Investigating the Consequences of Word of Mouth from a WOM Sender’s Perspective in the Services Context

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Abstract
Employing scenario based experiments; this paper examines the effect of word of mouth (WOM) on: the sender’s intention to give future WOM about the focal service provider and the self-enhancement derived from articulating WOM. Extant WOM literature considers self-enhancement as a key driver of positive WOM. This paper provides empirical evidence that a reverse effect exists and that self-enhancement is also an outcome of WOM behaviour. Results indicate that the impact of WOM on self-enhancement has substantive significance and holds for both positive and negative WOM. The effect of WOM on intentions is only partially supported. Finally, tie strength between the WOM participants partially moderates the relationship between the variables. Importantly, the impact of negative WOM is stronger than positive WOM.

Summary statement of contribution
Extant WOM literature widely accepts the notion that self-enhancement is a driver of positive WOM. To the best of our knowledge, this study is the first to empirically demonstrate that self-enhancement is an outcome of WOM behaviour irrespective of its valence. Notably, tie strength between the WOM participants moderates the effect of WOM on the sender. Finally, we provide the first empirical evidence on the relative impact of P-WOM and N-WOM on the sender.

Keywords: Word of mouth; WOM sender; tie strength; self-enhancement; experimental design
Introduction

Social communication or word of mouth (hereafter, WOM) is recognised as one of the oldest channel for exchanging opinions on goods and services (Goyette, Ricard, Bergeron & Marticotte, 2010; Wetzer, Zeelenberg & Pieters, 2007). Numerous consumer research studies have acknowledged the powerful influence of WOM on the consumer’s buying decision process for both products and services (Arndt, 1967; Brown & Reingen, 1987; East, Hammond & Lomax, 2008; Keaveney, 1995; Sheth, 1971). In fact, Bughin, Doogan and Vetvik (2010) contend that WOM is the principal consideration behind 20-50% of all purchasing decisions. A possible explanation for this is that consumers view WOM as a credible source of information about products and services due to its lack of perceived commercial interest compared to company controlled mass media such as advertisements (East, Hammond & Wright, 2007; Harrison-Walker, 2001; Wang, 2011; Zeithaml & Bitner, 2003).

Consumers demonstrate a greater preference for WOM from personal sources as compared to marketer dominated information sources (e.g. advertising) particularly when making purchase decisions about services (Murray, 1991). This is due to the higher perceived risk associated with the purchase of many services, as they are difficult to evaluate prior to purchase (Murray, 1991). Given that WOM is a dominant influence in the purchase of services (East et al., 2007; Murray, 1991), this study examines the consequences of articulating WOM in the services context.

WOM in this study is organic or natural and thus excludes amplified WOM or financially induced WOM controlled by the firm (Libai et al., 2010). Furthermore, this paper investigates offline WOM as it has been relatively under-researched in recent years with the advent of the internet and the rising academic interest in e-WOM (Libai et al., 2010).
Significantly, the perils of neglecting offline WOM are great. In the context of a variety of products and services including food & dining; media & entertainment; beverages; sports, recreation & hobbies and telecommunications, Keller and Libai (2009) found that more than 75% of all WOM conversations occur offline.

The primary focus of much of the extant offline WOM literature has been on understanding the effect of WOM on the WOM recipient (Bansal & Voyer, 2000; Brown & Reingen, 1987; East et al., 2008; Soderlund & Rosengren, 2007; Wang, 2011). On the other hand, except for the notable work by Garnefeld, Helm and Eggert (2011), the research on examining the impact of offline WOM on the sender itself is rare (but see Moore, 2012 in the e-WOM context and Garnefeld, Eggert, Helm & Tax, 2013 in the amplified WOM context). The findings of Garnefeld et al. (2011) are valuable in advancing our understanding of the WOM behaviour from the sender’s perspective. However, Garnefeld et al. (2011) considered only the impact of articulating positive WOM (hereafter, P-WOM), neglecting the effect of articulating negative WOM (hereafter, N-WOM) on the sender. Therefore, in an attempt to broaden our understanding beyond the impact of articulating P-WOM (Garnefeld et al. 2011), we examine the consequences of articulating both P-WOM and N-WOM on the sender. By examining the relative impact of P-WOM and N-WOM on the sender, we build upon the seminal work conducted by East et al. (2008) who studied the relative impact of P-WOM and N-WOM on the recipient.

Specifically, this paper investigates intentions to give future WOM about the service provider and the sender’s own self-enhancement as outcomes of enunciated WOM communication. Understanding the influence of articulated WOM on the sender’s self-enhancement is important, as erstwhile WOM research has only acknowledged firm related outcomes of WOM such as sender’s loyalty and commitment to the services firm (Garnefeld
et al., 2011). We posit that articulation of WOM has psychological benefits for the WOM sender in terms of their own self-enhancement, in addition to the implications it holds for the focal service provider. Thus, we investigate both firm related (i.e. future WOM intentions) and non-firm related (i.e. self-enhancement) outcomes of social talk.

Moreover, face to face WOM cannot occur in a social vacuum. WOM participants are likely to enjoy either strong or weak relations with each other (Granovetter, 1973). We investigate tie strength between the WOM participants as a potential moderator of the effect of WOM on the sender’s likelihood to give future WOM about the focal service provider and their own self-enhancement. Consideration of this moderator is important because the extant WOM literature has considered the influence of tie strength on the WOM recipient (Bansal & Voyer, 2000; Brown & Reingen, 1987; East et al., 2008), but is silent on the effect of tie strength on the WOM sender, an important actor in any social communication dyad.

