

The Differences between Positive and Negative Word-Of-Mouth –Emotion as a Differentiator?

Abstract

Word-of-mouth (WOM) plays a critical role in marketing. Organisations are continually seeking new ways to achieve competitive advantage and word-of-mouth represents such an opportunity. However, little research has addressed differences in content and style between positive and negative WOM. This study explores this issue through a series of six focus groups and 103 critical incidents surveys with 54 respondents. Results indicate that when compared to positive WOM, negative WOM is more emotional in nature, is associated with dissatisfaction, and is almost twice as likely to influence the receiver's opinion of the firm. In addition, consumers having had a negative experience with the firm are more driven to 'vent' their emotion, thus offering WOM sooner after the incident than those with positive experiences. By contrast, positive WOM is more cognitive in nature, more considered and more closely associated with service quality-related comments. This study offers a new perspective on WOM research, by specifically examining differences between positive and negative WOM. The study offers suggestions for future research as well as offering practical implications for service providers.

Introduction

Organisations strive for new ways to achieve and retain a competitive edge. Customers are becoming more discerning and demanding, and competition is increasing. A potential point of differentiation for firms is positive word of mouth (WOM) referral by satisfied customers. The power of WOM is unquestioned, indeed it is viewed as significantly more effective than advertising in converting unfavourable or neutral predispositions into positive attitudes (Day 1971). However, research on WOM is limited, much research involving the WOM construct has used WOM to test the behavioural outcomes of a consumer evaluation model, such as service quality. While WOM is recognised as positive, neutral or negative, research on comparing positive and negative WOM is almost non-existent. This study focuses on the differences in favourable and unfavourable WOM in terms of content, emotion, strength and influence on opinion.

Background

WOM communication has a significant effect on consumer behaviour and was described by Bass (1969) and Moore (1995) as the most important factor influencing sales growth through the diffusion process. WOM is described succinctly by Arndt (1967, p. 3) as "oral person to person communication between a receiver and a communicator whom the receiver perceives as non-commercial, regarding a brand, a product or a service". WOM, if positive, is highly effective for several reasons. First, it is customised as the informer portrays the information in a relevant way to the recipient. Second, it saves the recipient time and money in identifying appropriate information. Third, at least if offered through informal sources, it is independent as the informer has no vested interest in the sale of the service, which adds to its credibility. Indeed, given its non-commercial nature, WOM communication is viewed with less scepticism than firm-initiated promotional efforts (Herr et al. 1991).

Despite the recognition of WOM as an important means of communication, remarkably little research has conducted detailed research into the composition of WOM. Harrison-Walker (2001), is an exception, delving into the meaning of WOM and identifying two dimensions,

WOM activity (frequency, number of people told about a specific service, level of detail) and WOM praise as viewed by the sender, enhancing our understanding of WOM giving. More typically, WOM has been used in a more peripheral manner, as a behavioural intention or an aspect of loyalty, to a major customer evaluation model, such as service quality or service recovery (Zeithaml, Berry and Parasuraman 1996; Hartline and Jones 1996; Maxham and Netemeyer, 2002).

Secondly, most of the, albeit limited, research on WOM focuses largely on positive WOM, despite the oft quoted belief that dissatisfied consumers engage in more WOM than satisfied consumers (Heskett, Sasser and Schlessinger 1997; Mangold, Miller and Brockway 1999; Sweeney 2003). The aforementioned studies investigating loyalty, service quality and service recovery all concern positive WOM, as does Harrison-Walker (2001). However, WOM can be positive, neutral or negative (Anderson, 1998). Indeed, evidence suggests that negative information plays a greater role in consumer evaluation than positive information. For example Arndt (1967) among others, suggests that negative information has a greater impact on beliefs, while Mittal, Ross and Baldasare (1998) show that, in line with Prospect Theory, negative perceptions of performance on an attribute lead to a greater effect on satisfaction and repurchase intentions, than positive perceptions of performance. Such differences in positive and negative communication or perceptions, suggest that WOM is not a construct that merely has a valence, but that an investigation of differences in positive and negative WOM is worthy of exploration. Specifically, we ask :

- a) are there any differences in the emotional vs. cognitive content of positive or negative WOM? We may expect that negative WOM, which includes communication of unpleasant experiences, including product or firm criticism or third party complaining (Anderson, 1998), may be more emotional than positive WOM.
- b) is the core message different for positive or negative WOM? If negative WOM is more emotional while positive more cognitive as implied at a), then does the content also differ?
- c) Are negative messages stronger (e.g. due to emotions such as anger) than positive messages? and
- d) does negative WOM have a greater effect on opinion than positive WOM, as found by Arndt (1967) and supported by Prospect Theory.

