THE EFFECT OF ONLINE WORD OF MOUTH ON BUSINESSSES AND ORGANIZATIONS IN KENYA

BY

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UNITED STATES INTERNATIONAL UNIVERSITY

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STUDENT’S DECLARATION

I, the undersigned, declare that this is my original work and has not been submitted to any other college, institution or university other than the United States International University-Africa in Nairobi.

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This project has been presented for examination with my approval as the supervisor.

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ABSTRACT

Online word of mouth has continued to grow both locally and globally due to the increase of online Social Media web forums like Facebook, Twitter, WhatsApp and blogging. Smartphones and mobile data penetration have even further propelled this. Which in turn has led to the increase of different players, such as online marketers, brand ambassadors, twitter celebrities, who are market forces due to the number of followers on Twitter or the number of Facebook friends in their Facebook account or the total number of views on their website or Youtube videos.

The purpose of this study was to investigate and determine the effects of online word of mouth on businesses and organizations in Kenya. The findings of the study portrayed online word of mouth as critical and much needed tool for understanding how online conversations can be directed for profit and influencing purchase decisions. Online word of mouth has posed a vital question for researchers and marketers to investigate, predict and initiate such online conversations to boost for sales, market share and revenue projections.

To investigate the effects of online word of mouth on organizations, three research questions were asked; namely, what are the effects of online word of mouth on sales? What are the effects of online word of mouth on corporate image/reputation? What are the effects of building an online helpdesk and online community?

To answer these research questions, the use of a survey method of causal research design was important to assess online word of mouth in relation to corporate sales, image, reputation, and customer feedback. The need for a cause and effect analysis was key to compare, contrast and relate these factors that affect and influence online word of mouth with respect to businesses and organizations in Kenya.

The population of interest were individuals who use the Internet and are on social media and online marketplaces. According to the Communications Authority of Kenya, Kenya boasts of 26.1 million Internet users who participate and check online reviews, for product and service analysis. Furthermore, there has been an increase in local online marketplaces such as OLX, Jumia, Kilimall and Rupu. Simple random technique was used to select the appropriate size for the survey. Based on this, a sample size of 72 respondents was deemed sufficient with a confidence level of 95% and a margin of error of 5%. The survey was in form of a questionnaire
that was shared to the participants through hard copies and online via Google docs. The questionnaire was divided into two major sections comprising of the demographic information of the respondents while the other section was a set of close ended questions making use of the Likert scale to inquire of the participants’ response towards the effect of online word of mouth on businesses, corporate image, and online communities. The data collected contained elements of nominal, ordinal, interval, and ratio measurements. Because of this, the data was tabulated into frequency and percentage distributions.

Using SPSS data analysis tools, the correlation, regression, and variance of the variables was also calculated. This methodology provided the research with the necessary tools to find the effects of online word of mouth on revenue, corporate image, and customer satisfaction.

Analysis of the data collected from the survey provided evidence that online word of mouth affects the sales and revenue. There was a clear indication that it influences sales as many of the consumers are tech savvy and are on social media and Internet. The study could substantiate that organizations that exploit online word of mouth are able to positively increase their sales and mitigate losses due to negative word of mouth.

The conclusion from the data collected showed that organizations should be vigilant and aware of the power and influential capability of online word of mouth and how it affects the corporate image and reputation.

After an analysis of the three research questions, the findings of the research proved that online word of mouth is central in the new age digital marketing strategy as it allows the organization to relate to the consumers more faster and dynamically. Furthermore, it provided ways of mitigating, if not, eliminating negative word of mouth, showing that the reputation of an organization can be strained very quickly online.

The study recommended that organizations should enhance online word of mouth as a digital marketing strategy that will enable them to increase sales and brand image and visibility. The continual need to provide an online community and customer feedback avenue is all the more critical as businesses exist because of the customer.

The study considered online word of mouth in the general on the pretext of company sales, brand and customer relations. Herein, online word of mouth considered was positive WOM, negative WOM, immediate WOM and ongoing WOM. The medium of online word of mouth considered
were personal, digital and viral marketing. It would be in best case scenario that future studies consider a specific type of online word of mouth towards a particular audience and medium.
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CHAPTER ONE

1.0 INTRODUCTION

1.1 Background of the Study

Marketing is a widely-used term to describe the communication between a company and the consumer audience that aims to increase the value of the company or its merchandise or, at its simplest, raises the profile of the company and its products in the public mind. The purpose of marketing is to induce behavioral change in the receptive audience. (Gordon, 2011).

Gordon (2011) further states that the techniques used in marketing include choosing target markets through market analysis and market segmentation, as well as understanding methods of influence on the consumer behavior.

Dahlen (2010), classifies marketing as marketing management, relationship marketing, product marketing, direct marketing and digital marketing. Dahlen (2010) describes digital marketing as an umbrella term for the marketing of products or services using digital technologies, mainly on the Internet, but also including mobile phones, display advertising, and any other digital medium.

The Internet is a major tool for communication, training, fundraising, media operations and recruitment and all these processes often use web forums.

Web forums are online Internet websites where the owners of the webpage can post stories, ideologies, blogs; which in turn undergoes discussions from the community members and participants (Daltona, Kuliga, and Hölscher, 2013). Web forums such as Skype, Gtalk, WhatsApp, Blogs, Twitter and Facebook have become important arenas for social communication, interaction and discussion on the Internet.

Nanfuka (2014) states that as of May 2014, up to 52% of Kenya’s population had access to the Internet. This was much higher than in other East African countries, where less than a quarter of the population had access to the internet. Currently, Kenya has a mobile teledensity of 77% facilitated by three mobile service providers, that is, Safaricom, Airtel and Orange. Most of the Kenyan population accessed the Internet through mobile phones whose own popularity was partly driven by cheap data bundles from the mobile network service providers and cheap smartphones.
Buettner (2016) defines Social media as computer-mediated tools that allow people or companies to create, share, or exchange information, career ideas, and pictures/videos in virtual communities and networks. O’Reilly (2005) asserts that Social Media services have been defined as Web 2.0 applications, which basically are World Wide Web sites that emphasize user-generated content, usability, and interoperability. This has led to web forums, blogs, wiki and media-sharing websites that allow Internet users to communicate and easily give an opinion on products, services, daily news, market reports, financial analysis and political debates.

One of the most important new capabilities of the Internet relative to previous mass communication technologies is its bi-directionality (Dellarocas 2003). Through the Internet, not only can organizations reach audiences of unprecedented scale at a low cost, but also individuals can make their personal thoughts, reactions, and opinions easily accessible to the global community of Internet users.

Word-of-mouth, one of the most ancient mechanisms in the history of human society, is being given new significance by this unique property of the Internet. Online feedback mechanisms, also known as reputation systems (Resnick et al., 2000), are using the Internet's bi-directional communication capabilities to artificially engineer large-scale word-of-mouth networks in which individuals share opinions and experiences on a wide range of topics, including companies, products, services, and even world events.

Online word of mouth (WOM) is defined as "any positive or negative statement made by potential, actual, or former customers about a product or company, which is made available to a multitude of people and institutions via the Internet" (Henning-Thurau, 2004). The increase of online WOM has been facilitated and propelled by the explosion of social media, social media marketing and the increase of e-commerce sites such as Amazon, OLX and Jumia Kenya. Friedman (2005) explains Globalization 3.0 as the period when the world moves from “small to tiny” aided by increase in technological advancements and emergence of virtual communities and online marketplaces. The fact that technology has turned the world flat into a global village where customers are louder, bolder and heard in the different social media forums is a selling point to any marketer, organization or business. Online WOM influences the seller’s brand trust and customer willingness of buying positively.

The word of mouth (WOM) industry is experiencing massive growth—since 2004 the Word of Mouth Marketing Association (WOMMA) has grown from 3 to 350 corporate members
(WOMMA, 2007). This growth is particularly evident in online and social networking media. Research estimates that while 90% of WOM conversations take place offline (Keller & Berry, 2006), just 15% of consumers account for one third of WOM conversations in America, and those “Conversation Catalysts” rely heavily on the Internet as a resource for the information they pass along to their family and friends (Keller Fay, 2006). Hence, it’s imperative that organizations and businesses understand how these online impressions affect the assessment and use of WOM information about products, brands, and firms, and consequential consumer behavior both online and offline.

According to ComScore Media Metrix, Myspace boasts more than 100 million member profiles, the site registers 13 million hits per day, and more than 3 million artists and bands use it to promote albums and engage fans. Google Inc. recently agreed to provide at least $900 million in advertising revenue over three and a half years to News Corp. for the right to broker advertising that appears on Myspace and other sites (Andrew Lipsman, Graham Mudd, Mike Rich, 2011). Global brands such as Apple, Amazon, Coca Cola and Samsung have setup online social media accounts on Facebook and Twitter together with online customer communities to address customer requests, feedback, reviews and complaints. This has set precedence as the modus operandi for most, if not all, businesses or organization. Hence, the need for businesses and organizations to be wary of the effect that online word of mouth can influence sales and business both positively and negatively.

The proliferation of online feedback mechanisms is already changing people’s behavior in subtle but important ways. Anecdotal evidence suggests that people now increasingly rely on opinions posted on such systems in order to make a variety of decisions ranging from what movie to watch to what stocks to invest on (Guernsey, 2000).

E-commerce sites such as Amazon and EBay focus on online WOM to get product reviews and ranking. Results from Pinch and Kesler’s (2010) survey of Amazon reviewers suggest participants vary in their intrinsic and extrinsic motivations, as well as the personal benefits gained or shared. With the growth of such entities the need for businesses and organization to grow and engage with their customer using online communities as tools for Customer Relations Management(CRM). According to Procter and Gamble Annual Report the increase of marketing efficiency and effectiveness through optimized digital, mobile search and social media presence has increased overall marketing effectiveness and improving sales growth (P&G, 2014). The
A report showed the increase of online word of mouth and online communities as a form of digital marketing has improved on customer feedback and retention. This has seen an increase in sales and huge customer base based on the likes and followers on Facebook and Twitter. This is one of the many effects of online WOM.

United Airlines, is a major American airline headquartered in Chicago, USA is a perfect example of the effect of negative online WOM as experienced when the guitar of a band member, Sons of Maxell, broke in the luggage cabin of the airplane. Carroll (2012) in his book, United breaks guitars, proffers that even in a digitally connected world, it takes effort and creativity to attract attention, particularly if you want to raise hell. But if you package your story with the right blend of fun and genuineness, you can bring down the biggest of corporations. And this is what Carroll did when United Airlines failed to address his customer complaint of repairing the guitar at $1,200 and easily assuming him. The Sons of Maxwell wrote a song and uploaded it on YouTube which went viral with a million views. Four days later the United Airlines stock went down 10 per cent and they made a loss of $180 Million. This is a classic example on how organization must tame negative WOM as it has dire risks and consequences.

Owino (2014), recommends that consumers that closely identify with an organization will act as agents of that organization and will spread positive word of mouth about the company and its products, in the process therefore recruiting customer. Safaricom, a Kenyan telecommunication company has implemented online word of mouth to grow its customer base. The provision of online helpdesk on Facebook and Twitter has reduced the number of customers calling the telephone helpdesk for assistance. Furthermore, Kenya Power, the electricity and transmission company in Kenya, has developed a policy of engaging the customer online and an online helpdesk to resolve customer complaints. These are clear examples of the effects of positive WOM on businesses and organizations thus enhancing customer retention and commitment.

A case in point is the Chase Bank closure which happened due to the foray created online that the bank was going down. Dr. Njoroge, CBK Governor, is quoted blaming the massive withdrawals by customers on “malicious” social media reports. In addition, Nakumatt had a fair share of negative WOM when a customer posted online that the tags displayed a different price to the one charged. This caused customers to gang up and Nakumatt had to review and reprint all the data (Kubania, 2015).
Oiro (2015) describes how social media protected customer through negative WOM when the Safaricom changed the data bundles validity period. This meant that customers who had a backlog of data bundles would lose them after the expiry period. Customers staged protests on online social media which compelled Safaricom to retract on the position taken and listen to the customer. These are clear indications on the effects of online word of mouth on business and organizations.

Both positive WOM and negative WOM, are much needed feedback on the products and services offered by any business and can be used as indicators to steer the business on the right marketing, sales and business pitching directions. Gates (2015) says that your most unhappy customers are your greatest source of learning. Furthermore, he says that we all need people who will give us feedback as it’s the only way for improving.

