



Factors Affecting Consumer Acceptance of Word of Mouth Recommendations in Case of Private University Admission

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ABSTRACT

The organization, particularly service establishments are chosen to receive their services by word-of-mouth publicity, however, which characteristics of recommender or factors eventually, influence service receivers to accept his/her message in case of admission at a private university is never explored in Bangladesh. Hundred respondents from the sample of three private universities and data were collected using a structured questionnaire accordingly. The study reveals that expertise, positive track record and loyalty of the recommenders are the salient reasons to accept the recommendation, the rest of the factors such as quality of information, involvement of the recommender, an opinion leader, affinity, track record, quantity of the information, and trustworthiness of the recommender were not significant. These findings will help private universities to set their brand ambassador or opinion leader who has these characteristics, so that their messages are highly accepted by the target market.

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1. INTRODUCTION

Word-of-mouth promotion is generally referred to as the sharing of data from one person to another person through individual interface, such as face-to-face contact, phone, or public networking etc. Word-of-mouth (WOM) known as a key indicator that influences the decision-making process (e.g. Mangold et al., 1999) and also reflects the mutual understanding between a communicator and an acceptor. Both attitudes and performance of the receiver can be taken confidently or dismissively (Sweeney et al., 2007) through interpersonal communication. As the communicator is predicted to be an unbiased and individualistic person from service organizations, his/her guidance is taken into account more truly than conveying reporting (Silverman, 2001).

WOM has importance to a great extent for the industry of service, alternatively for training and financial services which interpreted on elevated choice (Zeithaml et al., 1985). Moreover, services are intangible and this

characteristic generates more difficulties who want to have a trial before buying (Zeithaml, 1981).

WOM in general is an informal spoken communication that occurs either in products or services (Westbrook, 1987 Ac; Dichter, 1966; Anderson, 1998) between a couple of consumers (Ryu and Han, 2009). Academics & practitioners have intense curiosity about WOM and it has been studied with careful and deliberate efforts which is for diamond

jubilee years (Du and Kamakura, 2011; Bauer and Gleicher, 1953; Schmitt et al., 2011; Knapp, 1944) and interest for this particular imperative concept continues to increase rapidly.

Word of mouth (WOM) is like a phlegmatic transmission process between those who are the consumer of those goods & services. People make their buying decision with own comprehensive evaluation. Besides, consumers are always concerned about to try those services & goods. Hawkins et al., (2004) stated WOM as the exchanging

views of one consumer to another, and the undeniable platform in the consumer determination that causes individual firmly to believe and convinces them to utilize the products or services and enter deeply into the selected market, approaching appropriate & suitable messages which make people alternate attitudes & interaction, in jobs, houses, learning institutions like schools, also in social networking sites (SNSs), wherever simply exchange dialogue by consumers is being occurred. Baloglu and McCleary (1999) found in their research three other factors such as professional advisors, news media & movies where WOM has the most vivacious result to the perception of customer reflection. In a survey, it has been found that almost 76 percent of all purchase occurs through WOM. "It has been estimated that there are 3.4 billion WOM conversations each day and among them, 2.3 billion of those are about brands" (Balter, 2008, p. 93).

Therefore, it can be said undoubtedly that WOM is one of the most remarkable ways of getting & holding customers, singularly for executive services such as education industries. This is why the ultimate purpose of this study is to figure out the factors that are influencing WOM for the industry of education. Some works on word of mouth communication and its influences have already been carried out by the several researchers such as the incompatible WOM consequence on consumers' perceptions of service quality and purchase objective towards the services (DeCarlo *et al.*, 2007); the issue of discrepancy in-service performance (Hansen and Danaher, 1999). They with their solid work found that quality perceptions are associated with the final event in the meeting. This research is diverse from Hansen and Danaher's (1999) work. In reality, on the basis of educational context, the research is very significant, except for a research paper submitted by Bruce and Edgington (2008), which scrutinizes whether the Word-of-mouth recommendations that study regularly and still students are an essential source of persuasion or not when potential MBA students are opting for a school. They surveyed 16,297 current MBA students and ran multiple regression analysis to find out the determinants that impinge on school recommendations and their relative significance. Individual models are uplifted based on previous research on service quality, educational results, and perceived justness. However, no study has been conducted on the characteristics of recommender through word -of- mouth communication.

A main aspect of customer action is the choice used in creating purchases. In this situation, clients take in mind the views and encounter of people before creating support buy choices and indicates that word-of-mouth reduces the threat that is associated with purchasing choices. Consequently, the objective of the study is to dig up the factors that affect consumer acceptance of word-of-

mouth recommendation in case of private university admission.

