THE INFLUENCE OF TRADITIONAL WORD-OF-MOUTH, ELECTRONIC WORD-OF-MOUTH, AND TIE STRENGTH ON PURCHASE DECISIONS

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ABSTRACT

Word-of-mouth (WOM) is widely considered the most influential source of information for consumer purchase decisions, and the explosion of social media has stirred interest in the communication. This study used the strength of weak ties, social exchange theory, and attribution theory as a framework for examining how the level of influence (persuasiveness and purchase probability) varied across the type of WOM (traditional WOM and eWOM) and tie strength (strong, weak, or absent). An experiment with 201 individuals found no significant difference in the level of influence between traditional WOM and eWOM. Strong ties were significantly more influential than weak or absent ties, but there was no significant difference between weak and absent ties. Influence also varied significantly by product category, with WOM influencing movies more than mobile phones. Finally, the influence of WOM was significantly higher for persuasiveness than purchase probability. Overall, this study found that the influence of traditional WOM was not significantly different from the influence of eWOM.