UTILITARIAN PERCEPTION ABOUT EWOM PLATFORMS AND CUSTOMERS’ PURCHASE DECISION

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Abstract
The eWOM platforms in today’s world have become an essential source of information for every individual. However, customers perceive the eWOM platform usefulness based on the quality of information available in the platform. The present study attempts to apprehend the utilitarian perception about the eWOM platforms and the subsequent decision making for the hotel products and services. We propose a conceptual model and empirically verify it using sample data of 338 respondents who had already experienced eWOM platforms. The study indicates that utilitarian aspects of the eWOM platform influence the perceived usefulness (PU) of the eWOM platforms. It is also found that the customers’ purchase decision (PD) related to the hotel's products and services is affected by the PU of eWOM platforms. Furthermore, the study also shows that acceptance of the eWOM platform and subsequent PD is influenced by gender.

Keywords: Perceived usefulness, eWOM, utilitarian perception, information quality, eWOM platforms, gender.

Introduction
The revolution in information technology and websites' popularity has led customers to get inclined towards online reviews for their PD since it offers more reliable information than company-generated information (Cheung, Sia and Kuan, 2012). The progression in "information and communication technology" and its subsequent effect on socio-economic change (Rayman-Bacchus and Molina, 2001) has led the travelling business to successfully step into the electronic business (Copeland and Mckenney, 1988). Customers can share their experience, expertise, and opinion of different products, services, and brands through various online review channels such as "online discussion boards, electronic bulletin board networks, newsgroups, blogs, review pages, and networking sites" (Munar and Jacobsen, 2014). The reviews shared by the customers on eWOM platforms have thus become an effective
marketing tool, especially in the hotel industry. As the hotel industry is primarily dealing with perishable and intangible products and other services, the probability of relying tendency on online reviews and eWOM platforms has increased for many reasons depending upon, which includes: obtaining comprehensive, reliable, and current information to minimise the level of ambiguity PD making (Liu and Park, 2015). The users also write their experiences of products/services to assist information seekers. (Yoo and Gretzel, 2009)

Certain prior studies have investigated eWOM on various parameters such as eWOM credibility (Albon, Kraft and Rennhak, 2018), eWOM usefulness (Erkan, 2016), eWOM persuasiveness (Pentina, Bailey and Zhang, 2018); and buying intention (Elwalda, Lü and Ali, 2016). However, the number of research and factors undertaken to study users’ behaviour, i.e., eWOM experience, is minimal from the information technology point of view (Hu and Kim, 2018). The e-reviews and eWOM platforms are considered essential sources for accessing vital information among information seekers. Therefore, the present study proposes a conceptual research model for exploring various determinants of information quality and their impact on the PU of eWOM platforms. The study considers the information quality as the utilitarian perception of the PU of eWOM platforms (Nelson, Todd and Wixom, 2005; Cheung, Lee and Rabjohn, 2008). The PU of eWOM platforms is hypothetically assumed to impact the PD, and the moderating role of gender variable is examined to find the degree of the acceptance of the eWOM platforms and subsequent PD related to hotel’s products and services. The proposed conceptual model is empirically tested through valid responses from the structured questionnaire.

Theoretical Background

The Utilitarian Perception

Utilitarian values are primarily functional, instrumental, and cognitive in origin that serves as a means to an end and is frequently equated with logical motives of time, location, and possession demands (Chandon, Wansink and Laurent, 2000). The consumer seeks the cognitive aspect, i.e. information quality, as an essential component of utilitarian value, which he/she finds via various online platforms (Sussman and Siegal, 2003). The following section will cover detailed explanations of information quality and system quality with perceived eWOM usefulness of eWOM platforms and gender moderators.