In addition to the focus on the WOM sender, this study contributes to the WOM literature in several ways. First, we examine how the research model performs under both positive and negative WOM settings. This furthers prior WOM research which reveals only the impact of articulated P-WOM on the sender (Garnefeld et al., 2011). Second, previous research has considered self-enhancement only as a determinant of P-WOM (Alexandrov, Lilly & Babakus, 2013; Angelis, Bonezzi, Peluso, Rucker & Costabile, 2012) and as the primary motive to transmit P-WOM by highly individualistic individuals (Wien & Olsen, 2014). To the best of our knowledge, this study is the first to empirically demonstrate that self-enhancement is an outcome of WOM behaviour irrespective of its valence. Third, we provide empirical evidence that the tie strength between the WOM participants can also influence the effect of WOM on the sender. Thus, we bestow new insights about the role of
tie strength as a moderator, which to date has been largely understood from the WOM recipients perspective (Bansal & Voyer, 2000; Brown & Reingen, 1987; East et al., 2008).

Finally, we provide the first empirical evidence on the relative impact of P-WOM and N-WOM on the sender. The study results indicate that the impact of negative WOM on the sender is more potent than positive WOM.

This paper is organised as follows. The next section discusses the conceptual development of the hypotheses. This is followed by the methodology for the study. Then the paper presents the results of the hypotheses testing. In the final section, the paper discusses conclusions and implications of the results.

**Development of hypotheses**

This study develops a theoretical framework (Figure 1) by integrating the literature on WOM, self-enhancement and tie strength. The framework will be tested empirically under both positive and negative WOM conditions. First, we will develop the hypotheses for direct effects of WOM followed by hypotheses for moderator effects.

It should be noted that the terms WOM and P-WOM are employed interchangeably in the literature (Bloemer, de Ruyter & Wetzels, 1999; Garnefeld et al., 2011; Wangenheim & Bayon, 2007). However, WOM can be positive, negative or neutral (Anderson, 1998). Consequently, in this paper the general term WOM is used to denote both P-WOM and N-WOM. Neutral WOM is outside the scope of this study as it does not impact the consumers’ behaviour (Wang, 2011).
In the extant WOM consequence literature, the focus of research has been on firm related outcomes such as service quality perceptions (Schumann et al., 2010; Wang, 2011); loyalty (Garnefeld et al., 2011); commitment (Garnefeld et al., 2011); switching behaviour (Wangenheim & Bayon, 2004; 2007) and purchase decisions (Bansal & Voyer, 2000; Brown & Reingen, 1987; East et al., 2008; East, Uncles & Lomax, 2014; Soderlund & Rosengren, 2007). In addition, Sweeney, Soutar and Mazzarol (2008) examined the psychological implications of received WOM on the recipient and found that the receipt of P-WOM increased relief, confidence and enthusiasm of the recipient. On the other hand, receipt of N-
WOM about the organisation resulted in improved empathy with the WOM sender (Sweeney et al., 2008).

However, little research has acknowledged the psychological implications of articulating WOM on the sender. Thus, to alleviate this poverty of insight, we examine self-enhancement as an outcome of WOM behaviour. Alexandrov et al. (2013, p.533) defines self-enhancement as the ‘degree to which a person expects that projecting a good image to others can be accomplished by sharing information about brands’.

Empirical evidence from multiple WOM contexts suggests that self-enhancement is a driver of P-WOM (Alexandrov et al., 2013; Angelis et al., 2012; Hennig-Thurau, Gwinner, Walsh & Gremler, 2004; Sundaram, Mitra & Webster, 1998). However, the relationship between N-WOM and self-enhancement remains equivocal. For instance, Angelis et al. (2012) found that senders are likely to transmit N-WOM about other people’s negative brand experiences in order to self-enhance. However, Alexandrov et al. (2013) did not find any association between self-enhancement and N-WOM. In the present study, we postulate that a reverse effect also exists and that articulation of WOM is likely to influence the sender’s own self-enhancement. Furthermore, we posit that this effect holds for both P-WOM and N-WOM. Thus, unique to the WOM literature, we predict that articulation of personal negative brand experiences can also influence the sender’s self-enhancement. This is because an individual can project a good image amongst others by warning them about unsatisfactory service providers and thus potentially helping them to avoid negative brand experiences.

**Hypotheses for direct relationships**

We employ self-perception theory as the theoretical underpinning for the first set of hypotheses. Self-perception theory posits that individuals come to know about their own attitudes and future behavioural intentions by inferring them from observations of their own
overt behaviour and the context in which it occurs (Bem, 1967; 1972). In this study, the overt behaviour is the articulation of WOM which may impact the WOM sender’s self-enhancement. Thus based on self-perception theory we postulate:

H1a: Articulation of P-WOM has a positive effect on the sender’s self-enhancement
H1b: Articulation of N-WOM has a positive effect on the sender’s self-enhancement

Furthermore, self-perception theory can also explain the relationship between WOM behaviour and the sender’s likelihood to give future WOM. For instance, an individual’s articulation of WOM will further reinforce the perceived merits (in case of P-WOM) and the perceived demerits (in case of N-WOM) of the service provider, thereby increasing the sender’s likelihood to give future WOM about the focal service provider. Hence, we postulate:

H2a: Articulation of P-WOM has a positive effect on the sender’s future P-WOM intentions
H2b: Articulation of N-WOM has a positive effect on the sender’s future N-WOM intentions

Role of tie strength as a moderator

We expect the tie strength between WOM participants to moderate the impact of WOM on the sender’s future WOM intentions and self-enhancement. Self-perception theory supports the inclusion of tie strength as a potential moderator. Self-perception theory argues that not only individuals infer their attitudes and future behavioural intentions from their own overt behavior, but also the context in which that overt behaviour occurs (Bem, 1967). In this study, the context is the social context in which WOM behaviour occurs.
We expect that the influence of tie strength on WOM-self-enhancement relationship will vary between P-WOM and N-WOM contexts.

This is because how one creates a positive impression varies with the social audience (Tice, Butler, Muraven & Stillwell, 1995). We posit that the effect of P-WOM on the sender’s self-enhancement will be stronger for weak ties than strong ties. This is because past research has found that individuals expect to reap more social and psychological benefits such as establishing positive impression of themselves by retelling their positive experiences to relative strangers than to close others (Reis et al., 2010; Tice et al., 1995).