1.2 Statement of the Problem

The effect of online word of Mouth on Sales and Business has been evident on Social Media platform as customers are more tech savvy and digitally connected. Many businesses and organizations are quickly reinventing and capitalizing on ecommerce and the use of digital platform to increase sales and revenue. Previous studies have mainly focused on how organizations can use social media and digital platforms. Yost (2010) says that Facebook, Twitter, LinkedIn, and blogs are the best options for organizations. He proceeds to describe the process of setting up these tools and their practical use in organizational communication and marketing.

From the above its clear that social media is a much-needed platform for promotions, sales, marketing and branding for any business or organization. However, in as much, as online word of mouth on social media promote the business positively the need to monitor and analyse such tools is even more critical. Businesses and organizations should place checks on how online WOM can stimulate and affect growth and reputation. In addition, negative WOM should be addressed even faster to maintain sales and the business reputation. Hence, the need for the study

Consumption-related online communities essentially represent WOM networks, where individuals with an interest in a product category interact for information such as purchase
advice, to affiliate with other like-minded individuals, or to participate in complaint or compliment interactions (Cothrel, 2000; Kozinets, 1999; Hoffman & Novak, 1996)

Robinson (2012) goes a step further by demonstrating key points to consider when launching a Facebook page for an organization, as well as steps to take in the initial set-up phase. He describes best-practice techniques that should be adopted in an organization’s social media campaigns and even considers crisis situations in his analysis.

The above studies show that most businesses and organizations are only focusing on setting up online platform but are not addressing the effect of online word of mouth on businesses. Furthermore, they have not provided ways to mitigate negative (N-WOM) and the much-needed business analytics and metrics to be used to propel more revenue and profits in the event of positive (P-WOM). This study seeks to answer these research gaps and attempts to provide solutions.

Clearly, organizations cannot hide under the pretext that social media product reviews and negative WOM can be ignored as the customer is louder, bold and easily supported on the Online Marketplaces and communities. The old age customer suggestion box has moved from being placed outside and ignored to the cyberspace which requires immediate attention and response.

This study aims to assess the effects of online WOM, analyze and formulate frameworks for addressing the positive and negative issues that come up on social media. The study seeks to provide a method of procedure for handling online customer reviews, responses, complaints, surveys and how the business can propel the brand visibility online.

1.3 Purpose of the Study

The purpose of this study was to assess and determine the effects of online word of mouth on sales and business.
1.4 Research Questions

The research seeks to answer the following:

1.4.1 What are the effects of online word of mouth on sales?
1.4.2 What are the effects of online word of mouth on corporate image/reputation?
1.4.3 What are the effects of building an online helpdesk and online community?

1.5 Importance of Study

The study would be of significance to the following potential beneficiaries:

1.5.1 Social Media Online Entrepreneurs

The study would provide insight to entrepreneurs who use online social media as the marketplace for their business. It will provide evidence of how positive WOM increases sales and provide ways to mitigate negative WOM in relation to online web forums and social media.

1.5.2 Business and organizations

Social Media has been a much-needed tool for marketing and sale to any organization and has been used to address customer complaints, online product reviews and response. Businesses are reinventing themselves to allow social media for sending company updates, news and product reviews. The study will show the importance of online WOM and how businesses can use metrics, analytics and business intelligence methods to direct sales, marketing and advertising. In addition, it will demonstrate the need to incorporate e-commerce and online WOM as business and communication strategy.

1.5.3 Customer Relations

The power of online communities and the Internet has shown that online information can be legitimate or fraud. The study has empowered the customer by providing resolutions to customers’ problems with the use of an online helpdesk. Having established, reputable and
online communities, organization will be the go-to for truthful and reliable product updates, company updates to avoid fraud.

1.5.4 Academia

The study would act as a reference point for further research on the effects of online word of mouth on organizations. It would simulate debate on the topic and engage further the academic community in terms of research, collected data and proposed future study and recommendations.

1.6 Scope of the Study

The study targeted buyers, sellers, sales and marketing personnel, Internet and social media personalities who use social media networks to promote and engage their online users, together with businesses and organizations with e-commerce.

The study focused on the Kenyan online market space with respondents being online population on Social Media and Internet.

The study provided and collected questionnaires from September 2016 till October 2016. The collection process and analysis of this data took 2 weeks.

The possible limitation is that most organizations have little knowledge on the effects of online WOM and social media. In addition, organizations in Kenya are not using online WOM and social media to its full effect. Hence, to alleviate these limitations a general approach was taken when discussing online WOM and effects. Furthermore, respondents were assured of confidentiality and anonymity.

1.7 Definition of Terms

1.7.1 Online Word of Mouth (WOM)
Any positive or negative statement made on the Internet (Henning- Thurau, 2004).
1.7.2 Digital Marketing
The marketing of products or services using digital channels to reach consumers (Chaffey, 2012).

1.7.3 Facebook
A social network service that lets you connect with friends, co-workers, and others who share similar interests (Lowensohn, 2007).

1.7.4 Twitter
Twitter is a platform where users share their thoughts, news, and information in 140 characters or less (Smith, 2012).

1.7.5 Web 2.0
Internet-based technology that permits users to create and share content in a highly collaborative fashion (Daltona, Kuliga, and Hölscher, 2013).

1.7.6 Social Media
A fusion of sociology and technology, transforming monologue (one to many) into dialog (many to many) (Yost, 2010).

1.7.7 Social Networking Sites
Websites that promote building relationships among people with similar interests and activities (Walaski, 2013).

1.8 Chapter Summary
This chapter outlined the purpose of the research which was to assess and determine the effects of online word of mouth on sales and business, the effect of online WOM on a company’s brand and image and how businesses can provide avenues to address negative WOM.

The chapter showed that previous studies had dwelt more on setting up online social media accounts for brand visibility but had failed to mitigate the new challenges of social media on businesses and organizations. Hence, this study provided evidence for the need of businesses to place social media on the strategy table and policy formulation on how to tackle negative publicity.
This study was aimed at helping businesses structure their social media communications using laid out company policies, setting up of an online helpdesk for customer complaints and standards of procedure in customer online word of mouth. This has provided effective ways for organizations to achieve their business goals while creating opportunities for economic and social growth.

Chapter two is a review of previous work, discussions and studies relating to online word of mouth globally, regionally and locally. The previous work laid the foundation and provided evidence that the research undertaken has addressed the gaps.

Chapter three is the methodology and procedure that the research will be using to address the research questions and provide answers towards assessing online word of mouth on sales and businesses. Chapter four provides the data collected from the population sample. Chapter five analyses the data collected and provides and interpretation of the data, conclusions on the findings, and recommendations for future work.
CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Introduction

This chapter discusses previous theories, concepts, studies, and research in our attempt to answer the research questions outlined in the introduction chapter of this study.

Previously on the introductory chapter we highlighted three research questions which will act as a guide in our quest to assess and determine the effects of online word of mouth on sales and businesses.

The research questions we will be attempting to answer are; how does online word of mouth affect sales, corporate image or reputation and the effects of building an online helpdesk and online community.

2.2 Online Word of Mouth Influence on Sales

2.2.1 Electronic Word of Mouth (eWOM)

eWOM is defined as "any positive or negative statement made by potential, actual, or former customers about a product or company, which is made available to a multitude of people and institutions via the Internet" (Henning- Thurau et al., 2004). This forms part of digital and social media marketing. Hughes (2005) suggested that the types of word of mouth communication (WOM) can be classified into two types: positive word of mouth communication and the communication of negative word of mouth. Hughes (2005) goes further to define positive WOM communication as the process of delivering information through word of mouth that made by one individual to another individual based on the experience that is positive about a product, service, or company. Meanwhile, negative WOM communication becomes the process of interaction of word of mouth that is based on negative experiences gained from one individual to another individual of a product, service, or company. This goes on to ascertain that eWOM can be rightly categorized as positive WOM and negative WOM.
(King, Racherla, Li, & Chen, 2013) states that at present, most theoretical research about online WOM concentrate on factor analysis, the comparison of traditional WOM and online WOM, the communication and motivation of online WOM at network, and the effort of it on purchase intention. In addition, there are some researches focused on the regulation of various factors about the effect of online WOM on consumer purchase intention. This is a clear indication of how eWOM is influencing consumer purchase intention and thus affecting sales either negatively or positively. Furthermore, Dellarocas (2013) analyses that online feedback mechanisms harness the bidirectional communication capabilities of the Internet to engineer large-scale, word-of-mouth networks. Best known technology for building trust and fostering cooperation in online marketplaces, such as eBay, these mechanisms are poised to have a much wider impact on organizations. In addition, to increase sales as more businesses are using online social media platform for their strategic growth of ecommerce and online shopping.

eBay’s feedback mechanism is, arguably, the best studied online feedback mechanism (Dellarocas, 2003). eBay is one of the leading online marketplace for the sale of goods and services by a diverse community of individuals and businesses. Dellarocas (2013) ascertains that one of the most remarkable aspects of eBay is that the transactions performed through it are not backed up by formal contractual guarantees. Instead, cooperation and trust are primarily based on the existence of a simple online feedback mechanism. This mechanism allows eBay buyers and sellers to rate one another following transactions and makes the history of a trader’s past ratings public to the entire community. Hence, offering a glimpse of how global companies are using online word of mouth to not only drive sales but also benchmark and rates the service providers.

To date, little research has been conducted to determine the effects of WOM communications on the purchase behaviour of those who receive them. One of the first empirical studies of WOM influence in marketing was conducted by Arndt (1967). He was able to monitor the adoption of a new food product in a test market environment and assess the impact of WOM on short term purchase behaviour. Arndt (1967) found that exposure to favourable WOM increased actual buying levels while exposure to unfavourable comments decreased these levels. Twenty years later, Richins (1987) wrote that "although consumer dissatisfaction is ubiquitous in the marketplace, empirical studies of dissatisfaction have been narrow in focus, these investigations tend to ignore all dissatisfaction responses except complaint behaviour". Richins' statement still
has considerable validity; the few studies found in the dissatisfaction literature that examine WOM are generally limited to reporting the incidence of complaint behaviour.

Richin’s study shows that little research has been done in regards to negative WOM and its effect on sales on businesses and organization. Hence the need to factor negative WOM, as a form of online word of mouth in the investigation of this study. Peter Ndiangú’ (2013), OLX Kenya Country Manager, is quoted as advising users of OLX, an online shopping and advertising company, to be wary of fraudsters and conmen. This clearly demonstrates that negative WOM is affecting businesses and should be addressed with organizations offering solutions to such issues. The study offers hope by providing empirical evidence in relation to effects of online word of mouth.

When further research went into developing the concept word-of-mouth marketing many models behind the word of mouth strategy also developed. Kozinets, Valck, Wojnicki, & Wilner (2010) describes these models as organic inter consumer influence model, linear marketer influence model and the network coproduction model. Kozinets et.al (2010) defines organic inter consumer influence model as the online word of mouth that organizations having no direct input of what is being said about the product, it is just one consumer talking to another about product reviews and or customer service experience. The main motivation behind this model is for others to warn and inform potential consumers of a product out of their best interest not for personal gain. This model is referred to being organic because it occurs naturally, meaning it is not planned by the organization and occurs when the consumer wants to share their experience with a certain brand or product. Even though, Koiznets et. Al (2010) refers to this organic model as non-evasive, organizations have shown clearly the need to influence these online conversations.

Kozinets et.al (2010) discusses the linear marketer influence model and introduces the idea of influential customers creating conversations with potential customers and consumers about how a certain product can be beneficial for them to purchase. This model allows organizations to make sure that credible influential sources are spreading the word or message of the organization and presenting the value proposition of the organization successfully and accurately to the target markets. This is in fact the foundation on which online word of mouth is built upon with organizations actively engaging and pursuing the agenda of sales online using online word of mouth, ads, and AdWords.
Brown, Broderick, and Lee’s (2007) provide strong evidence that individuals behave as if Web sites themselves are primary “actors” in online social networks and that online communities can act as a social proxy for individual identification. Brown et.al (2007) offer a conceptualization of online social networks which takes the Web site into account as an actor, an initial exploration of the concept of a consumer–Web site relationship, and a conceptual model of the online interaction and information evaluation process. In this ambitious but flawed study, Brown et.al (2007) argues that companies can increase sales by just using their website and there is no need of human connection. Companies do have websites and we will show that companies which have engaged in online word of mouth have increased their sales and brand equity tenfold. Brown et.al (2007) failed to recognize that any customer will wish to get reviews and updates from customers who have used the product.

