The Influence of eWOM on Virtual Consumer Communities: Social Capital, Consumer Learning, and Behavioral Outcomes

Word of mouth (WOM) is a highly credible form of marketing information. However, because it is difficult to study WOM in the face-to-face context, researchers have limited understanding of its sources of effectiveness or its effects beyond product and brand communications. We analyzed computer-mediated data and conducted face-to-face interviews with beauty product enthusiasts in China to understand electronic WOM (eWOM) in a consumption-interest virtual community. Our findings reveal four categories of responses: (1) sources of social capital, (2) brand choice facilitation, (3) persuasion knowledge development, and (4) consumer reflexivity. We then propose a model and offer a set of postulates to outline future research directions.

Advances in electronic communication technology have popularized the use of new media (as opposed to media advertising), including official and unofficial websites, viral marketing, electronic newsgroups, and blogs that offer consumers instantaneous interactions with advertisers, fellow consumers, and other market players. Among the new media, virtual communities (VCs) especially have become a social phenomenon and changed the way people communicate and relate to one another (Rheingold, 1993). A VC is a social aggregate that emerges "when enough people carry on those public discussions long enough, with sufficient human feeling, to form webs of personal relationships in cyberspace" (Rheingold, 1993, p. 5). To advertising researchers, VCs provide the context for examining the nature and effects of word-of-mouth communications (WOM).

WOM is a highly credible form of marketing information. Advertising professionals have long known the important role of opinion (Dellarocas, 2004), and Levitt and Kiremidjian (1985) found that WOM is the most important source of influence in the purchase of household goods, and advice from other consumers about a service exerts a greater influence than all marketer-generated information combined (Alreck and Seltle, 1995). While WOM is difficult to directly observe in person-to-person contexts (Godes and Mayzlin, 2004), VCs provide a trace of electronic WOM (eWOM, also called "word of mouse") in archived threads that consumers and researchers can access. VCs also extend the two-way exchanges between flow relations to multimedia exchanges among strangers across cyberspace. Thus, VCs provide a dynamic, multimedia, and social interactive platform for WOM.

The objective of this study is to develop an integrated model of eWOM in VCs and offer a set of postulates. We examine social capital in a VC integral to generating credible eWOM and the effects of eWOM on consumer learning and behavioral outcomes. As noted earlier, a body of work has emerged that examines WOM's downstream effects though there is a lack of research that examines WOM's underlying sources of effectiveness. Relatedly, studies that examine WOM's effects focus on examining its influence on product and brand communications while its effects...
INFLUENCE OF eWOM

beyond product/brand knowledge has drawn limited research efforts, thus limit-
ing researchers’ and practitioners’ understand-
ing of the medium. We adopt social capital theory as the “an-
chor” and examine a beauty-care VC in China to understand these issues. We de-
lineate in this study (1) the sources of so-
cial capital in a consumption-interest VC (VCC), (2) the consumer learning (product-
and nonproduct-related) created and ex-
changed, and (3) evidence of behavioral out-
comes. An examination of these issues provides a more comprehensive investi-
gation of eWOM in the context of a VCC. Beauty products comprise an intensely com-
petitive product category and are among the most heavily advertised products in China (CTR Market Research, 2005); yet, the advertisements carry few intrinsic cues and consumers find it difficult to make informed brand choice decisions (Hung, Gu, and Tsai, 2005). eWOM fills this gap and puts forth consumer-generated information to reduce the cost of information search.

