

# Electronic Word of Mouth and User Generated Content

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## I . Introduction

As consumers take greater control over products and services they consume, electronic word of mouth (eWOM) and user generated content (UGC) are now being considered as one of the most critical information sources not only for customers of online goods and services (Sun, 2012), but also for those who are involved in product development, marketing, and customer services in online shopping contexts (Anderson and Magruder, 2012; Lee and Yang, 2015). In recent years, with the rapidly growing popularity of social platforms such as *social networking sites* (SNS) (e.g., Facebook, Twitter, and Sina Weibo), *online review sites* (e.g., IMDB (movies), TripAdvisor (travel), and Yelp (restaurants)), *UGC sharing platforms* (e.g., YouTube, Picasa, and Pinterest), *e-commerce sites* with online customer reviews (OCR) (e.g., Amazon and Epinions), and *other eWOM channels* (e.g., blogs, online communities or discussion forums), it is now almost impossible for consumers to make better

choices without the help of such online services. According to the recent survey, 51 percent of American consumers trust UGC more than a company's website (16 percent) or news articles (14 percent) when they search for information on a product or service, proving the fact that opinions from peers, friends, and other consumers tend to be more trustworthy than expert reviews (MarketingCharts Staff, 2014). Accordingly, most major companies now try to incorporate such social platforms by creating and maintaining their own product/service review websites, online forums, blogs, and company accounts on SNS in an attempt to increase communication between businesses and customers (or communication among consumers) (Constantinides, 2004; Lee and Yang, 2015).

In academia, for the last decade, there has been a growing interest on both UGC and eWOM by researchers. Just to investigate the trend of growing academic interest on these two topics, we conducted a very basic keyword search with the terms of "User

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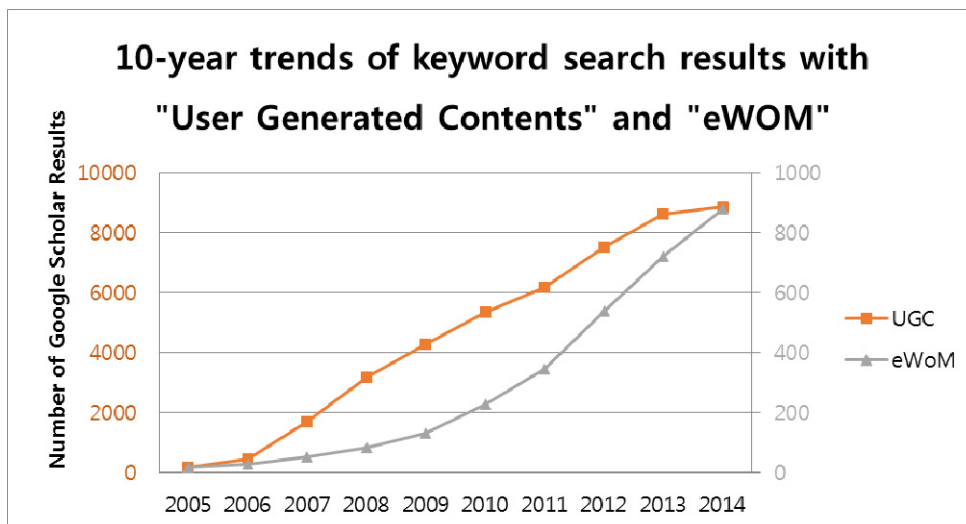
Generated Content” and “eWOM” on Google Scholar (<https://scholar.google.com>) per each year for last 10 years (i.e., from the year of 2005 to 2014); search results are illustrated in <Figure 1>. The numbers from keyword search results do not necessarily mean article numbers published on these topics, but these upward trends reflect that more and more researchers have paid attentions and contributed to the bodies of knowledge on UGC and eWOM. Although many extant studies have provided both academia and practices with great implications on the roles of UGC and eWOM in various contexts, such as consumers’ motivation for eWOM (Hennig-Thurau et al., 2004), responses (Mudambi and Schuff, 2010), learning (Zhao et al., 2013), purchasing intention or behavior (Cheung et al., 2008; Lee et al., 2013), marketing (Hsu et al., 2013), and revenue of products (Liu, 2006), relatively less effort has been made to investigate the following sub-topics on UGC and eWOM: (1) marketer generated contents, (2) online travel reviews, (3) the interaction between eWOM and other promotional incentives, (4) refutational (i.e., falsify-

ing the others’ reviews) eWOM, and (5) eWOM studies with an international perspective.

For this reason, this editorial provides a brief overview of literature related to these five sub-topics, and then introduces five selected papers for the publication in the special issue, “*Electronic Word of Mouth and User Generated Content.*” By bridging the knowledge gap abovementioned, this special issue will contribute to the body of knowledge regarding eWOM and UGC, and serve as a stepping stone for future research by providing valuable insights for both researchers and practitioners.