Ho, Shu-Hui, Shih-Ting Hung, Yi-Ting, & Kuang-Hui (2016) analyses the effects of online word of mouth. Ho et.al classifies further that they are four types of online word of mouth, that is, “negative and weak”, “negative and strong”, “positive and weak”, and “positive and strong”. One-way analysis of variance (ANOVA) was conducted to test if different intensities of word of mouth would affect consumer’s purchase intention. The result is shown in Table 1. It can be discovered that the effect of positive and strong online word of mouth has a mean of 3.49, which is greater than the mean of positive and weak online word of mouth 2.59. This implies that more positive online word of mouth can lead to higher purchase intention. The effect of negative and weak online word of mouth has a mean of 2.42, which is greater than the mean of negative and strong online word of mouth 1.87. This reveals that more negative online word of mouth can result in lower purchase intention.
Table 2.1 The effects of different intensities of online word of mouth on purchase intention

<table>
<thead>
<tr>
<th>Variable</th>
<th>Mean</th>
<th>STD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Negative and strong word of mouth</td>
<td>1.87</td>
<td>0.636</td>
</tr>
<tr>
<td>Negative and weak word of mouth</td>
<td>2.42</td>
<td>0.719</td>
</tr>
<tr>
<td>Positive and weak word of mouth</td>
<td>2.59</td>
<td>0.824</td>
</tr>
<tr>
<td>Positive and strong word of mouth</td>
<td>3.49</td>
<td>0.645</td>
</tr>
</tbody>
</table>

Note: Adapted from “Effect of Brand Image, 2016” by Ho, C.-S., Shu-Hui, C., Shih-Ting Hung, Yi-Ting, C., & Kuang-Hui.

Figure 2.1 The effects of different intensities of online word of mouth on purchase intention

Note: Adapted from “Effect of Brand Image, 2016” by Ho, C.-S., Shu-Hui, C., Shih-Ting Hung, Yi-Ting, C., & Kuang-Hui.
Ho, et.al (2015) offers a clear indication that online word of mouth influences sales positively and negatively. The study we are about to undertake is to also assess which of the two influences sales more positively or negatively.

2.3 **Online Word of Mouth Influence on Corporate brand or reputation**

Authors (2008) defines brand as a distinguishing name or symbol (such as logo, trademark, or package design) intended to identify the goods or services of either one seller or a group of sellers, and to differentiate those goods or services from those of competitors. A brand thus signals to the customer the source of the product, and protects both the customer and the producer from competitors who would attempt to provide products that appear to be identical (Aaker, 1991). Walters and Paul (1970) indicated that corporate image features four aspects: subjectivity, screening, elaboration, and changeability. Walters (1978) suggested that the subjective attitude, feelings, or impression on an enterprise or its activities held by consumers relate to attitude. He classified the elements of corporate image accordingly and thought that the most important categories for consumers are the following:

- institution image, which refers to consumers’ general attitude towards a company offering commodities or services;
- functional image, which refers to the attitude formed based on the functional activities carried out by a profit-making enterprise.
- commodity image, which refers to the attitude held towards commodities offered by a company.

In the study on the influences of brand strategy and corporate image on consumer purchase intention, Lin and Tseng (2008) adopted the questionnaire developed by Martineau (1958) and a seven-point Likert scale was used to measure corporate image. In the study of the influences of corporate image on customer trust and purchase intention, Chen et al. (2007) referred to the three aspects and the statement on corporate image proposed by Walters (1978), namely: institution image; functional image; and commodity image, and developed eight questions for measurement.
Author (2008) concluded that corporate image has a significantly positive influence on trust. Commodity image has the most significant influence on trust, followed by functional image and institution image. In this study, evidence shows that negative WOM or positive WOM affects the corporate image and reputation. Author (2008) further provides evidence to show the relationship of corporate image and electronic WOM and its advantages which are:

1) Increased sales because customers believe the company offers the best goods and services
2) It is easy for the company to implement development of new products, again this is because customers believe the company is always associated with the best products and services
3) Very good relationship with financiers such as banks because they perceive the company as a low risk. This will enable the company to raise finances for expansion at a low cost.
4) The company can attract and retain the best employees from the market
5) It easy for the company to manage any crisis in its business

Park and Lee (2008) demonstrated that that positive word-of-mouth will have a moderating effect between the influences of trust on purchase intention. Ho, et.al (2016) describes brand image as a belief that consumers develop for each brand according to the attributes of its product. Such belief will later constitute a brand image that consumers will associate with brand names Kotler (2016). Ho, et.al (2016) in their study, brand image was divided into high brand image and low brand image. According to the pretest result, Nokia was as representative of high brand images, while DNET was representative of low brand images. In the design of advertising leaflets, high and low brand images were manipulated. Different photos and brand names were provided.
Table 2.2 The effect of variables on purchase intention in limited conditions

<table>
<thead>
<tr>
<th>IF</th>
<th>Variable</th>
<th>Mean</th>
<th>S.D.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low brand image</td>
<td>Negative word of mouth</td>
<td>2.04</td>
<td>0.642</td>
</tr>
<tr>
<td></td>
<td>Positive word of mouth</td>
<td>3.19</td>
<td>0.749</td>
</tr>
<tr>
<td>High brand image</td>
<td>Negative word of mouth</td>
<td>2.19</td>
<td>0.794</td>
</tr>
<tr>
<td></td>
<td>Positive word of mouth</td>
<td>3.66</td>
<td>0.55</td>
</tr>
<tr>
<td>Positive word of mouth</td>
<td>Low brand image</td>
<td>3.19</td>
<td>0.749</td>
</tr>
<tr>
<td></td>
<td>High brand image</td>
<td>3.66</td>
<td>0.550</td>
</tr>
<tr>
<td>Low brand image</td>
<td>Low price discount</td>
<td>2.39</td>
<td>0.833</td>
</tr>
<tr>
<td></td>
<td>High price discount</td>
<td>2.85</td>
<td>0.913</td>
</tr>
<tr>
<td>Low price discount</td>
<td>Low brand image</td>
<td>2.39</td>
<td>0.833</td>
</tr>
<tr>
<td></td>
<td>High brand image</td>
<td>2.95</td>
<td>0.945</td>
</tr>
<tr>
<td>Positive word of mouth</td>
<td>Low price discount</td>
<td>3.24</td>
<td>0.729</td>
</tr>
<tr>
<td></td>
<td>High price discount</td>
<td>3.67</td>
<td>0.565</td>
</tr>
<tr>
<td>Low price discount</td>
<td>Negative word of mouth</td>
<td>2.04</td>
<td>0.709</td>
</tr>
<tr>
<td></td>
<td>Positive word of mouth</td>
<td>3.24</td>
<td>0.729</td>
</tr>
<tr>
<td>High price discount</td>
<td>Negative word of mouth</td>
<td>2.20</td>
<td>0.737</td>
</tr>
<tr>
<td></td>
<td>Positive word of mouth</td>
<td>3.67</td>
<td>0.565</td>
</tr>
</tbody>
</table>

Note: Adapted from “Effect of Brand Image, 2016” by Ho, C.-S., Shu-Hui, C., Shih-Ting Hung, Yi-Ting, C., & Kuang-Hui.

Ho, et.al (2016) demonstrated that a good brand image can enhance consumer’s brand loyalty, trust, and purchase intention. The same finding was obtained in this study. Consumers will use brand image as an extrinsic cue and their purchase intention will be further influenced by this cue. Compared with products with a low brand image, those with a higher brand image can induce higher purchase intention of consumers.
It was also discovered that positive online word of mouth can increase consumer’s purchase intention. Likewise, negative online word of mouth can reduce consumer’s purchase intention. Arndt (1967) also proposed a similar idea before. It’s evident from the study that indeed electronic WOM affect corporate image and which in turn affects sales. The study proposed will look at checking the effects of eWOM and going further to assess whether positive WOM or negative WOM which affects the brand image and corporate image more. Ho, et.al (2016) have only looked at the effects of positive WOM and negative WOM separately. The approach the study will take will be to not treat them as mutually exclusive but also influencing each other on the same front. Hence, the need to pursue the study and provide evidence that online WOM affects corporate image, reputation, and strategy.

Relationship marketing, defined as “all marketing activities directed toward establishing, developing, and maintaining successful relational exchanges” (Morgan and Hunt, 1994), has had a tremendous impact on both the theory and practice of marketing. Regarding relationship marketing, empirical studies demonstrate that when consumers perceive that their needs are being considered and satisfied by the marketing mix elements they become loyal to the brand and the corporation gains in profits (Helgesen,2006). Online word of mouth encourages relationship marketing which in turn affects corporate image and customer loyalty. Hence the need for investigating and determining the effects of online word of mouth on corporate image, brand equity and organization reputation.

2.4 The Effects of an Online Helpdesk and Online Community

Hof, Browder, Elstrom (1997) defines an online community as a social network of individuals who interact through specific social media, potentially crossing geographical and political boundaries to pursue mutual interests or goals. Some of the most pervasive virtual communities are online communities operating under social networking services.

Peer to peer (P2P) marketing encourages customers to engage other customers by advocating a product or service to friends or associates. (Hof, et.al 1997). Peer-to-peer e-WOM is supported through numerous online platforms where consumers converge for topical, commercial, or social purposes. One type of such platform is the social networking site (SNS) (Moran, 2014). Facebook and Google+ are well known SNS examples. Not surprisingly, as customers flocked to
these sites, creating profiles, interacting with “friends” and sharing updates, brands reacted in the hope of developing engagement relationships with their customers (Moran, 2014). The marketers expect that through this heightened engagement, customers will share branded information among their online interpersonal networks, exposing a brand to a vast new network of prospective customers and, thereby, significantly expanding the reach of the brand (Moran, 2014).

The movement of like-minded consumers into online communities represents a major business opportunity for firms, whether these communities are embedded in independent websites, firm operated websites or third-party social media platforms (Forrester 2012). A recent IBM survey of 1,709 CEOs from over 60 countries reveals that they believe online customer communities are the second most important means by which they will engage customers in the future (after face-to-face interactions and well ahead of traditional media). Nearly 60% of these executives’ plan to invest (or invest more) in online communities over the next few years, leading to an expected total annual marketing expenditure in online customer communities of nearly $5 billion by 2016(Paul 2012, Schniederjans et al. 2013, Forrester 2012).

Indeed there is a need for any organization to build an online community and online helpdesk to assist the customer and also improve on sales. Packard (2015) in his study focusses on quantifying the incremental economic benefit of such communities and the source(s) of this benefit in relation to specific community participation behaviors using actual transaction and participation data. Packard (2015) proposes the use actual behavioral data to investigate the economic impact on the firm offering such a community. Second, the availability of consumer panel data before and after the formation of the community allows us to assess the potential implication of self-selection common in field data analysis (Shriver et al. 2013).

Packard (2015) uses several falsification tests and robustness checks provide compelling support that self-selection is unlikely to explain the results. Secondly, the long-time series of data allows him to investigate whether the change in purchase behavior that results from joining the community is a short-term effect driven by the novelty of the event (i.e., the formation of the community) or a more persistent phenomenon. Thirdly, given the multichannel nature of the data, he tested whether the formation of the community affects behavior differentially across channels. Finally, the use of the observed participation behaviors and interactions among
community members to isolate mechanisms that may underlie the economic effect of online customer community participation. The results suggested a significant increase in expenditures from customers that joined the firm’s customer community, and that this increase is linked to social behaviors related to key attributes of customer communities.

Packard (2015) study shows that the findings also indicate that the social bonds made by establishing friend ties in the community are linked to the customer’s 16% of expenditures post joining the community at the mean level of ties. As such, developing community functionality that assists customers in connecting with either existing real world friends or high potential virtual friends may represent a particularly important priority for managers. The study resonates to the fact that online word of mouth also affects the online community and in turn sales.

Companies such as Procter and Gamble have engaged in online communities as a means of market intelligence and avoiding negative word of mouth. Only recently the biggest diaper innovation in 25 years by Procter & Gamble almost failed due to negative word-of-mouth on the internet claiming the new pampers would cause itchiness (N.U.2010). The community that pampers.com had built for P&G led it to experiment with additional social media forays. In 2007, P&G launched two social media sites: Capessa for women on Yahoo! Health and the People’s Choice Community, associated with the People’s Choice awards. For example, a social environment to assist salespeople in collaborating on effective sales techniques helps both the community (that is, the salespeople) and the enterprise by increasing sales (Bradley & Drakos, 2008). With indirect value, the purpose that delivers value to the business is not the same purpose that delivers value to the community, for example, Procter and Gamble's (P&G's) Capessa social site. The participants gain value from sharing approaches to life's challenges, whereas P&G gains marketing intelligence. If necessary, social application leaders must determine the path from the direct community value to the indirect business value.