CONCEPTUAL FRAMEWORK

Social capital theory

Social capital (Bourdieu, 1986) refers to the “resources embedded within, available through, and derived from the network of relationships possessed by an individual or social unit” (Nabapati and Chouhal, 1998, p. 243) that provide the basis for trust, co-
operation, and collective action in social ag-
ggregates such as an organization. There are structural, cognitive, and relational dimen-
sions to sources of social capital (Adler and Kwon, 2002; Nabapati and Chouhal, 1998). Structural dimension refers to the agenda (McCombs, 1992); rules, and network con-
figuration (Stewart and Pavlou, 2002) that provide opportunities for interaction; cog-
nitive dimension refers to the shared frame of reference that provides motivations for putative exchange (Nabapati and Chouhal, 1998); and relational dimension refers to the norms, obligations, and social identifica-
tion that provide networking motivations (Dholakia, Bagazzi, and Petro, 2004). So-
cial capital is purported to occur naturally when people interact in a social situation and increases overtime and as the density of ties increases (Brown and Duguid, 2001). VC as a consumer aggregate engenders the development of social capital and reflects the same in eWOM that differentiates it from marketer-induced communications. In the following, we examine advertising and per-
sonal selling essential to promoting beauty products to provide a benchmark compar-
ision with eWOM communications.

Media advertising, personal selling, and eWOM

Media Advertising. There are many per-
suasion models developed to examine the effects of media advertising (e.g., Pham and Arnett, 2004; Stern, 1994); yet, a challenge advertising has to meet in an increasingly fragmented market is to establish rapport and resonate with targeted viewers, who elicit radically heterogeneous responses (Grier and Brumbaugh, 1999; Stern, 1994; Zhou and Bell, 2004).

One tactic advertisers use to accommo-
date growing market diversity is an open rhetorical style. A content analysis of mag-
azine advertisements published between 1954 and 1998 shows that recent adver-
sisements provide fewer explanations, but incorporate more rhetorical and compi-
cated figures (Phillips and McQuarrie, 2002) so that consumers would self-
generate advertisement-intended messages. 72%, a consumer-involved, interactive style of communication integral to WOM is used in media advertising as well to establish rapport with consumers.

Personal selling. Sales help compensate the open-endedness of media advertising by tailoring specific brand prepositions to the target audience. Salespeople who em-
gage in active empathetic listening and em-
ploy different strategies in each customer interaction provide sources of sales effec-
tiveness. However, as a marketer-induced tool, personal selling is nevertheless lim-
ited in generating empathetic consumer responses. Pitgol and Miyazaki (2005) showed that analyst-supported periods (e.g., Consumer Reports) provide stronger positive effects on product satis-
faction and choice efficiency than advertisement-supported periods.

eWOM. eWOM is similar to personal sell-
ing in that it provides explicit information, tailored solutions, interactivity, and em-
pathic listening, but it has a lower “distance” between the source of commu-
nication and the receiver than marketer-
induced communications. In spite of the strengths of eWOM (e.g., Hogan, Lemin, and Libai, 2004), researchers have not de-
veloped a cogent understanding of sources of its effectiveness. A recurring theme a-
imined in WOM is strong versus weak ties (Goldenberg, Libai, and Muller, 2003; Hertz, Kudes, and Kim, 1991). Regarding weak-tie eWOM, design elements that are

An important effect of social capital is its ability to pool, create, and disseminate knowledge. Organizational studies show that sources of social capital encourage a person to share his or her knowledge and create new intellectual capital that builds organizational competitive advantages.

To reduce the sense of perceived risks, consumers seek out and rely on information produced by a diverse array of "experts" to help guide their everyday life (Giddens, 1991). Whereas consumers have always reflected upon their own consumption experiences at the individual level, a VCC stimulates and aggregates consumers' discussion on consumption, and highlights potential contradictions between their consumption experiences and marketing forces. Over time, consumers develop persuasion knowledge that helps them identify how, when, and why marketers try to influence them and how they might respond adaptively to these attempts to achieve personal goals (Fristedt and Wright, 1994). Although most consumers have some knowledge about marketers' persuasion attempts, interpersonal exchanges facilitate the development of persuasion knowledge (Fristedt and Wright, 1994).

Consumers' reflexivity

Holt (2004) suggests that marketers are cultural engineers, who use complicated tactics to persuade consumers to think and feel about branded products in a "distorted" manner. However, as the pooling of individual perceptions and interpersonal communications facilitate exchange of knowledge regarding persuasion attempts (Fristedt and Wright, 1994), participation in a VCC empowers members by balancing their informational (dis)advantage and having the opportunity to freely express their concerns and interact with others. Increased reflexivity urges a consumer to become more responsible for and take greater control of his or her consumption activities (Askegaard, Gerssen, and Langer, 2002).

