just a competent service, but rather seeking experiences which are "engaging, robust, compelling and memorable" (p. 2). In other words, consumers are looking for an experience around what they are purchasing.

This evolution in marketing theory and practice into a post-service marketing phase has been described by Vargo and Lusch (2004) as the "market with" era. Meaning that value is being co-created collaboratively with consumers over a period of time (Maklan & Klaus, 2011). In today's connected world, consumers can engage in

dialogue with companies during every stage of product or service design and delivery (Payne et al., 2008). In this way, both company and consumer have the ability to create value together through customising the product offering. Recent research into this area of co-creating value emphasises the importance of the need for the consumer to be a constant co-creator of value, where the brand then becomes the experience (Frow & Payne, 2007).

The importance of creating superior customer experiences and managing those experiences has become of central importance to many practitioners (Frow & Payne, 2007; Verhoef et al., 2009), and has been recognised in many organisations as the base for a companies' efforts to differentiate themselves and create a competitive advantage (Chang & Horng, 2010). Research has demonstrated the existence of a strong link between customer experiences and profitability, given that customer experiences can have a great impact on business performance (Klaus et al., 2013). The value in creating superior customer relationships is a critical path to achieving successful marketing outcomes, such as customer loyalty, repeat purchase and WOM (Anderson, 1998; Klaus et al., 2013).

However, despite this insurgent practitioner interest in customer experience, its definition in marketing literature is still somewhat vague (Klaus et al., 2013). Customer experience has been defined as "…the customer's subjective response to the encounter with the firm, which includes the communication encounter, the service encounter, and the consumption encounter" (Kim & Choi, 2013, p. 323). This 'encounter' with a firm can occur directly or indirectly across multiple touch points (Lemke et al., 2011) and over the course of a consumer's life (Meyer & Schwager, 2007).

The communication encounter can occur prior to purchase or service delivery and includes exposure to marketing communication and WOM. The service encounter may include experiences of approaching a company (i.e. journey to a store), the efficient functioning of a website as well as the physical contact with the company

(i.e. in-store environment, sales staff). The consumption encounter occurs when the consumer applies the product or service to meet their needs (Lemke et al., 2011). Customer experience, as a result, embodies “the total experience, including the search, purchase, consumption, and after-sale phases of the experience” (Verhoef et al., 2009, p. 32).

The majority of companies do in fact believe they are creating excellent consumer experiences. This is substantiated in a survey by Bain & Company of 362 companies where 80% of their senior executives believed this to be the case for their firm. However, only 8% of their customers agreed (Coffman & Stotz, as cited in Kim & Choi, 2013). This suggests a gap in perceptions between companies and their consumers (Frow & Payne, 2007), and may occur as a result of the *quality* of an experience being dependant or determined from the point of view of an individual consumer (Vargo & Lusch, 2004). Examples cited in Kim & Choi (2013) demonstrates how this discrepancy may occur:

> Customers who go to a movie theatre and receive high-quality services from employees may end up having a terrible experience if other customers keep talking on a cell phone during the movie. Other examples may include the offense of a customer being intoxicated (drunk) in a public place and displaying abusive behaviour to employees or other customers. (p. 323)

Lemke et al. (2011) go on to define CEXQ as “a perceived judgement about the excellence or superiority of the customer experience” (p. 3) Thus, customer experience quality (CEXQ) is likely to be determined based on the total experience and not just services provided by a firm (Kim & Choi, 2013).

2.5.1 Models of CEXQ

The literature suggests that there is a need to further validate the CEXQ construct (Maklan & Klaus, 2011; Verhoef et al., 2009). A review of existing literature has revealed a limited number of models of customer experience in existence. Examples of these models include Grewal et al. (2009), Maklan & Klaus (2011), Payne et al. (2008) and Verhoef et al. (2009). Each of these models shares the view that customers assess their journey with a company holistically, and agree that empirical research to date has focussed on specific elements of the journey in isolation (Lemke et al., 2011). For the purposes of the current research, a brief overview of some of these models is explored.

Maklan and Klaus (2011) partnered with a major UK bank who was interested in understanding how to differentiate its household mortgage offer. The authors developed a measure for CEXQ to identify the dimensions, and their attributes, that explained important marketing outcomes: loyalty, WOM recommendation and satisfaction. The scale that was developed demonstrated high validity and reliability in explaining the relationship between customer experience and the previously mentioned marketing outcomes. The model also identified those attributes of the customers' experience that were most strongly associated with the marketing outcomes (Maklan & Klaus, 2011), for example peace-of-mind and outcome focus.

Verhoef et al. (2009) developed several determinants of customer experience. Eight primary antecedents of customers' holistic perception of customer experience were suggested: social environment, service interface, store atmosphere, assortment, price, customer experiences in alternative channels (e.g. the internet), and past customer experience. The authors suggest that companies should consider this broader conceptualisation of how customer experience is created.

Kim and Choi (2013), following the work of Verhoef et al. (2009), derived three dimensions from the antecedents of customer experience suggested by Verhoef et

al. (2009). Namely outcome quality, interaction quality, and peer-to-peer quality. In addition, they suggest customer experience quality as one of the antecedents of loyalty. The authors refer to outcome quality as “customers’ perceptions of the superiority of what they receive during service encounters” (p. 325). Interaction quality refers to “the customers’ perceptions of superiority of the manner in which the service is delivered”. Peer-to-peer quality refers the “perceived judgment of the superiority of customers’ interaction among one another” (p. 325). The authors cite Lemke et al. (2011) in stating “one of the origins of customers’ experience is the contact with other customers in the consumption process” (p. 325).

The results of their findings indicate that all three antecedents do in fact influence CEXQ, and also proved that a link existed between CEXQ and customer loyalty. It is on these dimensions that the current study will base the exploration of CEXQ.

The next section outlines the hypotheses derived from the literature review and the conceptual framework summarizing the current study.

2.6 Hypotheses

The conceptual framework which follows depicts the relationships that were investigated in the current study. The key variables are disposition to send and receive market place information, tWOM and eWOM, and CEXQ. The model will investigate the relationship between personality predictors in receiving and sending tWOM and eWOM pre-and post-purchase, as well as the relationship this has with CEXQ. These relationships are in respect to the brand of major domestic appliance purchased. Respondents were similarly asked to answer questions relating to the retailer where the appliance was purchased, however this is not included as part of the hypotheses.

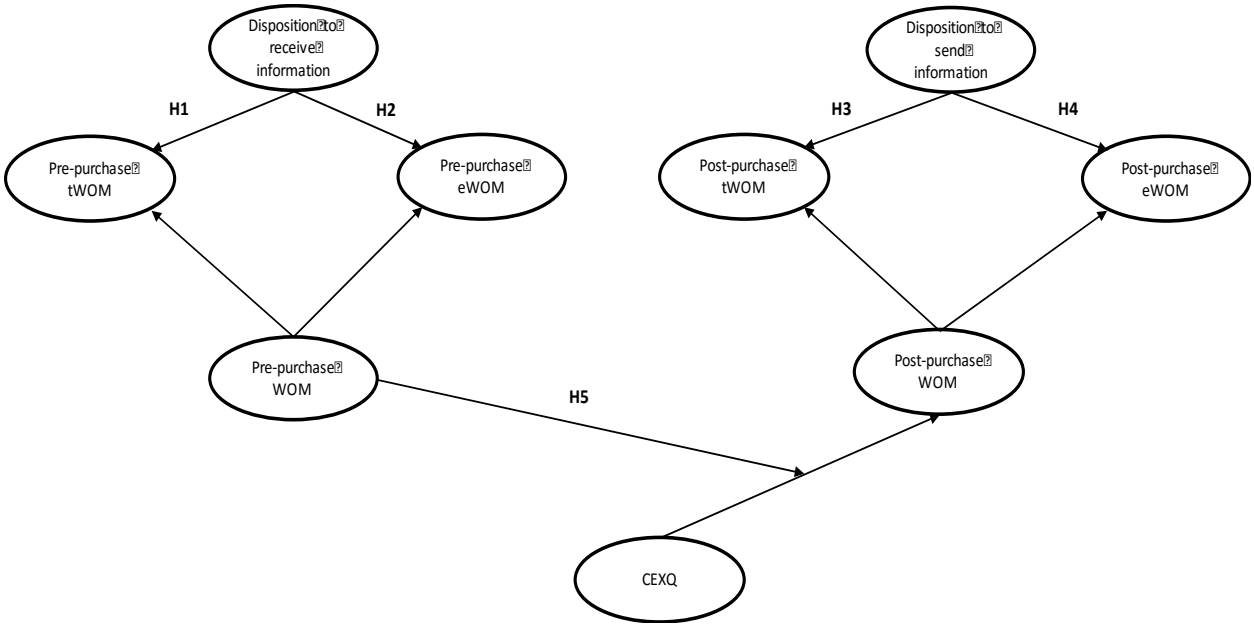


Figure 4: Conceptual framework

2.6.1 Hypothesis 1

Hypothesis 1 (H1): There is a positive relationship between disposition to *receive* market place information and tWOM pre-purchase.

2.6.2 Hypothesis 2

Hypothesis 2 (H2): There is a positive relationship between disposition to *receive* market place information and eWOM pre-purchase.

2.6.3 Hypothesis 3

Hypothesis 3 (H3): There is a positive relationship between disposition to *send* market place information and tWOM post-purchase.

2.6.4 Hypothesis 4

Hypothesis 4 (H4): There is a positive relationship between disposition to *send* market place information and eWOM post-purchase.

2.6.5 Hypothesis 5

Hypothesis 5 (H5): Pre-purchase tWOM and eWOM (pre-purchase WOM) mediates the relationship between CEXQ and post-purchase tWOM and eWOM (post-purchase WOM).

2.7 Conclusion

In conclusion, this chapter provides a summary of the existent literature available on all variables considered in the conceptual framework, namely personality, traditional and electronic word of mouth, customer experience and customer experience quality. Whilst these variables are not new concepts and have been studied extensively individually, there has been no research into the relationships between these variables at different points in the purchasing cycle, specifically pre- and post-purchase. The potential connections and relationships between these variables have thus led to the creation of the conceptual framework and the basis for the current study.

Chapter 3: Research Methodology

This chapter identifies and describes the methodology that is employed in this study. A research methodology is simply an intended method to be used to collect data. This section has three main objectives; namely to identify and describe the research strategy (Section 3.1), the research design (Section 3.2), as well as the procedure and the methods (Section 3.3). The chapter also describes the reliability and validity measures (Section 3.4) this research applied to ensure its credibility as well as the technical and administrative limitations of the research procedure and methods (Section 3.5).

3.1 Research strategy

Bryman (2012) defines a research strategy as "a general orientation to the conduct of social research" (p. 35). It is the plan and procedure that has been set out for the research and broadly describes steps relating to broad assumptions, methods of data collection, analysis and interpretation (Creswell, 2013). The approach that is taken will depend on different factors, including the researcher's theoretical framework and the research question (Wagner, Kawulich & Garner, 2012). There are three types of research strategies; namely qualitative, quantitative, and mixed method.