Method

A total of 54 consumers, who were attending a focus group on a related WOM topic, were asked to complete two Critical Incident Technique (CIT) forms that asked about a) a positive and b) a negative WOM experience, which had occurred within the last year in a service context. Questions included the traditional CIT style questions such as the circumstances leading to the incident, the main reason for passing on the comment (giver only), message details, strength of communication (giver only), how they felt as a result of giving or receiving information, whether it changed their opinion and behaviour (receiver only). Respondents were asked to complete either reports relating to either offering WOM (WOM giver) or receiving WOM (WOM receiver). One hundred and three Critical Incident reports were obtained in this way, this reduced to 92 eligible reports, 48 favourable and 44 unfavourable. Overall, participants were balanced with respect to gender (50% male and 50% female), were aged ranged from 18 years to 64 years, and came from a wide range of occupations and education levels. All focus groups were facilitated by an experienced moderator using a common discussion protocol.

The CIT forms were analysed as suggested by Miles and Huberman (1984, 1994), that is recurring themes that related to the study's research objectives were identified. Following this, a classification scheme was developed for open ended questions on the CIT form, specifically, whether the message was emotional, cognitive or both, the content i.e. message core, the reason for givers passing on the comment, how the giver or receiver felt as a result of the comment and why the receiver acted or not on positive WOM. Two of the research team, independently developed classification categories for each of these questions. Following this and in accordance with Bitner, Booms and Tetreault (1990) the incidents were classified into one group for each of the questions. Interjudge agreement, based on Perreault and Leigh's (1989) index of reliability was 0.94 (emotional vs. cognitive), 0.89 (content), 0.81 (reason for passing on the comment) and 0.94 (why receiver acted or not on positive WOM). Although Perreault and Leigh provided no specific guidelines as to what value the index should be considered acceptable in assessing the reliability of the category assignments, they suggest that 0.70 may be a reasonable value for exploratory work. Thus the coding process for these questions was considered reliable.

Results

Results supported our expectation that negative WOM is more likely to be emotionally based, while positive WOM is more cognitive in nature (Table 1). Corresponding with this, the content of the negative WOM message is more likely to derive from satisfaction, while positive WOM from service quality (Table 2). This is consistent with the view that satisfaction has an emotional content, while service quality is a cognitive evaluation (e.g., Westbrook and Oliver, 1981; Dabholkar, 1993). Notice also that positive WOM was also derived from a positive contrast of perceptions to expectations, resulting in favourable surprise. In total then, nearly three-quarters of the reasons for passing on positive WOM related to the service quality concept (Parasuraman, Zeithaml and Berry, 1988).

In terms of the reason for (givers) passing on the message, no significant differences were found between positive and negative WOM. Reasons included to help/warn (26.5%), to share the experience (28.6%) and emotional aspects (26.5%).

Table 1: Emotional vs. cognitive

	Positive WOM	Negative WOM	Total
N=	48	44	92
Mainly emotional	8.3	63.6	34.8
Both emotional and cognitive aspects	20.8	20.5	20.7
Mainly cognitive	70.8	15.9	44.6

$\chi^2=35.73$ $p<0.01$

Table 2: Message content

	Positive WOM	Negative WOM	Total
N=	46	44	90
Service quality	58.7	36.4	47.8
(Dis)satisfaction	4.3	59.1	31.1
Contrast perceptions vs. expectations	13.0	2.3	7.8
Perceptions of value	10.9	0.0	5.6
Recommendation	13.0	2.3	7.8

$$\chi^2=35.50 \text{ p}<0.01$$

Interestingly, when considering the feelings of the giver or receiver as a result of giving or receiving WOM, it was clear that giving positive WOM was associated with a degree of pleasure in praising the company (community advocacy?) or helping a friend. A few respondents were concerned with being intrusive when giving positive WOM. Giving negative WOM was mostly associated with a sense of satisfaction with venting anger or feeling good about it. From the receiver's viewpoint, positive WOM resulted in a cognitive evaluation of feeling good, confident or a willingness to try, whereas negative WOM was largely associated with feelings of sympathy or empathy (Table 3) (Small cell sizes preclude detailed analysis). Once again it seems that the feelings of both giver and receiver are largely cognitive in the case of favourable WOM and emotional in the case of negative WOM