Local companies like Safaricom, a Kenyan telecommunications company and Kenya Power, the power and electricity company have built on the online community to provide faster and better customer service and feedback. Safaricom beat Chase Bank, Orange and Airtel to win the Customer Care category as well as the overall Corporate-of-the-Year in the second OLX Social Media Awards (SOMA) (Okuttah 2014). Safaricom chief executive Bob Collymore was also
voted the most influential corporate personality in Kenya for the year 2014 according to the Social Media awards. The companies have used their local online community to build their brand equity, customer feedback, engage on online word of mouth and resolve online negative WOM and hence avoid bad publicity and loss in revenue. The study shows the need to assess online community and their correlation and effects on organization and communities. Furthermore, the study will show the rate of return on investment on online communities and direct and indirect economic benefits.

Shaw and Nelhom (2006) in their study on exploration of consumer empowerment discuss how consumer are responding to product and service issues though boycotts and buyouts. They go on further to question the nature and impact of customer empowerment through online communities. The study is a clear indicator that customers are increasingly aware of their rights and needs and a crucial stakeholder in the product line or service delivery.

Nowadays, consumers are considered as co-creators in value proposition and value addition that they derive from the product or service (Senge and Carsted, 2003). Furthermore, consumers reflect their values and belief system by what they buy or do not buy (Dickinson and Hollander, 1991). Hence if any company or organization seeks to be a mirror image of the consumer then they need to constantly engage with the consumer to get feedback on new products, services or changes. Customer care helpdesks are key strategic pillars which act as a litmus test to gauge the organization in meeting the customer needs and responding to customer issues when they occur.

The use of online communities and online customer care has been very crucial to companies that sell software or even the phone companies. It’s through this online communities that they get to realize flaws and bugs on the software release they released to the market. The use of such forums has enable organizations to be active initiators of online word of mouth and continuously use such forums to gauge how many similar issues have been raised about a product or a service and act on those issues.

Thus, its important if not critical for any organization to use such tools as online communities and online customer care to collect feedback, whether negative or positive, and use it as marketing and analytic tool for consumer behavior, approach, wants and needs.
2.5 Chapter Summary

The chapter analysed the previous work done with respect to the research questions while seeking to provide the solutions to the issues raised. The review of previous literature showed the need to pursue and answer the research questions as there were gaps that should be addressed.

The literature review showed how previous studies have proved the benefits of online word of mouth and the far-reaching effect for organizations to include it on the strategic plan of the organization. The need for consistent peer-to-peer online marketing for organizations to connect with the customers through online communities.

Chapter 3 discusses the methodology that was used in the study to assess and determine the effects of online word of mouth on sales and business. The chapter formulated the conceptual and research design together with the projected data outcomes of the study.
CHAPTER THREE

3.0 RESEARCH METHODOLOGY

3.1 Introduction

To answer the research questions there was need to formulate and conceptualize the methods and procedures to be used. This chapter describes the processes and tools that offer solutions to the effects of online word of mouth on businesses and organization.

The assessment was a quantitative study done through a survey approach in the form of questionnaires to define the types of online word of mouths used, their frequency and impact on sales in organizations. In addition, they also assessed the overall corporate image opinion on organizations and the results of building an online community and helpdesk.

3.2 Research Design

The research design is the framework or blueprint for conducting the research. The design specified the details and procedures necessary for obtaining the information needed to solve the research questions. The research design laid the foundation for conducting the research.

The study used explanatory research design to assess the effect of online word of mouth on businesses and organization. The findings provided the much-needed evidence to justify the need to place checks on negative online word of mouth and how to increase sales through online word of mouth, online helpdesks, and online communities. The causal explanatory research was chosen since the study was on the effects of online word of mouth on organizations and assess the dependability or interdependency of the variables. Furthermore, causal research would formulate, draw, and map the relationships of the study.

The causal research design made use of questionnaires through the survey method as the subjects were exposed to the independent variables. The independent variables are online word of mouth, brand and corporate image, online community or helpdesk and purchase intention. Additionally, the dependent variables were the direct effects and the interactive effects.
3.3 Population and Sampling Design

3.3.1 Population

The population is the object of the research and consists among others, of individuals, groups, organizations, human products and events or the conditions to which they were exposed (Fox and Bayat, 2007). For this study, the population of interest was Internet online users who are likely to purchase online and have online social media presence. These individuals focus on Internet e-commerce and online marketplaces to drive purchases and provide customer feedback and recommendations.

The Communications Authority places 26.1 million Internet users in Kenya as at September 2015 with most being through mobile handsets and hand-held devices.

3.3.2 Sampling Design

3.3.2.1 Sampling Frame

A sample is a representative subset of the target population (Kitchenham and Pfleeger, 2002). A sampling frame is the set of source materials from which the sample is selected (Turner, 2003). Saunders, Lewis, and Thornhill (2009) define a sampling frame as the complete list of all the cases in the population from which a probability sample is drawn. Denscombe (2003) emphasizes that a good sampling frame should be relevant – meaning that: it should contain things directly linked to the research topic; be complete by covering all relevant items; and be precise and up to date.

The frame of this study included:

- Individual Internet users who use online market places for reviewing, purchasing and even selling products.
- Internet individuals who use online communities for getting customer feedback on new products and issues in regards to products and services that company renders.
Employed or self-employed individuals who could easily purchase or sell items online. These individuals were suitable for the research due to the high purchasing power and disposable income which would and could be influenced by online word of mouth when making purchasing or selling decisions.

3.3.2.2 Sampling Technique

A sampling technique is the name or other identification of the process by which the entities of the sample have been selected. Sampling technique involves the processes and procedures undertaken to arrive at the sample of the population.

With the population being homogenous we applied the simple random probability sampling. In a simple random sample (SRS) of a given size, all such subsets of the frame are given an equal probability. Probability samples aim to achieve representativeness, which is the degree to which the sample accurately represents the entire population (Teddle and Yu, 2007). The reason this technique worked best for this study was because it allowed the participants an equal chance of being selected and hence making their views on online word of mouth equally important. The randomness of the sampling technique is critical due to the nature and effect of online word of mouth, as it mostly promoted on the Internet and digital platforms making it available to anyone at any time.

3.3.2.3 Sample size

The sample size is the set of participants selected from the population, which is less in number but suitably represents the population from which it is drawn (Kadam and Bhalerao, 2010). The question of an adequate size depends on several factors connected to the research which must be borne in mind and weighed up by the researcher in the process of arriving at the sample (Denscombe, 2003). According to Fox and Bayat (2007), four parameters regulate the choice of sample size: the level of certainty of the collected data to be representative of the total population, the accuracy required as the basis for the estimates made for the sample, the type of
analysis that will be used as many statistical techniques have a minimum threshold of data cases for every variable and the size of the total population from which the sample will be drawn.

Rogosa, D.R. (2005) defines the margin of error as the amount of error that you can tolerate while the confidence level as the amount of uncertainty you can tolerate. For this study, the margin of error accepted was 5% while the confidence level required was 90%. With a population size of 26.1 Million Internet Individuals and a set response distribution of 50%, the recommended minimum sample size was 72 participants. This number was arrived at by using calculations based on normal distribution.

3.4 Data Collection Methods

A structured close-ended questionnaire was used as the primary data collection instrument. The study used the causal research design through the survey method to design, formulate and generate the questions to collect the quantitative data.

A self-administered questionnaire was selected for the survey. This method enabled information to be collected on multiple dimensions with respect to the set research questions and purpose of study. Goyette, Ricard, & Bergeron (2010) concludes that four major dimensions are identified to measure online-word-of-mouth. First, WOM intensity which includes activity, volume and dispersion. Secondly, positive valence which includes praise and affirmation, negative valence and finally the WOM of content.

The questionnaire was divided into four major sections; the first section was designed to discover the demographics of the participants. Questions in this section included age, sex and general information on the current e-commerce industry, marketing, and sales.

The next sections were grouped according to the specific research questions raised for the study. The second section included the assessment of the various dimensions of Word of Mouth. This sections sought to assess how often the respondents purchase online and what are the likely factors that influence their purchase intention. The third section was on the respondents view towards online word of mouth relating to the corporate image. It sought to quantify if customers’ purchase decisions are influenced by the overall corporate image and reputation. The fourth
section involved the questions on checking what are the key indicators that entices customers to propel positive WOM and negative WOM, how to verify online statements and how customers rate companies with online communities and online customer care helpdesks.

These sections used the Likert scale to work with quantitative data, as it’s easy to draw conclusions, reports, results and graphs from the responses. Furthermore, because Likert Scale questions use a scale, people are not forced to express an either-or opinion, rather allowing them to be neutral should they so choose.

The questionnaires were distributed to the respondents as hard copies and also digitally via Google Forms.

3.5 Research Procedures

Hulley and Stephen (2007) define pilot study as a small scale preliminary study conducted to evaluate feasibility, time, cost, adverse events, and effect size (statistical variability) as an attempt to predict an appropriate sample size and improve upon the study design prior to performance of a full-scale research project. This formed the main reason for conducting a pilot study to check the feasibility on whether the questions on the survey were clear, concise, understandable, and easily interpretable with them aligning towards certain views. The purpose of pilot-testing the instrument is to ensure that items in the instruments are stated clearly and have the same meaning to all respondents (Mugenda and Mugenda, 2003).

The pilot study was conducted on a test sample of 15 respondents with the results being collected for analysis. The respondents were also approached to provide feedback on the content of the questionnaires and how they responded to the questions posed.

An introductory letter from the University management was used to provide authorization for conducting the survey and the reason being the data collection. The pilot study provided modifications on the questions which were adapted with the final set of survey questionnaires being sent to the respondents. The introductory letter together with the questionnaires were sent on hardcopy, email and through an online opinion survey. The main reason for email and online survey was to be able to get a much wider sample population and faster response on the data collection.
3.6 Data Analysis Methods

The research design adapted was causal-explanatory concept and thus the need to analyze the quantitative data using various means. Data cleansing is the process of detecting and correcting (or removing) corrupt or inaccurate records from a record set, table, or database. Used mainly in databases, the term refers to identifying incomplete, incorrect, inaccurate, irrelevant, etc. parts of the data and then replacing, modifying, or deleting this dirty data or coarse data (Wu, S., 2013). Once the data was cleaned, Statistical Package for the Social Sciences (SPSS) was used as the main tool to draw elements of nominal, ordinal, interval, and ratio measurements. Furthermore, correlation and regression were used to describe the nature of the relationship of the independent variables and how the direct and interactive effects of online word of mouth influences sales, corporate image and brand equity.

3.7 Chapter Summary

Research methodology as described in this chapter provided the population, sample frame and size, data collection methods, research procedures, and methods of analysis. This chapter provided the roadmap to be followed for the research to be a success and the set of ground rules in terms of sample size.

Results and findings in the next chapter outline the data representation in terms of data collected, text, graphs, and tables. It offers a quantitative analysis of the data collected and answer the research questions.
CHAPTER 4

4.0 RESULTS AND FINDINGS

4.1 Introduction
From the survey a total of 72 responses were collected from the sample population. This information is presented in this chapter using tables, graphs, and text to help the reader to understand the outputs recorded from the survey.

4.2 General Information

4.2.1 Response Rate
To determine the effects of online word of mouth on businesses and organizations, printed and online questionnaires were handed to the sample size of the population to fill in and gauge their responses to the research questions.

4.2.2 Gender of Respondents
The responses, which consisted of 72 participants, had more females (n = 39) than males (n = 33) as shown in Table 4.1 below.

Table 4.1 Distribution of Gender of the respondents

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>39</td>
<td>54.2</td>
</tr>
<tr>
<td>Male</td>
<td>33</td>
<td>45.8</td>
</tr>
<tr>
<td>Total</td>
<td>72</td>
<td>100.0</td>
</tr>
</tbody>
</table>

4.2.3 Respondents' Age
The data collected from the sample population revealed that 27 of the respondents were aged between 20 and 30; and this represented 37.5% of the total sample. 41 respondents were aged between 31 and 40, representing 56.9% of the sample. There were 4 respondents aged between 41 and 50 and this represented 5.6% of the total sample. This data is represented in Table 4.2.
Table 4.2 Distribution of Age of the Respondents

<table>
<thead>
<tr>
<th>Age</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>20 to 30</td>
<td>27</td>
<td>37.5</td>
</tr>
<tr>
<td>31 to 40</td>
<td>41</td>
<td>56.9</td>
</tr>
<tr>
<td>41 to 50</td>
<td>4</td>
<td>5.6</td>
</tr>
<tr>
<td>Total</td>
<td>72</td>
<td>100.0</td>
</tr>
</tbody>
</table>

4.2.4 Respondents' Industry
The survey sought to find out the different industries where the respondents work in. The results showed that 29 respondents work in the Engineering and Construction; and this represents 40.3% of the total sample. 11 of the respondents work for financial institutions and this made up 15.3% of the sample. Respondents who work for government were 5 and this made up of 6.9% of the sample size of the population. ICT and Telecoms respondents were 16 and made up of 22.2% of the sample. In the Marketing, Media and branding industry they were 2 respondents and made up of 2.8% of the total sample size. Lastly, they were 9 respondents whose profession was not mentioned under the industry. Table 4.3 below is a tabular representation of the results together with the graphical representation of the same.