Based on the literature reviewed in Chapter 2, a quantitative research strategy is used in the current study. Bryman (2012) defines quantitative research below.

> …entailing the collection of numeric data, as exhibiting a view of the relationship between theory and research as deductive and a predilection for a natural science approach (and of positivism in particular), and as having an objectivist conception of social reality. (p. 35)

Practically speaking, a quantitative research strategy seeks to quantify the data, emphasising the quantification in the collection and analysis of data (Malhotra, 2010). Theories are tested by examining the relationship among variables (Creswell, 2013), typically by applying some sort of statistical analysis (Wagner et al., 2012).

This strategy has been selected for the current study so as to identify the enduring personality traits of those sending and receiving market place information (WOM), pre- and post-purchase tWOM and eWOM, and the relationship this has with CEXQ.

This research strategy has been applied in various studies focused on understanding consumer behaviour using personality constructs, namely; Bosnjak, et al. (2007), Sun & Wu (2012) and Mowen et al. (2007). These three studies used the 3M Model as a conceptual framework.

The primary objective of the Mowen et al. (2007) study was to present the theoretical tenets of the 3M Model, and explain how it can be utilised to organise traits within a nomological net. The second objective of the article was to illustrate the 3M Model by using it to investigate the trait characteristics of senders and receivers of word of mouth communication in the United States and Korea. Consistent with the 3M Model, four situational traits and two compound traits were identified as predictive of the surface traits of interest. Again, consistent with the model, eight elemental traits were included primarily since a correlation between a situational or compound and a surface trait could result as a consequence of the effects of one or more elemental traits (Mowen et al., 2007). This type of statistical analysis typically lends itself to a quantitative research approach.

In another study conducted by Bosnjak et al. (2007), the objective was to investigate the applicability of the 3M Model to explain and predict people's willingness to make online purchases. This model consisted of eight elemental traits (which included the Big Five dimensions of personality), four compound traits, two situational traits and

the final level – surface traits – included a measure of the intention to shop online in the future (Bosnjak et al., 2007).

The benefits of using a quantitative approach for the purposes of the current study allow for the comparison of results to the Bosnjak, et al. (2007), Sun & Wu (2012) and Mowen et al. (2007) studies.

3.2 Research design

From a marketing research perspective, a research design details the procedures necessary for obtaining the information needed to structure or solve marketing research problems (Malhotra, 2010). This process provides a framework for the collection and the analysis of the data and describes how the study is ultimately designed and how the data will be collected (Bryman, 2012; Neuman, 2014). Bryman (2012) outlines that there are five generic research designs, namely: cross-sectional, longitudinal, case study, comparative, and experimental.

Based on the literature review outlined in Chapter 2, a cross-sectional design is adopted for the current study. Bryman (2012) defines a cross-sectional design, also referred to as survey design, as:

> The collection of data on more than one case (usually quite a lot more than one) and at a single point in time in order to collect a body of quantitative or quantifiable data in connection with two or more variables (usually many more than two), which are then examined to detect patterns of association. (p. 58)

The key element of a cross-sectional design is that information or data is collected from the given sample of the target population only once (Babbie, 2015; Malhotra,

2010). Researchers utilising this design are often interested in variation, which can only be established when one or more cases is being examined (Bryman, 2012).

As the current research is not testing trends over time and is not focussed on a single case, a set of data collected at a single point in time is sufficient in modelling the relationship between personality traits, tWOM and eWOM and CEXQ.

As mentioned previously, this design has been proven successful in previous studies of the same nature.

In a study conducted by Eisingerich et al. (2015), the aim was to examine the conceptual differences between eWOM (specifically on social network sites) and tWOM. The authors predicted that there would be a greater social risk associated with eWOM, and therefore overall propensity to provide eWOM would be less than tWOM. Two studies were conducted, both using a cross-sectional design. The first study, which aimed at understanding propensity to share positive WOM both online and offline, used a single-factor (communication mode: tWOM vs. eWOM) between-subjects approach. The second study aimed at examining the potential boundary condition for the effects identified in the first study, again a cross-sectional design was used (Eisingerich et al., 2015).

Brown et al. (2005) developed a comprehensive model of the antecedents of WOM (both intentions and behaviour), including consumer identification and commitment. The authors believed there was a gap in the understanding of antecedents of WOM, and that despite some research into the topic, the understanding was incomplete. The purpose of their research was therefore to address this gap through the development of a model of factors influencing positive WOM in the context of an automobile dealership which offered products and services on those products. The study was conducted with the automobile dealership's customer base. The approach was to gather data from the customer base, and as a result a cross-sectional research design was adopted.

A study by East et al. (2015) similarly investigated factors or antecedents to WOM production. The authors employed a typology established by Glynn Mangold, Miller & Brockway (1999) which was used to address frequency related concerns about WOM. The first concern was to supply a survey-based count of WOM antecedents, the second concern was to build knowledge about the nature of WOM, and the third concern was the practise of deriving frequencies from qualitative reports as was done by Glynn Mangold et al. (1999) (East et al., 2015).

The benefits that a cross sectional design delivered to these studies included allowing the researchers to collect a great deal of information relatively quickly and inexpensively. Data is often obtained using self-report surveys and researchers are often able to amass large amounts of information from a large pool of participants. The other benefit is that researchers could collect data on some different variables to see how differences in sex, age, educational status, and income might correlate with the critical variable of interest.

While cross-sectional studies cannot be used to determine causal relationships, they can provide a useful springboard for further research.

3.3 Research procedure and methods

3.3.1 Data collection instrument

Data collection is essentially the gathering of information to assist the researcher to answer research questions (Wagner et al., 2012). In order to facilitate this process, a data collection instrument is needed, and generally takes the form of a document that contains questions and other types of items designed to solicit information that is appropriate for analysis (Babbie, 2015).

Bryman (2012) defines a data collection instrument as follows:

> In experimental research, this is likely to entail pre-testing subjects, manipulating the independent variable for the experimental group, and post-testing respondents. In cross-sectional research using social survey instruments, it will involve interviewing the sample members by structured interview schedule or distributing a self-completion questionnaire. In research using structured observation, this step will mean an observer (or possibly more than one) watching the setting and the behaviour of people and then assigning categories to each elements of behaviour. (p. 162)

There are two types of data collection instruments, namely an observation schedule and an interview schedule. For the purposes of the current study, an interview schedule has been adopted.

An interview schedule contains a basic structure that guides how the interview will be conducted and is generally used for the recording and writing down of information that is obtained during an interview (Creswell, 2013; Wagner et al., 2012). It is ultimately the collection of questions designed to be asked by an interviewer, and is always used in a structured interview (Bryman, 2012). This approach has been adopted for the current research given the success used in previous related studies, and in an attempt to exercise more control over the completion of the questions by respondents.

Data collection in general, and the collection instrument itself, can entail different approaches. This is primarily based on if the researcher has adopted a deductive or inductive approach. Bryman (2012) defines a deductive approach as "…an approach to the relationship between the theory and research in which the latter is conducted with reference to hypotheses and ideas inferred from the former" (p. 711). Conversely, an inductive approach "…is an approach to the relationship between theory and research in which the former is generated out of the latter" (p. 712).

Thus the structure of the data collection instrument will be based on whether the researcher has established, in advance, the broad contours of what he or she needs to find out, and designs the research instrument to implement what needs to be known (deductive). However, if the researcher chooses to keep more of an open mind about the contours of what he or she needs to know about, concepts and theories can emerge out of the data (inductive). There are three types of data collection instrument structures, namely unstructured, semi-structured and fully structured.

A structured interview entails the administration of an interview schedule by an interviewer. The aim is for all interviewees to be given exactly the same context of questioning, which means each respondent receives exactly the same interview stimulus. The goal of this type of technique is to ensure that interviewees' replies can be aggregated, and this can be achieved reliably only if those replies are in response to identical cues. Questions are usually very specific and very often offer the interviewee a fixed range of answers (Bryman, 2012).

Related to this method, and very similar in nature, is the self-completion questionnaire. The difference being that there is no interviewer to ask the questions; rather the respondents must read each question and answer themselves. The most common of methods of a self-completion questionnaire is done via post or email. However, in certain instance (as with the current research and related studies), self-completion of the questionnaires can be 'supervised', meaning that questionnaires are handed out by a researcher or interviewer, but the respondent fills it out themselves (Bryman, 2012). This method of data collection has been chosen for the current study in order to mitigate interview variability and bias, and more importantly for convenience for the respondents. The benefits of the self-administered questionnaire for the current study concluded: it was quicker to administer (data collected within six weeks), it mitigated interviewer variability, and it was more convenient for respondents.

The aim of the current research is to model the relationship between tWOM and eWOM on CEXQ from a pre-and post-purchase perspective. Additionally, understanding personality traits of those sending and receiving WOM is also explored. In order to model these relationships and determine if there are any other factors that impact on CEXQ and WOM (e.g. socio-economic), questions relating to this model were used in the data collection instrument.

The studies completed by Mowen et al. (2007), Eisingerich et al. (2015) and Kim & Choi (2013) used self-completion questionnaires. These studies incorporate the models and questions which cover the dimensions and constructs of personality, WOM and CEXQ as well as demographic data of respondents. As a result, these questionnaires were adapted and used for the current study. To measure the different variables in each study, 10-point multi-item Likert scales were used. Using a scale from 1 to 10 allowed respondents to easily categorise their perceptions (1 = minimum, 5 = median value, 10 = maximum) (Buil, Martínez & Matute, 2016).

In order to control for common method bias, which may arise when variations in responses are caused by the instrument or questionnaire rather than the actual tendencies of the respondents (Bryman, 2012; Buil et al., 2016); marker variables were included. Marker variables control the common method bias by introducing questions into the research instrument that are theoretically unrelated to substantive variables in the study. The following marker variables were included:

Statement
I am always courteous, even to people who are disagreeable.
There have been occasions when I took advantage of someone.
I sometimes try to get even rather than forgive and forget.
I sometimes feel resentful when I don't get my own way.

No matter who I'm talking to, I'm always a good listener.

Principle component analysis was used to extract loadings of each component when analysing the presence of common method variance.

Please refer to Appendix A for the self-completion questionnaire used in the current study.

3.3.2 Target population and sampling

A target population is the universe of units from which a sample is to be selected (Bryman, 2012). It is the "…collection of objects that possess the information sought by the researchers and about which inferences are to be made" (Malhotra, 2010, p. 372). The context of this study is the MDA industry in South Africa. Therefore, the target population comprises of shoppers who have purchased one of these products during the time period of data collection, namely January and February 2017.

