

A Scale Development Approach to the Role of Word of Mouth in Selection of Snack Food Eateries

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Abstract

Word of mouth communication involves an one to one personal communication which the receiver gets from a worthy person who has earlier tried the product and who has no commercial connection with the product or shop. Word of mouth arises because of the propensity of people to discuss the pros and cons of a new purchase with likeminded others who can share their passion and when the other person gets influenced by this communication there is likelihood that the person will purchase the product. The manuscript makes an attempt to identify the influence of traditional word of mouth in choice of eatery. The data was collected using convenience sampling method through personal interview and a total of 150 respondents who accepted to have been influenced through word of mouth communication within the last three months were chosen for the survey. The model fit indices indicated the model as an acceptable to identify the dimensions of the influence of word of mouth in selection of snack food eateries. The dimensions that influenced word of mouth were identifies as credibility, quality, hygiene, decision, time and social attributes. This scale would be highly useful to eatery owners to understand the dimensions through which word of mouth can influence consumers. In future the studies can be made to understand the dimensions of word of mouth that influence purchase of automobiles, mobile phones and also store choice among apparel shoppers.

Consumers often need more than an advertisement communication to give a product or a shop a try. Hence an endorsement in a one to one communication by a real user whose approach the consumer feels as sincere often makes a major push in enabling the consumer to try the product, shop or service. Hence word of mouth communication can be defined as one to one personal communication which the receiver gets from a worthy person who has earlier tried the product and who has no commercial connection with the product or shop. Word of mouth ensures the customer gets motivated by an authentic user and on the other side the confession of dissatisfied consumers can provide a feeling of disapproval. Hence the word of mouth is a double edged sword that can be either positive or negative. Positive word of mouth has the clout to be the biggest differentiator among competing brands or stores.

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Review of Literature

Whyte (1954) observed that people with a related purchase intention and comparable product choices have a craving to discuss products and services which gave rise to word of mouth. This manuscript takes an attempt to identify the influence of traditional word of mouth in choice of eatery and does not take into account internet reviews that form the basis of electronic word of mouth.

Arndt (1967) defined word of mouth as verbal, interpersonal communication between a receiver and a sender whom the person receiving the message perceives as non-commercial concerning the brand or product or service. Richins (1983) defined word of mouth as the process of informing at least one acquaintance a dissatisfaction experience whereas Singh (1990) explained word of mouth as the narration of an unsatisfactory experience. Bone (1992) conceptualized word of mouth communication as sharing of observations and judgments among two or more people with none representing a commercial source.

Brooks (1957) examined satisfaction or dissatisfaction in a purchase process as the major reason of word of mouth communication. Arndt (1967) indicated that word of mouth could be seen as a quest for social support for using a new product. Brown and Reingen (1987) identified that word of mouth communication existed as information flow across groups at a macro level and as information flow within dyads at a micro level. Westbrook (1987) divulged that word of mouth is an unofficial communication between consumers about products or

services and with neither entity being paid for this communication Sundaram, Mitra and Webster (1998) found that selflessness, self-enhancement and opinion seeking behavior caused positive word of mouth, while negative word of mouth was caused by revenge, reduction of anger, disquiet and unhappiness. Mangold, Miller & Brockway (1999) highlighted that word of mouth in services arises due to the receivers' felt need for information and counsel. Misner 1999 indicated that word-of-mouth can make a product, or service into a stunning success or a miserable failure. Forrester 2005 underscored that marketers attach importance in better understanding word-of-mouth as other forms of communication tend to lose their effectiveness. Allsop, Bassett & Hoskins (2007) identified that customers increasing lack of trust in communication through advertisements make customers to search information from other resources that make them trust word-of-mouth. Sernovitz, 2012 asserted that marketers squander millions of rupees on advertising campaigns though the customer bases his purchase decision based on word of mouth from a reliable source

Objective

To develop a comprehensive scale and identify the dimensions of the influence of word of mouth in selection of snack food eateries

Method

The questions were based on the factors of influence of word of mouth in selection of

snack food eateries developed on the basis of focus group outcomes. This scale was developed on a five point scale anchored at 1 on one end indicating strongly disagree and anchored on other end as 5 indicating strongly agree. The research instrument was an interviewer administered survey. The resultant questionnaire comprised twenty four Likert scales reflecting the different dimensions of influence of word of mouth in selection of snack food eateries. The data was collected using convenience sampling method through personal interview and a total of 150 respondents who accepted to have been influenced through word of mouth communication within the last three months were chosen for the survey. As choice of food outlet was identified as high involvement activity a recall period of three months was decided acceptable for the study. The study was limited to Puducherry city and carried out on respondents visiting selected snack outlets in Puducherry. The study was carried out over a fifteen day period in May 2016.