On the other hand, we expect this effect to reverse in the N-WOM context, wherein the effect of N-WOM on the sender’s self-enhancement will be stronger for strong ties. This is because prior literature suggests that the sender is likely to expect more psychological benefits by sharing negative news with friends (operationalised as strong ties in this study) as opposed to acquaintances because friends represent a more communal type of relationship which involves mutual care and sharing (Weening, Groenenboom & Wilke, 2001). Thus based on aforementioned reasoning we hypothesise:

H\textsubscript{3a}: The effect of P-WOM on the sender’s self-enhancement is stronger for weak ties than for strong ties

H\textsubscript{3b}: The effect of N-WOM on the sender’s self-enhancement is stronger for strong ties than for weak ties

However, we do not expect the influence of tie strength to diverge across the two WOM conditions for the WOM - future WOM intentions link. This is because prior research has shown that the effect of WOM on the recipient’s firm related outcomes such as purchase decision is stronger when the social ties between the WOM participants is strong rather than weak (Bansal & Voyer, 2000; Brown & Reingen, 1987). Following this line of reasoning, we envisage that the effect of WOM on the sender’s firm related outcome (i.e. future WOM
intentions) will be stronger when the sender articulates the WOM to their close others rather than distant others, irrespective of the WOM valence. Hence, we postulate:

**H₄a:** The effect of P-WOM on the sender’s future P-WOM intentions is stronger for strong ties than for weak ties

**H₄b:** The effect of N-WOM on the sender’s future N-WOM intentions is stronger for strong ties than for weak ties

A debate that dominates the WOM literature pertains to the relative impact of P-WOM and N-WOM on the WOM participants. Extant WOM literature is silent on the relative impact of WOM on the sender and much of the existing knowledge on the relative impact of WOM is from the recipient’s perspective. For instance, East et al. (2008) found that the impact of P-WOM is greater than N-WOM on the recipients’ brand choice. However, the weight of evidence across WOM contexts suggests that N-WOM is more influential than P-WOM at both the individual (e.g. purchase decision) and firm level (e.g. sales) (Aggarwal, Gopal, Gupta & Singh, 2012; Arndt, 1967; Chevalier & Mayzlin, 2006; Mizerski, 1982). Importantly, in a comprehensive review encompassing multiple disciplines, Baumeister, Bratslavsky, Finkenauer and Vohs (2001) concluded that negative events per se have a greater impact on the individual than positive events of the same type.

One widely cited explanation in the literature for the greater impact of negative information is the principle of negativity bias i.e. ‘a psychological tendency for people to give greater diagnostic weight to negative than positive information in making evaluations’ (Samson, 2006, p.650). In this paper, we examine the relative impact of WOM on the sender’s self-enhancement and intentions to give future WOM about the service provider in an attempt to provide initial insights into this neglected but vital area of WOM research.

We employ a particular type of negativity bias i.e. negative potency (Rozin & Royzman, 2001) to argue that N-WOM behaviour will have a greater impact on the sender
than P-WOM behaviour. Negative potency asserts that given converse negative and positive events of equal magnitude then negative events will be more potent and salient than positive events (Rozin & Royzman, 2001). Articulation of P-WOM and N-WOM about the same service provider due to similar trigger (e.g. good or bad mobile network coverage in this study) can be viewed as opposite events of relatively equal magnitude. Hence, based on aforementioned arguments and from prior research, we develop the following hypotheses:

**H5a:** The relative impact of N-WOM behaviour is stronger than the impact of P-WOM behaviour on the sender’s self-enhancement

**H5b:** The relative impact of N-WOM behaviour is stronger than the impact of P-WOM behaviour on the sender’s future WOM intentions

**Methodology**

Mobile phone services (hereafter, MPS) was considered an appropriate research setting for this study, as it is a familiar service category amongst consumers with nearly 93% of UK adults using a mobile phone (East et al., 2007; OFCOM, 2014). Thus most participants should find it natural to mention a MPS in a conversation to both their close and distant others. Respondents’ familiarity with MPS also enhances the realism of the between subjects scenario-based experimental research design used in this study to test the research model.

Scenario experiments are generally considered an appropriate research design to examine offline WOM, as it is difficult to observe offline WOM as it occurs (East et al., 2007; East, Lomax & Narain, 2001). Indeed, scenarios have been successfully employed to investigate WOM in prior studies (Garnefeld et al., 2011; Soderlund & Rosengren, 2007; Wien & Olsen, 2014).

Moreover, fictitious scenarios reduce social desirability bias (Wirtz & Chew, 2002), and tend to avoid biases stemming from memory lapses and rationalization tendencies, usually associated with recall based methods such as retrospective surveys (Wien & Olsen,
In addition, experiments rather than retrospective surveys demonstrate greater internal validity and allow for examination of causal relationships between variables as sought in this study (Aronson, Ellsworth, Carlsmith & Gonzales, 1990; Wien & Olsen, 2014).

Importantly, employment of scenarios in this study allowed the construction of positive and negative events of relatively equal significance.

**Scenario development**

Introductory scenarios were developed with the aim to induce satisfaction (P-WOM) and dissatisfaction (N-WOM) in the participants. These introductory scenarios asked the participants to imagine themselves as customers of a fictitious MPS provider called MOBILITY. No existing real life brand names were provided in the scenarios to eliminate any biases against any particular MPS provider (Harris, Grewal, Mohr & Bernhardt, 2006). Experience with the service provider was held constant in the introductory scenarios as prior experience with the service provider can influence the sender (Garnefeld et al., 2011). Following best practice in scenario development, we ensured that the scenarios had relatively equal word count and were gender neutral (Bendapudi & Leone, 2003; Laczniak, DeCarlo & Ramaswami, 2001). Participants read either the P-WOM or the N-WOM scenario and were asked to verbalise the recommendation or negative advice in writing to either strong ties or weak ties in the provided text box. Prior research suggests that the communication modality i.e. written or spoken should not differentially influence the communicator (Barton, 1994 as cited in Moore, 2012). Finally, respondents were asked to complete a questionnaire that assessed the dependent variables.