Hypothesis Development

Utilitarian Perception Dimensions: Information Relevance

The extent of relevance depends on the specific customer's specific requirement in a particular situation (Filieri, 2016). From the customer's perspective, if the information in an online platform meets their requirement, they consider it valid. Online customers expect to scrutinise assessments that influence their needs for specific products and services to reduce information volume (Madu and Madu, 2002). Therefore information relevance is advocated as a significant component in the PD process (Dunk, 2004). Consequently, it is argued that the more critical the information, the greater the perceived information utility of the message:

\[ H1: \text{Information relevance positively impacts the PU of eWOM platforms.} \]
Information Comprehensiveness
To measure the information's effectiveness, one must go through its width, depth, and scope and compare it with the self-requirement (Wang and Strong, 1996) and satisfaction level (Luo et al., 2013). The higher the data's extensive level is, the broader the range of users of the particular online platform, resulting in more user retention. Customers usually go for comprehensive and precise information when making PD in an uncertain environment. Electronic reviews' comprehensiveness has mainly been studied and developed as a significant social media research component (Cheng and Ho, 2015; Thomas, Wirtz and Weyerer, 2019). Based on the discussion, we expect that information comprehensiveness will impact the eWOM utility positively. Thus:

**H2: Information comprehensiveness positively impacts the PU of eWOM platforms.**

Information Accuracy
The customer acknowledges the accuracy of the online reviews based on their degree of perception towards information accuracy (Cheung et al., 2009), subsequently signifying the leading factor (Jamil and Hasnu, 2014). Daft and Lengel (1986) stated that the information's accuracy depends on the reviews' level of perceived usefulness. Filieri & McLeay (2013), in their study, concluded that information accuracy is a strong predictor of information adoption via online platforms. The more accurate a message is, the higher its perceived utility is (Cheung, Lee and Rabjohn, 2008). Previous studies also mentioned that the customer's prior experience with online platform reviews could also affect their assessments' ability. Therefore we argue that:

**H3: Information accuracy positively impacts the PU of eWOM platforms.**

Information Timeliness
The term has a close association with information completeness since the regular up-to-date information and current and timely information completes the comprehensive information's essential criteria (Cheung, 2014). In his study, Thomas, Wirtz and Weyerer (2019) identify that the online reviews' appropriate timeliness increases their quality, subsequently affecting the argument strength that in turn likely to change the users' attitude towards the online review assessment. N. Hu et al. (2008) states that the information timeliness in any online platform is the main driving force that magnifies online customers' attention, subsequently encouraging users' frequency revisit in a particular website. Thus it can be argued that Information timeliness (currency) in context to the online platform provides the latest information that can lead to eWOM usefulness and subsequently in the decision-making process.

**H4: Information timeliness positively impacts the PU of eWOM platforms.**

Value-Added Information
The Value-added data provides information that gives a "competitive edge" to the users, states the magnitude of information helpfulness and provides advantages due to its application (Wang and Strong, 1996). By presenting information that is not readily available via conventional marketing communications, online platforms can help a traveller make more significant decisions (Filieri and McLeay, 2013). The online platforms should get regularly updated with value-added information (Madu and Madu, 2002). As displayed before other reviews available on the page, the updated information will have more significant value when reviews get flashed as "spotlight reviews" (Chen, Dhanasobhon and Smith, 2008). Due to
certain benefits of value-added information, there is a strong probability that one will embrace the relevant information accordingly for their PD (Filieri and McLeay, 2013). Thus we propose that:

**H5: Value-added information positively impacts the PU of eWOM platforms.**

**System Quality**

System quality is defined by its technical competence of delivering sound responses to an individual (Seddon, 1997). Various studies describe the role of system quality in the acceptance of information systems and information technology, arbitrated by usefulness. In the research by Byrd *et al.* (2006), system quality plays a significant role as an antecedent of the PU, which further reduces the operational cost of an organisation. Lin and Lu (2000) postulate that response time is the precedent factor of perceived usefulness. Furthermore, the findings of Alsabawy, Cater-Steel and Soar (2016) have shown that system quality along with information quality and service quality define the PU of e-learning systems. As eWOM platforms offer a user-friendly environment where individuals can search and process the information conveniently, the present study hypothesises that the system quality significantly affects the PU of eWOM platforms:

**H6: System quality positively impacts the PU of eWOM platforms.**

**Perceived eWOM usefulness**

Perceived eWOM usefulness or helpfulness states "the degree to which the customer consider system important for enhancing and facilitating its job performance" (Hajiheydari and Ashkani, 2018; Qu et al., 2018). Cheung et al. (2009) postulate that customers confirm their PD making when they are highly influenced by the quality and clarity of information received after using reviews available online. Online reviews have shown their effect on customer behaviour intention, including purchasing (Litvin, Goldsmith and Pan, 2008). Kowatsch & Maass (2010) establish the relationship between perceived eWOM usefulness and customer decisions for mobile purchasing. Similarly, P. Wang & Li (2019) postulate that travellers perceive a travel website worth when they find it very helpful. Based on the above discussion, we may propose that:

**H7: PU of eWOM platforms positively impact PD.**

**Gender as a moderator**

The role of gender in people's behaviour has been described in various studies. Gender should be measured to attain a better and comprehensive understanding of information technology and the subsequent consequences (A. Adam, 2004). As a moderator, the term gender reveals vital information to reveal the importance of a particular category (Ramírez-Correa et al., 2015). Various studies have discussed the moderation effect of gender on various areas such as mobile shopping (Tan and Ooi, 2018); hotel tablet apps (Kim, 2016); e-learning technologies (Tarhini, Hone and Liu, 2014) and online shopping context (Tan and Ooi, 2018). These studies have shown mixed results about the use of various applications. However, gender research in the hotel industry is insufficient. Thus, the present study contributes to the influence of the Utilitarian aspect of the eWOM platform on PU of eWOM.
platforms and its impact on PD by extending gender differences into PD of hotel's products and services. Thus, we propose the following hypothesis:

H8: Gender moderates the significant influence of PU of eWOM platforms on PD.

Based on the literature review, we propose a conceptual model (shown in Figure 1):

Figure 1: Proposed Research Conceptual Model

Data Collection

The present study adopts the quantitative research approach since it is appropriate for investigating the respondent perceptions. The present study takes Indian customesas sample respondents who have prior experience with eWOM platforms. Furthermore, the present study considers the purposive sampling technique. The data of those customers get accepted who check reviews on eWOM platforms before making any PD for hotel products and services. The questionnaire was circulated through Google Forms with all questions marked compulsory, thus avoiding missing values. As a result, 338 responses in total were acknowledged and used for analysis purposes (see table 1).

Table 1: Summary of Respondents’ Profile

<table>
<thead>
<tr>
<th>Variable</th>
<th>Categories</th>
<th>Frequency</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Male</td>
<td>226</td>
<td>66.8</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>112</td>
<td>33.2</td>
</tr>
<tr>
<td>Age</td>
<td>18yrs. – 25 yrs.</td>
<td>112</td>
<td>33.1</td>
</tr>
<tr>
<td></td>
<td>26 yrs. – 30 yrs.</td>
<td>116</td>
<td>34.3</td>
</tr>
<tr>
<td></td>
<td>31 yrs. – 40yrs.</td>
<td>84</td>
<td>24.8</td>
</tr>
<tr>
<td></td>
<td>41 yrs. – 50 yrs.</td>
<td>18</td>
<td>5.3</td>
</tr>
<tr>
<td></td>
<td>51 yrs. and above</td>
<td>8</td>
<td>2.3</td>
</tr>
<tr>
<td>Qualification</td>
<td>Under-Graduate</td>
<td>104</td>
<td>30.7</td>
</tr>
<tr>
<td></td>
<td>Post-Graduate</td>
<td>216</td>
<td>63.9</td>
</tr>
</tbody>
</table>
Scale Measurement Development

The questionnaire related to the present study comprised two sections: The first section investigates the demographic profile of the respondents and their understanding of eWOM platforms’ usage and experience. The second section includes various determinants of utility perception measured on seven point likert scale, i.e., information relevance, information timeliness, information accuracy, service quality (Wixom and Todd, 2005), information comprehensiveness(Zhao et al., 2015), value-added information(Madu and Madu, 2002); PU of eWOM platforms (Agarwal and Karahanna, 2000)and PD (Lee and Lee, 2009).

Data Analysis and Results

The Measurement Model

SPSS 23 and AMOS 23 were used to examine the gathered information. The results showcase satisfactory reliability and convergent validity. Composite reliability (CR) with a range from 0.87 to 0.93 validates the scale's internal consistency. The recommended construct reliability values are more than 0.70 to provide adequate model reliability. Table 2 shows the detailed results.