Analysis and Interpretation

Exploratory factor analysis was performed with varimax rotation on the total twenty four questions.

The first factor identified as credibility attribute comprises statements such as getting communicated by people who really enjoyed dining at the eatery, experience sharing, commercial benefit not being intention of the information provider, and the information provider having real knowledge of the products involved. Hence it is apparent that word of mouth communication thrives on the credibility associated with the source and hence helps to reduce the risk associated with the purchase process. Silverman (2002) reported that people buy products reacting to

what they hear from neutral properties and not as a rejoinder to the marketing efforts. Kaikati and Kaikati (2004) found that consumers while making purchase decisions gather product information to minimize the perceived risk. This dimension accounted for 28.94 percent of variance.

The second factor in influence of word of mouth towards eateries was classified as hygiene factors and included statements such as snacks being produced and handled in a hygienic manner, the display racks being clean and tidy and personnel handling foods wearing neat attire. With awareness on hygiene increasing customers place a great importance on the way snacks are being made, stored and handled and it is important the same gets communicated to customers in a way which they believe. Dichter, (1966) indicated that Consumers perceive that people they know and with whom they have an affiliation have concern about their best interest while marketers try to gain a financial interest. Engel, Kegerreis & (1969) informed Word of mouth as the unofficial way through which thoughts, comments, opinion or information are conveyed between individuals who are not part of sales activities. This attribute accounts for 20.47 percent of variance.

The next attribute categorized as quality dimensions included statements such as getting information on quality of ingredients used, products being free of unwanted flavoring agents, product being of right size and product being served untouched by bare hands. Quality tends to be more perceived than seen and hence word of mouth has a huge role in making customers believe that the eatery sells quality products. Bristor (1990) found that Consumers give importance to word of mouth information in order to get more information that can lower the risk and gain

Table 1: Components of word of mouth that influence selection of snack food eateries

	Components of word of mouth that influence selection of snack food eateries	Dimension	Loadings
wom4	Believes wom communicates really what people enjoyed	Credibility	.982
wom20	Understand that wom enables me to share the experience of others		.980
wom6	sure the communicator has no commercial benefit by sharing information		.978
wom5	the person who shared information had real knowledge of products		.965
wom2	I was told the snacks are produced in a hygienic environment	Hygiene	.977
wom1	understand the snacks are handled in a hygienic manner		.975
wom23	got information that the shop is clean and racks are tidy		.971
wom3	heard personnel handling food items were neatly attired and wore hygiene		.971
wom21	got information that the product was made from quality ingredients	Quality	.973
wom22	heard the products were free of unwanted coloring and flavoring agents		.972
wom10	heard the product was of the right size		.956
wom9	product being neatly served untouched by bare hands		.947
wom14	was happy did not pay heed to paid information	Decision	.968
wom15	was able to clarify my doubts regarding availability of products		.966
wom18	Got information from people who frequently use the product		.952
wom16	was able to get information on best items among many products available in shop		.952
wom12	I got information on the right time to go to the shop	Time	.974
wom8	I was informed on how to specify my order		.961
wom7	I did not waste my time in search of a shop		.961
wom13	my anxiety on finding a good shop was taken care of		.960
wom11	assured that people of my social class visit the shop	Social	.959
wom24	have an idea about the pricing of products in the shop		.953
wom19	get a chance to meet people known to me in the shop		.945
wom17	understand will be the best shop to hang out with friends		.943

Table 2: Eigen Value and Variance of dimensions of word of mouth that influence selection of snack food eateries

Summary Statistics	F1	F2	F3	F4	F5	F6
Eigen Values	6.945	4.913	3.462	3.099	2.490	2.331
% of variance explained	28.936	20.471	14.423	12.913	10.375	9.714
Cum % of variance explained	28.936	49.407	63.831	76.744	87.119	96.833
N =	Sample = All respondents		Unit = Factor loadings			

Source: Primary Data

understanding of the service prior to consumption. The quality dimension accounted for 14.42 percent of variance.

The fourth attribute classified as decision making dimension involved statements such as consumers not paying attention to paid information, clarifying doubts regarding availability of products, getting information from people who use the product, getting information on the best items of that particular snack stall. The consumer through word of mouth communication gets a clear picture of what to expect from the snack stall. Berger (2014) described word of mouth communication as a dependable source of information that minimizes risk, modifies intricacies and the decision making process of consumers is carried out with confidence. This attribute accounted for 12.91 percent of variance.