The research design also included a control scenario. Control group participants were told that they could not think of any one they knew who would like to join a new MPS network; therefore control scenario participants did not recommend or advice against the
service provider. Without this information, the differences in the dependent variables between the experimental and control groups could be attributed to additional pro-attitudinal information in the experimental group (Aronson et al. 1990; Garnefeld et al., 2011; 2013).

**Measures**

The main scenarios asked the respondents to volunteer recommendation (P-WOM scenarios) or give negative advice (N-WOM scenarios) for MOBILITY to either strong ties or weak ties. Tie strength between the WOM participants was operationalized at two levels, namely weak ties (former neighbour) and strong ties (closest friend). The multi-dimensional tie strength construct was measured by adapting the scale from Frenzen and Davis (1990). Intimacy, support and association items were anchored at 1 (very unlikely) to 7 (very likely) and the fourth dimension, closeness, was anchored at 1 (very distant) to 7 (very close).

With regards to the dependent variables, this study adapted the three items scale of Zeithaml, Berry and Parasuraman (1996) to measure future WOM intentions. Three items were used to measure self-enhancement; two were adapted from Alexandrov et al. (2013) and one item from Hennig-Thurau et al. (2004). The response format of the dependent variable scales was as follows: future WOM intentions were measured as likelihood with responses ranging from 1 (very unlikely) to 7 (very likely). Self-enhancement was measured as a Likert scale type format with responses ranging from 1 (strongly disagree) to 7 (strongly agree). The wording of the dependent variables scales was adapted to reflect the service context. (See Table A1 in the appendix).

**Manipulation and realism checks**

Prior to the main data collection, pre-tests were conducted for both the P-WOM (n=52) and the N-WOM scenarios (n=56) to assess the manipulation of the tie strength construct and evaluate if the scenarios were perceived as realistic and as potentially occurring
in real life. The scenarios were administered through Qualtrics and were sent to members of a UK based online commercial panel. Screening questions asked the respondents if they were residents of the United Kingdom, owned a mobile phone and were existing subscribers of a pay monthly plan of a MPS provider. Only existing customers of a MPS provider were included in the study to ensure not only familiarity with the service context but also to alleviate concerns regarding low external validity associated with scenario based experiments (Boshoff, 1997).

Reliability of the tie strength scale was assessed via Cronbach’s alpha. Cronbach’s coefficient alpha values across the two samples, i.e. P-WOM (α=.78) and N-WOM (α=.87) exceeds Nunnally and Bernstein’s (1994) recommendation of 0.70. The four items were averaged to form a composite score in which the higher scores indicate strong ties. Having established the reliability of the tie strength scale, the next task was to determine the validity of the written scenarios by way of manipulation checks as suggested by Perdue and Summers (1986). Customer satisfaction is a control variable and is measured with a single item: Overall how satisfied are you with MOBILITY (1=very dissatisfied and 7=very satisfied).

An independent t-test supported the effectiveness of the tie strength manipulation in the P-WOM condition with mean differences between the strong ties and the weak ties statistically significant and in the expected direction with: \( t (50) = -4.86, M_{\text{Strong Ties}} = 5.88 \) and \( M_{\text{Weak Ties}} = 4.84, p = .000, p < .05 \). Importantly, the two groups did not differ in terms of their satisfaction (\( t (44.23) = .391, \text{ns} \)).

Similarly, our manipulation of the tie strength variable in the N-WOM scenarios also worked as intended. The mean differences between the strong ties and the weak ties were statistically significant and in the expected direction with: \( t (54) = -4.62, M_{\text{Strong Ties}} = 5.56 \) and
$M_{\text{Weak Ties}} = 4.08$, $p = .000$, $p < .05$. The two groups did not differ in terms of their dissatisfaction ($t (54) = 1.109$, ns).

P-WOM and N-WOM are distinct variables and therefore do not require manipulation check (Garnefeld et al., 2011; 2013).

Following Liao (2007) and Roschk and Kaiser (2013), realism of the scenarios’ were assessed with a seven point semantic differential scale. Experimental realism, i.e. ‘the extent to which events in the experimental setting are credible, involving and taken seriously by subjects’ (Aronson et al., 1990, p. 348) was assessed by asking respondents if they found the situation described in the scenario to be realistic ($1=\text{very unrealistic} \quad 7=\text{very realistic}$). In addition, mundane realism, i.e. ‘the extent to which experimental events in a controlled setting are similar to events which occur in the real world’ (Aronson et al., 1990, p. 349), was assessed by asking respondents if the situation depicted in the scenarios could happen in real life ($1=\text{very unlikely} \quad 7=\text{very likely}$).

One sample $t$-test (test value = 4) confirmed that the situation described in the scenarios were both realistic and can occur in real life. The results are summarized in Table 1.
<table>
<thead>
<tr>
<th>Scenarios</th>
<th>Experimental Realism (Mean)</th>
<th>t-value</th>
<th>Mundane Realism (Mean)</th>
<th>t-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strong Ties (n=26)</td>
<td>5.23</td>
<td>5.671*</td>
<td>5.35</td>
<td>5.896*</td>
</tr>
<tr>
<td>Weak Ties (n=26)</td>
<td>4.73</td>
<td>2.606*</td>
<td>4.85</td>
<td>3.070*</td>
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<thead>
<tr>
<th>Scenarios</th>
<th>Experimental Realism (Mean)</th>
<th>t-value</th>
<th>Mundane Realism (Mean)</th>
<th>t-value</th>
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<td>Strong Ties (n=29)</td>
<td>5.00</td>
<td>4.201*</td>
<td>5.21</td>
<td>4.735*</td>
</tr>
<tr>
<td>Weak Ties (n=27)</td>
<td>4.89</td>
<td>3.448*</td>
<td>4.81</td>
<td>2.656*</td>
</tr>
</tbody>
</table>

* t-values > 1.96, p < .05 (Field, 2009).