## II. Overview of Selected Literature

First, to the best of our knowledge, relatively few studies have investigated the phenomena on market-generated eWOM. Bronner and de Hoog (2010) compared the impact of consumer-generated versus marketer-generated eWOM in consumer decision making, and found that these two information sour-



<Figure 1> 10-year Trends of Keyword Search Results

ces for peer consumers' decision making are complementary to each other. In addition, Hansen and Lee (2013) investigated online game users' behavior of passing and forwarding marketer-generated eWOM to social platforms, and found that normative influence and economic incentive are positively associated with game users' eWOM passing and forwarding behavior. Therefore, the first selected paper on users' sharing behavior of marketer-generated eWOM in this special issue, authored by Li and Wang, will provide additional insights to this research stream (see the next Chapter for more details on this paper).

Second, we noticed that, in recent years, a great number of studies on online travel reviews (OTR) have been published as "Smart Tourism" has become a buzzword (Koo et al., 2015). According to the recent literature review article by Cantalops and Salvi (2014), scholars have found various antecedents for sharing eWOM as well as eWOM consequences in the context of tourism. While review generating factors include service quality, (dis)satisfaction, social identity, and altruism, consequences of eWOM involve brand awareness, decision making, credibility, booking intention, and risk reduction. However, we noticed that still little effort has been made to take a longitudinal view of the relationship between OTR and travelers' feelings and behaviors. Therefore, the second selected paper on the conceptual model of a longitudinal relationship between OTR and travelers' reactions, authored by Koo et al., will attract a lot of attentions of future researchers (see the next Chapter for more details on this paper).

Third, to the best of our knowledge, after reviewing recent literature on eWOM and UGC, little effort has been made to look into interaction between the influence of eWOM and that of customer incentive (e.g., price discount). Therefore, our third selected paper investigating the interaction effects between

online customer reviews (OCR) and customer incentives on product sales, authored by Kim and Shin, will provide great implications for both academia and practice (see the next Chapter for more details on this paper).

Fourth, quite a few studies on eWOM have investigated the role of OCR's positivity, negativity, or extremity (i.e., the level of extremity is high when a review is either very positive or very negative). For example, Mudambi and Schuff (2010) found that extreme reviews are perceived less helpful than moderate review in case of experience goods. In addition, Sen and Lerman (2007) found that the relationship between positivity (negativity) and review helpfulness is contingent on whether the product is hedonic or utilitarian. As such, extant studies have looked into the interaction between product type and review extremity (positivity or negativity). However, so far, little effort has been made to investigate the phenomena with regard to refutational two-sided eWOM. Thus, our fourth selected paper on refutational two-sided OCR, authored by Lee et al., will provide expanded insights for researchers as well as marketers of e-commerce sites (see the next Chapter for more details on this paper).

Finally, we noticed that the majority of seminal studies on eWOM have collected data from North American websites (e.g., Amazon, TripAdvisor, Yelp, etc.), although recently more and more researchers look into the phenomena on eWOM in different cultures and countries. Thus, our last selected paper, authored by Alhaidari and Coughlan, looks into eWOM generated by Saudi-Arabian Women. This paper will help us broaden our view on the phenomena with regard to eWOM in diverse cultural, regional, and even gender environments (see the next Chapter for more details on this paper).

### III. Selected Papers in This Special Issue

This special issue aims to enhance our understandings of eWOM and UGC in diverse contexts of social platforms from both viewpoints of customers and companies by introducing recent trends and findings. In response, the following five papers are selected for the publication. The first paper, entitled “*Marketer-Generated Content Sharing among Social Broadcasting Users: Effects of Intrinsic Motivations, Social Capital and the Moderating Role of Prevention Focus*” by Yuhao Li and Kanliang Wang, empirically investigates why individuals spread marketers-generated content (MGC) in their online social circles in the context of SNS (i.e., Sina Weibo) use in China. They develop a theoretical model to examine how social capital, intrinsic motivations, personal perceptions, past behavior, and personal traits influence SNS users’ MGC sharing behavior by using 319 offline survey data from undergraduate students in China. The findings from structural equation modeling (SEM) analyses prove that enjoyment, perceived control, outcome expectations, social capital, users’ intention, and past behavior are significant antecedents of individual’s MGC sharing intention in an SNS use environment. In addition, the strong moderation effect of individual’s prevention pride on the relationship between users’ MGC sharing and its antecedents is found. By emphasizing the role of MGC rather than focusing on UGC, this paper expands the understanding of information transfer process among customers in the context of MGC sharing and reveals that companies can also take initiatives to proactively involve in consumers’ discussion, rather than play passive or reactive roles.