Research questions

The preceding discussion suggests that a VCC and the communications it generates draw their strengths from social capital that remained little understood in this context. eWOM also lowers the costs of information search and makes available diverse, consumer-generated information that likely has strong implications on message reception. Furthermore, the exchange (eWOM) nurtures a culture that encourages members to reflect on marketers' persuasion attempts. The framework that emerges from these themes pertains to three research questions: (1) What are the forces of social capital in eWOM? (2) What types of consumer learning does eWOM generate and what are their effects? (3) What effects does eWOM exert on persuasion knowledge development and consumer behavior? Findings regarding these questions underscore the challenges that eWOM present advertising and marketing professionals.

RESEARCH METHODS

Research context

VCCs provide both opportunities and challenges to companies because of their potential effects on brand, advertising, pricing, and customer loyalty programs (Hagel and Armstrong, 1997). As researchers begin to address these issues, their primary focus has been on brand-centered VCCs (Muñiz and O'Guinn, 2001) many of which are initiated and managed by producers/marketers, and their implications.
for brand management (e.g., consumer loyalty). Multibrand VCCs have received little research efforts.

The selected research site is a newsgroup affiliated with www.onlylady.com (OL), a website popular among women in China. The second author registered as a member at OL in January 2004 and participated in newsgroup discussions to familiarize herself with the language and culture of the community. Two major components constitute OL. The commercial component posts banner advertisements and hosts five categories of e-tailers that sell clothing, health food, essential oils, beauty products, and accessories. Users who post threads on the e-tailer page (rather than the message board page) must pay a fee. The noncommercial component includes 29 newsgroups in areas ranging from beauty to education, romance, and family. The beauty forum is the most popular newsgroup in OL and archived 22.1 percent of all threads, the most popular of which has been clicked more than 100,000 times in two years.

Computer-mediated text and interviews

Because the more popular and useful threads at OL are archived and readily accessible, we downloaded the computer-mediated data and conducted an ethnographic analysis. We limited our investigation to threads posted between October 2004 and April 2005 because of the high volume of postings. We adopted purposive sampling by choosing threads rich in content and descriptiveness that could exert stronger effects on consumer memory (Delgadillo and Escalias, 2003). We downloaded 30 threads, the longest of which contained 309 postings and had been clicked 15,176 times. The postings were written in Chinese mixed with a few terms in English, as part of the language members use. We also conducted face-to-face interviews, participated in OL, searched other websites, and participated in cosmetics shopping (i.e., browsing, talking to salespeople) to immerse ourselves in issues discussed in the newsgroup. We maintained a record of our field notes to document changes over the interpretive stages.

The second author conducted four face-to-face interviews with OL members. We previously surveyed OL members and, based on the contact information they provided, identified those who reside locally. The second author approached these individuals and agreed to meet face-to-face. The interviewees discussed their views on OL, other media (e.g., fashion magazines), and beauty care as well as their internet surfing and cosmetics shopping experiences. The interviews took place in mutually convenient public areas (e.g., in a downtown café) and lasted 1 to 1½ hour each. The interviews were recorded and transcribed verbatim.

We analyzed the postings and the interview verbatim in Chinese and translated into English the postings we report in this article. The first author undertook the initial analysis, provided general directions for the investigation, and wrote the first draft. The second author modified and refined the categories after multiple discussions. We repeated the interpretive cycle, identifying subcategories and relationships among categories until our interpretation provided a consistent reading. We also conducted member checks with five people online to ensure our interpretations were viable.

OL members

Members of the OL site often include the age and occupation when they post their note on the beauty forum. These reports suggest that the majority of contributing members are women 18-35 years of age and include students, working women, and full-time homemakers. On the basis of the contexts of responses and the number of clicks, we observe that members whose taste and brand knowledge are respected by other members tend to be well educated, have high income, and have spent time abroad. Their socioeconomic advantages enable them to obtain the latest product information and experiment with different products.