The sample is the segment of the population that is selected for research, and is essentially a subset of the population (Bryman, 2012; Wagner et al., 2012). It is a small set of cases a researcher selects from a large pool and generalises to the population (Neuman, 2014). As mentioned, the respondents of the proposed research will have purchased a MDA during the period of the research data collection period. A MDA is defined as a product within the cooking, food preservation (refrigeration), dishwashing or laundry category. The respondents were shoppers of MDA retailers. The retailers selected were based on their share of sales of appliances as well as the quantity of shoppers' in-store during the selected interview periods. They included, but were not limited to, Hirsch's, Makro and Game. Respondents were approached in Johannesburg stores only, given this region has the largest share of sales in the country, 35% (GfK, 2016). The respondents were the primary or joint decision maker or purchaser of home appliances in their household, and purchased the appliance either for themselves or as a gift. The study achieved 144 valid responses.

In the Mowen et al. (2007) study, the target population and sample was not based on opinion leaders, early adopters or other influential advocates but rather a broad range of students at universities in the US and Korea. In the Eisingerich et al. (2015) study, data for their second study was collected from Starbucks customers who exited the shop, and similarly covered a broad spectrum of consumers.

Within a quantitative research approach, the types of sampling techniques include probability and non-probability sampling. The current research employed a non-probability sampling approach based on the approach of similar types of research which have been highlighted in the literature review.

Non-probability sampling encompasses all forms of sampling that are not conducted per the tenets of probability sampling, and as such the sample has not been selected using a random sampling method. Essentially, this implies that some units in the population are more likely to be selected than others (Bryman, 2012). The sample that is selected is, thus, not random, meaning that the individuals are included because they were available and willing to participate in the study (Wagner et al., 2012). When using a non-probability sampling technique, the researcher does not have to determine the sample size in advance and has limited knowledge about the larger group or population from which the sample is taken (Neuman, 2015). According to Bryman (2012), there are three types of non-probability sampling, namely convenience sampling, snowball sampling and quota sampling.

Convenience sampling is when a sample is selected because of its availability to the researcher, in other words by virtue of its accessibility (Bryman, 2012). This form of non-probability sampling was used in the current research primarily due to the prominence of this technique in similar studies, as well as the good response rate that has been cited by Bryman (2012) in using this approach. A review of the literature has shown numerous studies utilising this technique.

3.3.3 Data collection and storage

Data collection is the process of gathering data from the sample so that the research questions can be answered (Bryman, 2012). This is done in an established systematic fashion that enables one to answer stated research questions, and evaluate outcomes. There are four modes of research data collection, namely: participant observation or ethnography; interviews; focus group discussion; and documents.

Based on the literature review and previous studies cited, interviews were adopted as the source of data collection for the current research. An interview is an interaction or encounter in which the researcher asks a participant a series of questions relating to specific kinds of information (Babbie, 2015; Wagner et al., 2012). All interviews share a common feature, being the obtaining of information by the interviewer from the interviewee (Bryman, 2012).

This method of data collection, and more specifically the self-administered questionnaire which is closely linked to the interview, was used given its convenience for the respondent and high response rate achieved. Upon purchasing a major domestic appliance from one of the appliance outlets, the shopper was asked by the research assistant if they would be willing to participate in research concerning their purchase. If they agreed, the research assistant explained the purpose of the research, highlighted confidentiality of the responses and advised the time needed to complete the questionnaire. A cover letter from the author was included on the questionnaire explaining the title of the research and what the responses would be used for. As mentioned previously, the number of usable responses was 144.

The data retrieved from respondents has been stored securely. All completed questionnaires (paper data) are kept in a locked cabinet, and electronic data (coded questionnaire answers) in a password protected file.

3.3.4 Ethical considerations when collecting data

Ethics in social research has been categorised into four main areas, namely: 1. whether there is harm to participants 2. whether there is a lack of informed consent 3. whether there is an invasion of privacy 4. whether there is deception involved (Bryman, 2012). Neuman (2014) defined ethical issues in social research as:

> Ethical issues are concerns, dilemmas and conflicts that arise over the proper way to conduct research. Ethics defines what is or is not legitimate to do or what normal research procedure involves. Many ethical issues require a researcher to balance two values, the pursuit of scientific knowledge and the rights of those being studied or of others in society. The researcher must weigh potential benefits such as advancing the understanding of social life, improving decision making or helping research participants against potential costs such as loss of dignity, self-esteem, privacy or democratic freedoms. (p. 145)

The author of this study is a student of the Wits Business School and is conducting research into the relationship between WOM and CEXQ in South Africa in order to assist in developing better understanding into this topic from an academic and practitioner perspective. The processes of collecting data for this research was in no way deceitful to respondents, and did not in any way harm or stress respondents or drive them to a point of losing ‘self-esteem’. The identity of respondents was not revealed at any point in this study and no names or other identifying information was requested as part of the questionnaire. As mentioned previously, the completed questionnaires (paper based) have been stored in a locked cabinet and the coded sheet with questionnaire answers is stored in a password protected file (electronic based).

3.3.5 Data processing and analysis

Data coding is a systematic way in which to condense extensive data sets into smaller analysable units through the creation of categories and concepts derived from the data. Bryman (2012) cites two stages in data coding, namely designing a coding schedule and designing a coding manual. A coding schedule is the form onto which all the data relating to an item being coded will be entered. A coding manual is statement of instructions to coders that also includes all possible categories for each dimension being coded. The current study utilised a coding schedule where data from the questionnaires was entered into a Microsoft Excel spreadsheet. Following this, the spreadsheet was loaded into the statistical software package Excel Stat.

Data cleaning aims to identify and correct errors in the data or at least to minimize their impact on study results. Data cleaning involves the detection and removal (or correction) of errors and inconsistencies in a data set or database due to the corruption or inaccurate entry of the data (Bryman, 2012). Incomplete, inaccurate or irrelevant data is identified and then either replaced, modified or deleted. Incorrect or inconsistent data can create a number of problems, which lead to the drawing of false conclusions (Neuman, 2014). In order to mitigate this in the current research, all the data was backed up before starting the data cleansing; a list of all variables, variable labels and variable codes was created; variables crucial to the analysis were checked to ensure they had values; and the coding sheet was created twice and cross checked against each other to ensure no capturing errors had occurred.

The data analysis phase is fundamentally about reducing large amounts of information that the researcher has gathered so he or she can start analysing and interpreting the data (Bryman, 2012). Neuman (2014) defines data analysis as the process of “systematically organising, integrating and examining data to search for patterns and relationships among the specific details. To analyse, we connect particular data to concepts, advance generalisations and identify trends and themes"

(p. 477). There are a number of data analysis techniques that can be used, including regression analysis, cluster analysis, and content analysis to name a few.

Based on the literature review, and the complexity of the conceptual model, structural equations modelling (SEM) was used in the analysis of the data. SEM is a multivariate statistical analysis technique that is used to analyse structural relationships (Malhotra, 2010). This technique is the combination of factor analysis and multiple regression analysis, and it is used to analyse the structural relationship between variables and constructs. This method is preferred by the researcher because it estimates the multiple and interrelated dependence in a single analysis. It has also become the "quasi-standard" in marketing research with regards to analysing cause-effect relationships between latent constructs (Hair, Ringle & Sarstedt, 2011). In SEM, there are two sub models; the inner model and the outer model (Wong, 2013). The inner model, or structural model, describes the relationships among the latent variables that make up the model. The outer model, or measurement model, specifies the relationship among the latent variables and their indicators.

Mowen et al. (2007) used SEM to measure the sixteen different constructs in the model. In order to further assess the adequacy of the model tested, it was compared to an alternative, plausible model by means of a chi-square difference test. This offered a good basis for comparison given that the 3M Model approach assumes partial mediation (Mowen et al., 2007). In the study conducted by Kim & Choi (2013), SEM was used to test the hypothesized relationships. Specifically, dimensions of customer experience quality (service outcome quality, interaction quality, peer-to-peer quality); holistic customer experience quality; and behaviour intentions (customer loyalty). The model fit indices were all found to be acceptable. The authors added an additional analysis to understand the moderating role of gender in the conceptual framework, therefore performing a moderating effect analysis.

A lesser known approach to SEM was utilised in the current study, that of partial least squares SEM (PLS-SEM). PLS-SEM differs from the traditional covariate-based SEM (CB-SEM) in that it may provide a more robust estimation of a structural model (Hair et al., 2011). PLS-SEM is also used when the research objective is biased towards being predictive and concerned with theory development rather than testing and confirmation (in this instance a researcher would use CB-SEM).

Hair et al. (2011) and Wong (2013) identified 'rules of thumb' for selecting CB-SEM or PLS-SEM for a study. Key aspects for choosing PLS-SEM are highlighted below:

- If the research goal is predicting key target constructs or identifying "key" driver constructs.
- If the research is exploratory.
- If the structural model is complex (many constructs and many indicators).
- Small sample size.

The current study includes all the above key aspects, therefore PLS-SEM was used to analyse the data of the current study.

3.4 Research reliability and validity

Reliability in research is concerned with the question of whether the results of a study are repeatable, in other words it refers to the degree to which an instrument measures a construct the same way each time it is used under the same conditions, with the same respondents (Bryman, 2012; Wagner et al., 2012). It means that the numerical results an indicator produces do not vary because of the characteristics of the measurement process or measurement instrument itself (Neuman, 2014).

To ensure the proposed research is reliable, composite reliability was used. Composite reliability is usually calculated in conjunction with SEM (Peterson & Kim,

2013), and is "…obtained by combining all of the true score variances and co-variances in the composite of indicator variables related to constructs, and by dividing this sum by the total variance in the composite" (Akkucuk, 2014, p. 527). Composite reliability was used in a study by Buil et al. (2016) where PLS-SEM was used as the method of data analysis.

Validity is concerned with the integrity of the conclusions that are generated from a piece of research. In other words, whether a measure of a concept actually measures that concept (Bryman, 2012). In quantitative research there are several ways to establish validity, namely measurement validity; internal validity; external validity; and ecological validity.

Measurement validity is the degree to which a measure of a concept truly reflects the concept. There are three approaches to determine measurement validity. The first is face validity which is whether an indicator appears to reflect the content of the concept in question. Secondly, concurrent validity entails relating a measure to a criterion on which cases (e.g. people) are known to differ and that is relevant to the concept in question (Bryman, 2012). The third is construct validity which is the degree to which a test measures what it claims to be measuring. Convergent and discriminant validity are the two subtypes of validity that make up construct validity (Bryman, 2012). Convergent validity, a parameter often used in sociology, psychology, and other behavioural sciences, refers to the degree to which two measures of constructs that theoretically should be related, are in fact related.

In psychology, discriminant validity or divergent validity test whether concepts or measurements that are not supposed to be related are actually unrelated (Neuman, 2014). In addition, discriminant validity assessment has become a generally accepted prerequisite for analysing relationships between latent variables for variance-based structural equation modelling, such as partial least squares (Wong, 2013). As a result, convergent and discriminant validity were used in the current study.