Table 4.3 Distribution of Industry where the respondents are in

<table>
<thead>
<tr>
<th>Industry</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engineering and Construction</td>
<td>29</td>
<td>40.3</td>
</tr>
<tr>
<td>Financial</td>
<td>11</td>
<td>15.3</td>
</tr>
<tr>
<td>Government</td>
<td>5</td>
<td>6.9</td>
</tr>
<tr>
<td>ICT and Telecoms</td>
<td>16</td>
<td>22.2</td>
</tr>
<tr>
<td>Marketing, Media, Branding, Creative</td>
<td>2</td>
<td>2.8</td>
</tr>
<tr>
<td>Other</td>
<td>9</td>
<td>12.5</td>
</tr>
<tr>
<td>Total</td>
<td>72</td>
<td>100.0</td>
</tr>
</tbody>
</table>
4.2.5 Frequency of Usage of Internet

In the demographics section, the survey also sought to analyze the frequency of usage of Internet from the respondents. The study found (as shown in Table 4.4) that 71 respondents used social media more than five times a day (98.6%) and 1 respondent said less than five times a day (1.4%).

**Table 4.4 Frequency of Internet Usage**

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 5 times a day</td>
<td>1</td>
</tr>
<tr>
<td>More than 5 times a day</td>
<td>71</td>
</tr>
<tr>
<td>Total</td>
<td>72</td>
</tr>
</tbody>
</table>

4.2.6 Social Media Account

The survey also sought to find out how many of the respondents have social media accounts and a 100% response was recorded.

**Table 4.5 Social Media Presence**

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>72</td>
</tr>
</tbody>
</table>

4.2.7 Popular Social Media platforms

The study found that out of 72 respondents, 58 had Facebook accounts (80.6% of the sample population), 46 had twitter accounts (63.9% of the sample population), 8 had Google+ accounts (11.1% of the sample population), 50 had LinkedIn accounts (69.4% of the sample population), 37 had Instagram accounts (51.4% of the sample population), 46 had YouTube accounts (63.9% of the sample population) and 67 had WhatsApp accounts which constituted of 93.1% of the total population.

This data is represented in Figure 4.1 below.
In the demographics section, the survey also sought to analyze the popular online marketplaces both global and local brands. The responses were tabulated as below and provided an insight into the data where 58 respondents said they knew about Amazon (80.6% of the sample size), 48 knew eBay (66.7%), Jumia had 64 responses which was 88.9%, OLX had 60 respondents with an 83.3% of the market share and 27 respondents reported that they knew about Kilimani Mums which was 37.5 % of the sample size. Kilimall had 12 respondents while Cheki had 38 respondents forming 16.7% of the total sample size and 52.8% respectively.

The data was represented on the figure below.

Figure 4.1 Social Demographics

4.2.8 Popular Online Marketplaces

In the demographics section, the survey also sought to analyze the popular online marketplaces both global and local brands. The responses were tabulated as below and provided an insight into the data where 58 respondents said they knew about Amazon (80.6% of the sample size), 48 knew eBay (66.7%), Jumia had 64 responses which was 88.9%, OLX had 60 respondents with an 83.3% of the market share and 27 respondents reported that they knew about Kilimani Mums which was 37.5 % of the sample size. Kilimall had 12 respondents while Cheki had 38 respondents forming 16.7% of the total sample size and 52.8% respectively.

The data was represented on the figure below.
In the demographics section, the survey also sought to analyze the popular online reviews that respondents consider important when performing an online review check. The responses are shown below and provided an insight into the data where 37 respondents said they usually consider important reviews from friends and people they know as important, which was 52.1% of the respondents. Reviews from people from the same location were 10 (14.1%) and most respondents considered the frequency of response of the product was the most important factor which accounted for 50 respondents with a 70.4% margin.

The data is represented on Figure 4.3
4.2.10 Relationship between Gender and the number of online marketplaces

Based on the information obtained from the survey, a Pearson Correlation was conducted to find out whether there was a relationship between the gender of the respondents and the number of online marketplaces they know. The Pearson r was found to be -.05 and its statistically significant at .688 for Male and the Pearson r was found to be .033 and statistically significant at .784 for females as shown in Table. The results determined that there was a negligible relationship between the gender of the respondents and the number of online marketplaces they know. Of significance is that the Pearson r in males was negative but was positive for women. This is important as it relates that with the likely increase of females there was possibility of increase in the number of online market places and vice versa for males.
Table 4.6 Pearson's Correlation of Online Marketplaces and gender

<table>
<thead>
<tr>
<th></th>
<th>Which of the following online marketplaces do you know? Choose all that apply</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Which of the following online marketplaces do you know?</td>
<td>Pearson Correlation</td>
<td>1</td>
<td>-0.048</td>
</tr>
<tr>
<td>Choose all that apply</td>
<td>Sig. (2-tailed)</td>
<td>-0.048</td>
<td>0.688</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>72</td>
<td>72</td>
</tr>
<tr>
<td>Male</td>
<td>Pearson Correlation</td>
<td>-0.048</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>0.688</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>72</td>
<td>72</td>
</tr>
<tr>
<td>Female</td>
<td>Pearson Correlation</td>
<td>0.033</td>
<td>-0.530**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>0.784</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>72</td>
<td>72</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).

4.3 The Effects of Online word of mouth (WOM) on revenues

Twelve propositions were formulated to identify perceptions of respondent about the effects of online word of mouth on sales, and the level of agreement regarding the questionnaire was identified by means of a five-item Likert scale.

4.3.1 Product Review Websites Influenced purchase decision

The following statement was posed to the respondent “Product review websites influence your purchase decisions”. The statement was used to gauge the level of agreement that the respondent had on either positive WOM or negative WOM in regards to sales and purchasing decision of the potential consumer. The study found that 11 respondents were neutral on the proposition making up 15.3% of the total sample population. 36 respondents agreed with the statement making up 50% of the total sample population. 23 respondents strongly agreed with the statement adding up to 31.9% of the sample population. The proposition revealed that product reviews were critical
and affect the sales of any organization or business and from the gender classification we saw that most of the women use the electronic word of mouth to influence their purchase decision. This information represented in the table below.

Table 4.7 Influence of product review websites on purchase decision

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree</td>
<td>36</td>
</tr>
<tr>
<td>Neutral</td>
<td>11</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>23</td>
</tr>
<tr>
<td>Total</td>
<td>72</td>
</tr>
</tbody>
</table>

4.3.2 Impact of online positive reviews (eWOM) is greater on my purchasing decision

The following proposition was posed to the respondent “The impact of online positive reviews is greater on my purchasing decision”. The statement was used to gauge the level of agreement that the respondent had on positive WOM in regards to sales and purchasing decision of the potential consumer. The study found that 22 respondents strongly agreed on the proposition making up 30.6% of the total sample population. 41 respondents agreed with the statement making up 56.9% of the total sample population. 7 respondents were neutral on the statement adding up to 9.7% of the sample population with one person disagreeing that positive WOM affects their purchase decision.

From the results, we can conclude that positive WOM affects the sales of a product. A total of 63 respondents agreed and strongly agreed with the statement making up for 88.7% of the total sample population.
4.3.3 The impact of online negative reviews (nWOM) is greater on my purchasing decision.
The following statement was posed to the respondent “The impact of online positive reviews is
greater on my purchasing decision”. 27 respondents strongly agreed on the proposition making
up 37.5 % of the total sample population. 29 respondents agreed with the statement making up
40.3% of the total sample population. 12 respondents were neutral on the statement adding up to
16.7% of the sample population with 2 respondents disagreeing and 1 disagreeing.

From the results we can conclude that also negative WOM affects the sales of a product. A total
of 56 respondents agreed and strongly agreed with the statement making up for 78.7% of the
total sample population.

Table 4.9 Impact of Online Negative reviews

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree</td>
<td>29</td>
<td>40.3</td>
</tr>
<tr>
<td>Disagree</td>
<td>2</td>
<td>2.8</td>
</tr>
<tr>
<td>Neutral</td>
<td>12</td>
<td>16.7</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>27</td>
<td>37.5</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>1</td>
<td>1.4</td>
</tr>
<tr>
<td>Total</td>
<td>72</td>
<td>100.0</td>
</tr>
</tbody>
</table>
4.3.4 Consistency of other reviews posted affect my purchase decision

The statement was proposed to the respondent “Consistency of other reviews posted affect my purchase decision.”. 17 respondents strongly agreed on the proposition with 43 agreeing to the statement. 9 respondents opted to be neutral and 2 failing to agree with the proposition. As the table below shows that over 83% respondents were agreeing that consistency of other reviews affected their purchase.

Table 2 Consistency of other reviews posted on the website affect my purchase decision

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree</td>
<td>43</td>
<td>59.7</td>
</tr>
<tr>
<td>Disagree</td>
<td>2</td>
<td>2.8</td>
</tr>
<tr>
<td>Neutral</td>
<td>9</td>
<td>12.5</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>17</td>
<td>23.6</td>
</tr>
<tr>
<td>Total</td>
<td>72</td>
<td>100.0</td>
</tr>
</tbody>
</table>

4.3.5 Reliability of the site that present the reviews affect my purchase decision

Reliability of the online word of mouth website was the question posed with regards to the effects of online word of mouth on sales. 26 respondents strongly agreed and 37 agreeing to the statement. 7 respondents opted to be neutral and 1 failing to agree to the proposition.

As the table below shows that over 87% respondents were agreeing that a reliable online forum helped them to make a purchase decision.

Table 4.11 Reliability of the site that present the reviews affect my purchase decision

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td>1</td>
<td>1.4</td>
</tr>
<tr>
<td>Agree</td>
<td>37</td>
<td>51.4</td>
</tr>
<tr>
<td>Disagree</td>
<td>1</td>
<td>1.4</td>
</tr>
<tr>
<td>Neutral</td>
<td>7</td>
<td>9.7</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>26</td>
<td>36.1</td>
</tr>
<tr>
<td>Total</td>
<td>72</td>
<td>100.0</td>
</tr>
</tbody>
</table>
4.3.6 The reviewer age and gender affect my purchase decision

The reviewer’s age and gender was used to gauge the possibility of it acting a catalyst for online word of mouth. As per the sample population, 2 respondents strongly agreed (2.8%) together with 10 respondents (13.9) who said that gender and age of the reviewer affected their purchase decision. The number who opted to be neutral was 29 respondents coming to 40.3% of the total sample population. 26 respondents (36.1%) disagreed together with 3 others strongly disagreeing.

The results are shown on the table below.

<table>
<thead>
<tr>
<th>Table 4.12 The reviewer age and gender affect my purchase decision</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Frequency</strong></td>
</tr>
<tr>
<td>-----------------</td>
</tr>
<tr>
<td>Agree</td>
</tr>
<tr>
<td>Disagree</td>
</tr>
<tr>
<td>Neutral</td>
</tr>
<tr>
<td>Strongly Agree</td>
</tr>
<tr>
<td>Strongly Disagree</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

4.3.7 Popularity of website

The final statement on the effects of online word of mouth statement was “Popularity of the website that present the reviews affect my purchase decision”. This was used solidify if indeed online word of mouth affects sales in organizations. The statement was used to measure the effect of popular web forums on online reviews of products and their influence on consumer purchase patterns and needs. As per the sample population, 5 respondents disagreed (6.9%) together as 37 (51.4%) agreeing. 18 (25%) responded that indeed popular online web forums influence them.

The results are shown on the table below.
Table 4.13 Popularity of the website that present the reviews affect my purchase decision

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree</td>
<td>1</td>
<td>1.4</td>
</tr>
<tr>
<td>Disagree</td>
<td>37</td>
<td>51.4</td>
</tr>
<tr>
<td>Neutral</td>
<td>5</td>
<td>6.9</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>11</td>
<td>15.3</td>
</tr>
<tr>
<td>Total</td>
<td>72</td>
<td>100.0</td>
</tr>
</tbody>
</table>

4.4 Effect of online word of mouth on corporate image/reputation

The online corporate image was needed to be assessed to determine if it affects the business revenue, revenue projections and sales.