Main study data collection and sampling

Following Garnefeld et al. (2011), we employed the post-test control group design (Campbell & Stanley, 1963) and manipulated P-WOM (P-WOM vs. No P-WOM) and N-WOM (N-WOM vs. No N-WOM). There were two treatment groups for both the P-WOM (P-WOM_{Strong Ties} and P-WOM_{Weak Ties}) and N-WOM (N-WOM_{Strong Ties} and N-WOM_{Weak Ties}) studies and one control group (No P-WOM and No N-WOM).

For the main study, we used a different sample of respondents drawn from the same population of respondents as the pre-tests. A similar filter as in the pre-test was used. The participants were randomly assigned to one of the experimental cells.

We undertook various measures to ensure quality of data. First, we incorporated an instructional manipulation check as suggested by Oppenheimer, Meyvis and Davidenko (2009) to remove respondents who did not read and follow the instructions of the experiment carefully and indulged in random clicking. Removal of negligent respondents is important to
reduce noise and increase the statistical power of the experiment (Oppenheimer et al., 2009). Second, we visually checked the data and discarded all respondents indulging in straight-lining (Hair, Hult, Ringle & Sarstedt, 2014). Third, we identified bogus respondents from the ineligible comments made in the articulation of WOM section. Such respondents were subsequently excluded from the analysis. Finally, we ensured that only those respondents who made positive comments in the P-WOM condition and gave negative advice in the N-WOM condition were included in the analysis.

These stringent data quality measures resulted in a sample size of n = 84 for P-WOM and n = 77 for N-WOM studies. These final sample sizes fare comparably with other WOM studies (Chung & Darke, 2006; Soderlund & Rosengren, 2007).

The demographic profile of participants represented a diverse cross section of UK consumers. In the P-WOM sample, 43% were males; 40% of the participants were in the age group of 18-44, with 60% >45 years. Participants in the N-WOM sample were 60% males; 53% of the participants were in the age group of 18-44, with 47% >45 years.

Results

First, the researchers examined the psychometric properties of the dependent variables. Then the analysis focused on the hypotheses testing.

Validation of scales

All the latent constructs are reflective in nature and were measured using previously employed scales from the literature. We examined the psychometric properties of the variables employing SMART PLS 2.0 (Ringle, Wende & Will, 2005) and SPSS 21. Self-enhancement and WOM intention scales demonstrated adequate internal consistency with Cronbach’s alpha and composite reliability ($\rho_c$) values exceeding the recommended
benchmark value of .70 (Nunnally & Bernstein, 1994) for both P-WOM and N-WOM samples.

The constructs in both the WOM samples demonstrate adequate convergent validity with the average variance extracted (AVE) scores above the recommended threshold of .50 (Fornell & Larcker, 1981). Taken together, these results show that the measures are unidimensional, reliable and exhibit convergent validity for both the WOM samples (see Table A1 in the appendix).

**Hypotheses testing**

*Effect of WOM on self-enhancement*

We ran a one way ANOVA with planned contrasts to test H<sub>1a</sub> and H<sub>1b</sub>. The assumption concerning homogeneity of variance was violated in the N-WOM sample. Therefore, we report the Brown-Forsythe F ratio for the N-WOM sample. The overall model was significant under both P-WOM (F (2, 81) = 4.450, p =.015, p <.05) and N-WOM (F (2, 63.77) = 4.380, p =.017, p <.05) conditions. Next, we ran the specific planned contrasts to test our hypotheses H<sub>1a</sub> and H<sub>1b</sub>. Planned contrasts revealed that articulation of WOM significantly impacted an individual’s self-enhancement for both P-WOM (t (81) = 2.702, p =.008, p <.05, r =.28) and N-WOM (t (47.24) = 2.458, p =.018, p <.05, r =.33). Thus these results support H<sub>1a</sub> and H<sub>1b</sub>. Importantly we also calculated the effect size of these outcomes, considered by many scholars as the main finding of any quantitative study (Sullivan & Feinn, 2012). The effect size r for the P-WOM result is 0.28 which is approaching medium effect and for N-WOM the r is 0.33 which represents a medium to large effect (Cohen, 1992). Thus, not only these results are statistically significant but are also substantive findings.

*Effect of WOM on future WOM intentions*
To test hypothesis $H_{2a}$ and $H_{2b}$, we conducted a one way ANOVA with planned contrasts. We report the Brown-Forsythe $F$ ratio for the N-WOM sample. The overall model is significant for P-WOM (F (2, 81) = 3.797, $p = .027$, $p < .05$) but not for N-WOM (F (2, 66.08) = .935, $p = .398$, $p > .05$). Results from planned contrasts support $H_{2a}$ that articulation of P-WOM will further reinforce an individual’s likelihood to give future P-WOM about the service provider ($t (81) = 2.749$, $p = .007$, $p < .05$, $r = .29$). Effect size of $r = 0.29$ suggests substantive practical significance of this result. However, results reveal no support for the effect of N-WOM on future N-WOM intentions ($t (41.48) = 1.270$, $p = .211$, $p > .05$). Thus $H_{2b}$ is not supported. Though, effect size suggests a small to medium effect of $r = 0.19$.

*Moderating effect of tie strength*

Results from planned contrasts suggests that tie strength moderates the effect of N-WOM on sender’s self-enhancement with ($t (39.41) = 1.598$, $p = .059$ (one-tail), $p < .10$). As hypothesized the effect of N-WOM is stronger for the strong ties compared to weak ties with the means of the dependent variable self-enhancement for strong ties and weak ties in the intended direction ($M_{Self-Enhancement (Strong Ties)} = 4.58 > M_{Self-Enhancement (Weak Ties)} = 4.03$). Thus, $H_{3b}$ is supported. Effect size suggest a small to medium effect with $r = 0.24$. However, $H_{3a}$ is not supported for P-WOM with ($t (81) = -1.196$, $p = 0.11$ (one-tail), $p > .10$). However, the means of the dependent variable self-enhancement for strong ties and weak ties are in the hypothesized direction with ($M_{Self-Enhancement (Weak Ties)} = 4.54 > M_{Self-Enhancement (Strong Ties)} = 4.13$). Importantly, the effect size $r = 0.13$ suggests a small to medium effect.