FINDINGS

We identify four categories of responses:

1. sources of social capital (structural, cognitive, relational),
2. brand certification (product knowledge development, consideration set),
3. personal identification (consumption, slice of life),
4. social identification (reputation, image).

These responses are consistent with the observation that individuals become active participants when their interests and needs are shared, and that OL is a place where members learn about and share their consumption habits. The findings also confirm that OL is a place where members learn about and share their consumption habits.

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Figure 1 eWOM Sources and Implications: A Proposed Framework

knowledge development, and (4) consumer reflectivity—and propose a model for eWOM in a VCC (Figure 1). Previous research noted sources of social capital along the structural, cognitive, and relational dimensions that are knowledge-building (Adler and Kwon, 2002). We confirm these dimensions and adapt them to constructs (i.e., structured eWOM, cognitive focus, and social relations) appropriate in the context of a VCC. Our findings also identify two consumer learning processes (product knowledge development, persuasion knowledge development) and two behavioral outcomes (consideration set, consumer reflectivity). In the following sections, we provide a rich description of the categories and offer a set of postulates suggestive of their relationships.

Sources of social capital

Structured eWOM. Structured eWOM refers to the extent contents in the VCC are structured or framed by the webmaster to enhance opportunities for interaction. Studies on agenda-setting differentiate between news and facts, suggesting that a news item is framed in terms of its placement and size to give it prominence in the media and society (McCombs, 1992). Because the beauty forum is sponsored by a commercial portal, postings likely to indicate opinion leadership in the present context can be framed to reflect the portal’s agenda and rules. Postings on OL are framed in multiple ways: the webmaster may highlight a posting in situ, select a posting to appear on either the first page of the forum (essence) or the home page (hot thread) to increase the selected postings’ stopping power and accessibility, enhance the website’s user-friendliness, and increase web traffic; an important performance measure for websites (Danaheh, Mullarkey, and Essasser, 2006). The framing practice has increased over the three years we observe OL, and prioritized postings include not only those that are popular in terms of member replies, but also those that comprise the webmaster’s choice. Similarly, postings that are “useless” can be deleted by the webmaster together with postings that carry commercial messages or are offensive to the readers, as stated in the OL rules (onlylady.com, 2007).

The four members we interviewed had experiences with other message boards, but they all suggested that OL’s quality posting was a key driver of their continual visits. Thus, whereas priority setting in the VCC may seem restrictive, the procedure helps the sponsoring portal achieve its presumed agenda. After all, the message boards are salient to the portal as 75 percent visitors to OL clicked onto the message boards (alex.com, 2007). Meanwhile, the framing practice encourages strong players to contribute quality postings while weaker players lurk, but continue to visit the portal and build traffic.

Cognitive focus. Cognitive focus refers to the shared frame of reference that motivates members to pursue meaningful purposive exchange in an area of interest (e.g., beauty care). At OL, this is achieved by narrow targeting. OL appeals to young, upper-middle class women who are beauty aspirants, a positioning agreed upon by our interviewees. Thus, either by the web management’s strategic choice or members’ self-selection, OL members comprise a segment that has similar utilitarian cosmetics needs—in terms of skin care requirements (e.g., antiaging versus wrinkle-reduction technology), aspirations, disposable income, and therefore the products and brands of interest. The interviewees differentiated OL from other “mass market” beauty forums that discuss brands in a lower price range.

Geographically, OL members used to cluster around the Shanghai area, arguably the most fashion-conscious metropolises in China. OL has since expanded to include a national spread of larger and smaller cities to form a distributed community. Having a cluster of members in December 2007 journal of advertising research 489
the same region it essential to carrying out purpose exchange that involves product availability, price, and sales promotion in specific local and regional contexts, a topic that surface often in postings. Thus, OL members share similar demographics, geographies, consumption interests, and desire to perpetuate purposeful communications.