<table>
<thead>
<tr>
<th>Items</th>
<th>Construct</th>
<th>Factor Loadings</th>
<th>CR</th>
<th>AVE</th>
<th>MSV</th>
</tr>
</thead>
<tbody>
<tr>
<td>R1</td>
<td>IN_RLV</td>
<td>0.825</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>R2</td>
<td>IN_RLV</td>
<td>0.888</td>
<td>0.874</td>
<td>0.699</td>
<td>0.083</td>
</tr>
<tr>
<td>R3</td>
<td>IN_RLV</td>
<td>0.791</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C1</td>
<td>IN_CMP</td>
<td>0.873</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C2</td>
<td>IN_CMP</td>
<td>0.854</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C3</td>
<td>IN_CMP</td>
<td>0.875</td>
<td>0.918</td>
<td>0.737</td>
<td>0.085</td>
</tr>
<tr>
<td>C4</td>
<td>IN_CMP</td>
<td>0.832</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A1</td>
<td>IN_ACR</td>
<td>0.787</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A2</td>
<td>IN_ACR</td>
<td>0.862</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A3</td>
<td>IN_ACR</td>
<td>0.818</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>T1</td>
<td>IN_TML</td>
<td>0.816</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>T2</td>
<td>IN_TML</td>
<td>0.842</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>T3</td>
<td>IN_TML</td>
<td>0.828</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>V1</td>
<td>IN_VAI</td>
<td>0.888</td>
<td>0.932</td>
<td>0.775</td>
<td>0.109</td>
</tr>
</tbody>
</table>
Evaluating Structural Model

Figure 2 (structural model result chart) and Table 3 (hypothesis testing with moderation analysis) show that all hypotheses are supported. In the utilitarian perception, all the relationship significantly influence PU of eWOM platform: information relevance (β=0.12, p < 0.05), information timeliness (β=0.12, p < 0.05), information accuracy (β=0.22, p < 0.01), information comprehensiveness (β=0.11, p < 0.05), value-added information (β=0.14, p < 0.05) and system quality (β=0.11, p < 0.01). Further, the PU of eWOM platforms has a significant and positive effect on the PD of customers (β0.72, p < 0.01). In addition, the present study has also taken the analysis of the impact of gender moderators between PU and PD. We found that both male customers and female customers have a significant impact of PU of eWOM platforms over their PD, with male customers (β0.788, p < 0.01) having more impact than female customers (β0.562, p < 0.01). Further, the study also concludes a significant moderation of gender in this relationship (z-score -3.448>2.58).

Figure 2: Structural Model Result
** Significant at 95%; *** Significant at 99%

### Table 3: Hypothesis Testing and Moderation Analysis

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Estimate</th>
<th>S.E</th>
<th>C.R</th>
<th>P</th>
<th>Acceptance/Rejection</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 Information relevance impacts the PU of eWOM platforms.</td>
<td>0.118</td>
<td>0.049</td>
<td>2.113</td>
<td>0.035</td>
<td>Supported at 95%</td>
</tr>
<tr>
<td>H2 Information comprehensiveness positively impacts the PU of eWOM platforms.</td>
<td>0.114</td>
<td>0.046</td>
<td>2.031</td>
<td>0.042</td>
<td>Supported at 95%</td>
</tr>
<tr>
<td>H3 Information accuracy positively impacts the PU of eWOM platforms.</td>
<td>0.217</td>
<td>0.054</td>
<td>3.788***</td>
<td></td>
<td>Supported at 99%</td>
</tr>
<tr>
<td>H4 Information timeliness positively impacts the PU of eWOM platforms.</td>
<td>0.124</td>
<td>0.04</td>
<td>2.272</td>
<td>0.023</td>
<td>Supported at 95%</td>
</tr>
<tr>
<td>H5 Value-added information positively impacts the PU of eWOM platforms.</td>
<td>0.137</td>
<td>0.035</td>
<td>2.534</td>
<td>0.011</td>
<td>Supported at 95%</td>
</tr>
<tr>
<td>H6 System quality impacts the PU of eWOM platforms.</td>
<td>0.299</td>
<td>0.036</td>
<td>5.313***</td>
<td></td>
<td>Supported at 99%</td>
</tr>
<tr>
<td>H7: PU of eWOM platforms positively impact PD.</td>
<td>0.715</td>
<td>0.063</td>
<td>11.334***</td>
<td></td>
<td>Supported at 99%</td>
</tr>
</tbody>
</table>

