The Impact of E-WOM Communication on the Purchase Decisions of Audiences: Giving Animation an Unique Charm

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Abstract: With the rapid development of the film industry, animated film has become not only a form of entertainment, but also a mission to convey national culture. Chinese films have long faced cross-cultural struggle to attract international interest. The big data era is changing the way consumers communicate by offering a common space in which to share reviews. Word-of-mouth marketing (WOMM) has been acknowledged as the ultimate driver for a success of films, and few studies have examined in detail the focus attributes of electronic word-of-mouth (E-WOM) towards audiences' purchase decision. The current research aims to exam the impact of E-WOM communication of Chinese national-cultural animated film on the audience's purchase decision. The research shows 4 factors of E-WOM have impacts on the purchase decisions of audiences: (1) seeking initiative; (2) relationship intensity; (3) receiver's expertise; and (4) communicator's expertise. The result also reveals that higher expertise the audience has, the more dependent consumers will be on the E-WOM information. Additionally, if the audience is a Key opinion leader (KOL), then it has greater influence on consumers than non-KOL.

Introduction

The vigorous development of cultural industry has increased people's spiritual needs, movie has become necessary for people to meet the needs of consumer entertainment culture. According to the survey data of Mob Research Institute, in Generation Z, the original Internet users have become the new force of the animation culture, and the animation industry has encountered an unprecedented dividend period. As an important branch of the film industry, Chinese animation movie has a glorious achievements in the past. However, with the prosperity of Hollywood and Japanese animation, the China's movie box office is affected in international market.

In order to boost the animation industry, various Chinese animators have realized the importance of Chinese national culture. Traditional ink paintings, puppets, and paper-cut shadows have enriched the expression forms of Chinese animation. Mainland box-office of China takings hit an all-time high, reporting a total income of $9.1 billion in 2019. CHINADAILY, 2020 reported that the Chinese animation "Ne Zha" was the top-grossing animated film ever made by China and it has grossed more than $700 million worldwide.

The big data era is changing the way consumers communicate by offering a common space in which to share reviews. Electronic word of mouth (E-WOM) communication has been thought to be a powerful persuasive force, with its effects taken for granted (Basri, Ahmad, Anuar, & Ismail, 2016) [1]. Although E- communication has been studied for many years for brands, limited attention has been given to explore its role in animated film audiences. The current research aims to exam the impact of E-WOM communication of Chinese national-cultural animated film on the audience's purchase

decision.

Literature Review and Hypotheses of the Study

Traditionally, word-of-mouth marketing (WOMM) was spread from one consumer to another based on recommendation. However, the technologies has increased the significance of WOMM. The development of big data has brought the massive changes to the way consumers express their opinions about brands or products. Modern E-WOM marketing describes both targeted efforts and naturally occurring instances where users share their satisfaction with a brand (Arndt, 1967; Dong, 2012; Zheng, 2017; Li, 2019) [2,3,4,5].

Extant researches have shown that E-WOM influences consumer purchasing decision. Buttle & Groeger (2017) [6] investigated the way WOMM campaign participants choose communication partners and channel. The study explored episode, life-scrip, friendship, and family narrative as the main contexts that account for variance in choices of participants. Chowdhhury & Naheed (2018) [7] found the impact of external variables such as internet, media, and technology on WOM communication. Fan & Shen (2019) [8] stated that when the WOM comes from the friend referrals, high consumer susceptibility to interpersonal influence (CSII) Chinese consumers show higher levels of consumption decision than their low CSII counterparts. Roy, Datta, & Mukherjee (2019) [9] explored the role of mixed neutral WOM valence and rich E-WOM content on online purchase behavior. The result reveled that both mixed neutral E-WOM and rich E-WOM content positively affects online purchase decision.

Gilly et al. (1998) [10] proposed three factors that influence purchase decisions of the receiver: homophily of information source and receive, characteristics of information source, and attributes of the information receiver. The model revealed that the stronger the receiver’s WOM preference is, the more influences WOM will have on his/her purchase intension. However, the stronger the receiver’s expertise is, less influences his/her WOM preference and WOM will have on his/her purchase intension. Bansal & Voyer (2000) [11] basing on the WOM model of Gilly et al. (1998), divided purchase decision factors into two dimensions, interpersonal source (seeking initiative and relation intensity) and non-interpersonal source (receiver’s expertise, communicator’s expertise and receiver’s perceived risks). The research confirmed that receiver’s expertise, communicator’s expertise and relation intensity between the two have impacts on the purchase decisions of receive. The current research basing on the model of Bansal & Voyer (2000)[11] proposes seeking initiative, relation intensity, receiver’s expertise, communicator’s expertise as the independent variables and audience's purchase decision as the dependent variable to exam the impact of Chinese national cultural animation E-WOM on the audience's purchase decision, the model is shown below:

H1. There is a significant statistically relationship between seeking initiative and audience's purchase decision.

H2. There is a significant statistically relationship between relationship intensity and audience's purchase decision.

H3. There is a significant statistically relationship between receiver’s expertise and audience's purchase decision.

H4. There is a significant statistically relationship between communicator’s expertise and audience's purchase decision.

Methodology

Data were collected through a questionnaire sent to the individuals via email and We-chat. The questionnaire was pretested to ensure it was easily understood. The scales of questionnaire were all based on five-point-Likert scale (1 = very few and 5 = a lot). We sent 500 questionnaires to the samples

and suggested that the participants could pass the questionnaire on to other friends who were moviegoers. As a result of this process, we collected 402 valid questionnaires.

