"YOU SHOULD BUY THIS ONE!" THE INFLUENCE OF ONLINE RECOMMENDATIONS ON JUDGMENTS ABOUT THE RECOMMENDED PRODUCT

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INTRODUCTION

We use a laboratory experiment to examine the effects of electronic word-of-mouth (eWOM) in the form of online customer-to-customer recommendations on attitudes about the recommended product and confidence in the choice decision. Specifically, we manipulate the extent of consumer recommendations and measure motivation to process information in a realistic online shopping environment. Consistent with predictions of dual processing theories, we find that eWOM serves as a strong decision cue, particularly among those less motivated to process information. In addition, we find that the effect of eWOM on consumers' attitudes toward the recommended product is mediated by confidence in the choice decision.

Electronic word-of-mouth, or eWOM, has been defined as word-of-mouth communication transmitted electronically (Hennig-Thurau et al. 2004). Here, we focus on one particular type of eWOM -- that conducted through a retail website. As online retailing grows, it is important to theoretically examine various phenomena that may occur differently due to the unique properties that online environments provide. WOM has traditionally been studied from the perspective that word-of-mouth comes from family and friends (e.g., Duhan, Johnson, Wilcox and Harrell 1997) or experts in the field (e.g., Bone 1995). However, eWOM is typically from individuals who are strangers to the reader and for whom there is no indication of distinguishing expertise about the product category at hand. These characteristics of eWOM raise questions about the extent and manner of its use.

METHOD AND RESULTS

We conducted a 2 (weaker or stronger eWOM) x 2 (low or high motivation to process information) experiment in a realistic online retail setting. Notebook computers were used as the focal product category because it was likely to be relevant to our student sample (n = 56). Strength of eWOM was manipulated by the number of product reviews available. Participant's motivation to process information was measured using Cacioppo, Petty and Kao's (1985) need-for-cognition measure (NCOG). Dependent measures were attitude toward the recommend product and choice confidence.

Analysis of variance on attitudes toward the recommended product revealed a significant main effect for the strength of eWOM ($F_{1,52} = 3.88$, p = .05), as well as a significant strength of eWOM by NCOG interaction ($F_{1,52} = 3.94$, p = .05). As expected, for those with low motivation to process information, attitudes about the recommended product were more favorable when eWOM was stronger (7.57 vs. 6.18). Strength of eWOM did not affect attitudes among participants with high motivation to process information (7.25 vs. 7.39). Analysis of variance on choice confidence also indicated a significant main effect for strength of eWOM ($F_{1,52} = 4.05$, p = .05), with participants indicating greater confidence in their choice when eWOM was stronger (7.20 vs. 8.00). Additional analyses indicated that choice confidence mediates the effect of strength of eWOM on attitudes about the recommended product.

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