The next dimension sorted as time involved statements such as getting information on the right time to visit the job, the way in which

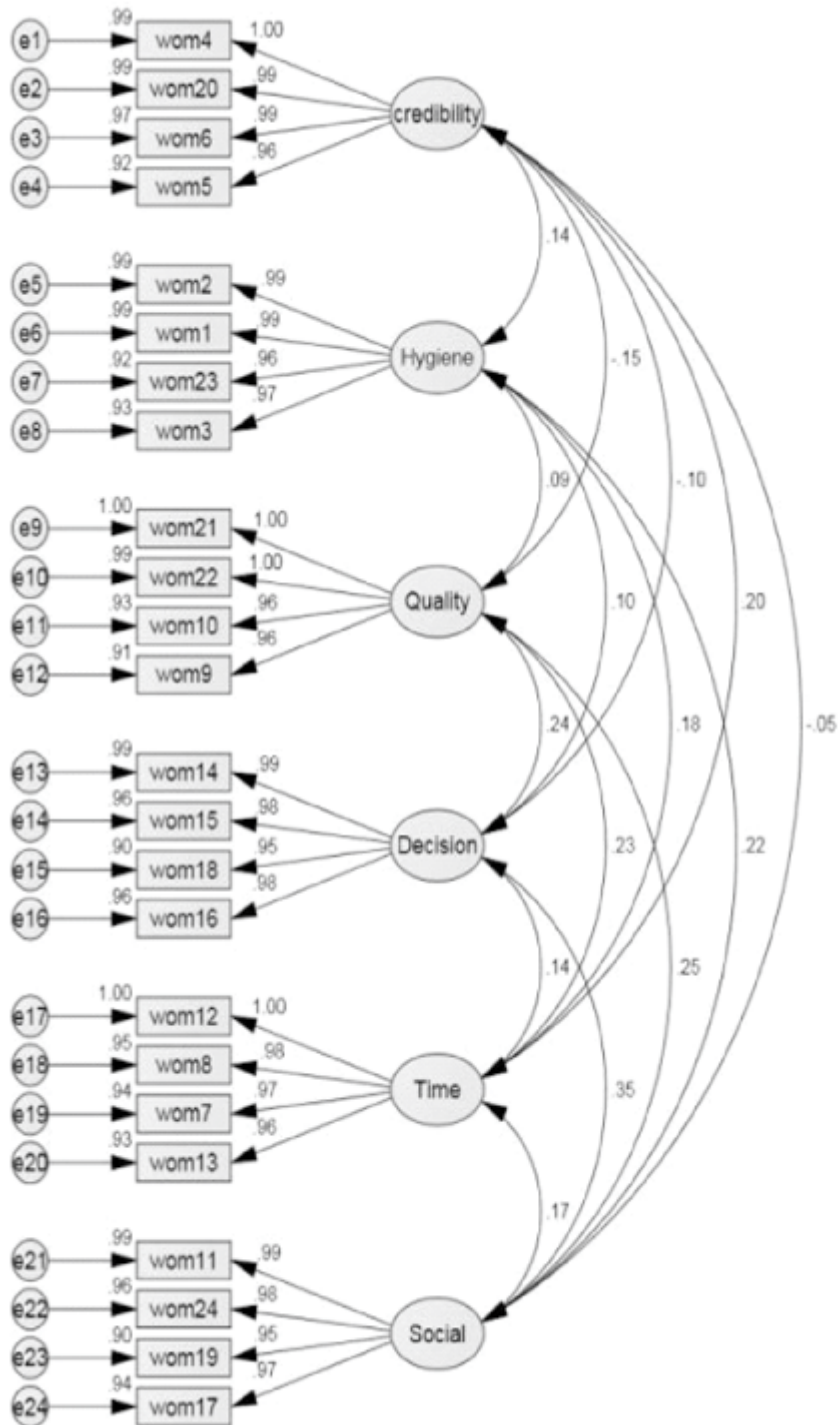
order should be specified, not wasting time searching a shop and taking care of the anxiety of finding a good eatery. Word of mouth bundles the needed information in the most trustable manner helping customers to save time. Customers often believe in word of mouth and do not waste their time searching for something new. Chaniotakis & Lympelopoulos (2009) stated that word-of-mouth provides customers the ability to make a better choice. This attribute accounted for 10.38 percent of variance.

The last dimension clustered was termed social attributes and included statements such as being assured the people of a certain social class visited the shop, knowing how the products are priced in the shop, getting a chance to meet known people in the shop and getting to understand that this is the best shop to hang around with friends. Word of mouth enables one to identify the profile of customers who visit the eatery on a regular basis. The social dimension accounted for 9.71 percent of variance.