The second paper, entitled “*Online Tourism Review: Three Phases for Successful Destination Relationships*”

by Chulmo Koo, Seunghun Shin, Sunyoung Hlee, Daeseop Moon, and Namho Chung, develops a conceptual model (i.e., Longitudinal Trust-Satisfaction Model: LSTM), which consists of three phases (i.e., pre-purchase, on-purchase, and post-purchase phases), by integrating the Extended Valence Framework (EVF) and Expectation-Confirmation Theory (ECT) to better explain travelers’ online behavior in the context of online travel reviews (OTR). Although this paper is a conceptually developed study about how OTR influences potential travelers’ attitude and behavior, it could be a strong stepping stone for future empirical studies since it provides a total of twelve propositions (i.e., six for pre-trip, one for on-trip, and five for post-trip phases) derived from a robust longitudinal discussion based on previous studies and the two theories (i.e., EVF and ECT).

The proposed model offers a broad and longitudinal view of the relationship between OTR and travelers’ feelings and behaviors in a long-term basis, and shows how this relationship can evolve as time goes.

The third paper, entitled “*An Empirical Study on the Interaction Effects between the Customer Reviews and the Customer Incentives towards the Product Sales at the Online Retail Store*” by Joo Baek Kim and Soo Il Shin, investigates the impacts of the features of online customer reviews (OCR) (i.e., average review ratings and the number of reviews) and the types of customer incentive (i.e., price discounts and special shipping offers) on product sales in the context of e-commerce sites (i.e., Amazon) based on the principal-agent perspective. With the sales ranking data collected from video game titles on Amazon.com, this study analyzes both the direct effects of the four factors (i.e., average review ratings, the number of reviews, price discounts, and special shipping offers) and the interaction effects between OCR and custom-

er incentive factors on product sales. The findings support both the direct and the interaction effects. Based upon the findings, this paper highlights the important role of OCR that mitigates the information asymmetry existing in e-commerce settings, and thus, sheds lights on how to manipulate and control the issues stemming from the information asymmetry from a company's perspective.

The fourth paper, entitled "*Are Negative Online Consumer Reviews Always Bad? A Two-Sided Message Perspective*" by Jumin Lee, Se-Bum Park, and Sangwon Lee, designs two experimental studies to examine the influences of a two-sided message, including both positive and negative information, on product attitude and purchase intention using a message structure variable (i.e., attribute importance) in the OCR context. While Study 1 clarifies the previous inconsistent results of a two-sided message by comparing a one-sided message and a two-sided message using the attribute importance in negative reviews, Study 2 finds out the reasons for the inconsistent results of a refutational two-sided message research by applying the attribute importance and website trust variables. With a 2x2 factorial design employing 84 participants, the results of Study 1 reveal that two-sided OCRs are more credible than one-sided OCRs, and two-sided OCRs using low important attributes are more effective in making favorable product attitude/purchase intention. Moreover, with a 2x2x2 factorial design employing 196 participants, the results of Study 2 indicate that refutational two-sided OCRs using high attribute importance make positive effects on product attitudes under the trustworthy website. However, the refutation could make negative effects on product attitude/purchase intention in low trustworthy websites. This paper empirically proves that negative OCRs are not always bad; in fact, they can be beneficial to increase the

level of credibility of an e-commerce platform.

The last paper, entitled "*An Exploratory Content Analysis of a Saudi Women's Beauty Products' Discussion Forum*" by Nahed Alhaidari and Jane Coughlan, focuses on Arab (i.e., Saudi Arabian) women as members of an online beauty discussion forum, and investigates the role of several eWOM features (i.e., argument quality and community bonding) in the adoption of information by applying a content analysis. Since comparatively little attention has been paid to Arab women's buying attitude and behavior, this study expands the understanding of eWOM in terms of cultural and gender effects. After analyzing a total of 310 threads, this study proves that emotion expressed in messages, often expressed in religious terms, is as influential and important as cognitive aspects of community bonding.

#### IV. Conclusion

As briefly introduced above, this special issue handles a variety of issues regarding eWOM and UGC in the context of diverse social platforms such as SNS (the first paper), OTR sites (the second paper), e-commerce sites with OCR (the third and the fourth papers), and online discussion forums (the fifth paper). In addition, the five selected papers apply different research methodologies using different types of data; while the first, the third, and the fourth articles are empirical studies using survey, archival, and experimental data, respectively, the second paper is a conceptual study, and the fifth is an exploratory study using the content analysis data. By introducing relatively new and diverse approaches to the issues of eWOM and UGC, we hope that this special issue, although not comprehensive, can serve as a stepping stone for further interesting, important yet challeng-

ing research.

In conclusion, we acknowledge the valuable contributions of the authors who kindly choose this special issue as the outlet for publication. We also thank our review team for devoting their time and efforts

to provide helpful and constructive comments. Finally, we would like to give special thanks to the editor of *Asia Pacific Journal of Information Systems (APJIS)* for supporting to successfully complete this special issue.

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Submitted: November 26, 2015; Accepted: December 11, 2015