Results from planned contrasts indicate no support for the moderating influence of tie strength on the WOM-future WOM intention link for both P-WOM ($H_{4a}$) with ($t (81) = -.122$, $p = .451$ (one-tail), $p > .10$) and N-WOM ($H_{4b}$) with ($t (42.37) = .105$, $p = .458$ (one-tail), $p > .10$). Thus, neither $H_{4a}$ nor $H_{4b}$ are supported.
Relative impact of P-WOM and N-WOM on the sender

We compared the effect size ($r$) of the direct effects of P-WOM and N-WOM on the sender’s self-enhancement and future WOM intentions to assess if N-WOM has greater impact than P-WOM as hypothesized. Results suggest that N-WOM ($r = .33$) has greater impact than P-WOM ($r = .28$) on sender’s self-enhancement. Thus, $H_{5a}$ is supported.

We did not compare the relative impact of P-WOM and N-WOM on the sender’s future WOM intentions as the result for the effect of N-WOM on future N-WOM intentions is non-significant. Thus, $H_{5b}$ remains inconclusive. The results of hypotheses testing are summarized in Table 2.

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Hypotheses testing outcome</th>
<th>$t$-value</th>
<th>ES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effect on SE</td>
<td>$H_{1a}$ P-WOM</td>
<td>Supported</td>
<td>2.702</td>
</tr>
<tr>
<td>Effect on SE</td>
<td>$H_{1b}$ N-WOM</td>
<td>Supported</td>
<td>2.458</td>
</tr>
<tr>
<td>Effect on WOM Int.</td>
<td>$H_{2a}$ P-WOM</td>
<td>Supported</td>
<td>2.749</td>
</tr>
<tr>
<td>Effect on WOM Int.</td>
<td>$H_{2b}$ N-WOM</td>
<td>No Support</td>
<td>1.270</td>
</tr>
<tr>
<td>Effect of TS on WOM-SE link</td>
<td>$H_{3a}$ P-WOM</td>
<td>No Support</td>
<td>-1.196</td>
</tr>
<tr>
<td>Effect of TS on WOM- future WOM Int. link</td>
<td>$H_{3b}$ N-WOM</td>
<td>Supported</td>
<td>(1.598)</td>
</tr>
<tr>
<td>Effect of TS on WOM- future WOM Int. link</td>
<td>$H_{4a}$ P-WOM</td>
<td>No Support</td>
<td>-.122</td>
</tr>
<tr>
<td>Relative Impact of P-WOM &amp; N-WOM on SE</td>
<td>$H_{5a}$</td>
<td>Supported</td>
<td>N.A.</td>
</tr>
<tr>
<td>Relative Impact of P-WOM &amp; N-WOM on WOM Int.</td>
<td>$H_{5b}$</td>
<td>Inconclusive</td>
<td>N.A.</td>
</tr>
</tbody>
</table>

$SE =$ Self-Enhancement; $WOM$ Int. = WOM Intentions; $TS =$ Tie Strength; $ES =$ Effect Size.

Significant results based on two tail $t$-test are in bold: $t$-values > 1.96, $p < .05$. (Field, 2009).

Significant results based on one tail $t$-test are in parentheses: $t$-values > 1.3, $p < .10$. (Singh, 2000).
Discussion and Managerial Implications

This study contributes to our understanding of the effect of enunciated WOM beyond brand related experiences and acknowledges that WOM is also a social phenomenon where articulation of WOM can have psychological implications for the sender. Importantly, this study contributes to the emerging WOM literature that focuses on the WOM sender; the neglected participant in the WOM conversation dyad.

The results and their implications for practice are discussed below, first in relation to the effect of WOM on self-enhancement, including the moderating effect of tie strength, then the effect of WOM on future WOM intentions, also including the moderating effect of tie strength. This is followed by the discussion of the relative impact of P-WOM and N-WOM on the sender. The paper concludes with the limitations of the research and suggestions for further research.

Effect of WOM on self-enhancement

Self-enhancement theory holds that individuals possess a strong and ubiquitous desire to make a positive impression on others and feel good about one self by seeking positive evaluation and recognition from others (Angelis et al., 2012; Berger & Schwartz, 2011; Jones, 1973; Tice et al., 1995). Accordingly, past research empirically established that self-enhancement is a driver of P-WOM and that in an attempt to satisfy their self-enhancement needs, individuals are likely to share positive personal brand experiences with others to amplify their image and are likely to share negative brand experiences associated with others to bolster their self (Alexandrov et al., 2013; Angelis et al., 2012; Wien & Olsen, 2014). Novel to the extant WOM literature, we have provided empirical evidence that a reverse effect does exist and that self-enhancement is also an outcome of giving WOM. Furthermore, we contribute to the growing literature on WOM-self-enhancement relationship by providing
evidence that articulating negative personal brand experiences can also satisfy the self-enhancement needs of an individual. Thus, self-enhancement is not only an antecedent of WOM as past WOM research suggests (Alexandrov et al., 2013; Angelis et al., 2012), but also an outcome of WOM behaviour. Importantly, these relationships have substantive significance as demonstrated by their effect sizes.