Internal validity is the degree to which reliable conclusions can be made about the relationships between variables, on the grounds that all other external influences have been eliminated (Wagner et al., 2012). It is concerned with the question of whether a finding that incorporates a causal relationship between two or more variables is sound (Bryman, 2012). Neuman (2014) describes internal validity as meaning "…we have not made errors internal to the design of a research project that might produce false conclusions" (p. 221). In the Kim & Choi (2013) study, tests for internal validity were all within an acceptable range (CFI =.966, TLI=.959, standardised RMR=.048, RMSEA=.065). It was therefore concluded that the proposed model fit the data well. In the Mowen et al. (2007) study, similar tests were conducted and all fit indices were found to be well above acceptable levels.

External validity is concerned with the question of whether the results of a study can be generalized beyond the specific research in which it was conducted (Bryman, 2012). It refers to whether the researcher can generalise a result that was found in a specific setting with a particular small group beyond that situation (Malhotra, 2010; Neuman, 2014). The proposed research will check for external validity using secondary data i.e. similar WOM and personality studies.

Ecological validity is concerned with the question of whether social scientific findings are applicable to people's everyday natural social settings (Bryman, 2012). Wagner et al. (2012) cites that it is the external validity in which contextual factors and variables are considered. In order to demonstrate authenticity and trustworthiness of a study, the researcher needs to show that their descriptions of the field site match those of the members and that the field researcher's presence was not a disturbance, in other words whether the natural setting described is relatively undisturbed by your presence or procedures (Neuman, 2014). In the current study, all respondents completed the questionnaire upon exiting the retail outlet following their purchase of a major domestic appliance.

In the three studies upon which the current study is based (Eisingerich et al., 2015; Kim & Choi, 2013; Mowen et al., 2007) the adequacy of the measurement model was evaluated on the criteria of overall fit, reliability and validity. In all studies, the overall measurement model fit indices indicated that the data fit the model well.

3.5 Research limitations

A limitation of a cross-sectional design, as well as the data analysis techniques, used in this study, is that they uncover relationships between variables and not causality. Meaning that it cannot be concluded that one variable causes another (Bryman, 2012). For example, if there is a significant relationship found between female respondents and a propensity to engage in sending eWOM, it cannot be inferred that being female causes a propensity to engage in sending eWOM, just that there is a relationship between the two.

Another limitation in the proposed study is the use of non-probability (convenience) sampling and the impact this has on the generalisability of the data. Given this sampling technique was used, the findings can only be generalised to the population from which the sample was taken. In order to mitigate this, a wide range of consumers with regard to socio-demographics characteristics were targeted during the data collection process.

3.6 Conclusion

It is believed that a quantitative research strategy and the cross-sectional research design delivered the best possible results for the study. Through the quantification in the collection and analysis of the data, the multiple theories and relationships were tested and relationships among variables examined. Utilising the self-completion questionnaire as the research instrument enabled quick data collection and ease of completion for respondents.

The PLS-SEM data analysis approach enabled the researcher to model the relationships between all variables in a structural model that was quite complex. All validity and reliability measures were examined to ensure that all items in the measurement model were statistically significant, that the constructs were free from redundant items and reliability and internal consistency of the latent constructs was achieved.

All ethical considerations were undertaken to ensure respondent confidentiality and privacy was upheld through participation, data collection and data storage processes.

Chapter 4: Presentation of results

4.1 Introduction

As previously stated, there have been few studies linking either tWOM or eWOM (pre- or post-purchase) to CEXQ (Klaus et al., 2013). Thus, the key purpose of this study was to model the relationship between pre- and post-purchase tWOM and eWOM and CEXQ. The key variables were disposition to send and receive market place information, tWOM and eWOM, and CEXQ. The model was to investigate the relationship between personality predictors in receiving and sending tWOM and eWOM pre-and post-purchase, as well as the relationship this had on CEXQ. These relationships were in respect to a brand of MDA purchased as well as for the retailer where it was purchased. The results of both will be presented in the current chapter.

The key results from the data collected are presented and described in relation to the literature review. The sample and respondent characteristics, as well as brand, retailer and products purchased are presented first. An appropriate way to report PLS-SEM analysis is by using a two-stage approach (Chin, as cited in Latan & Ramli, 2013). The first is to focus on the outcome from the scaling or outer model, and the second to focus on the outcome from the structural or inner model. Hence, this approach was adopted in this chapter. The section ends with the results of the structural model where the analysed data is presented per the five hypotheses identified in Chapter 2. All the data is presented by means of raw data tables and visual demonstration of results through the conceptual model.

4.2 Common method bias assessment

As discussed in the previous chapter, to control for common method bias which may arise when variations in responses are caused by the questionnaire rather than the actual tendencies of the respondents (Bryman, 2012; Buil et al., 2016), marker

variables were included. Marker variables control the common method bias by introducing questions into the research instrument that are theoretically unrelated to substantive variables in the study. The results of the principle component analysis highlight, for both the brand of appliance and retailer, a single factor accounting for a substantial portion of total variance (about 46% in both instances). Tables 1 and 2 below detail the common method variance for both brand of appliance and retailer respectively.

Total Variance Explained						
Component	Initial Eigenvalues			Extraction Sums of Squared		
	Total	% of	Cumulative	Total	% of	Cumulative
1	17,382	44,569	44,569	17,382	44,569	44,569
2	3,974	10,191	54,760			
3	3,113	7,981	62,741			
4	2,637	6,761	69,503			
5	1,587	4,069	73,572			
6	1,387	3,555	77,127			
7	1,030	2,642	79,769			
8	0,768	1,970	81,738			
9	0,712	1,826	83,564			
10	0,613	1,571	85,136			
11	0,541	1,387	86,523			
12	0,473	1,214	87,737			
13	0,429	1,101	88,838			
14	0,416	1,066	89,904			
15	0,380	0,974	90,879			
16	0,362	0,928	91,807			
17	0,339	0,870	92,677			
18	0,294	0,754	93,431			
19	0,274	0,702	94,133			
20	0,248	0,636	94,770			
21	0,223	0,573	95,343			
22	0,195	0,500	95,843			
23	0,179	0,458	96,301			
24	0,168	0,431	96,732			
25	0,159	0,407	97,139			
26	0,149	0,381	97,520			

27	0,137	0,352	97,872			
28	0,120	0,308	98,180			
29	0,109	0,279	98,458			
30	0,102	0,261	98,719			
31	0,095	0,243	98,962			
32	0,083	0,213	99,175			
33	0,069	0,176	99,351			
34	0,061	0,156	99,507			
35	0,060	0,153	99,660			
36	0,048	0,122	99,782			
37	0,032	0,082	99,863			
38	0,028	0,072	99,936			
39	0,025	0,064	100,000			

Table 1: Brand common method variance

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of	Cumulative	Total	% of	Cumulative
1	17,362	44,519	44,519	17,362	44,519	44,519
2	3,950	10,129	54,648			
3	2,887	7,402	62,050			
4	2,597	6,659	68,709			
5	1,610	4,128	72,837			
6	1,434	3,676	76,513			
7	1,159	2,972	79,485			
8	0,739	1,894	81,379			
9	0,645	1,654	83,033			
10	0,594	1,524	84,557			
11	0,554	1,421	85,978			
12	0,510	1,309	87,287			
13	0,477	1,223	88,510			
14	0,429	1,101	89,611			
15	0,377	0,968	90,579			
16	0,372	0,954	91,533			
17	0,332	0,853	92,386			
18	0,312	0,799	93,185			
19	0,263	0,675	93,861			
20	0,252	0,647	94,508			

21	0,228	0,586	95,093			
22	0,209	0,536	95,629			
23	0,187	0,480	96,110			
24	0,172	0,440	96,550			
25	0,169	0,433	96,983			
26	0,148	0,380	97,363			
27	0,139	0,356	97,719			
28	0,124	0,319	98,037			
29	0,121	0,309	98,347			
30	0,117	0,299	98,646			
31	0,093	0,239	98,885			
32	0,083	0,214	99,099			
33	0,074	0,191	99,289			
34	0,070	0,180	99,469			
35	0,052	0,133	99,602			
36	0,048	0,123	99,725			
37	0,042	0,108	99,833			
38	0,040	0,103	99,936			
39	0,025	0,064	100,000			

Table 2: Retailer common method variance

4.3 Sample and respondent characteristics

The final sample consisted of 144 usable responses out of 147 questionnaires collected. Three were rejected due to missing data on the questionnaires. There was an even split between male and female respondents and the majority were married (60%). Almost half of the respondents (47%) were aged between 37 and 52 years of age, followed by 42% between 17 and 36 years. Over half of the respondents were white (56%), followed by black (20%) and Indian / Asian (16%) respondents. Almost three quarters of respondents (74%) claimed to have a form of tertiary education with 75% being employed or self-employed. A summary of the demographic data for respondents is outlined in Table 3 below.

Demographic variable	Percentage
Gender	
Male	50%
Female	51%
Marital status	
Single	31%
Married	59%
Widowed	2%
Divorced	8%
Separated	1%
Year born	
1981-2000	42%
1965-1980	47%
1946-1964	10%
1928-1945	0%
<1928	0%
Race	
Black	20%
White	56%
Coloured	3%
Indian / Asian	16%
Prefer not to disclose	5%
Other	0%

Education	
High school	26%
Diploma	15%
Degree	39%
Post grad	19%
Other	0%
Employment	
Student	13%
Employed	56%
Self-employed	19%
Retired	5%
Unemployed	5%

Other	3%

Table 3: Respondent characteristics

From the sample collected, the majority of appliances were purchased at a Makro store (38%), followed by Game (19%) and Hirsch's (17%). There was a relatively large portion of respondents (10%) who did not indicate where the appliance was purchased. Table 4 below summarises the retailer data.

Retailer	Percentage
Game	19%
Makro	38%
Hirsch's	17%
House & Home	3%
Dion Wired	5%
CheckersHyper	2%
Appliance City	1%
The Digital Experience	1%
Pick 'n Pay Hyper	3%
Builders WH	1%
Masons	1%
Unknown	10%
Samsung	1%

Table 4: Retailer where appliance was purchased

The appliance with the most purchases was microwave ovens (27%), followed by freezer on the bottom fridges (11%) and then side by side fridges (8%). Cooking appliances combined accounted for almost half of the appliances purchased (46%), followed by refrigeration products (30%). Laundry and dishwashers were the least purchased appliances. Almost seventy percent of the appliances purchased came from four brands, namely Defy (23%), Whirlpool (19%), Samsung (16%) and LG

(11%). Brands such as KIC, Kelvinator and Smeg were the least purchased, each achieving only 1% of brands purchased.

The appliance was predominately purchased for the buyer themselves (90%), with the decision to purchase relatively evenly split between a sole (45%) and a joint (55%) decision. A summary of the appliance, brand and purchase decision choices are presented in Table 5 below.