2. LITERATURE REVIEW

For several years word of mouth has been accredited on people's perception. Aristotle invented the significant solo work in the generation of speech craft in the fourth century BC which is considered to a historical era or an epoch (Thonssen & Beard, 1948). In his writing, he highlighted the credible implication of three imaginative outcomes by a rhetorician. Ethos, the moral and intimate solicitation of a narrator trigger to comprehend the entire approach the narrator's intimate attributes to extract credence to the audience. Impassioned solicitation of the narrator covered by the pathos. Aristotle figured his motivational speech based on the rational paradigm in dialectical solicitation. After twenty-three centenary later, even more endless edification stands on interpersonal contract (Littlejohn, 1990). Britt (1966) in his research stated that consideration of the collective relevance within consumer act philosophy and the associative acquirements pointed the clause of word of mouth about consumers. From all the experimental announcement came from Asch (1955) research stated that a community come to terms a scheme with the help of word of mouth to convince unaware of knowledgeable references, notwithstanding evidently noticed precedent to the opposed, that among the three series impressed on card A was suitable match for the other line traced on card B. Philip Kotler (1967, p. 456) in the book of marketing management stated that "advertising is the most effective among all the mediums of communication with the customers. It creates an effect on a customer's usage as it is acquainted as self-directed than the impact of fellow and individual notice." Here word of mouth is not established on the basis of Aristotle's three evidences other than the opinion of the audience. Aristotle acknowledged this as a moral solicitation. After thirty years in 1990, the marketers who unite the effusive sound example are severe to pull up the influence of Word of mouth communication.

H1: Higher the expertise of the recommender, higher the acceptance of word of mouth.

Either WOM is authentic or fake if it seems strong, informative and highly proper word, then it becomes a significant and reliable source for them. So here it is clear that a company should always maintain their quality & loyalty to create more proper word of mouth (Kenny & Shekhar, 1990), research substantiates that antithetic report becomes popular over time than the authentic one because displeasing customer take part their negative opinion rather than the authentic or positive one. The WOM is fruitful only then when the result is optimal (Laroche & Zhou, 1996).

H2: Higher the loyalty of the recommender, higher the acceptance of word of mouth.

H3: higher the quality of information, higher the acceptance of word of mouth.

Celsi and Olson (1988) reported that attachment reveals that it may be stable or conditional. Conditional association is not a permanent height of concern regarding the purpose of a product purchase decision process. The consumer who has more involvement with the product they went through keeps in the mind to use information in case of purchasing. Here we can raise the following hypothesis:

H4: Higher the involvement of the recommender, higher the acceptance of word of mouth.

The researches Katz and Lazarsfeld (1955) say that opinion leaders are the most influential persons in case of Word of mouth communication. They revealed a book on it called personal influence. This was introduced as the new concept about the influence of opinion leaders. The powerful thing is that they cannot put attention to a hospital or a production house for the communal form put down particular preference and these preferences would of course guidance to particular people as a suitable opinion leader. Position and reputation are significantly important on sites forced by user-generated subject matter.

H5: Higher the acceptance of the recommender as an opinion leader, higher the acceptance of word of mouth.

Golbeck (2006) mentioned in his presentation that the key to offense of the action is that faithful references are illustrated as a worldwide criterion between users, more than being a temporary or specific territory. The basis of our action depends on credence which is periodic liking someone can trust very spontaneously or other can purview but with very little trust. For example, one may rely on a friend who is a doctor for health services, but he will never take financial advice from his doctor friend. The judgment from the preceding exercise and explanation of trust, relevance, and advice is the strongest formula of recommendation must take into account until it notices the expertise, experience & impartiality. So the extent of response that announced the affinity as a permanent factor theorize that it illustrates additional criterion than exclusively shared tastes similar values and expectations.

H6: higher the affinity of the recommender, higher the acceptance of word of mouth.

The consumer who has a social purpose to appear and sustain alignment with others to gain position and strength in the virtual world and all time finds more information about the products and services. (Hoffrage & Gerd, 2000) in their research found that the purchase decision of a consumer depends on information. So, if the track record of the recommender is reliable to consumer it brings a positive outcome for the recommendation. (Laroche & Zhou, 1996) stated that an organization always tries to keep the old customer and wants to target the new customer. Old customer is the loyal customer and they are always complaining if they find any problem with the product so organization, then get the opportunity to solve their problem.

H7: Positive the track records of the recommender, higher the acceptance of word of mouth.

Cheung & Thadani (2010) stated in their study that a customer searches information about the products and services from several sources like internet or online reviews. When the volume of the information is more, it influences their purchase decision. Chatterjee (2001) says that electronic word of mouth (eWOM) positively influences in most of the cases. The customer trusts that if the scale or volume is high. Therefore, we draw the hypothesis.

H8: Higher the quantity of the information of the recommender, higher the acceptance of word of mouth.