4.4.1 Social Media Marketing

Corporate image and brand equity being critical, the following was proposed “Online reviews of a company's corporate brand affect your view of the company”. From the results, it was clear that organizations need to brand their business and organization entities online so at to build their corporate image. The results showed that 93% of the respondents were pro-online media, 33 respondents strongly agreeing with 34 of them also agreeing. Only 4 respondents were undecided.

Table 4.14 Presence of an online social media account to promote their brand

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree</td>
<td>1</td>
<td>1.4</td>
</tr>
<tr>
<td>Neutral</td>
<td>34</td>
<td>47.2</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>4</td>
<td>5.6</td>
</tr>
<tr>
<td>Total</td>
<td>72</td>
<td>100.0</td>
</tr>
</tbody>
</table>
4.4.2 Social Media Marketing

The second statement in the effects of online word of mouth on corporate brand was “Online groups hold a company to account in regards to products and services”. The results are shown below with 10 respondents making 13.9% of the sample population strongly agreeing. Agreeing respondents were 50 which constituted 59.4% of the sample population with 7 remaining neutral and 4 disagree with the statement posed.

The mentioned data provides a factual lookout on how organizations’ corporate image and brand equity are essentials. These online groups pose a risk to organization if they are unregulated or sanctioned.

Table 4.15 Online groups hold a company to account in regards to products and services

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree</td>
<td>50</td>
<td>69.4</td>
</tr>
<tr>
<td>Disagree</td>
<td>4</td>
<td>5.6</td>
</tr>
<tr>
<td>Neutral</td>
<td>7</td>
<td>9.7</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>10</td>
<td>13.9</td>
</tr>
<tr>
<td>Total</td>
<td>72</td>
<td>100.0</td>
</tr>
</tbody>
</table>

4.4.3 Organizations that have online corporate accounts are more approachable and friendly

Organizations that have online corporate accounts are more approachable and friendly was the proposition posed to the respondents. The statement was used as a yardstick to measure means by which businesses and organizations can influence corporate brand equity.

From the results shown below, it was that seen that from the respondents 13 strongly agreed, 35 strongly agreed, 17 were undecided, 6 disagreed and 1 abstained.
Table 4.16 Organizations that have online accounts are more approachable and friendly

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree</td>
<td>35</td>
<td>48.6</td>
</tr>
<tr>
<td>Disagree</td>
<td>6</td>
<td>8.3</td>
</tr>
<tr>
<td>Neutral</td>
<td>17</td>
<td>23.6</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>13</td>
<td>18.1</td>
</tr>
<tr>
<td>Total</td>
<td>72</td>
<td>100.0</td>
</tr>
</tbody>
</table>

4.4.4 Companies that allow online negative feedback and responses makes you feel confident that they can solve issues.

It is to be seen that not all products come from the production plant working fine with some known organizations going ahead and recalling the defective items. This has cut across all organizations and businesses with only business which use online word of mouth effectively and protect the brand equity of the business.

In this statement the research wanted to inquire if indeed companies that allow and admit negative feedback allow the consumer to be able to know that they are trying to solve the pending problem.

From the results below it was seen that communication is vital to any organization or business. 20 respondents who make up for 27.8% of the sample population strongly agreed that companies that allow negative feedback makes them feel they are confident of solving the reported issues. 55.6% of the total population agreed, 9 of the respondents remained undecided and 2 of them disagreed with the statement posed.

The data presented showed that companies that allow negative feedback add more value and response to their corporate brand. This is so because customers feel that by a company being vulnerable and admitting to recalls and mistakes it appears more humane.
Table 4.17 Companies that allow online negative feedback makes you feel confident that they can solve issues

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree</td>
<td>40</td>
<td>55.6</td>
</tr>
<tr>
<td>Disagree</td>
<td>2</td>
<td>2.8</td>
</tr>
<tr>
<td>Neutral</td>
<td>9</td>
<td>12.5</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>20</td>
<td>27.8</td>
</tr>
<tr>
<td>Total</td>
<td>72</td>
<td>100.0</td>
</tr>
</tbody>
</table>

4.4.5 **Companies that promote online enhance their brand visibility**

To answer the question on the effects of online word of mouth on corporate image and brand the following statement was raised “Companies that promote online enhance their brand visibility”.

From the results below we see that 25 respondents strongly agree with the statement making up 34.7% of the sample population. 41 respondents agree that companies that promote online enhance their corporate brand, with this group of respondents making up of 56.9% of the total sample population. 3 respondents chose to remain neutral, 2 disagreeing and 1 failing to answer the statement.

This proposition was used to examine and gauge if indeed online word of mouth through promotions influence and enhance corporate brand. The results clearly agree and provide evidence that 91% of the sample population agree and strongly agree that online promotions through word of mouth are key and central for brand visibility.
### Table 4.18 Companies that promote online enhance their brand visibility more

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td>1</td>
<td>1.4</td>
</tr>
<tr>
<td>Agree</td>
<td>41</td>
<td>56.9</td>
</tr>
<tr>
<td>Disagree</td>
<td>2</td>
<td>2.8</td>
</tr>
<tr>
<td>Neutral</td>
<td>3</td>
<td>4.2</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>25</td>
<td>34.7</td>
</tr>
<tr>
<td>Total</td>
<td>72</td>
<td>100.0</td>
</tr>
</tbody>
</table>

#### 4.4.6 Companies that promote online enhance their brand visibility

Brand equity describes the value of a well-known corporate brand or image. It involves all activities that an organization or business focusses upon to build a better and strong brand that is easily identified by the consumers.

The following statement was posed to understand how consumers assess a good corporate image and brand. The statement posed was, “I am more likely to follow an organization just because my friends are following it online”. It is to be seen from the results collected that most respondents did not agree with the statement. This can easily be correlated to mean that potential and existing consumers don’t just follow or associate with a brand because their friends are following it. This is meant to say that organizations and businesses need to have a certain set of brand characteristics that propel and attract customers to them.

The results collected below are 12 respondents strongly agree making of 16.7%, 14 respondents agree making up to 19.4% of the total sample population, 23 respondents remain undecided making up to 31.9% while 19 respondents disagree making up of 26.4%. 3 respondents strongly disagree with the statement.
### Table 4.19 Likeliness to follow an organization

<table>
<thead>
<tr>
<th>Likeliness to follow an organization</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree</td>
<td>14</td>
<td>19.4</td>
</tr>
<tr>
<td>Disagree</td>
<td>19</td>
<td>26.4</td>
</tr>
<tr>
<td>Neutral</td>
<td>23</td>
<td>31.9</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>12</td>
<td>16.7</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>3</td>
<td>4.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>72</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

#### 4.5 Effect of an online helpdesk and online community

The effect of online word of mouth on business and organizations is important. On the previous sections, we have assessed the effect of online word of mouth on sales, corporate image and brand. The key to successful use of online word of mouth is to build online communities where consumers can post their success stories, tricks and product issues.

Heinonen (2011) explains that establishing a relationship between the consumer and a seller has become a new science with the emergence of online communities. It is a new market to be tapped by companies and to do so, requires an understanding of the relationships built on online communities. He defines online communities as platforms that gather people around common interests and these common interests can include brands, products, and services.

In this section, a set of propositions were posed to the respondents in regards to the effect of an online helpdesk and online community. Online helpdesks provide avenues where customers can post their product reviews, issues and queries and be assisted by an online customer representative in solving the problem. Online communities and online helpdesk have been very crucial medium that has affected businesses and organization and a form of online word of mouth.

**4.5.1 Am more likely to post a customer complaint on the online customer care**

The following statement was posed to the respondents, “Am more likely to post a customer complaint on the online customer care”. The results collected below are 9 respondents strongly
agree making of 12.5%, 35 respondents agreed making up to 48.6% of the total sample population, 23 respondents remain undecided making up to 31.9% while 4 respondents disagree making up of 5.6%.

The statement sought to gauge the likeness of customers posting complaints online and how if they feel it a viable option for getting response and feedback. Technology has seen consumers shifting and shying away from the traditional helpdesk where customers call and record a ticket number. Nowadays, consumers are posting online and expecting faster feedback and response with regards to the complaints raised.

**Table 4.20 Likeness to post an online comment**

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree</td>
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<tr>
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<tr>
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<tr>
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<td>12.5</td>
</tr>
<tr>
<td>Total</td>
<td>72</td>
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</tr>
</tbody>
</table>

**4.5.2 Am more likely to post a customer complaint online because its cheap**

With the increase of smartphones, faster Internet speeds and cheap mobile data bundles increasingly customers feel that online helpdesk or communities offer a cheap solution for reporting customer complaints. Hence, for organizations and businesses to sustain and retain their customers the use of online tools such as a helpdesk and an online community is essential.

The second statement from the survey read, “Am more likely to post a customer complaint online because its cheap”. The study found out that 11 respondents strongly agree making up 15.3% of the total population. 23 respondents agreed making up to 48.6% of the total sample population. 15 respondents decided to be neutral making up to 20.8% while 20 respondents disagree making up 27.8% of the total sample population. 2 respondents strongly disagreed with the statement.
Table 4.21 Possibility of posting a comment because it’s cheap

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
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</thead>
<tbody>
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<td>15.3</td>
</tr>
<tr>
<td>Strongly Disagree</td>
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<td>2.8</td>
</tr>
<tr>
<td>Total</td>
<td>72</td>
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</tbody>
</table>

4.5.3 Am more likely to post a customer complaint online because the feedback is fast

The third statement from this section read, “Am more likely to post a customer complaint online because the feedback is fast”. The study found out that 16 respondents strongly agree making up 22.2% of the total population. A further 39 respondents agreed making up to 54.2% of the total sample population. 9 respondents remain undecided making up to 12.5% while 6 respondents disagree making up 8.3% of the total sample population. 1 respondents strongly disagreed with the statement. The statement was posed to check the qualities and standards that consumers look for in an online helpdesk or community. Faster feedback response was used as the performance variable for assessing if consumers can post online and how fast they wanted the feedback was based as the attractiveness of the organization or business.

Table 4.22 Likelihood to post a comment as feedback is fast

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
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</thead>
<tbody>
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<td>54.2</td>
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<tr>
<td>Disagree</td>
<td>6</td>
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<tr>
<td>Strongly Agree</td>
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<td>22.2</td>
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<tr>
<td>Strongly Disagree</td>
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<td>1.4</td>
</tr>
<tr>
<td>Total</td>
<td>72</td>
<td>100.0</td>
</tr>
</tbody>
</table>
4.5.4 Am more likely to post a positive or negative comment about an organization online.
The third statement from this section read, “Am more likely to post a positive or negative comment about an organization online”. 8 (11.1%) respondents strongly agree, 34 (47.2%) agree with the statement, 23 (31.9%) remain undecided and 6 (8.3%) disagree.

Table 4.23 Likeliness to post a comment online

<table>
<thead>
<tr>
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</thead>
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<tr>
<td>Strongly Agree</td>
<td>8</td>
<td>11.1</td>
</tr>
<tr>
<td>Total</td>
<td>72</td>
<td>100.0</td>
</tr>
</tbody>
</table>

4.5.5 Organizations with online communities and discussions allow you to be more open in regards to online feedback on the brand
Kumar and Dange (2012) in their FFF (suggested factors, filtering elements and filtered buying behavior) recognized security, privacy and trust as three hurdles to online and offline purchases. Customers use these three factors to filter their buying choices and decide on the final selection of stores they are willing to buy from. It’s from these three key factors that online communities need to base their existence. Customers want a safe, secure and private online environment where they can post and share their feedback on a product or service offering.

The following statement was posed to the respondents, “Organizations with online communities and discussions allow you to be more open in regards to online feedback on the brand”, to assess their response.

The collected results showed that 19 (26.4) respondents strongly agreed and an additional 37 (51.4%) agreeing that organizations with online communities allow consumers to be open. A total of 77.8% of the respondents either agree or strongly agree to the need of organizations and businesses to build online communities that foster customer’s openness, security, privacy and trust. 11 (15.3%) respondents were neutral and 4 (5.6%) disagreed with the statement.
### Table 4.24 Organizations with online communities encourage open conversations

<table>
<thead>
<tr>
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</thead>
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<td>Strongly Agree</td>
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<td>26.4</td>
</tr>
<tr>
<td>Total</td>
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</tr>
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</table>

#### 4.5.6 How fast an organization responds to customer complains online increases brand loyalty

Brand loyalty is defined as positive feelings towards a brand and dedication to purchase the same product or service repeatedly now and in the future from the same brand, regardless of a competitor’s actions or changes in the environment. It can also be demonstrated with other behaviours such as positive word of mouth advocacy (Chaudhuri, 2001). Previous studies have placed faster customer services and faster feedback on consumer queries are the key and essential factors for brand loyalty. Chaudhuri (2001), et.al, conclude that customers who are happy or frustrated always talk about it and these effects are the ones that needed to be addressed to increase revenue and mitigate losses.