The demographic profile of the sample showed that, the mean age was 19-29 and 51.4% of the subjects were female. Approximately 70% of the respondents were employed, while 30% of the respondents were students. Most (76.6%) had completed a university degree, while around 24% had completed secondary education. Approximately 50% (48.8%) of the respondents were from first and second line cities.

The research used SPSS 24 software to perform the reliability and validity analyses. The reliability and validity of the research are outlined in Table 1 and table 2. The Cronbach's alpha test conducted shows that the overall score was 0.882 indicating high reliability of the items in the instrument. The KMO measure of sampling adequacy yielded a value of 0.887, indicating that the sample size was large enough to assess the factor structure. The procedures generate KMO value for each construct which was above 0.6 with a significant Bartlett's test of sphericity value, indicating that the data were sufficient to proceed for the factor analysis.

Table 1 Measurements of Reliability

Variable	Cronbach's α	Items
Seeking initiative	0.814	5
Relationship intensity	0.812	5
Receiver's expertise	0.751	3
Communicator's expertise	0.805	4
Audience's purchase decision	0.873	4
Total	0.882	21

Table 2 KMO and Bartlett's test

Kaiser-Merer-Olkin Measure of Sampling		
Adequacy		0.887
Barlett Test of	Approx.Chi-Square	6389.317
Sphericity	df	136
	Sig.	.000

Result

The correlations results were shown in table 3. Seeking initiative showed significant positive correlation with relationship intensity, receiver's expertise, communicator's expertise and purchase decision($r=0.916$, $p<0.01$; $r=0.889$, $p<0.01$; $r=0.910$, $p<0.01$; $r=0.966$, $p<0.01$, relationship intensity showed significant positive correlation with receiver's expertise, communicator's expertise and purchase decision($r=0.892$, $p<0.01$; $r=0.912$**, $p<0.01$; $r=0.967$, $p<0.01$), receiver's expertise showed significant positive correlation with communicator's expertise and purchase decision ($r=0.879$, $p<0.01$; $r=0.951$, $p<0.01$), and communicator's expertise was highly correlated with purchase decision of audience($r=0.963$, $p<0.01$).

Table 3 Results of Pearson correlation analysis (R)

Parameters	Mean	Std.D	Gender	Age	Edu	Occu	Cities	SI	RI	RE	CE	PD
Gender	1.52	0.5	1									
Age	2.6	0.99	0.004	1								
Edu.	2.62	0.966	0.052	0.167**	1							
Occupation	2.3	1.029	0.021	0.342**	0.049	1						
Cities	3.48	1.692	0.04	0.02	-0.041	-0.021	1					
Seeking Initiative (SI)	3.8104	1.07039	0.041	0.151**	0.212**	0.073	0.045	1				

Relationship Intensity (RI)	3.808	1.05534	0.035	0.137**	0.216**	0.077	0.031	0.916**	1			
Receiver's Expertise (RE)	3.8167	1.04928	0.04	0.118*	0.210**	0.027	0.049	0.889**	0.892**	1		
Communicator's Expertise (CE)	3.8377	1.07927	0.038	0.139**	0.197**	0.047	0.024	0.910**	0.912**	0.879**	1	
Purchase Decision (PD)	3.8182	1.0228	0.04	0.142**	0.217**	0.058	0.039	0.966**	0.967**	0.951**	0.963**	1

***:P< 0.001； **:P< 0.01； *:P< 0.05

To evaluate the Hypothesis 1-4, the direct impact of the hypothesized model based on standardized regression weights were presented in Table 4. The result reveled that seeking initiative was positively related to purchase decision (β=0.964, p<0.001); relationship intensity was positively related to purchase decision (β=0.964, p<0.001); receiver's expertise was positively related to purchase decision (β=0.945, p<0.001); and communicator's expertise was positively related to purchase decision (β=0.956, p<0.001). Thus, the Hypothesis 1-4 were accepted.

Table 4 Regression analysis

Variables	Model 1	Model 2	Model 3	Model 4	Model 5
Gender	0.027	0.000	0.006	0.001	0.001
Age	0.103	-0.002	0.016	0.02	-0.001
Education	0.199***	0.013	0.007	0.013	0.029*
Occupation	0.014	-0.012	-0.021	0.025	0.012
Cities	0.044	-0.004	0.008	-0.007	0.018
Seeking Initiative		0.964***			
Relationship Intensity			0.964***		
Receiver's Expertise				0.945***	
Communicator's Expertise					0.956***
R2	0.061***	0.933***	0.936***	0.906***	0.928***
ADJ-R2	0.05***	0.932***	0.935***	0.905***	0.927***
F	5.184***	919.639***	957.247***	635.794***	847.963***
D-W		1.855	2.016	1.993	1.951

Note. *< 0.05, **<0.01, *** <0.001

Conclusion and Managerial Implication

The research reveals 4 factors of E-WOM have impacts on the purchase decisions of audiences: (1) seeking initiative; (2) relationship intensity; (3) receiver's expertise; and (4) communicator's expertise. The higher expertise the audience and communicator has, the more dependent consumers will be on the E-WOM information. Additionally, if the communicator is a Key opinion leader (KOL), then it has greater influence on consumers than non-KOL (Gilly et al. 1998; Bansal & Voyer, 2000; Buttle & Groeger,2017; Chowdhhury & Naheed ,2018).

Animation firms have to be aware that E-WOM is a critical part of the marketing strategy, and the firms must build good relationships with its audiences, especially the KOL to earn their preference and loyalty.

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