Nicklas Westphal

Cross-Cultural Differences in Electronic Word-of-Mouth Influence on Purchase Intention

An empirical study

Master's Thesis

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Cross-Cultural Differences in Electronic Word-of-Mouth Influence on Purchase Intention

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Abstract

International marketers are trying to encourage positive electronic word-of-mouth (eWoM)

about their products and services. The question of whether consumers in different cultures

respond differently to eWoM is critical if marketers are to leverage the potentially global

power of eWoM. The central objective of this study is to critically evaluate whether espoused

national cultural values at the individual level influence the effect of eWoM on consumers'

purchase intention.

Prior cross-cultural eWoM research mostly studied culture at the country level. This paper

draws on perspectives in cultural psychology and cross-cultural research that argue that

individuals espouse national cultural values to different degrees. Therefore, predicting the

influence of culture on individuals' behaviour necessitates to assess cultural values by

personality tests at the individual level of analysis. Yet, no research can sufficiently answer

the question of how individual level culture may influence the effect of eWoM on purchase

intention. The present research addresses this gap by measuring espoused national cultural

values of power distance, uncertainty avoidance, individualism/collectivism, and masculinity/

femininity at the individual level of analysis and investigating their influence on the effect of

eWoM on purchase intention.

An experiment, using a repeated measures design, was conducted with 100 subjects from 18

countries. The results reveal that, as expected, consumers' purchase intentions are

significantly higher after reading eWoM than after reading factual information on a company

website. Further, the results show that, contrary to expectations, this effect is not significantly

influenced by the national cultural values an individual espouses. This implies that traditional

market segmentations based on culture are of limited relevance in the online market place.

Theoretical and managerial implications are discussed.

Keywords: electronic word-of-mouth; eWoM; culture; espoused culture; espoused cultural

values; purchase intention

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