Hence the following proposition was inquired from the respondents on how they agree or disagree on faster response to online customer complaints. The following statement was present on the survey, “How fast an organization responds to customer complains online increases brand loyalty”.

The results cleared showed that over 91% of the respondents agreed to the proposition, 35 of them strongly agreed making up 48.6% of the total sample population together with 31 respondents who agreed making up 43.1% of the total sample population.
Table 4.25 Speedy response of customer complaints promote brand loyalty

<table>
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<tr>
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<td>48.6</td>
</tr>
<tr>
<td>Total</td>
<td>72</td>
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4.5.7 Companies that have an online helpdesk make me feel they are always there for me
The third statement from this section read, “Companies that have an online helpdesk make me feel they are always there for me”. 21 (29.2%) respondents strongly agree, 29 (40.3%) agree with the statement, 18 (25%) remain undecided and 3 (8.3%) respondents disagree.

Table 4.26 Online Helpdesk allow me to be free

<table>
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<tr>
<th></th>
<th>Frequency</th>
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</thead>
<tbody>
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<td>29.2</td>
</tr>
<tr>
<td>Total</td>
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4.5.8 I usually check the company’s online helpdesk to solve product issues that I experience
The final statement on the survey read, “I usually check the company’s online helpdesk to solve product issues that I experience”. The study found out that 16 respondents strongly agree making up 22.2% of the total population. A further 31 respondents agreed making up to 43.1%
of the total sample population. 14 respondents remain undecided making up to 19.4% while 10 respondents disagree making up 13.9% of the total sample population.

**Table 4.27 online helpdesk to solve product issues that I experience**

<table>
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<tr>
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<th>Percent</th>
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<tbody>
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<td>Agree</td>
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<td>22.2</td>
</tr>
<tr>
<td>Total</td>
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</tbody>
</table>

**4.6 Chapter Summary**

This chapter presented the study results and discussed the findings as they were presented. It was found that the responses fell in line with the assumptions made in each statement as the responses were mostly positive. The chapter revealed that there is a substantial influence that online word of mouth has on sales, revenue, brand recognition and the effects of setting up an online community and customer care helpdesk.

The next chapter will offer a summary of the finding, conclusions, and recommendations based on the responses recorded in this chapter.
CHAPTER 5

5.0 DISCUSSIONS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction
This chapter includes a summary of the results collected, data analysis, generated conclusions and recommendations based on the analysis of the results of the study on the effects of online word of mouth on businesses and organizations. The summary includes the purpose of the study, the research objectives, methodology used, and major findings. The chapter also provides a discussion of the major findings, conclusions drawn, and recommendations for practice, improvements, and further research.

5.2 Summary
The purpose of this study was to investigate and research on the effects of online word of mouth on businesses and organizations in Kenya. The research questions for this study were: ‘What are the effects of online word of mouth on sales?’, ‘What are the effects of online word of mouth on corporate image and/or reputation?’ and ‘What are the effects of building an online helpdesk and online community?’

The study made use of descriptive research methodology, a survey technique to collect data from local Internet online users and descriptive data analysis to make sense of the data. The data collected from the respondents of the questionnaires represented their demographic characteristics, sentiment and opinion mining on their degree of understanding on online word of mouth with respect to sales, corporate image and corporate online communities.

A simple random sampling technique was used as the appropriate method to assess on the effect online word of mouth influencing purchase and sale decisions of online users. The questionnaire was sent online to the appropriate sample size on Google Forms to filled.

The sample size of 72 respondents was considered sufficient with the collection of data being done over a period of two weeks. The 72 filled questionnaires were all collected online which represented 100% of the target sample.

The questionnaire was divided into two broad sections; the first being the demographics which consisted of general information on the targeted population and the second designed to answer the research questions of the study. In the data analysis of the collected questionnaires,
correlational research was used to explore the relationship between different demographics of the study, while evaluative research was used on the second section to answer the research questions.

The use of frequencies, graphs and tables were used as the means for data presentation and analysis. SPSS was used as the primary source for data analytics and presentation.

To answer the first research question, the study found that online word of mouth influences sales and revenue projections of businesses and organizations. The study provided evidence that customers are constantly looking for new avenues to save money and get the best deals. The study indicated that consumers are checking online for reviews on products features and product behaviour. Popularity of the online reviews, consistency of the reviews and product review websites were the factors that influenced online conversations and thus affecting product sales and revenue projections. Globally, brands like Walmart have made online sales as a key business unit and entity. Such brands have sought to answer the call that business is shifting from the physical space to the cyber space with the use of technology. It’s from such examples of global, regional and local businesses and organization that the research sought to answer the first research question. The data collected, analyzed and studied further explained that online word of mouth, whether it be positive WOM or negative WOM, affected sales of any business or organization. With the increase of millennials as customers who are not loyal and porous and institutions like Chase Bank going under temporarily due to negative WOM more companies and organizations need to be vigilant and aware of the potential and adverse effects of online word of mouth.

For the case of corporate image and reputation, the study found out that consumers want to be associated with successful brands and in turn spread positive online WOM. From the data collected it was evident that most consumers relate with brands with positive WOM, hence, allowing corporates to increase their brand image and visibility. It has been shown that most consumers related with tried and tested brands and will often go for that brand that is visible. Vincent Achuka in his article “The audacious new generation that is driving world brands” say that banks like KCB was graded top in the financial segments in the 2016 Social Media awards because of the hilarious memes and tweets. This is an example how online WOM is influencing brands and how companies and organizations can be able to tap into this.
In conclusion, the study found out that organizations need to embrace and build online communities and online helpdesks as a strategy for customer attraction, development and retention. With the world slowly becoming a global village due to technology and online interactions, it was evident that consumers easily believe and trust complete strangers that they meet online. This is an integral part that now consumers rely on online reviews and comments posted by strangers on online communities and online helpdesks. The study has shown that online community and an online helpdesk are critical to any company or organization.

5.3 Discussion

5.3.1 The Effect of online word of mouth on sales

According to Nielsen, 92% of consumers believe recommendations from friends and family over all forms of advertising, and this normally online recommendations. Word-of-mouth (WOM) has long been shown as a driver of product sales (e.g. Richins 1983, Mahajan et al. 1984, Herr et al. 1991). Not only does online word of mouth (WOM) increase product awareness among potential consumers, but it also provides information on product quality which assists consumers’ purchasing decisions.

From Nielsen and Richins’ study on WOM and online recommendations, the study was able demonstrate and quantify that online word of mouth is affecting businesses and organizations. With increasing use of social media for people of all ages and gender, the need of companies to develop strategies and move to cyber-market to interact with the online customer is proving fundamental and critical. The study has demonstrated that existing and potential consumers are moving to the cyberspace to check product reviews and use the information for purchase decision and product quality and behaviours.

Online WOM has been existing for quite a while but marketers are more focused on collecting instead of connecting with the customers. Companies and organizations are more fixated in collecting the number of social media fans rather than connecting and engaging with the customer for clear and truthful reviews on the products and services rendered. The analyzed data from the research has provided a clear evidence that customers are continuously looking for content on the product likeness, quality, service delivery and product information. The new age customer is attracted more to the WOM (positive and negative WOM) and the context of the content of the online reviews. It’s important for organizations to boast not on the number of
online followers but to be concerned with the content of the reviews and use it as a measure for customer feedback and satisfaction.

The use of mobile phones has triggered consumer market demand as it forms a new dimension of virtual mobility to a continuing trend for geographically extended, faster and more personalized social interaction (Wei and Lo, 2006). Consumers have become highly dependent on smartphones to retrieve useful information by a simple browse and click to access their smartphones as it is with them when they commute, relax at home, travel overseas and so on (Genova, 2010). As per Wei and Lo, (2006) the virtual mobility of the customer with the use of smartphone has made the use of online word of mouth even more dynamic. Companies and organizations should be able to know that sales and online word of mouth is not an organic relationship, but they should be intentional and bold to shape such online conversations for the growth of sales.

Smartphones have made consumers to be versatile and hence as per the study conducted the respondents were dependent mostly on online product review websites which influenced their purchase decision. This is mainly driven by the advent and use of mobile phones as more customers would search, relate and respond to online reviews when commuting, relaxing or during breaks from classes or meetings. Smartphones have pushed companies and organizations to think of new ways to interact with the customer to push sales, customer attraction and retention. Hence another supporting factor that online word of mouth is key as more consumers are being influenced online, because consumers move everywhere and anywhere with the smartphone.

Sociolinguistic theory suggests that communication is interpreted through cultural lenses, which gender can serve a cultural difference (Yates, 2001). Men have been known to be pragmatic when buying and reviewing online while women are perceived as emotive and requiring a social, emotional interaction. Gefen and Ridings (2005) discovered that women go to virtual communities to give and receive social support. In addition, they were able to find that women were more favorably to assess the capability of other individuals in the virtual community, and the general quality of the online conversation. The findings from the research were in line with the Gefen and Ridings study as more women were receptive in answering the questionnaires compared to men.
It was also evident from the results that women were more specific on checking the online reviews as compared to the male respondents. This can be deduced by the fact that women are emotive and particular when it comes to the purchase decision and the content of the online review. The reviewer age and gender from the study did not influence or affect the purchasing decision, which proved to be a vital consideration as consumers are more concerned on the content of the review and not on the age or gender of the person posting the online review. This is important for any organization or company seeking to increase its sales and profits online as consumers are more concerned by the product itself and how the online the product or service is being previewed.

5.3.2 The Effect of online word of mouth on corporate image and reputation

This study found that online word of mouth affects and influences corporate image and brand. It also discovered that online word of mouth on social media platforms proves to be a more fast and robust alternative to brand advertising and corporate reputation.

Viral advertising is the use of marketing techniques on social media and other technologies to increase brand awareness and visibility. Pastore (2000) classified online word of mouth as viral marketing and the findings from the study have been able to substantiate that consumers are engaging online with respect to products and brands. According to the study, people are more inclined to organizations and brands that are being talked to positively online.

The findings of the study revealed that respondents strongly agreed that online social media presence is key for any organization to engage with consumers online and a form of brand placement and visibility. These findings are in line with Lovetes and Peres (2013) study that enhanced the understanding of brand characteristics as antecedents of WOM.

The findings from the study showed that consumers are not gauging a company’s brand not on the number of online social media accounts and followers but on their overall product and brand. This statement was critical to show that customers are not just following blindly but companies need to engage and interact desperately online. These findings were corroborated by Lee (2012) who stated that organizations cannot fully understand their customers because they are not customers themselves. Lee further stated that for organizations to be successful, they must think of their existing customers as advocates, influencers, and contributors. Hence key stakeholders on the company’s brand organization table.
The study also sought to investigate on the potential likelihood of consumers being repealed by negative online word of mouth with respect to corporate image and reputation. Chatterjee (2001) argued that people are more interested in sharing their negative experiences with as many people as possible than satisfied consumers are interested in posting their positive online experience. Since there is no possible way companies, businesses or organizations can avoid negative WOM, the findings of the study thought organizations to embrace negative WOM as a positive assessment of the corporate image and reputation.

According to the study, more consumers agreed that companies that allow negative feedback and responses makes them feel more confident that the company is aware of the issue and can solve it. This has always been evident for companies in software and telecommunications being aware of bugs and software issues in their software releases. We have seen such companies coming up with upgrades on time-by-time basis as means of addressing and resolving the bugs and issues encountered. It’s from such companies that have embraced negative WOM offer examples of using the negativity as a propelling factor for brand visibility and awareness.

Viral marketing and the use of negative online word of mouth has seen companies going down, case in point, locally Chase Bank went down temporarily due to negative online word of mouth on Social Media. This has served as an example to organizations and companies that online word of mouth is important and companies should put strategic measures in place for monitoring and assessing such threats. It has become essential for organizations to brainstorm and formulate corrective measures for addressing these online reviews and update. Daltona, Kuliga, and Hölscher (2013) said that although organizations are not fully in control of what is said about them online, they must take on the role of critics and fan the flames by giving the such forums content structure and focus.