Moreover, it can be stated clearly that the more the trustworthiness of the recommender, the more it creates positive word of mouth. The information that is provided by unknown person are not accepted to the customer, so the person who is faithful to the customer they can work as a network of the information source and the customer they will believe of the recommendation of the recommender. The promise that a company makes in the case of their services and products should be fulfilled. If they meet the requirement, the trustworthiness of the customer will be increased and they will work as the recommenders who have knowledge and earned trustworthiness among the customers.

H9: Higher the trustworthiness of the recommender, Higher the acceptance of word of mouth.

Conceptual framework:

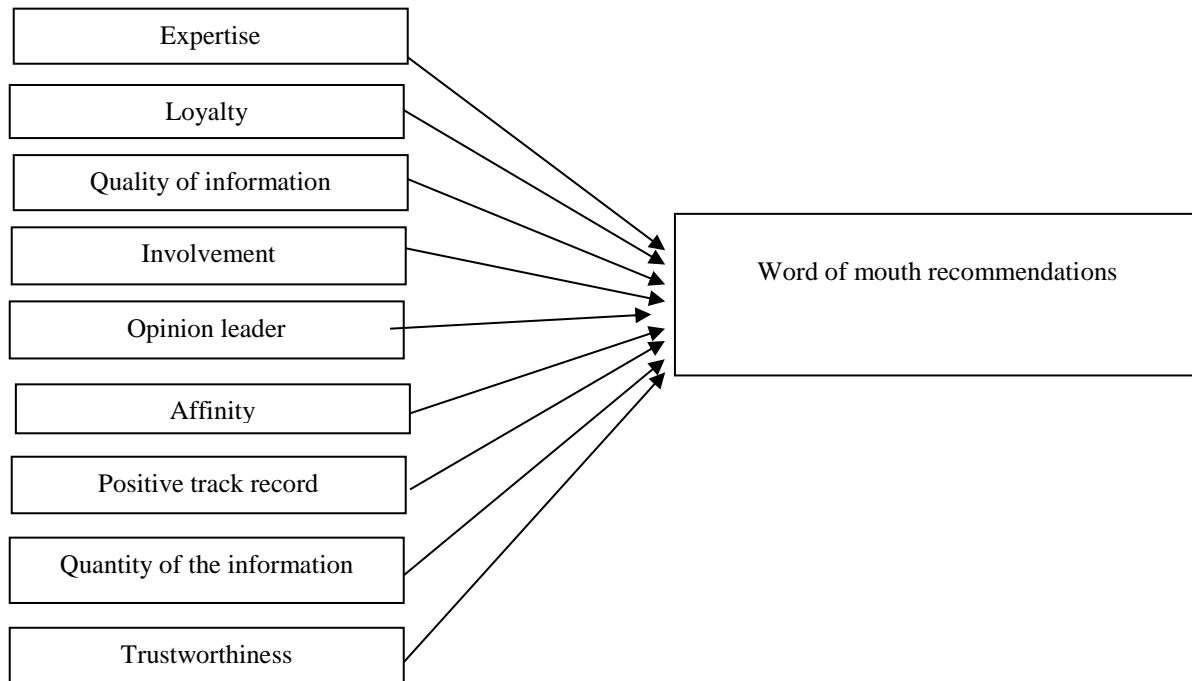


Figure 1: Conceptual framework of consumer acceptance of word of mouth recommendation

3. METHODOLOGY

A. Secondary Research

Most of the researchers are engaged in researching word of mouth communication in any service industry, particularly in the restaurant industry, but the same research was never performed on higher education. In order to explore the subject matters deeply, researchers had gone through different articles published inside and outside of the country to find the most influential characteristics of the recommenders in the case of university admission. Based on the erudite review, a conceptual framework was framed to conduct the research purposefully. The research was causal in nature as the researchers intended to find out whether the selected factors influence the dependent variable or not.

B. Description of Data

The survey was conducted in different private universities in Dhaka over three weeks and both the primary and secondary data were collected for a complete analysis. Data collecting is mainly done from a questionnaire by using primary data method. In order to identify the most influential factors, 5 point Likert scale where 1 indicates “Strongly Disagree” and the number 5 indicates “Strongly Agree” was adopted. A random survey was directed at various university students. Respondents

were students in different semesters of the university. We selected some specific and convenient areas to access the samples and the respondents put their opinion about factors influencing service receivers to accept the word of mouth recommendation.

C. Sample Size and Data Collection

The total sample for the research was 100. Respondents in this survey were adults (age 20 and above) and completed at least 3 semesters at the university. The researchers had to select the respondents by using a stratified sampling method. A list of the students studying in different semesters was collected from the concerned university registrar’s office. Because of time and resource constraints, 120 respondents were chosen for the interview, but 100 questionnaires were found completed and chosen for the study. The respondents have been chosen from three private universities in Dhaka, 30 from East West University, 30 from American International University Bangladesh and the rest of them from Eastern University.