Furthermore, we hypothesized that the social ties between the WOM participants would moderate the effect of WOM on the sender’s self-enhancement, under both positive and negative WOM conditions. Our supposition is supported under N-WOM condition and as hypothesized, we have found that the effect of N-WOM on the sender’s self-enhancement is stronger for strong ties. However, our hypothesis did not reach statistical significance under P-WOM condition. Nonetheless, it is important to note that the direction of the hypothesis was as intended in the P-WOM condition. Prior WOM studies have acknowledged the influence of tie strength between the WOM participants on the recipient’s behaviour (Bansal & Voyer, 2000; Brown & Reingen, 1987), but to the best of our knowledge, no published study to date has examined the influence of tie strength on the sender. Thus, we have provided the first empirical evidence that social ties between the WOM participants can also influence the sender.

Table 3: Summary of hypotheses testing: WOM-self enhancement link

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>H_{1a}: Articulation of P-WOM has a positive effect on the sender’s self-enhancement</td>
<td>Supported</td>
</tr>
<tr>
<td>H_{1b}: Articulation of N-WOM has a positive effect on the sender’s self-enhancement</td>
<td>Supported</td>
</tr>
<tr>
<td>H_{3a}: The effect of P-WOM on the sender’s self-enhancement is stronger for weak ties than for strong ties</td>
<td>Not Supported</td>
</tr>
<tr>
<td>H_{3b}: The effect of N-WOM on the sender’s self-enhancement is stronger for strong ties than for weak ties</td>
<td>Supported</td>
</tr>
</tbody>
</table>
From a theoretical perspective, our results suggest that articulation of WOM impacts the sender’s self-enhancement irrespective of its valence. However, the effect of P-WOM and N-WOM on the sender’s self-enhancement depends to a large extent on the type of social audience. Our finding that the effect of N-WOM on the sender’s self-enhancement is stronger when it is articulated to the sender’s strong ties is consistent with prior literature which suggests that senders are more likely to expect benefits by sharing negative news with their close others than with their distant others (Weenig et al., 2001). A plausible explanation is that N-WOM behaviour is other focused; thus, a WOM sender may expect to derive psychological benefits after warning close others about an unsatisfactory service provider, helping them avoid a potentially erroneous purchase decision.

On the other hand, whilst we found empirical evidence of a direct effect of P-WOM on the sender’s self-enhancement, the moderating influence of tie strength on WOM-self-enhancement relationship in the P-WOM condition is statistically non-significant. Nonetheless, it is important to note that the means of the hypothesized relationships are in the intended direction, wherein the effect of P-WOM on the sender’s self-enhancement is stronger for weak ties. Furthermore, the effect size of this outcome approaches small to medium effect. Drawing strength from this, we can conjecture that P-WOM behaviour is self-focused, wherein the sender expects a positive self-presentation after sharing positive brand experiences with distant others.

We contend that it is reasonable to view the valence of articulated WOM behaviour itself as either self-focused or other focused, wherein P-WOM behaviour is more likely to be self-focused and N-WOM behaviour by the sender in all probability will be other focused. Indeed, past research maintains that individuals expect more social and psychological benefits by re-telling their positive experiences to relative strangers than close others (Reis et al.,
Furthermore, we can draw a parallel with other research asserting that males are more *self-focused* and females are more *other focused*, which influences their likelihood to give N-WOM to either strong ties or weak ties (Zhang, Feick & Mittal, 2014).

Our findings have implications for the marketing practice. For instance, the fact that the WOM sender expects to self-enhance by sharing personal negative brand experiences with their strong ties should alarm services managers. This assumes importance because recommendations from strong ties are considered more influential than recommendations from weak ties in the recipients purchase decisions (Bansal & Voyer, 2000; Brown & Reingen, 1987). In fact, a recent study by Forrester Research (2013) suggests that 70% of consumers trust brands recommended by their friends. Therefore, it is vital that services managers should work towards impeding the stimulation of even singular episodes of N-WOM behaviour by their dissatisfied customers, as it can have serious financial consequences for the firm. For instance, Harmon and Harmon (1994) found that 26 dissatisfied customers indulging in N-WOM discouraged 208 potential customers from making a purchase with a focal service provider resulting in a potential loss of $828,000 in future revenues for the services firm.

Prevention of N-WOM could be achieved by providing dissatisfied customers with an outlet to vent out their anger and disappointment. One such outlet can be a robust customer complaint system which is easy to use, thereby encouraging dissatisfied customers to complain to the service provider instead of engaging in N-WOM with friends and acquaintances. Use of the formal complaint system could be incentivised and rewarded by offering customers free upgrades and/ or discounts. Past research suggests that facilitating complaint behaviour amongst dissatisfied customers can reduce their N-WOM activity (Nyer & Gopinath, 2005). Importantly, customers complaining to the service firm instead of spreading N-WOM to their friends and acquaintances may provide an opportunity to the firm
to initiate service recovery. In addition to a formal complaint system, service managers can actively use e-forums on the organisation’s website as a platform to have a meaningful dialogue with customers. These forums can be used to tell the customers about the firm’s efforts to improve their service delivery and also encourage dissatisfied customers to provide ideas for improvement in areas which are a source of dissatisfaction for them. This would help the firm to identify areas which are likely to trigger N-WOM from existing customers, allowing managers to take pro-active measures to improve their services in these areas. Furthermore, engaging customers in suggesting services improvements would also contribute to their feelings of self-enhancement, hence preventing the need to seek self-enhancement by spreading N-WOM.

Effect of WOM on future WOM intentions

Our hypothesis that articulation of WOM will further reinforce the merits and demerits of the service provider in the minds of the senders, thereby increasing their likelihood to give future WOM is supported for P-WOM but not for N-WOM. Furthermore, our suppositions with respect to the moderating influence of tie strength on WOM-future WOM intentions link did not find empirical support for either P-WOM or N-WOM. We suggest that future studies re-examine these hypothesized relationships.

