

UNIVERSITI TEKNOLOGI MARA

**THE IMPACT OF ELECTRONIC
WORD OF MOUTH ON CONSUMER
PURCHASE INTENTION: A
MEDIATING EFFECT OF
ATTITUDES TOWARDS
INFORMATION ACCEPTANCE
AMONG GENERATION Y**

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ABSTRACT

The innovation of Internet has led to revolution of consumer behaviour and purchase intention throughout the consumer decision making process. It provides a huge opportunity for businesses to anticipate the increasing value of online retail. Particularly in Malaysia, the number of Internet users has given rise in terms of patterns of getting information among users. As the social media becomes a vital part of people's daily life, the influence of electronic word-of-mouth (eWOM) surpasses the influence of traditional face-to-face WOM communication on consumers' decision making. The purpose of the present study is to examine the impact of persuasiveness of eWOM messages and consumer's attitude to use information which turn into behaviour intention in the online context among Malaysian young consumers. The theoretical framework in the present study extended the Information Acceptance Model (AICM) through the integration of Elaboration Likelihood Model (ELM) and related part of Theory of Reasoned Action (TRA). Convenience sampling was employed to select sample among young generation who at least have one social media account. Data were collected using self-administered survey. A total of 440 effective samples were collected and the analyses were carried out using both descriptive analysis and structural equation modelling (SEM). The results of the structural modelling provide evidence that there is a linkage persuasive of eWOM messages and consumer purchase intention. It is interesting to note that the attitude towards information acceptance partially mediates the relationship between persuasive of eWOM messages and consumer purchase intention. Through these findings, it can be deduced persuasiveness of eWOM messages through it dimensions influence the attitude towards information acceptance and creates consumer purchase intention. Thus, this study is beneficial for both online business sector and government sector to understand Malaysian online consumer attitude and behaviour intention as well as gain clearer picture of young consumer's need that can be used to encourage them to purchase online.

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CHAPTER ONE

INTRODUCTION

1.1 Introduction

This chapter sets forth the basis and foundation of the study. It commences with the overview of the background of the study, which emphasizes social media as part of online marketing platform and relates to consumer buying intention. The problem statement pertaining to as to how eWOM messages shapes the attitudes towards information acceptance and influences consumer purchase intention is highlighted. The objectives of the study, research questions and scope of study are also described. This chapter also explains the significance, justification and the definition of key terms that are specifically used throughout this thesis.

1.2 Background of the Study

It is undeniable that the advent of social media offers a great opportunity for consumers to acquire information about products and services of companies. However, conversely, as a result of this increasing amount of information, making a decision was becoming more and more difficult. This led consumers to exchange their opinions and experiences between each other which is called word of mouth (WOM) (Erkan & Evans, 2016). WOM was also considered worthy of study by researchers; and it was found influential on consumers' product judgements (Chung & Austria, 2010; Yildirim, 2011) and purchase intentions (Chen & Lee, 2015; Kudeshia & Kumar, 2017; Zhao, Deng, & Zhou, 2017). Consumers often rely on WOM when approaching the purchase of a new product and service (Goldsmith & Horowitz, 2006; Trusov, Bodapati, & Bucklin, 2010) because WOM conversations usually do not have a selling intent as it is in advertisements (Schlosser, 2011; Sen & Lerman, 2007). In fact, both early and recent studies have found that WOM conversations are more influential on consumers than traditional forms of advertisements (Trusov et al., 2010; Yildirim, 2011).

Although WOM has existed for a long time, it has gained a new perspective with the advent of the Internet. Previously, WOM occurred during personal conversations between consumers, but the Internet has provided a platform for