Table 3: Model fit indices for the six dimensions of influence of word of mouth in choice of snack food eateries

Index of fit	CMIN	DF	CMIN/DF	RFI	GFI	AGFI	NFI	IFI	CFI	RMSEA
Value	284.942	237	1.202	0.96	.867	.831	.965	.994	.994	.037

Fig. 1: Confirmatory Factor Analysis with the six dimensions of influence of word of mouth in choice of snack food eateries



Model Fit

The measurement in Fig 1 shows a satisfactory data fit. The CMIN/ DF ratio (relative chi square value) was 1.202, which is within the agreed range of less than 2 (Kline, 1998) which is indicative of an acceptable fit between the sample data and hypothetical model. The values of the fit indices are shown in the table below and the values show the model as acceptable.

Table 4: Reliability Coefficient

Dimension	Alpha Value
Credibility	0.952
Hygiene	0.949
Quality	0.949
Decision	0.948
Time	0.948
Social	0.946
Total	0.881

From above table Bollen's (Bollen, 1989b) incremental fit index (IFI) value of 0.994 is close to 1 and the normed fit index is 0.965 and found more than 0.95 (Schumacker & Lomax, 2004) which established the model to be accepted as a good fit. The GFI (goodness of fit index) identified by Joreskog and Sorbom (1984) value is 0.867 where a value of one indicates a perfect fit. The RMSEA value is 0.037 and as per Stieger (1990) the model is acceptable if the value is less than 0.05.

The internal consistency of the dimensions was measured using Cronbach's alpha. The value of the different dimension ranged from 0.946 – 0.952 and hence considered internally consistent.

From the above discussion it is apparent that consumers value credibility while receiving the communication in deciding their choice of eatery. The other factors that influence the choice of eatery include hygiene, quality, decision, time and social attributes. Consumers are usually careful in their choice of eatery and would like to get information about them before trying to visit them. The person providing word of mouth communication in not profit oriented and is interested in sharing a consumption or purchase experience which can be useful in future the communicators acquaintance or consumers. Word of mouth because of its personalized touch easily permeates the resistance consumer's exhibit in selecting an outlet which they have not used. Essentially word of mouth reduces the perceived risk of consumers below a threshold value and providing them the confidence to try the product. Word of mouth is an easy way for the shopper to ensure trialability of the products of the shop.

A positive word of mouth is possible only when the customers are highly satisfied with both the product and the service. Hence eateries should ensure that they maintain the highest quality standards in addition to serving the customer by making him comfortable both during the purchase and consumption process. The positive vibe obtained through word of mouth would have a longer life cycle compared to what is achievable through advertisements. Promotions should be so tuned to generate positive word of mouth. This scale would be highly useful to eatery owners to understand the dimensions through which word of mouth can influence consumers. In future the studies can be made to understand the dimensions of word of mouth that influence purchase of automobiles, mobile phones and also store choice among apparel

Annexure 1: Word of Mouth Influencer Scale

Components of word of mouth that influence selection of snack food eateries	Mean	SD	Dimension	Mean	SD
Believes wom communicates really what people enjoyed	2.82	1.40	Credibility	2.83	1.39
Understand that wom enables me to share the experience of others	2.83	1.39			
sure the communicator has no commercial benefit by sharing information	2.82	1.41			
the person who shared information had real knowledge of products	2.85	1.42			
I was told the snacks are produced in a hygienic environment	2.27	1.45	Hygiene	2.25	1.39
understand the snacks are handled in a hygienic manner	2.26	1.42			
got information that the shop is clean and racks are tidy	2.23	1.38			
heard personnel handling food items were neatly attired and wore hygiene accessories	2.23	1.38			
got information that the product was made from quality	2.64	1.35	Quality	2.65	1.31
heard the products were free of unwanted coloring and flavoring agents	2.65	1.34			
heard the product was of the right size	2.65	1.30			
product being neatly served untouched by bare hands	2.65	1.33			
was happy did not pay heed to paid information	2.80	1.45	Decision	2.79	1.41
was able to clarify my doubts regarding availability of products	2.79	1.43			
Got information from people who frequently use the product	2.79	1.43			
was able to get information on best items among many products	2.78	1.45			
I got information on the right time to go to the shop	2.37	1.40	Time	2.39	1.36
I was informed on how to specify my order	2.41	1.39			
I did not waste my time in search of a shop	2.37	1.36			
my anxiety on finding a good shop was taken care of	2.39	1.37			
assured that people of my social class visit the shop	2.45	1.40	Social	2.45	1.36
have an idea about the pricing of products in the shop	2.45	1.41			
get a chance to meet people known to me in the shop	2.43	1.38			
understand will be the best shop to hang out with friends	2.45	1.37			

shoppers. The list of the final set of components that measure the six dimensions of influence of word of mouth in choice of snack food eateries is given in Annexure 1

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