Table 4: Summary of hypotheses testing: WOM-future WOM intentions link

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>$H_{2a}$: Articulation of P-WOM has a positive effect on the sender’s future P-WOM intentions</td>
<td>Supported</td>
</tr>
<tr>
<td>$H_{2b}$: Articulation of N-WOM has a positive effect on the sender’s future N-WOM intentions</td>
<td>Not Supported</td>
</tr>
<tr>
<td>$H_{4a}$: The effect of P-WOM on the sender’s future P-WOM intentions is stronger for strong ties than for weak ties</td>
<td>Not Supported</td>
</tr>
<tr>
<td>$H_{4b}$: The effect of N-WOM on the sender’s future N-WOM intentions is stronger for strong ties than for weak ties</td>
<td>Not Supported</td>
</tr>
</tbody>
</table>
Results under positive WOM condition hold important implications for the marketing practice. Services managers must strive to stimulate P-WOM from their existing customers, which is likely to have a positive reinforcing effect on them thus igniting their intentions to further “spread the good word” about the service provider. Considered in their entirety, these results for P-WOM suggests twin benefits for the service provider. First, these promoter customers are likely to strengthen their relationship with the service provider as they get further convinced about the merits of the service brand and thus; (a) reducing their likelihood to defect to the rival services firms or even (b) increasing their willingness to pay a price premium for the services rendered. Second, a services firm may augment its revenue by acquiring new customers via P-WOM given by these existing promoter customers. This is important because past research suggests that customers acquired via P-WOM tends to be more beneficial for the firm in the long run than customers acquired via marketer dominated channels such as advertising (Uncles, East & Lomax, 2013; Villanueva, Yoo & Hanssens, 2008).

Relative impact of P-WOM and N-WOM on the sender

Finally, our hypothesis that the impact of negative WOM on the sender should be more potent than positive WOM is partially supported.

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>H5a: The relative impact of N-WOM behaviour is stronger than the impact of P-WOM behaviour on the sender’s self-enhancement</td>
<td>Supported</td>
</tr>
<tr>
<td>H5b: The relative impact of N-WOM behaviour is stronger than the impact of P-WOM behaviour on the sender’s future WOM intentions</td>
<td>Inconclusive</td>
</tr>
</tbody>
</table>
We found that N-WOM behaviour tends to have a stronger impact than P-WOM behaviour on sender’s self-enhancement. This result converges with the findings across multiple disciplines that suggest that negative events are more potent than positive events (Baumeister et al., 2001). An interesting research question that arises from these findings, which can be addressed in future research is, if the effect of N-WOM on the sender is more long lasting than the effect of P-WOM. Furthermore, these findings build upon the work done by East et al. (2008) that examined the relative impact of WOM on the recipient.

For managers this outcome of our research does not bode well as it suggests that customers expect to derive greater psychological benefits by articulating N-WOM than P-WOM. However, the strategies suggested above to incentivise the voicing of discontent to the services company itself rather than to other people may help to address this.

Finally, our hypothesis positing the greater impact of N-WOM behaviour over P-WOM behaviour on the sender’s future WOM intentions remained inconclusive and needs to be re-examined in future studies.

Limitations and suggestions for further research

Like all empirical research efforts, the results presented in this study are limited by a number of factors, but at the same time provide pointers for future research. Whilst single service settings have been successfully employed in past WOM research (Schumann et al., 2010; Soderlund & Rosengren, 2007; Wien & Olsen, 2014), future studies should test the model in multiple research settings in order to establish the generalizability of the findings. Second, participants were not given the opportunity to make multiple recommendations or give negative advice. Future research could determine if the results would have differed had the WOM sender articulated multiple recommendations or negative advice. Third, we did not consider the influence of the recipient’s reaction to the WOM given, which can also influence
the WOM sender. Taking into consideration the exchange between the WOM sender and the recipient provides a particularly interesting avenue for further research.
References


Singh, J. (2000). Performance productivity and quality of frontline employees in service organizations. *Journal of Marketing, 64*, 15-34. doi: http://dx.doi.org/10.1509/jmkg.64.2.15.17998


### Appendix

Table A1: Scales used in the questionnaire

#### Table A1.1: P-WOM sample

<table>
<thead>
<tr>
<th>Scale</th>
<th>Items</th>
<th>α</th>
<th>p&lt;sub&gt;c&lt;/sub&gt;</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-enhancement</td>
<td>1. It will create the impression that you are a good person</td>
<td>.89</td>
<td>.93</td>
<td>.83</td>
</tr>
<tr>
<td></td>
<td>2. It will create a positive impression on others</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3. Your opinion will show others, that you are a clever person</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>P-WOM Intentions</td>
<td>1. How likely is it that you will recommend MOBILITY to others</td>
<td>.90</td>
<td>.94</td>
<td>.84</td>
</tr>
<tr>
<td></td>
<td>2. How likely is it that you will recommend MOBILITY to someone who seeks your advice</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3. How likely is it that you will encourage others to do business with MOBILITY</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

α = Cronbach’s Alpha; p<sub>c</sub> = Composite Reliability; AVE = Average Variance Extracted

#### Table A1.2: N-WOM sample

<table>
<thead>
<tr>
<th>Scale</th>
<th>Items</th>
<th>α</th>
<th>p&lt;sub&gt;c&lt;/sub&gt;</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-enhancement</td>
<td>1. It will create the impression that you are a good person</td>
<td>.91</td>
<td>.94</td>
<td>.85</td>
</tr>
<tr>
<td></td>
<td>2. It will create a positive impression on others</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3. Your opinion will show others, that you are a clever person</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>N-WOM Intentions</td>
<td>1. How likely is it that you will give negative advice about MOBILITY to others</td>
<td>.92</td>
<td>.94</td>
<td>.86</td>
</tr>
<tr>
<td></td>
<td>2. How likely is it that you will give negative advice about MOBILITY to someone who seeks your advice</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3. How likely is it that you will discourage others to do business with MOBILITY</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

α = Cronbach’s Alpha; p<sub>c</sub> = Composite Reliability; AVE = Average Variance Extracted
About the authors

Rahul Chawdhary is a doctoral candidate in Marketing at Kingston University. His doctoral thesis examines the consequences of articulated WOM within the services context. His research interests encompass word of mouth, services marketing and brand experiences.

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