The findings of the study collaborated with the Laczinak (2001) which discovered that a brand name does have a direct effect on the customer associations generated by the receivers of negative WOM. This has affected the corporate image and reputation of the organization as viral marketing online has proved to be more powerful than traditional marketing. Hence, existing companies and organizations need to persuade disgruntled consumers and win them back and hence turning them to be influencers and ambassadors of the brand.
The study found out that consumers perceive that companies that promote their brand online are more visible and approachable. Hoffman and Fodoor (2010) argue that managers and marketers should forget traditional scales for measuring return on investment (ROI) for social media marketing. They go on to say that managers need to track and measure the company’s ROI online based on consumer motivations, engagements and companies should consider it more on a long-term payoff and not short-term results.

Hence organizations and managers should rethink online word of mouth in regards to brand equity, brand positioning, brand visibility and awareness. The findings of the study showed that consumers equally relate and aware of a company though online interactions and reviews. Companies that have used the cyber space as potential cyber-billboards and locations for online brand advertising and awareness have reaped the fruits as a long-term strategy for corporate branding and reputation.

In regards to the research on the effects of online word of mouth on corporate image and reputation it was found out that indeed online word of mouth influences and directs online conversations with respect to corporate image, reputation and brand equity. Hence, its strategic and important that companies, businesses and organizations should value online word of mouth as crucial factor that is influencing existing and potential customers online.

5.3.3 The Effect of an online helpdesk and online community

Novak and Hoffman (1999) in their study found out that executives noted that creating and formulating a compelling online experience for online customer was critical and was essential to creating a competitive advantage. The findings of this study supported that online communities and online helpdesk give any company a competitive edge over and above its competitors.

The study found out that the respondents sought the services of an online customer care or an online community. It revealed that consumers are reaching out to online customer care representative or an online community for assistance about a product or service.

Cui, Wang, and Xu’s (2010) study on interactions supported these findings. They argued that online interactions and reviews offers an organization an opportunity to have direct, personalized interaction with their customers. Furthermore, Karakaya and Barnes (1998) were successful in concluding on the impact of customer care experiences on the customer’s choice of brand or
company when acquiring the products and services and if their opinions online would make a
difference to the actions of the respective companies.

The study revealed that consumers are more inclined towards online customer care helpdesks
and online communities compared to the traditional customer care channels of calls, emails and
letters. This was supported by the fact that most consumers felt that online helpdesk are more
interactive, fast and cheap.

The study showed that most consumers felt that organizations with online communities are more
approachable and receptive to consumer wants, needs and feedback. The findings revealed that
consumers are attracted to brands, corporates and organizations which have online communities
and an online customer care.

These findings collaborated with Kozinets’ (1999) study on e-tribalized marketing where he
advises marketers to guard the brand identity but most provide online communities with raw
materials for a meaningful online community. He goes on to imply that marketers should treat
members of the online communities as equal partners towards realizing promotion and
distribution of their products and services.

The study revealed that consumers strongly agree that online communities and online customer
care act as a watchdog and hold the company, business and organization accountable towards
customer service, product delivery and customer service experience. This is in line with Shaw et.
Al (2006) when they were exploring on consumer empowerment and consumption as voting. In
their study, they discovered that consumer boycotts and buycotts are mainly influenced by online
communities and allow the members to participate and have far-reaching effects. This is central
to any organization to realize and monitor such online communities to avoid potential losses. The
power of online communities and social media was the underling factor for the public boycotts
and demonstrations which lead to the Arab Spring in Egypt.

According to the research findings the public felt that online customer care give a consumer the
impression that the company is always there for the consumer and his/her needs. It was also
viewed that most of the customer felt that online helpdesks are more convenient and easy
compared to the traditional forms of reporting complaints of the product or service.
The findings of the study provided the platform to show that consumers are being influenced by online word of mouth with regards to corporate sales, brand, recognition, reputation, online customer care and online communities. It has provided a clear picture and provided evidence that organizations should be aware of the effects of online word of mouth, both positive WOM and negative WOM and place strategic measures for assessing and measuring these effects. The use of technology and the global inter-connectivity is proving a challenge to many organizations, individuals, corporates and businesses on how to formulate measures for sales and market growth and finding ways to mitigate and address negative WOM.

5.4 Conclusions

5.4.1 Effect of Online Word of Mouth on Sales

The study has shown that online word of mouth is a critical factor in terms of a company’s strategy on sales growth and market growth. In this technology based environment that businesses, companies and organizations find themselves in requires a sober assessment on online word of mouth.

The findings indicate that companies that can be able to tap into electronic WOM can increase their growth and sales which in turn leads to profits. It has shown that companies also need to come up with innovate ways of accepting negative WOM and finding ways of mitigating it if not eliminating it.

5.4.2 Effect of online word of mouth on corporate image and reputation

The study could demonstrate that the corporate brand has traversed the physical and moved to the virtual business world through online word of mouth. The findings indicated that online word of mouth is influencing and is a key pillar for corporate brand promotion and recognition.

5.4.3 Effect of online helpdesk and online community

The findings show that in organizations should provide new ways of reaching to customers through online customer care desks and online communities. According to the study, organizations should move away from traditional forms of complaint reporting to social media platforms such as Facebook, WhatsApp, and Twitter as a form of customer retention and detention.
5.5 Recommendations

5.5.1 Recommendations for Improvement

5.5.1.1 How to increase sales and revenue projections through online word of mouth

Any business, company, organization whether profit or non-profit exists because of the people who the organization meets their needs, wants and desires, the people we call consumers. The consumers are the central part of the product Lifecycle and should be the scale by which organizations measure themselves. Online word of mouth provides that platform for pushing sales when its initiated by the company or business, by creating a buzz, but it’s also a critical measure for collecting customer feedback and responses. Hence by initiating and monitoring online word of mouth companies can be able to increase their sales and revenue projections.

Digital marketing though online word of mouth has provided a medium for corporations to increase sales due to the high rate of return due to positive online word of mouth conversation. In order to safe-guard the organization’s market share and repeat business the study recommends that negative word of mouth should be dealt with as fast as possible so as to avoid the customer panicking and having issue with the product.

It is important to note that both positive WOM and negative WOM are equally critical and essential to the organization and negative WOM should be approached as a means of refining and redefining the product to suit the disgruntled consumers.

5.5.1.2 Corporate Image, Reputation

Corporate image and reputation is synonymous to the brand, as the study has shown that consumers relate or even buy products from brands they feel secure, comfortable and which have integrity. Hence consumers believe that a good corporate image in terms of integrity, ethics and profitability is equivalent to a good brand of the product.

It is important to note that online word of mouth affects both the product itself and the corporate image and reputation. Hence organizations and businesses should be aware of this, that positive WOM fuels a good corporate image to the public, consumers and suppliers with the reverse being also true. Brand equity can be defined as the “gut feeling” when one sees a particular brand name or company logo. It’s can be also said to be that “inner feeling” you get when you see a
particular brand. Brand visibility has traversed the cyber space waters with online word of mouth as the radar that directs the corporate ship. Online word of mouth has proved to a necessary essential for directing conversations online for any business, company or organization with relations to the products and the corporate management and governance.

5.5.1.3 How to retain and develop the customer through online communities and helpdesks
Customer is king to the business, (s)he is the primary objective why organizations and business exist and why they continue to do business. Hence the need to place measures and platforms that are user-friendly to customer complaints and reports to check and report on product and service feedback. Thus, organizations must align resources to alleviate any customer worries or issues and as such online word of mouth through online communities provide the necessary means of meeting those needs.

5.5.2 Recommendations for Further Studies
Online word of mouth is a broad topic and has different effects to any organization or business. The study considered online word of mouth in the general on the pretext of company sales, brand and customer relations. Herein, online word of mouth considered was positive WOM, negative WOM, immediate WOM, ongoing WOM with the audience being social influencers, social architects, brand advocates and consumer advocates. The medium of online word of mouth considered were personal, digital and viral marketing. It would be in best case scenario that future studies consider a specific type of online word of mouth towards a particular audience and medium.
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Ho, C.-S., Shu-Hui, C., Shih-Ting Hung, Yi-Ting, C., & Kuang-Hui, C. (2016). Effects of Brand Image, Online Word of Mouth, and Price Discount on Consumer’s Purchase Intention -Mobile Phone as the Example, (July).


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APPENDIX

A SURVEY ON THE EFFECTS OF ONLINE WORD OF MOUTH ON BUSINESSES AND ORGANIZATIONS

Thank you for taking time to participate in this survey. Am humbled and privileged for the information you will provide in this questionnaire. Your responses and feedback will assist me in evaluating online word of mouth and how it affects sales of products, corporate image and online communities. Your truthful and candid response will go along towards achieving the survey goals.

The Effect of Online Word of Mouth on Sales and Business

SECTION 1: GENERAL INFORMATION

<table>
<thead>
<tr>
<th>Field</th>
<th>Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Male, Female</td>
</tr>
<tr>
<td>Age</td>
<td>21-30, 31-40, 41-50, &gt; 50</td>
</tr>
<tr>
<td>Choose the industry that you work for</td>
<td>Financial, ICT and Telecoms, Engineering and Construction, Legal, Marketing, Media, Branding, Government, Other</td>
</tr>
<tr>
<td>How many times do you access Internet</td>
<td>Less than 5 times a day, More than 5 times a day</td>
</tr>
<tr>
<td>Do you have a social media account?</td>
<td>Yes, No</td>
</tr>
<tr>
<td>If yes, do you have in the following social media platforms. Choose all that apply</td>
<td>Facebook, Twitter, Google+, LinkedIn, Instagram, YouTube, Whatsapp</td>
</tr>
</tbody>
</table>
How often are you on social media?
☐ Almost always
☐ A few times a day
☐ Once a day
☐ A few times a week
☐ Once a week
☐ Rarely

Which of the following online marketplaces do you know?
Select all that apply.
☐ Amazon
☐ Ebay
☐ Jumia
☐ OLX
☐ Kilimani Mums
☐ Kilimall
☐ Cheki.co.ke

Before buying a product or service, what do you do?
Select one of the following.
☐ Just Buy
☐ Ask friends for advice on price and review
☐ Check online for reviews
☐ Other

If I have little experience with a product, I often search information on the web about the product.
Select one of the following.
☐ Yes
☐ No

When I check online reviews, I consider important reviews from.
Select all that apply.
☐ Friends and people I know
☐ People from the same location, country, origin and ethnicity
☐ Consider the frequency of the response about a product
☐ Other

SECTION 2: EFFECT OF ONLINE WORD OF MOUTH ON SALES

<table>
<thead>
<tr>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product review websites influence your purchase decisions</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Online product reviews are important for consumers</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Online reviews presented on the website are helpful for my decision making.</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
</tbody>
</table>
The impact of online positive reviews is greater on my purchasing decision.

The impact of online negative reviews is greater on my purchasing decision.

Consistency of other reviews posted on the website affect my purchase decision.

Reliability of the site that present the reviews affect my purchase decision.

The reviewer age and gender affect my purchase decision.

Popularity of the web site that present the reviews affect my purchase decision

SECTION 3: EFFECT OF ONLINE WORD OF MOUTH ON CORPORATE IMAGE/REPUTATION

<table>
<thead>
<tr>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Online reviews of a company's corporate brand affect your view of the company</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Every company should have online social media presence to promote brand equity</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I gauge a company's brand by their online social media accounts and number of followers</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Online groups hold a company to account in regards to products and services.</td>
<td></td>
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</tbody>
</table>
Organizations that have online corporate accounts are more approachable and friendly.

Organizations with online communities and discussions allow you to be more open in regards to online feedback on the brand.

Companies that allow online negative feedback and responses makes you feel confident that they can solve issues.

Companies that promote online enhance their brand visibility more.

I am more likely to follow an organization just because my friends are following it online.

**SECTION 4: EFFECT OF AN ONLINE HELPDESK AND ONLINE COMMUNITY**

<table>
<thead>
<tr>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Am more likely to post a customer complaint on the online customer care</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☑</td>
</tr>
<tr>
<td>Am more likely to post a customer complaint online because its cheap</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☑</td>
</tr>
<tr>
<td>Am more likely to post a customer complaint online because the feedback is fast</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☑</td>
</tr>
<tr>
<td>Am more likely to post a positive or negative comment about an organization online.</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☑</td>
</tr>
<tr>
<td>How fast an organization responds to customer complaints online increases brand loyalty.</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☑</td>
</tr>
<tr>
<td>Statement</td>
<td>Column 1</td>
<td>Column 2</td>
<td>Column 3</td>
<td>Column 4</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
<td>----------</td>
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<td>----------</td>
</tr>
<tr>
<td>Organization should have an online helpdesk.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I usually check the company’s online helpdesk to solve product issues that I experience.</td>
<td></td>
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<tr>
<td>Companies that have an online helpdesk make me feel they are always there for me</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Am more likely to post a customer complain because it's more convenient</td>
<td></td>
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</tbody>
</table>