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Analyses of word-of-mouth communication and Its effect on students' university preferences

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Abstract

Word-of-mouth is totally formed by satisfaction of customer and transparent communication based methods. The power and meaning of word-of-mouth is relevant to speaker's relationship with the product or service, satisfaction of speaker will lead to convey messages that are positive about product and service. With this motivation felt by the speaker, it is seen that he joins deliberately or not to the process which helps the process about the benefits to product or to service. As far as the increasing number of universities is concerned; the dimension of presentation is coming into prominence. This situation shows us word-of-mouth effect could be effective in the presentation of universities. The purpose of this study is to put forward how word-of-mouth advice method works in the university preference process. In this work, quantitative research method such as survey technique is used.

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Key words: Word-of-Mouth Communication, Advertisement, Public Relations, Marketing, Process of University Preferring

Introduction

It is a fact that there are different ways to influence people apart from the traditional conduits (such as radio, television, newspapers, magazines). It is also observed that sometimes advice from a friend may be much more effective than

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various advertisements and presentations. Nowadays, due to the promotion of numerous products by mass media, many of which cater to the same needs, consumers are required to make objective opinions and refer to independent sources in their decision-making (Cop and Gümüş, 2009, pp.179-202). Thus, word-of-mouth communication or ‘buzz marketing’ has become one of the most important tools of communication in the modern world. Previous studies have revealed that word-of-mouth communication has a significant effect on consumer satisfaction regarding products and services related to buying decisions (Bush et al., 2005, pp. 257-264) as well as their attitudes toward buying in general (Bone, 1995, pp. 213-223). Bansal et al. (2000, pp.166-177) also underscored that word-of-mouth communication influences buying decisions, while Murray (1991, pp. 10-25) emphasised that it decreases the risks of such decisions.

In this era of globalisation and the use of widespread communication technology, the need for university-educated individuals has been rapidly increasing and consequently, this has intensified the level of competitiveness between existing universities. Despite the increase in promotional activities and advertisements, word-of-mouth communication is still more effective for presenting various aspects that can influence consumers (i.e. students) decision-making processes (Silverman, 1997, pp. 32-37). Therefore, this study examines the effect of word-of-mouth communication on students’ university preferences and to what extent such communication influences their decision-making behaviours.

2. Word-of-Mouth Communication

As a form of mass media, word-of-mouth communication is one of the widest and the most important tool for consumers and it can influence where they shop, what they buy and how they evaluate certain products. In addition, such communication can affect the expectations, awareness, perceptions and attitudes of consumers (Iglesias et al., 2001, pp. 410-425); Reichheld and Scheffer, 2000, pp. 105-114; Ward and Lee, 2000, pp. 6-20; Ha, 2004, pp. 329-342). As a result, the importance of word-of-mouth communication as a channel of information has been the subject of focus in the aforementioned studies. This mechanism wields immense influence on the consumer’s preference, dependence and changing behaviour (Marangoz, 2007: pp. 395-412) and it facilitates the consumer’s knowledge of the necessary information for decision-making (Stewart and Kamins, 2003, pp. 282-309).

Word-of-mouth communication was initially emphasized by Paul Lazarsfeld and Elihu Katz in 1995, although its definition did not refer to formal communication among consumers regarding certain products (Kau & Loh, 2006, pp. 101-111). According to Stokes and Lomax (2002, 349-357), word-of-mouth communication serves as a so-called messenger and receiver about brands, products or services, rather than verbal face-to face communication. Ranaweera and Prabhu (2003, pp. 374-395) described such communication as an emotional dimension that influences consumers’ decisions regarding various services and products, while the American Communication Institute (AMA) defined word-of-mouth communication as the sharing of information between consumers (via various resources) concerning certain products and promotions (www.marketingpower.com/layouts/Dictionary 14/12/2013).

In general, people share advice regarding aspects such as relationships, films, food, on a daily basis (Rosen, 2000, p. 7) and they acquire additional information through their physical surroundings and mass media (East, Hamond and Wright, 2007, pp. 175-184). In the service industry, word-of-mouth marketing is extremely essential since expectations regarding services are not as clear as those of concrete products. Moreover, factors such as cultural situations and past experiences can specially influence consumers’ opinions, regardless of their current similar cultural environments (Ateşoğlu and Bayraktar, 2012, pp. 95-108). Furthermore, in their leading research regarding word-of-mouth communication, Arndt (1967) and Dichter (1966) indicated that such communication can increase the expertise of individuals and strengthen their communicative relationships (Cheung, Anitsal and Anitsal, 2007, pp. 235-249). Therefore, it can be understood that word-of-mouth communication is an effective and powerful method of communication, particularly when important information is imparted by reliable and credible sources (Ennew, Banerjee and Li, 2000, 75-83).

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