Table 3: Feelings as a result of comment

	Positive WOM	Negative WOM	Total
N=	45	41	86
Concerned about being intrusive	6.7	0.0	3.5
Confident, encouraged	13.3	0.0	7.0
Pleased to help/hinder company/acknowledge good service	22.2	2.4	12.8
Satisfied, better, relieved	40.0	39.0	39.5
Nothing much	2.2	17.1	9.3
Negative emotions	2.2	14.6	8.1
Rational comment	13.3	9.8	11.6
Sympathy, empathy	0.0	17.1	8.1

$$\chi^2=31.84 \text{ p}<0.01$$

Givers of both favourable and unfavourable WOM did not differ significantly in terms of perceived message strength, 24.5% perceived their message as very strong, 51.0% as strong, and 24.5% not so strong across the two groups ($\chi^2=0.687 \text{ p}>0.10$).

Negative WOM appeared twice as likely to cause receivers to change their opinion about the firm, emphasising the power of unfavourable WOM (Table 4a). This finding is consistent with the findings of Arndt (1967) who found that unfavourable WOM was twice as effective as favourable WOM in terms of purchase rates. Nonetheless, a very high percentage (91.3%) acted on the favourable WOM given (Table 4b). This included respondents whose opinions had been enhanced, as well as those who already had a favourable view of the service firm or perhaps did not know the service firm at all.

Table 4a): Whether comment received changed opinion (receivers only)

	Positive WOM	Negative WOM	Total
N=	21	17	38
Yes	38.1	70.6	52.6
No	61.9	29.4	47.4

$\chi^2=3.98$ $p<0.05$

Table 4b): Whether acted on favourable comment received (receivers only)

	Positive WOM
N=	23
Yes	91.3
No	8.7

Finally, an examination of the incident reports suggested that unfavourable WOM was not only more emotional, but was often also passed on more immediately, than favourable which may be retained and passed on at a later stage. The following quotes from the reports illustrate this point:

“I told most people to give the mechanic a go. I also told them about his reliability, good service, willingness to help, willingness to get your car back to you as soon as possible”

“In all my years of buying cars, I have never struck anybody like the dealer at Melville Mitsubishi – obliging, courteous, no false promises and cooperative”

“My negative WOM has been when I’m pissed off. Within a week of the experience, after that you’ve probably cooled down. During that week some people are going to hear about what annoyed me”.

“If I had really poor service somewhere and I bumped into someone walking into that shop I would probably say “don’t go in there- its crap” regardless of whether I knew them or not.

Conclusions

The research findings clearly identify positive WOM as a cognitive construct, that is driven by considered rational evaluation, while negative WOM is largely emotive, driven by strong emotions, such as anger, frustration and exasperation. Correspondingly, positive WOM was primarily driven by service quality and negative WOM by dissatisfaction. The parallels in the

literature between cognition and service quality and affect and satisfaction are widely recognised in the literature (Westbrook and Oliver; 1981; Dabholkar, 1993). Recognising the difference in WOM between positive and negative WOM is highly significant given that negative WOM is almost twice as likely to influence the receiver's opinion of the product, a finding consistent with previous research (e.g., Arndt, 1967).

These findings suggest that WOM is a double-edged sword with the negative side more likely to cut through the public consciousness than the positive. It has always been recognised that unsatisfied customer's are likely to tell many other people of their dislike for a firm thereby harming the company's goodwill. This study provides further evidence to support this view. It also suggests that firm's seeking to make use of WOM for marketing purposes must realise that it is less easily generated than its negative counterpart, and that its strength comes from the credence qualities associated with the sender's message. Any obvious attempts to manipulate the sender or benefit them directly for passing WOM may be counterproductive. Managers who seek to take advantage of WOM as a marketing tool will need to first ensure that their existing customers are satisfied with the company's products or services. Alerting satisfied customers to the desirability of WOM (e.g. if you like us so much why not tell a friend?), and requesting negative WOM be directed back to the firm before it goes public (e.g. if you don't like what we do please tell us first) may be strategies for enhancing positive WOM, while mitigating negative WOM.