

The Impact of Negative Word-of-Mouth on Consumer Purchase Decision

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ABSTRACT

More and more consumers would search for other people's experience in using certain products on the Internet before purchasing products, and to decide whether to buy or not. Especially in this information area, word-of-mouth is more influential than other business promotion methods. Negative information can lead to greater attention than positive information.

Seeing that earlier research have been rarely discussed negative word-of-mouth; this study mainly explores the impact of online negative word-of-mouth factors such as sender's expertise, the similarity between communicator and receiver, and explores the impact of these factors on consumer purchasing decisions, in addition add perceived risk as moderator variables to explore the moderating effect on consumer purchase decision.

The research would apply questionnaire to collect data, the author carried out 195 samples of questionnaire, through reliability analysis, regression analysis to analyze. The study found that (1) negative word-of-mouth of sender's expertise positively influences on consumer purchase decision; (2) negative word-of-mouth of the similarity between senders and recipients positively influences on consumer purchase decision; (3) the perceived risk positively influences on the relationship between the sender's expertise and the consumer purchase decision. Finally, the results of this research hope to provide enterprises with reference to the decision-making in the face of the negative word-of-mouth.

Keywords: Negative Word-of-Mouth, Sender's Expertise, Similarity, Perceived Risk