Social relations. Aside from objective criteria (e.g., similar demographics), social relations such as norms and social identity also motivate members to participate in a VCC. As a by-product of setting is the social structuring of OL members, some of whom have the ability and motivation, and seer the opportunities to build a reputation in cyberspace, an arguably nonmilitarized motivation. Among the devotees, some become celebrities by spending extended time (e.g., over three hours) and tailored efforts to post depicted threads perceived to be highly credible by members, and to respond to fellow members’ specific inquiries. In return, readers show their appreciation for posters’ goodwill and efforts (e.g., “really want to hug you”) and ensure that the exchange is collegial. Offensive postings are reproached. In sum, members follow specific “netiquette” (McLaughlin, Osborne, and Smith, 1999) that they mutually reinforce. These indications of social relations among “insiders” encourage members to voice their opinions in a constructive manner and lend an authenticity to site daily experiences that commercial messages rarely can approximate.

Conclusions. Structured eWOM, cognitive focus, and social relations form sources of social capital in a VCC. Because the prioritization of quality postings helps clarify the positioning of OL, we posit that structured eWOM enhances the development of both a cognitive focus and social relations in the VCC. In addition, because having a cognitive focus produces a tighter VCC, we posit that a cognitive focus helps develop social relations.

**Product knowledge facilitated**

Product knowledge development. Product knowledge communicated via eWOM opens up a great quantity and diversity of information that commercial messages rarely can provide. Members discuss a brand from multiple perspectives, including price, reputation, effectiveness, and potential problems. They also alert users of lesser known brands and report multiple members’ usage experiences with the same product.

Facet with the quantity and variety of information, members show evidence of learning. They synthesize and systematize fragments of disparate information to develop criteria for selecting a product (or product knowledge development). They identify their own specific needs (e.g., dry skin) and the boundaries of effectiveness for a product (e.g., winter). They also go beyond brand names, but examine product ingredients in an objective, factual manner. The following excerpt exemplifies product knowledge development where members develop criteria to guide purchase decisions regarding facial cleanser and sun blocks.

It does matter which brand you pick, stay away from those that have fragrance and soap, but pick one that has Derylo Glycolide as the major cleaning ingredient. It is mild enough for even highly sensitive skin. As for protection from the sun, I do not use Uvara. I have always used La Roche-Posay because its UVA technology (it’s actually L’oretal technology) is the most advanced, stable, and effective on the market (March 29, 2005).

Consideration set. Consideration set describes the variety of brands a consumer uses and it ranges from many to few. Members’ learning follows a nonmonotonic pattern over time. Typically, a new member to OL practices variety seeking and experiments with a broad range of products given the sudden onslaught of information. As the member becomes knowledgeable, she develops specific buying criteria (e.g., “Safety is #1”), establishes deadlines, and buys only the product that suits her needs. The “consideration set” differs from the (preliminary stage) with regard to the specific products the members select for purchase.
select. Yoyo (age 20), an interviewee, explained that she used to buy "sets" of products (e.g., a combination package of facial cleanser, toner, and moisturizer), but when she learned from VCC members that no one brand makes the best products across all categories, she mix and match products that work best for her.

Conclusions. Product knowledge development refers to members' purposive learning. We posit this type of learning would be affected by structured eWOM and the cognitive focus of the VCC. Social relations among members also increase the postings' perceived credibility. Thus, the structural, cognitive, and relational sources of social capital in a VCC enhance product knowledge development in this context.

Meanwhile, learning affects one's behavior. Our findings suggest that members' product knowledge exerts nonmonotonic effects over time on the size of their consideration set. Thus, we posit that product knowledge development exerts differential effects on new/less informed versus long-term/well-informed VCC members. Specifically, we posit that product knowledge development enhances variety seeking among new/less-informed VCC members, but consolidation of brands among long-term/well-informed members.

Persuasion knowledge development
Persuasion knowledge refers to the awareness of the persuasion agent's attempts. As a noncommercial forum that enhances members' knowledge of beauty care products, the OL beauty forum shows commercial activities. Members are encouraged to report suspicious threads, and the webmaster inquires if they are likely to delete postings involving advertising or promotional attempts. This cultural environment polarizes commercial and noncommercial activities, which enable members to dichotomize the market into two (consumers) versus the other (marketers), which in turn sensitizes members to their vulnerability in the marketplace. During the process, they become acquainted with little advertised, but effective brands (e.g., Xiang Jie Xiaolou), and they learn to appreciate member suggestions more than sales help.