Demographic variable	**Percentage**
Product purchased	
Microwave	27%
Freezer on bottom	11%
Side by side	8%
Freezer on top	7%
Dishwasher	7%
Built in oven	6%
Front loader	6%
Extractor fan	5%
Built in hob	4%
Free standing cooker	4%
Chest freezer	4%
Top loader	3%
Tumble dryer	3%
Washer/dryer combo	2%
Twintub	1%
Other oven	1%
Other fridge	1%
Brand of product	
AEG	9%
Bosch	9%
Defy	23%
KIC	1%
LG	11%
Hisense	4%
Kelvinator	1%

Samsung	16%
Whirlpool	19%
Smeg	1%
Other	6%
Purchase decision	
Sole	45%
Joint	55%
Purchased as	
Gift	10%
Self	90%

Table 5: Respondent product, brand and purchase choice

4.4 Results pertaining to the measurement model

The validation of the measurement model involved the assessment of the reliability and validity of the data. As per Wong (2013), convergent validity, discriminant validity and composite reliability measures should be used when PLS-SEM is the data analysis method used.

Convergent validity is achieved when all items in a measurement model are statistically significant, where the loadings are greater than 0.7. The convergent validity was also verified by calculating the Average Variance Extracted (AVE) for every construct (Awang, 2012). The value of AVE should be 0.5 or higher for this validity to be achieved. Composite reliability (CR) indicates the reliability and internal consistency of a latent construct. A value of CR > 0.7 is required to achieve composite reliability for a construct (Awang, 2012).

Tables 6 and 7 show the results for the brand and retailer constructs respectively. All the loadings were greater than 0.7 and the AVE for each construct was greater than

0.5 in the current study, therefore convergent validity was achieved for both brand and retailer. Each construct achieved a CR of greater than 0.7 indicating composite reliability was similarly achieved.

Question	Loading	CR	AVE
Disposition to Receive Information		0,934	0,669
I like to have others introduce me to new brands and products.	0,847		
I like to get others to provide me with information about many	0,888		
I ask other people for information about products, places to shop	0,869		
I like to ask other people, who can give an informed opinion,	0,782		
I like to find friends who are good sources of information when it	0,754		
I frequently ask others about new products and brands.	0,845		
I enjoy having others find products for me that fit my needs.	0,729		
Disposition to Send Information		0,950	0,732
I like introducing new brands and products to others.	0,846		
I like helping people by providing them with information about	0,872		
People ask me for information about products, places to shop or	0,780		
If someone asks me where to get the best buy on several types	0,846		
My friends think of me as a good source of information when it	0,867		
I frequently tell others about new products and brands.	0,880		
I enjoy helping people find products that fit their needs.	0,895		
Prepurchase traditional WOM		0,953	0,770
When I consider a specific brand, I ask other people for advice	0,878		
I need to talk to others before deciding on a specific brand	0,856		
I often ask other people which is the best brand	0,857		
I like to get others' opinions before selecting a particular brand	0,900		
I feel more comfortable about a brand when I have gotten other	0,881		
When choosing a brand, other people's opinions are important	0,892		
Prepurchase internet WOM		0,954	0,874
I conduct a brand related information search on the internet	0,925		
I look at brand reviews by customers on the internet before	0,940		
I examine the website profiles of the brand before making my	0,940		
Prepurchase social WOM		0,960	0,889
Before deciding on a brand, I discuss my options with my social	0,919		
I conduct a brand related information search on social media	0,956		
I examine the social media profiles of the brand before making	0,953		
Experience Quality		0,943	0,846
I would say that the experience with this brand is excellent	0,911		

I believe that we get superior experience from this brand	0,931		
I think that the total consumption experience provided by this	0,918		
Postpurchase traditional WOM		0,969	0,913
I am likely to say positive things about the brand to others in	0,944		
I am likely to encourage friends and relatives, in person, to use	0,972		
I am likely to recommend this brand to others in person	0,950		
Postpurchase electronic WOM		0,968	0,833
I am likely to become a fan on the website of the brand	0,817		
I am likely to use the internet chat sites to encourage friends and	0,898		
I am likely to recommend the brand on social media	0,935		
I am likely to become a fan of the brand on its pages on social	0,943		
I am likely to say positive things about the brand on social media	0,944		
I am likely to use social media to encourage friends and relatives	0,931		

Table 6: Brand convergent validity, Composite reliability

Question	Loading	CR	AVE
Disposition to Receive Information		0,934	0,669
I like to have others introduce me to new brands and products.	0,847		
I like to get others to provide me with information about many	0,888		
I ask other people for information about products, places to shop	0,869		
I like to ask other people, who can give an informed opinion,	0,782		
I like to find friends who are good sources of information when it	0,754		
I frequently ask others about new products and brands.	0,845		
I enjoy having others find products for me that fit my needs.	0,729		
Disposition to Send Information		0,950	0,732
I like introducing new brands and products to others.	0,846		
I like helping people by providing them with information about	0,872		
People ask me for information about products, places to shop or	0,780		
If someone asks me where to get the best buy on several types	0,846		
My friends think of me as a good source of information when it	0,867		
I frequently tell others about new products and brands.	0,880		
I enjoy helping people find products that fit their needs.	0,895		
Prepurchase traditional WOM		0,954	0,777
When I consider a specific brand, I ask other people for advice	0,899		
I need to talk to others before deciding on a specific brand	0,915		
I often ask other people which is the best brand	0,827		
I like to get others' opinions before selecting a particular brand	0,893		

I feel more comfortable about a brand when I have gotten other	0,875		
When choosing a brand, other people's opinions are important	0,878		
Prepurchase internet WOM		0,935	0,827
I conduct a brand related information search on the internet	0,901		
I look at brand reviews by customers on the internet before	0,933		
I examine the website profiles of the brand before making my	0,894		
Prepurchase social WOM		0,959	0,886
Before deciding on a brand, I discuss my options with my social	0,927		
I conduct a brand related information search on social media	0,952		
I examine the social media profiles of the brand before making	0,944		
Experience Quality		0,942	0,844
I would say that the experience with this brand is excellent	0,913		
I believe that we get superior experience from this brand	0,941		
I think that the total consumption experience provided by this	0,903		
Postpurchase traditional WOM		0,950	0,888
I am likely to say positive things about the brand to others in	0,919		
I am likely to encourage friends and relatives, in person, to use	0,973		
I am likely to recommend this brand to others in person	0,935		
Postpurchase electronic WOM		0,973	0,855
I am likely to become a fan on the website of the brand	0,870		
I am likely to use the internet chat sites to encourage friends and	0,922		
I am likely to recommend the brand on social media	0,938		
I am likely to become a fan of the brand on its pages on social	0,930		
I am likely to say positive things about the brand on social media	0,940		
I am likely to use social media to encourage friends and relatives	0,948		

Table 7: Retailer convergent validity, Composite reliability

Discriminant validity indicates the measurement model of a construct is free from redundant items, and is achieved for a construct if the squared correlations between that construct and other constructs is less than the AVE for that construct (Wong, 2013). Tables 8 and 9 show the results of the discriminant validity measures, showing this was achieved for the brand and retailer respectively.

	DisRec	PretWOM	PreiWOM	PresWOM	ExpQual	DisSend	PosttWOM	PosteWOM	AVE
DisRec	**1**	0,491	0,186	0,267	0,109	0,320	0,218	0,233	0,669
PretWOM	0,491	**1**	0,188	0,229	0,066	0,213	0,237	0,162	0,770
PreiWOM	0,186	0,188	**1**	0,323	0,178	0,199	0,352	0,301	0,874
PresWOM	0,267	0,229	0,323	**1**	0,112	0,231	0,150	0,645	0,889
ExpQual	0,109	0,066	0,178	0,112	**1**	0,155	0,473	0,137	0,846
DisSend	0,320	0,213	0,199	0,231	0,155	**1**	0,295	0,258	0,732
PosttWOM	0,218	0,237	0,352	0,150	0,473	0,295	**1**	0,264	0,913
PosteWOM	0,233	0,162	0,301	0,645	0,137	0,258	0,264	**1**	0,833
AVE	0,669	0,770	0,874	0,889	0,846	0,732	0,913	0,833	

Table 8: Brand discriminant validity

	DisRec	PretWOM	PreiWOM	PresWOM	ExpQual	DisSend	PosttWOM	PosteWOM	AVE
DisRec	**1**	0,439	0,192	0,267	0,102	0,321	0,240	0,227	0,669
PretWOM	0,439	**1**	0,208	0,225	0,114	0,224	0,259	0,149	0,777
PreiWOM	0,192	0,208	**1**	0,368	0,146	0,168	0,206	0,326	0,827
PresWOM	0,267	0,225	0,368	**1**	0,096	0,222	0,166	0,639	0,886
ExpQual	0,102	0,114	0,146	0,096	**1**	0,150	0,366	0,125	0,844
DisSend	0,321	0,224	0,168	0,222	0,150	**1**	0,318	0,269	0,732
PosttWOM	0,240	0,259	0,206	0,166	0,366	0,318	**1**	0,263	0,888
PosteWOM	0,227	0,149	0,326	0,639	0,125	0,269	0,263	**1**	0,855
AVE	0,669	0,777	0,827	0,886	0,844	0,732	0,888	0,855	

Table 9: Retailer discriminant validity

4.5 Results pertaining to the structural model

According to Vinzi, Chin, Henseler & Wang (2010), a major emphasis in PLS analysis is "…on variance explained as well as establishing the significance of all path estimates" (p. 674). R^2 values were assessed from the data to understand the predictive power of the structural model and determine the amount of variance in each construct which is explained by the model. In addition, the path coefficients between the latent variables was established. Figures 4 and 5 below summarize these findings for the brand and retailer respectively.