### Moderating Effects

<table>
<thead>
<tr>
<th>H8: Gender moderates the significant influence of PU of eWOM platforms on PD.</th>
<th>0.788</th>
<th>0.014</th>
<th>58.037***</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>0.562</td>
<td>0.020</td>
<td>28.698***</td>
</tr>
</tbody>
</table>

Critical Ratios for Differences between Parameters (z-score) -3.448 (> 2.58) Supported at 99%

**Discussion and Conclusion**

Our research revealed that the users usually adapt online reviews of those eWOM platforms that cover the various dimension of information quality (utilitarian value) such as relevance, timeliness, accuracy, comprehensiveness, value-added information, and system quality. The study also finds the significant impact of PU of eWOM platforms on customers' PD within online communities. Among the antecedent of information usefulness, system quality tends to
be the strongest predictor of users’ adoption of information for its usefulness from an online review. We may infer that system quality significantly impacts user satisfaction through these findings (Wixom and Todd, 2005).

The accuracy of information assists the individuals in adopting information because they believe information comes from actual reviewers who provide accurate hotel product and services information. Value-added information provides customers with a critical review of hotel products and services, allowing them to assess their quality more accurately. In Information relevance, the online reviews provided by peers through their experiences, evaluation, opinions potentially fulfil the various aspects of one’s need for information. Thus, customers embrace online reviews since they might be satisfied with the information they are looking. On the other hand, information timeliness impacts the customer decision since they adopt current information from online reviews and integrate previous assessments when going for PD. The customers would go for a broad range of hotel categories and acquire detailed information about different aspects of the hotel, such as location, accessibility, price range, service offered, pictures of food and beverage, and customer reviews.

Online reviews of good quality from eWOM platforms enormously assist in creating trustworthiness among the particular website that significantly affects their decision-making behaviour. Therefore, when the customers perceive a particular eWOM platform to be helpful to meet their functional requirements, the probability of referring online reviews from a particular website will be more for their PD making. Furthermore, the present study findings also reveal that the acceptance of social media platforms and online booking decisions is moderated by gender. The result supports earlier studies on technology adoption in various contexts and found a stronger relationship between PU and technology adoption for males than females (Acheampong et al., 2018; Assaker, 2020).

**Practical Implications**

The present research finds the information quality dimensions and system quality as an essential antecedent of perceived usefulness. The more satisfied customers are with online reviews and eWOM platforms, the more likely they will be used again, especially in the hotel business. System quality is a powerful influencer in customer decision making, and the accuracy of information is yet another influential influencer in the decision-making process. We suggest eWOM platform management acclimate with customer requirements and guarantee the accuracy of the information that will perceive the usefulness of the websites offering the information. This will assist them to minimise the spreading of sham reviews. The manager and website developers should highlight the actual quality of hotel products and services since customers are highly digitalised customers who can know the pros and cons of the hotel’s product and service quality.

The hotel management should actively showcase their presence by posting reliable and comprehensive information about products and services. It recommends that reverting the queries on a timely basis will create its utility in online consumer communities. Information segmentation as per requirement, posting detailed information with pictures, location and price will help user perception of enhancement. Further, the study provides gender difference findings that aid as the same. The gender inequalities mentioned here can help designers of eWOM platforms create more user-friendly social networking services. The study also
suggests some recommendations to website designers and administrators of eWOM platforms, assisting them in managing their website portals effectively.

**Limitations and Further Studies**

Every research has some limitations, so with this study also. First, the current study conducts among Indian customers only. It recommends that the proposed model be used to consider other geographical areas and demographic profiles to examine the usefulness of the eWOM platforms and how they impact individual behaviour. The second limitation includes the inclusion of a restricted sample. Second, the study focused on all types of eWOM platforms in general. It is suggested to future researchers to examine the model with a particular eWOM platform such as blogs, emails, chat rooms, online communities, discussion boards, corporate websites, e-commerce and social commerce websites. Third, the customers’ perception related to the eWOM platforms is restricted to utilitarian factors only. The inclusion of hedonic factors should be incorporated with utilitarian value and investigated in future.

**References**