4. ANALYSIS & FINDINGS

Before conducting the regression analysis, the assumptions underlying multiple regression were

examined. Many scholars use Cohen’s criteria for identifying whether the relationship between dependent and dependent variable is strong or weak (Cohen, 1983). Implementing Cohen's requirements for effect size (less than .01 = trivial; .01 up to 0.30 = weak; .30 up to .50 = reasonably strong; .50 or greater = strong), the connection in this research was properly recognized as powerful (Multiple R = .599). The research can help to find out the comparative significance of each varying in the design. The coefficient is regarded as important when the significant value is relatively small (less than 0.05).

Table 1
Model Summary

Model					Sig. F Change
	R	R Square	Adjusted R Square	Std. Error of the Estimate	
1	.748 ^a	.559	.555	.81084	.000
2	.761 ^b	.579	.571	.79624	.000
3	.774 ^c	.599	.586	.78179	.000

a. Predictors: (Constant), expertise

b. Predictors: (Constant), expertise, positive

c. Predictors: (Constant), expertise, positive track record, loyalty

d. Dependent Variable: Word of mouth recommendation

Table 2:
ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	81.808	1	81.808	124.430	.000 ^a
1 Residual	64.432	98	.657		
1 Total	146.240	99			
2 Regression	84.742	2	42.371	66.830	.000 ^b
2 Residual	61.498	97	.634		
2 Total	146.240	99			
3 Regression	87.566	3	29.189	47.757	.000 ^c
3 Residual	58.674	96	.611		
3 Total	146.240	99			

a. Predictors: (Constant), expertise

b. Predictors: (Constant), expertise, positive

c. Predictors: (Constant), expertise , positive track record, loyalty

d.. Dependent Variable: Word of mouth recommendation

Table 3
Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
	B	Std. Error	Beta			
1	(Constant)	.668	.204	3.268	.001	
	Expert	.702	.063	.748	11.155	.000
2	(Constant)	.167	.307	.544	.588	
	Expertise	.678	.063	.723	10.807	.000
	Positive track record	.164	.076	.144	2.151	.034
3	(Constant)	.341	.312	1.092	.278	
	Expertise	.826	.092	.880	8.952	.000
	Positive track record	.169	.075	.149	2.261	.026
	Loyalty	.207	.096	.211	2.150	.034

a. Dependent Variable: Word of mouth recommendation

The multiple regression analysis of the research model was applied to verify the prospective relationships so that it can be predicted effectively how the word of mouth recommendation affects. The regression model was conducted by bringing all the independent variables at the same time in the model. The overall outcomes of the regressions are indicated simultaneously in Tables 1, 2 and 3. The table shows that the overall regression model is statistically significant (*p*-value of the ANOVA F statistic is less than 0.001). The independent variables together stated clearly 59.9% of the variance in word of mouth recommendation in table-1, the standardized coefficients (the betas), *t*-value for the significance test and significance value is indicated. The findings represents that among the nine variables that were prospected to be associated with only two were witnessed to be significantly associated to this dependent variable: Expertise=0.880, *p*<0.001), Loyalty=0.211 *p*<0.001 , Positive track record =.211 *p*<0.001) were significant and rest of the variables were proven to be insignificant. This can be shown in the following table:

Table 4
Summary of hypothesis

Relationships	Status
* Expertise → Word of mouth recommendation	Supported
*Loyalty→ Word of mouth recommendation	Supported
Quality of information→ Word of mouth recommendation	Not Supported
Involvement→ Word of mouth recommendation	Not Supported
Opinion leader→ Word of mouth recommendation	Not Supported
Affinity→ Word of mouth recommendation	Not Supported
* Positive track record→ Word of mouth recommendation	Supported
Quantity of the information→ Word of mouth recommendation	Not Supported
Trustworthiness→ Word of mouth recommendation	Not Supported

5. RECOMMENDATIONS & CONCLUSIONS

The purpose of creating brand trustworthiness is to achieve ambitious improvements that finally push upward in the performance of business. In terms of suggestions in private university admission, we can see that three influential factors such as expertise, loyalty, and a positive track record of the recommenders influence students to make a decision about admission. So, it can be recommended that the university should hire professional ambassador to spread the message through WOM so that people can believe in them. On the other hand, a positive track record of the recommender can be used as a further tool for university promotion. Someone at the university who got admitted, passed successfully and built a good career in the corporate sector may motivate the rest of the students to be like him/her and likely to listen and admire his/her suggestion. If a person is loyal about the organization, his or her enthusiasm and commitment is highly accepted in terms of university admission recommendations. If an organization uses and promote these unique virtues of the recommenders, marketing through oral media will be successful eventually.

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