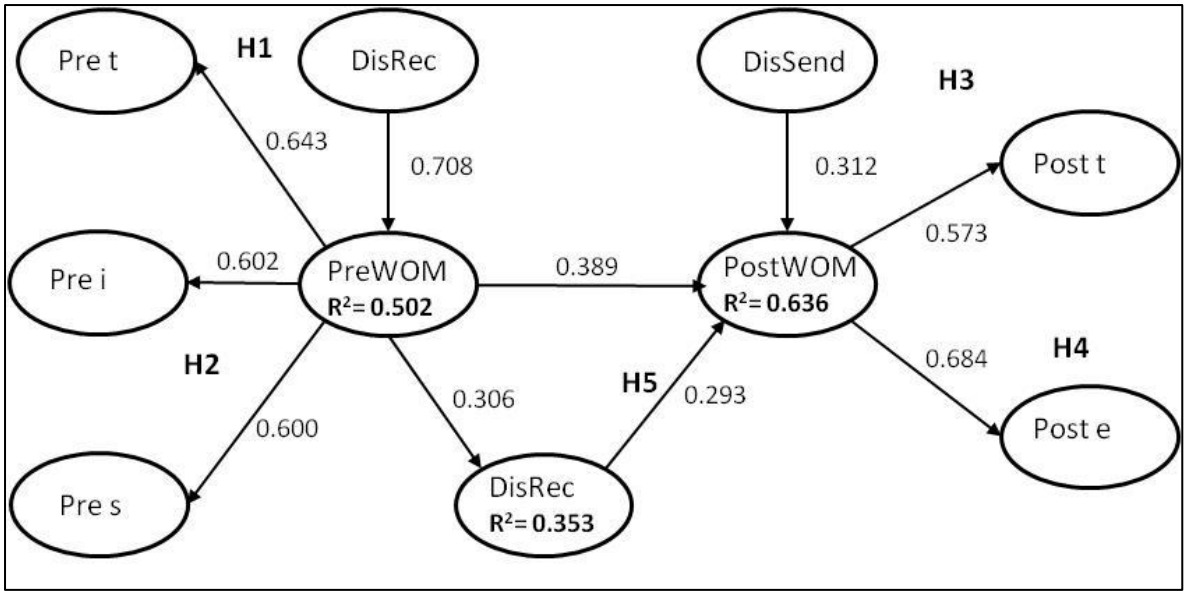


Figure 5: Summary of Brand structural model output results

The model explains 50.2% of pre-purchase WOM variance, 63.6% of post-purchase WOM, and 35.3% of CEXQ.

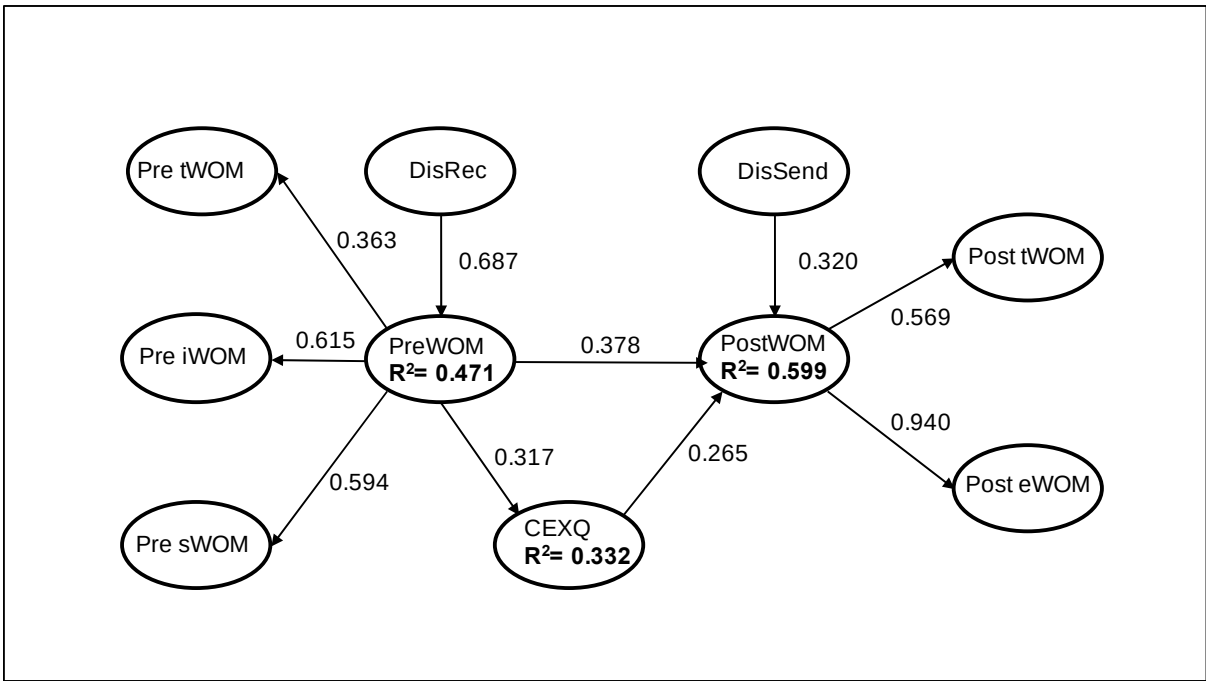


Figure 6: Summary of Retailer structural model output results

The model explains 47.1% of pre-purchase WOM variance, 59.9% of post-purchase WOM, and 33.2% of CEXQ. A summary of the path coefficients between the latent variables are presented in Tables 10 and 11 below.

Direct, Indirect and Total Effects

Direct effects (Latent variable) (1):

	DisRec	PreWOM	PretWOM	PreiWOM	PresWOM	ExpQual	DisSend	PostWOM	PosttWOM	PosteWOM
DisRec										
PreWOM	0,708									
PretWOM	0,000	0,643								
PreiWOM	0,000	0,602	0,000							
PresWOM	0,000	0,600	0,000	0,000						
ExpQual	0,000	0,306	0,000	0,000	0,000					
DisSend	0,000	0,000	0,000	0,000	0,000	0,000				
PostWOM	0,000	0,389	0,000	0,000	0,000	0,293	0,312			
PosttWOM	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,573		
PosteWOM	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,684	0,000	

Indirect effects (Latent variable) (1):

	DisRec	PreWOM	PretWOM	PreiWOM	PresWOM	ExpQual	DisSend	PostWOM	PosttWOM	PosteWOM
DisRec										
PreWOM	0,000									
PretWOM	0,455	0,000								
PreiWOM	0,426	0,000	0,000							
PresWOM	0,425	0,000	0,000	0,000						
ExpQual	0,217	0,000	0,000	0,000	0,000					
DisSend	0,000	0,000	0,000	0,000	0,000	0,000				
PostWOM	0,339	0,090	0,000	0,000	0,000	0,000	0,000			
PosttWOM	0,195	0,275	0,000	0,000	0,000	0,168	0,179	0,000		
PosteWOM	0,232	0,328	0,000	0,000	0,000	0,200	0,213	0,000	0,000	

Total effects (Latent variable) (1):

	DisRec	PreWOM	PretWOM	PreiWOM	PresWOM	ExpQual	DisSend	PostWOM	PosttWOM	PosteWOM
DisRec										
PreWOM	0,708									
PretWOM	0,455	0,643								
PreiWOM	0,426	0,602	0,000							
PresWOM	0,425	0,600	0,000	0,000						
ExpQual	0,217	0,306	0,000	0,000	0,000					
DisSend	0,000	0,000	0,000	0,000	0,000	0,000				
PostWOM	0,339	0,479	0,000	0,000	0,000	0,293	0,312			
PosttWOM	0,195	0,275	0,000	0,000	0,000	0,168	0,179	0,573		
PosteWOM	0,232	0,328	0,000	0,000	0,000	0,200	0,213	0,684	0,000	

Table 10: Brand variable path coefficients

Direct, Indirect and Total Effects

Direct effects (Latent variable) (1):

	DisRec	PreWOM	PretWOM	PreiWOM	PresWOM	ExpQual	DisSend	PostWOM	PosttWOM	PosteWOM
DisRec										
PreWOM	0,687									
PretWOM	0,000	0,636								
PreiWOM	0,000	0,615	0,000							
PresWOM	0,000	0,594	0,000	0,000						
ExpQual	0,000	0,317	0,000	0,000	0,000					
DisSend	0,000	0,000	0,000	0,000	0,000	0,000				
PostWOM	0,000	0,378	0,000	0,000	0,000	0,265	0,320			
PosttWOM	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,569		
PosteWOM	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,940	0,000	

Indirect effects (Latent variable) (1):

	DisRec	PreWOM	PretWOM	PreiWOM	PresWOM	ExpQual	DisSend	PostWOM	PosttWOM	PosteWOM
DisRec										
PreWOM	0,000									
PretWOM	0,437	0,000								
PreiWOM	0,422	0,000	0,000							
PresWOM	0,408	0,000	0,000	0,000						
ExpQual	0,218	0,000	0,000	0,000	0,000					
DisSend	0,000	0,000	0,000	0,000	0,000	0,000				
PostWOM	0,318	0,084	0,000	0,000	0,000	0,000	0,000			
PosttWOM	0,181	0,263	0,000	0,000	0,000	0,151	0,182	0,000		
PosteWOM	0,299	0,435	0,000	0,000	0,000	0,249	0,300	0,000	0,000	

Total effects (Latent variable) (1):

	DisRec	PreWOM	PretWOM	PreiWOM	PresWOM	ExpQual	DisSend	PostWOM	PosttWOM	PosteWOM
DisRec										
PreWOM	0,687									
PretWOM	0,437	0,636								
PreiWOM	0,422	0,615	0,000							
PresWOM	0,408	0,594	0,000	0,000						
ExpQual	0,218	0,317	0,000	0,000	0,000					
DisSend	0,000	0,000	0,000	0,000	0,000	0,000				
PostWOM	0,318	0,463	0,000	0,000	0,000	0,265	0,320			
PosttWOM	0,181	0,263	0,000	0,000	0,000	0,151	0,182	0,569		
PosteWOM	0,299	0,435	0,000	0,000	0,000	0,249	0,300	0,940	0,000	

Table 11: Retailer variable path coefficients

4.5.1 Results pertaining to Hypothesis 1

Hypothesis 1 (H1): There is a positive relationship between disposition to *receive* market place information and tWOM pre-purchase.

The path coefficient achieved was 0.455, which indicates a significant positive relationship between disposition to receive market place information and tWOM pre-purchase, thereby supporting hypothesis 1.

4.5.2 Results pertaining to Hypothesis 2

Hypothesis 2 (H2): There is a positive relationship between disposition to *receive* market place information and eWOM pre-purchase.

Following analysis of the results, eWOM could not be combined pre-purchase and was split into two, namely Social WOM (sWOM) and Internet WOM (iWOM). The path coefficient achieved for sWOM was 0.425, and for iWOM 0.426. Both results indicate a significant positive relationship between disposition to receive market place information and sWOM and iWOM pre-purchase, thereby supporting hypothesis 2.

4.5.3 Results pertaining to Hypothesis 3

Hypothesis 3 (H3): There is a positive relationship between disposition to *send* market place information and tWOM post-purchase.

The path coefficient achieved was 0.179, which indicates a significant positive but relatively weak relationship between disposition to send market place information and tWOM post-purchase. However, hypothesis 3 is still supported.

4.5.4 Results pertaining to Hypothesis 4

Hypothesis 4 (H4): There is a positive relationship between disposition to *send* market place information and eWOM post-purchase.

The path coefficient achieved was 0.213, which indicates a significant but relatively weak positive relationship between disposition to send market place information and eWOM post-purchase, thereby supporting hypothesis 4.

4.5.5 Results pertaining to Hypothesis 5

Hypothesis 5 (H5): Pre-purchase tWOM and eWOM mediates the relationship between CEXQ and post-purchase tWOM and eWOM.

