

The Differences Between Positive And Negative Word-Of-Mouth –Emotion As A Differentiator?

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Abstract

Organisations are continually seeking new ways to achieve competitive advantage and word-of-mouth (WOM) represents such an opportunity. However, little research has addressed differences in the content and style of 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 indicated 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 who have had a negative experience with a firm are more driven to 'vent' their emotion, offering WOM sooner after the incident than those with positive experiences. By contrast, positive WOM is more cognitive, more considered and more closely associated with service quality-related comments. The study offers a new perspective on WOM research and 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 in markets in which customers are becoming more discerning and demanding and competition is increasing. A potential point of differentiation 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 (Day 1971). However, research on WOM is limited and much of the research involving the WOM construct has used WOM to test the behavioural outcomes of a consumer evaluation model. While WOM can be positive, neutral or negative, research comparing positive and negative WOM is almost non-existent. Consequently, the present study focuses on the differences in positive and negative WOM in terms of content, emotion, strength and influence on opinion.

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 was 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, very little research has examined the composition of WOM. Harrison-Walker (2001) is an exception, delving into the meaning of WOM and identifying two dimensions, which she termed WOM activity (frequency, number of people told about a specific service, level of detail) and WOM praise, enhancing our understanding of WOM giving. More typically, WOM has been used in a peripheral manner, as a behavioural intention or as an aspect of loyalty within a customer

evaluation model (Zeithaml, Berry and Parasuraman 1996; Hartline and Jones 1996; Maxham and Netemeyer, 2002).

Secondly, most of the 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 used positive WOM, as did Harrison-Walker (2001). However, WOM can be positive, neutral or negative (Anderson, 1998). Indeed, evidence suggests negative information plays a greater role in consumer evaluations than does positive information. For example Arndt (1967), among others, suggested negative information has a greater impact on beliefs, while Mittal, Ross and Baldasare (1998) showed that, in line with Prospect Theory (Kahneman and Tversky, 1979, Tversky and Kahneman, 1981), negative perceptions of performance have a greater effect on satisfaction and repurchase intentions than do positive perceptions of performance. Such differences in positive and negative communication or perceptions, suggest that an investigation of differences in positive and negative WOM, beyond mere valence, is worthy of exploration. Thus, the present study, which is discussed in the next section, asked:

- a) Are there any differences in the emotional and cognitive content of positive or negative WOM? We may expect that negative WOM, which includes the 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, does the content also differ?
- c) Are negative messages stronger (e.g. due to emotions such as anger) than positive messages?
- d) Does negative WOM have a greater effect on opinion than positive WOM, as found by Arndt (1967) and suggested by Prospect Theory?

The Present Study

A total of 54 consumers attending a focus group on a related WOM topic were asked to complete two Critical Incident Technique (CIT) forms that asked about a positive and a negative WOM experience, which had occurred within the last year in a service context. Questions included traditional CIT style questions, such as the circumstances leading to the incident, the main reason for passing on the comment (WOM giver only), message details, the strength of communication (WOM giver only), how people felt as a result of giving or receiving information and whether it changed their opinion and behaviour (receiver only). Respondents were asked to complete reports relating to either offering WOM (WOM giver) or receiving WOM (WOM receiver). One hundred and three reports were obtained in this way, which reduced to 92 eligible reports (48 positive and 44 negative). Overall, participants were balanced with respect to gender (50% male and 50% female), were aged from 18 years to 64 years and came from a wide range of occupations and education levels. All of the 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). Firstly, 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 examining 1) whether the message was emotional, cognitive or both, 2) the content (i.e. message core), 3) the reason for givers passing on the comment, 4) how the giver

or receiver felt as a result of the comment and 5) why the receiver acted or not on the WOM. Two members of the research team, independently developed classification categories for the questions in accordance with Bitner, Booms and Tetreault's (1990) procedures. Interjudge agreement, based on Perreault and Leigh's (1989) index of reliability was 0.94 (emotional or 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 suggested 0.70 may be a reasonable value for exploratory work. Thus the coding process for these questions was considered reliable. The results were analysed by cross-tabulating positive/negative WOM with the different CIT questions. Since the cell sizes were small and the assumptions of test not met in the case of several tables, the Monte-Carlo p-value was used.

The Results Obtained

Results supported the expectation that negative WOM was more emotionally based, while positive WOM was more cognitive (Table 1). Correspondingly, the content of the negative WOM message was more likely to derive from dissatisfaction, while positive WOM came from service quality (Table 2). This is consistent with the view that satisfaction has emotional content, while service quality is a cognitive evaluation (e.g., Westbrook and Oliver, 1981; Dabholkar, 1993). Further, positive WOM was also derived from a positive contrast of perceptions to expectations, resulting in favourable surprise. Thus, 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 (WOM 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%) (not shown).

Table 1: Emotional and 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 of perceptions to expectations	13.0%	2.3%	7.8%
Perceptions of value	10.9%	-	5.6%
Recommendation	13.0%	2.3%	7.8%

$\chi^2=35.50$ $p<0.01$

It was clear that giving positive WOM was associated with pleasure in praising the company or helping a friend, although 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 positive 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%	-	3.5%
Confident, encouraged	13.3%	-	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	-	17.1%	8.1%

$\chi^2=31.84$ $p<0.01$

Givers of both positive and negative WOM did not differ significantly in terms of perceived message strength with 25% perceiving their message as very strong, 50% as strong and 25% not so strong across the two groups ($\chi^2=0.687$ $p>0.10$ (not shown). However, negative WOM appeared to be twice as likely to cause receivers to change their opinion about a firm, emphasising the power of unfavourable WOM (Table 4). This finding is consistent with Arndt's (1967) results that found negative WOM was twice as effective as positive WOM in terms of purchase rates. Nonetheless, a very high percentage (91 %) acted on the positive WOM (Table 5), including 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.

Table 4: 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%

$\chi^2=3.98$ $p<0.10$

Table 5: Whether acted on positive comment received (receivers only)

N=	23
Yes	91.3%
No	8.7%

Finally, an examination of the incident reports suggested negative WOM was not only more emotional, but was often also passed on more immediately, than positive WOM, 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 XXX 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- It’s crap.” regardless of whether I knew them or not.”

Conclusions

The study showed that positive WOM is a cognitive construct driven by considered rational evaluation, while negative WOM is largely emotive and is driven by strong emotions, such as anger, frustration and exasperation. Correspondingly, positive WOM was primarily driven by service quality, while negative WOM was driven by dissatisfaction reflecting recognised correspondence between cognition and service quality and affect and satisfaction (Westbrook and Oliver; 1981; Dabholkar, 1993). Recognising the difference between antecedents of positive and negative WOM is significant as negative WOM is almost twice as likely to influence a receiver’s opinion of a product (e.g., Arndt, 1967).

The study suggests WOM is a double-edged sword with the negative side more likely to cut through public consciousness than the positive WOM. It has always been recognised that dissatisfied customers are likely to tell many other people about their dislike for a firm, thereby harming the company’s goodwill. This study provides further evidence to support this view. It also suggests firms seeking to make use of WOM for marketing purposes must realise that positive WOM 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 for directly for passing WOM may be counterproductive. Managers who seek to take advantage of WOM as a marketing tool will need to ensure 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 that enhance positive WOM, while mitigating negative WOM.

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