The path coefficient between CEXQ and post-purchase WOM is 0.293 indicating a significant relationship exists but is relatively weak. Mediating variables are statistically significant when the correlation between two variables (CEXQ and post-purchase WOM) becomes insignificant when the mediating variable (pre-purchase WOM) is introduced (Bryman, 2012). Given the coefficient between CEXQ and post-purchase WOM is statistically significant, hypothesis 5 is only partially supported.

4.6 Summary

The analysis of the respondent characteristics highlight a mix of racial groups, ages and education levels. The brands and products purchased by the respondents during the timeframe the questionnaires were completed are representative of the current share of product category and brands in the South African MDA market.

The results of the data analysis show that all items in the measurement model were statistically significant, that the constructs were free from redundant items and reliability and internal consistency of the latent constructs was achieved. The amount of variance in each construct for the brand purchase was explained by the model; 50.2% of pre-purchase WOM variance, 63.6% of post-purchase WOM, and 35.3% of CEXQ.

The significance of all path estimates was established which demonstrated a positive and significant relationship between all variables and pathways. Thus, the data analysis supports hypotheses 1 through 4, and partially supports hypothesis 5.

Chapter 5: Discussion of results

5.1 Introduction

The results of the data analysis will be discussed in this chapter as they relate to the hypotheses and the literature review. The model investigated the relationship between personality predictors in receiving and sending tWOM and eWOM pre-and post-purchase, as well as the relationship this has with CEXQ. Hypothesis 1 and 2 have been combined to discuss pre-purchase WOM holistically, as has hypothesis 3 and 4 to discuss post-purchase WOM, and ending with hypothesis 5 which will be discussed individually. A conclusion of the discussions is presented at the end of the chapter.

5.2 Relationship between disposition to receive market place information and tWOM and eWOM pre-purchase

Hypothesis 1 (H1): There is a positive relationship between disposition to *receive* market place information and tWOM pre-purchase.

Hypothesis 2 (H2): There is a positive relationship between disposition to *receive* market place information and eWOM pre-purchase.

By adopting the 3M model as a theoretical foundation, and specifically utilising Mowen et al. (2007) application to word of mouth, this study examines personality traits as the antecedents of the disposition to receive information pre-purchase. The results of the study show that there is a positive and strong relationship between disposition to receive or seek out traditional, social and internet WOM on major domestic appliances pre-purchase. This demonstrates that consumers have a propensity to seek out or listen to information regarding this product category prior to purchase. As highlighted in the literature review, those seeking market place

information do so predominately for information seeking purposes and self-enhancement (Packard & Wooten, 2013).

Given the respondents had temporary, and not enduring, involvement in the purchase decision of their appliance, they were only involved long enough to be able to make an informed decision. Therefore, they used all forms of WOM (tWOM, sWOM & iWOM) pre-purchase to assist in their decision-making process.

An interesting finding from the results is the need to treat social and internet WOM separately pre-purchase and not to collapse them into an over-arching eWOM classification as was initially believed. This shows respondents placed equal importance on seeking out product information (for example product specifications and price comparisons) and information gained through social media vehicles (for example brand Facebook page and online communities). This reinforces the need for information pre-purchase on a relatively high investment, but temporary involvement, category.

Another interesting finding is the lack of any statistical difference between the propensity to seek out traditional, social and internet WOM pre-purchase. In South Africa, where internet and social media penetration lags behind developed markets, it could have been assumed that tWOM would have played a more significant role than sWOM or iWOM pre-purchase. However, this was not the finding in the current study, and again could be attributed to the category itself or the respondent characteristics. Over 70% of respondents had a tertiary education and 75% were employed or self-employed. It could be assumed that these respondents have greater access to the internet at home or at work than the general population and therefore have greater opportunity to engage in sWOM and iWOM.

5.3 Relationship between disposition to send market place information and tWOM and eWOM post-purchase

Hypothesis 3 (H3): There is a positive relationship between disposition to *send* market place information and tWOM post-purchase.

Hypothesis 4 (H4): There is a positive relationship between disposition to *send* market place information and eWOM post-purchase.

By adopting the 3M model as a theoretical foundation, and specifically utilising Mowen et al. (2007) application to word of mouth, this study examines personality traits as the antecedents of the disposition to send information post-purchase.

The results of the data analysis support hypothesis 3 and 4, showing that consumers have a propensity to share WOM post-purchase in this category. However, whilst the results are statistically significant, the strength of the relationships is weaker than pre-purchase. As highlighted in the literature review, consumers are more likely to engage in post-purchase word of mouth if they are satisfied or dissatisfied with a product or service (Anderson, 1998; Buttle, 1998; East et al., 2014; Lang & Hyde, 2013). Respondents in the current study rated their experience with the brand of appliance purchased as high in general. The average score for the statement “I would say the experience with this brand is excellent” was 7.4 out of 10, and for the statement “I believe that we get superior experience from this brand” was 7.3 out of 10. This highlights that overall, consumers are very satisfied with their brand of appliance purchased and therefore willing to share their positive experience with others.

However, as stated in the literature review, research suggests that satisfaction or dissatisfaction with a product or service may not be enough to engage in WOM communication alone. Additional elements such as customer commitment and trust

have been cited as key additional antecedents of WOM (Brown et al., 2005; Harrison-Walker, 2001; Lang & Hyde, 2013). Brown et al. (2005) define commitment as it relates to WOM as "…an enduring desire to maintain a relationship with a specific entity" (p. 126). In the current study, respondents were asked multiple questions relating to their desire to maintain a relationship with the brand of appliance purchased. For example, for the statements "I am likely to become a fan on the website of the brand" and "I am likely to become a fan of the brand on its pages on social media", the average scores were relatively low; 4.2 and 3.8 out of 10 respectively. In the current study, as respondents had a relatively low intention or desire to maintain a relationship (at least online) with the brand, this may account for the weaker intentions to engage in WOM post-purchase versus pre-purchase.

As with pre-purchase WOM, it is interesting to note the lack of any statistical difference between the propensity to engage tWOM and eWOM post-purchase. This implies respondents are willing to share their purchase and brand experience with friends and family face-to-face and through electronic media. During the post-purchase phase, sWOM and iWOM could be combined to fall under one eWOM banner.

5.4 Mediating effect of pre-purchase WOM on the relationship between CEXQ and post-purchase WOM

Hypothesis 5 (H5): Pre-purchase tWOM and eWOM mediates the relationship between CEXQ and post-purchase tWOM and eWOM.

As stated in the literature review, customers use communications to form beliefs and expectations about the performance and quality of a product. Thus, the intention to engage in WOM is linked with the consumers' perceptions of value and quality (Hartline & Jones, 1996). This implies that pre-purchase tWOM and eWOM would mediate the relationships between CEXQ and post-purchase tWOM and eWOM. In other words, the quality of the experience may not directly cause a consumer to

engage in post-purchase WOM, but the perceptions of quality and value obtained pre-purchase via WOM could intervene to explain the relationship between the two.

The results of the data analysis demonstrate that a significant relationship exists between CEXQ and post-purchase WOM, indicating that within the appliance industry, the quality of the experience a consumer has with the product or service does have a positive relationship with post-purchase WOM. Given this relationship exists, pre-purchase WOM only partially mediates the relationship meaning that other factors could also explain it.

5.5 Conclusion

Within the MDA category, consumers actively seek out advice and information on the brand and product prior to purchase. This may be due to the relatively high investment in question and therefore the high involvement in the decision-making process. All forms of WOM during this phase of the buying process are equally sought, with consumers placing equal importance on recommendations from friends and family (face-to-face or via social media) as well as online product reviews. The analysis of the data suggests that eWOM cannot be combined pre-purchase as consumers are distinctly seeking out all forms of online information pre-purchase, from product reviews, brand websites and social media sites.

Post-purchase, respondents did engage in both tWOM and eWOM although their propensity to do so was less significant than seeking out WOM pre-purchase. This may be due to the temporary nature of their involvement in this category, and once the decision was made and the product was purchased, the involvement in the category went away.

Once the purchase had been made, the quality of the experience with that brand was generally very good. Equally the experience with the retailer where the product was purchased was good as well. However, the quality of the customer experience with the brand or retailer was not the only cause for them to send out WOM post-

purchase. While exposure to pre-purchase WOM does play a role, it does not fully explain this relationship.

Chapter 6: Conclusions and recommendations

6.1 Introduction

The final chapter outlines the summary of conclusions of the study as they relate to the problem statement and literature review. This is followed by recommendations for practitioners and scholars, the chapter ends with suggestions for future research.

6.2 Conclusions

The purpose of this study was to investigate the relationships between pre- and post-purchase tWOM and eWOM and customer experience quality. Research has demonstrated that satisfaction or dissatisfaction with a product or service has been identified as the main antecedents to a person engaging in WOM (Anderson, 1998; Buttle, 1998; East et al., 2014; Lang & Hyde, 2013,). According to expectancy disconfirmation theory (Buttle, 1998; Churchill & Suprenant, 1983), in most contexts, when a consumers' expectations are met by a product or service, then satisfaction will be experienced. If expectations are not met there will be dissatisfaction. And if expectations are exceeded, then there will be consumer delight (Buttle, 1998; Lin & Heng, 2015). Customers use communications to form beliefs and expectations about the performance and quality of a product. Thus, the intention to engage in WOM is linked with the consumers' perceptions of value and quality (Hartline & Jones, 1996). This implies that pre-purchase tWOM and eWOM would mediate the relationships between CEXQ and post-purchase tWOM and eWOM. In other words, the quality of the experience may not directly cause a consumer to engage in post-purchase WOM, but the perceptions of quality and value obtained pre-purchase via WOM could intervene to explain the relationship between the two.

Recently, there have been numerous research studies into pre- and post-purchase tWOM and eWOM, the differences between these two forms of communication; and

into CEXQ. However, there have been few studies linking either tWOM or eWOM (pre- or post-purchase) to CEXQ (Klaus et al., 2013). This study was undertaken as there was a need to further explore the linking of these critical topics to close this gap in knowledge.

The results of this study confirm previous work completed on the 3M Model of Personality and Motivation – namely that motivation and personality are antecedents to engage in WOM. In the MDA sector, consumers actively seek out the opinions of others before purchasing a product, from family and friends as well as through social and digital platforms.

In this industry, the relationship with a potential consumer begins with an information search on features, benefits and price; continues through purchase and consumption; and beyond consumption with after-sales and technical services offered under warranty. This study confirms that consumers are extremely satisfied with the experience with the brand and retailer, and the quality of that experience. This partially explains why consumers go on to share their experiences post-purchase and engage in tWOM and eWOM. However, post-purchase, consumers' inclination to engage in either tWOM or eWOM was less significant than seeking out WOM pre-purchase. This may be due to the temporary nature of their involvement in this category, and once the decision was made and the product was purchased, the involvement in the category dissipated.

6.3 Recommendations

The findings of this study offer several implications for scholars and practitioners in order to understand the relationship between WOM pre- and post-purchase and CEXQ.

From an academic perspective, this study contributes to the body of research of tWOM and eWOM, synthesising the existing literature on both of the communication modes. It contributes to filling the gap in the literature by providing empirical support for relationships between disposition to send and receive information (pre- and post-purchase) and WOM and CEXQ. These have not previously been tested in the major domestic appliance or white good industries in South Africa.

From a practitioner perspective, the findings point to the importance of tWOM and eWOM pre- and post-purchase and the role this plays in creating customer experiences. Therefore, manufacturers could benefit from developing intentional strategies to ensure the conversations and customer experiences that are taking place are positive. Haenlein and Libai (2017) propose that managers ask themselves five key questions when designing any WOM programme:

- Who is the programme targeting?
- When to launch the program?
- Where to launch it?
- Which incentives to offer?
- How many participants to include?

Recommendations based on these five questions are highlighted below.

6.3.1 Who is the programme targeting?

Understanding a brand's target market is key to any marketing activity. Manufacturers of MDA's need to clearly define the type of consumer their brand and product lines appeal to and are targeted at. If the brand offers products that provide basic features at a relatively low price for example, this brand would likely target those consumers who are value conscious and may be more concerned with price over product features. Conversely to this, a premium brand may target those

consumers more concerned with certain product features than the price. Regardless of who the target is, clearly defining them will shape the rest of any WOM programme.

Another common target for WOM programmes are opinion leaders, those who have wide networks and are seen as influential in their communities (for example professional cooks, food bloggers, style professionals). Providing opinion leaders with free product to trial could provide manufacturers with an opportunity to reach many consumers through a perceived independent and credible source.

6.3.2 When to launch the program?

Haenlein and Libai (2017) posit that WOM programmes generate more value when launched early on in a product launch. It makes sense to launch a new programme when a brand has a new product to talk to consumers about. Doing this early in the launch phase will help generate interest and greater awareness. If a brand does not have a new product to talk about however, generating news from existing products and features, spoken about in a new and exciting way could provide the perception of the brand having new news.

6.3.3 Where to launch it?

As shown in the current study, tWOM and eWOM are of equal importance in the MDA category in South Africa. Accordingly, both modes of communication should be treated as valuable tools with which to engage with prospective and current consumers and therefore should be adopted in any WOM programme.

Given the level of information searching that occurs in this category, manufacturers could benefit from channelling resources into ensuring product and brand information

is present where consumers look for it (online and offline). Online, a clear social media strategy is necessary to ensure presence on all relevant platforms (e.g. Facebook brand page) and a healthy consumer 'fan' base; brand web pages should be engaging, up to date and easy to navigate; and product review platforms should be created to enable ongoing conversations with consumers. Offline, manufacturers should partner with retailers to create an easy to navigate in-store experience, which should include sales staff well trained on key product features. In addition, events could be organised, hosted by opinion leaders, to generate face-to-face interactions and WOM.

6.3.4 Which incentives to offer?

As mentioned previously, companies are employing less overt methods to influence online conversations. For example, offering rewards to consumers' who start favourable conversations about their products and identifying and targeting influential community members to persuade them to write positive reviews (Dellarocas, 2006). Some incentives could include providing new products before launch to a select few opinion leaders to trial before the general public; providing professional chefs with cooking appliances; and running competitions where members of the public could win appliances could also generate WOM. Consumers however are becoming sceptical of reviews, especially online, due to an awareness of the existence of this 'fake' promotional online chatter (Mayzlin, 2006), and as with tWOM, credibility and perceived source reliability are essential antecedents in eWOM adoption (Levy & Gvili, 2015; Petrescu & Korgaonkar, 2011).

6.3.5 How many participants to include?

A review of the literature points to a solution which is very much dependent on the structure of the social network in question (Haenlein & Libai, 2017). If the network is closely connected, which leads to overlap in social circles, then the optimal programme size is relatively small. The converse would apply in networks where this is not the case. Within the MDA industry it is assumed that the social network is

not closely connected given the differing levels of needs, social structures and accessibility of those in the market for a new appliance. As a result, manufacturers may want to follow the industry average which is between 0.2% to 1% of the target population or potential market (Haenlein & Libai, 2017).

6.4 Suggestions for future research

The study presents limitations that could be addressed in future research. Firstly, it was limited to one industry sector and one geographic region. To gain a broader and more generalisable understanding of the relationship between WOM and CEXQ pre- and post-purchase a study across sectors and different regions or countries could assist in establishing a more robust understanding of these relationships.

Secondly, whilst the retailer brand was included as part of the questionnaire, the results were inconclusive as the results too closely resembled those of the appliance brand. This may be due to respondents misunderstanding the retailer part of the questionnaire or an element of fatigue in filling it out. It would be beneficial to create a separate study which focuses on the retailer brand alone to obtain usable results.

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Appendices

1.1 Appendix A: Research instrument

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Date: January / February 2017

Questionnaire

The Relationship between Traditional and Electronic Word of Mouth Communications and Customer Experience Quality in the Appliance Industry in South Africa

Thank you for paying attention to this academic questionnaire. The purpose of this questionnaire is to gather information on the relationship between Word of Mouth (both on line and offline) and Customer Experience Quality in South Africa. I am requesting your assistance to complete the questionnaire below. The research is purely for academic purposes for the completion of a Masters degree. The information disclosed will be kept confidential. It will take you approximately 10 minutes to complete the whole questionnaire. Your co-operation is greatly appreciated.

Yours sincerely,

Researcher: Lorraine de Graaff

Research Supervisor: Prof. R. Abratt

This questionnaire should be answered with respect to the <u>ONE</u> brand of major domestic appliance recently purchased at a store.

Please indicate your answer by putting a cross (X) in the appropriate box.

<u>Section A: Brand Identification & Purchase Information</u>

A1. Did you recently purchase a major domestic appliance (cooking, Fridge, laundry, dishwashing) at a store recently?

Yes	
No	
If yes, name the store	

A2. If yes, what category of product did you buy? If no, please do not continue.

Cooking	
Built in Oven	
Built in Hob	
Extractor fan	
Free standing cooker	
Microwave	
Other (please specify)	
Refridgeration	
Refridgerator (freezer on top)	
Refridgerator (freezer on bottom)	
Refridgerator (side by side)	
Chest freezer	
Other (please specify)	

Laundry	
Front loader washing machine	
Toploader washing machine	
Tumble Dryer	
Washer Dryer combo	
Twin Tub	
Dishwasher	

A3. Which brand of product did you purchase?

AEG	
Bosch	
Defy	
KIC	
LG	
Hisense	
Kelvinator	
Samsung	
Whirlpool	
Smeg	
Other (please specify)	

A4. How was the decision to purchase the product made?

Sole decision	
Joint decision (e.g. with partner)	

A5 Did you purchase it:

As a gift	
For yourself	

Section B: General Information

B1. Please indicate your gender

Male	
Female	

B2. Please indicate your marital status

Single	
Married or domestic partnership	
Widowed	
Divorced	
Separated	

B3. Please indicate your year of birth:

1981-2000	
1965-1980	
1946-1964	
1928-1945	
before 1928	

B4. For statistical purposes, please indicate your racial profile

Black	
White	

Coloured	
Indian / Asian	
I prefer not to disclose	
Other (specify)	

B5. Please indicate your highest level of education

High school	
Diploma	
Degree	
Post Graduate degree	
Other (specify)	

B6. Please indicate your occupation

Student	
Employed	
Self-employed	
Retired	
Unemployed	
Other (specify)	

Please rate your extent of agreement with the following statements on a 10-point scale where 1 means strongly disagree and 10 means strongly agree.

	Statement	**Rating**
3.	I like to have others introduce me to new brands and products.	
4.	I like to get others to provide me with information about many kinds of products.	

5.	I ask other people for information about products, places to shop or sales.	
6.	I like to ask other people, who can give an informed opinion, questions about products.	
7.	I like to find friends who are good sources of information when it comes to new products or sales.	
8.	I frequently ask others about new products and brands.	
9.	I enjoy having others find products for me that fit my needs.	
10.	I like introducing new brands and products to others.	
11.	I like helping people by providing them with information about many kinds of products.	
12.	People ask me for information about products, places to shop or sales.	
13.	If someone asks me where to get the best buy on several types of products, I could tell them where to shop.	
14.	My friends think of me as a good source of information when it comes to new products or sales.	
15.	I frequently tell others about new products and brands.	
16.	I enjoy helping people find products that fit their needs.	

Please rate your extent of agreement with the following statements on a 10-point scale where 1 means strongly disagree and 10 means strongly agree for (a) the brand that you purchased and (b) the retailer.

(Please note that social media include applications such as Facebook, Twitter, Instagram, Pinterest.)

	Statement	**Brand Rating**	**Retailer Rating**
17.	When I consider a specific brand, I ask other people for advice		
18.	I need to talk to others before deciding on a specific brand		
19.	I often ask other people which is the best brand		
20.	I like to get others' opinions before selecting a particular brand		

21.	I feel more comfortable about a brand when I have gotten other people's opinions on it		
22.	When choosing a brand, other people's opinions are important to me		
	Statement	**Brand Rating**	**Retailer Rating**
23.	I conduct a brand related information search on the internet before making a decision		
24.	I look at brand reviews by customers on the internet before making my decision		
25.	I examine the website profiles of the brand before making my decision		
26.	Before deciding on a brand, I discuss my options with my social media friends		
27.	I conduct a brand related information search on social media before making a decision		
28.	I examine the social media profiles of the brand before making my decision		
29.	I would say that the experience with this brand is excellent		
30.	I believe that we get superior experience from this brand		
31.	I think that the total consumption experience provided by this brand is excellent		
32.	I am likely to say positive things about the brand to others in person		
33.	I am likely to encourage friends and relatives, in person, to use this brand		
34.	I am likely to recommend this brand to others in person		
35.	I am likely to say positive things about the brand on internet review sites		
36.	I am likely to become a fan on the website of the brand		
37.	I am likely to use the internet chat sites to encourage friends and relatives to use this brand		
38.	I am likely to recommend the brand on social media		

39.	I am likely to become a fan of the brand on its pages on social media		
40.	I am likely to say positive things about the brand on social media		
41.	I am likely to use social media to encourage friends and relatives to use this brand		

Please rate your extent of agreement with the following statements on a 10-point scale where 1 means strongly disagree and 10 means strongly agree.

	Statement	**Rating**
42.	I am always courteous, even to people who are disagreeable.	
43.	There have been occasions when I took advantage of someone.	
44.	I sometimes try to get even rather than forgive and forget.	
45.	I sometimes feel resentful when I don't get my own way.	
46.	No matter who I'm talking to, I'm always a good listener.	