The OL [beauty advisor] suggested that I use sennai and not orchid, but I insisted on following OL's [Jie-Mei or sisters at OL] recommendations and bought Clarins' orchid oil (April 27, 2005).

In addition to purposeful postings, a body of "confession threads" indicates members' anxiety over the temptations posed by promotions, discounts, gifts, and attractive packaging, as well as their own inability to control the desire to consume:

"It seems that whenever my favorite brands are on promotion, I can't help but buy yet another one even though I have done so already and do not need a replacement. I am always afraid that the opportunity will fly away if I do not grab it. . . . Is there anyone else like me?" Please reply. At least let me know I am not the only one and I am normal (July 20, 2004).

The thread leader certainty is not a unique case given the more than 50 replies. Members noted that information was pouring in from every channel, even if they stayed at home. "You can't escape from them," one member lamented. Being reflexive, other members complained that OL was just another channel to spread information about products that also provides more temptation than most other channels because of its ease of use and convenience.

The awareness of their vulnerability triggers members' desires to understand and evaluate marketers' persuasion attempts. Postings at OL discuss a broad range of topics, including the chemical mechanism behind beauty care and the operation of the beauty industry. A thread entitled "Uncover the dark side of the cosmetics industry!" shows that members are aware of marketers' tactics and goals, as exemplified in the following critical excerpt:

As soon as you understand the ingredients in cosmetics, you know that you are wasting your money on antiseptics, stabilizers, and colorants. These chemicals are doing nothing to your skin. Their high price is a result of the operational costs, such as ads. We spend so much money on cosmetics just to get aqua (water) and few effective ingredients. It's easy to make money off women (November 25, 2003).

This "hot thread" elicited considerable interest and was updated consistently for more than 18 months (to at least April 2005, when our data collection ended).
Responses to this thread included critical discussions of the use of specific advertising appeals (e.g., typical person endorser) in the beauty industry. Members’ persuasion knowledge appears to reduce the authority of marketers.

Conclusions. Extensive functional communications on issues not covered in marketer-induced communications (e.g., awareness of less advertised brands, the function of specific product ingredients) sensitizes VCC members to marketers’ persuasion attempts. Discussion of one’s vulnerability as a consumer also encourages the development of persuasion knowledge in the community as readers resonate with the poster’s perceptions and experiences. We suggest earlier that structured eWOM, cognitive focus, and social relations are antecedents to a member’s product knowledge development. We posit that a member’s product knowledge enhances his or her development of persuasion knowledge.

Consumer reflexivity
Reduce excessive buying (passive). First and Venkatesh (1995) suggest that “in a period of largely modern production systems and postmodern consumer sensibilities, the consumers frequently find themselves in a dilemma, and most experience some level of stress” (p. 255). This is especially true of consumers interested in beauty care, because it is nearly impossible to approach what marketers describe as beauty “perfection” (Belk, 2001). Some consumers are continuously tempted to buy new and improved products, but feel guilty about spending too much money on too many products. As members develop more persuasion knowledge, they become more vocal and there are many threads posted on the forum intended to help members avoid the indulgence in consumption and stockpiling. A thread entitled “No more skin care products in 2014” (posted June 20, 2004) expressed this very concern. Others use the OL, forum to remind themselves and others to remain frugal by listing the products they have stockpiled, thus reminding themselves that excessive skin care harms rather than rejuvenates skin conditions, and noting that “there is always something better in the future.” These threads help members critique and restrain their potentially excessive consumption behavior.

Enrich consumption experience (active). While excessive consumption may result in some members’ subjective sense of loss of control, other members enact new meanings and identities from consuming creatively. They suggest that “you have to explore the most effective and unusual ways of using a product.” Rather than using the products provided by companies, some members advocate DIY for essential oils:

I browsed the Clarias website. The ingredients for Huile Santal are simple, just sandal, lavender, and parsley. I don’t know whether we can use these oils to formulate Huile Santal ourselves. . . . I read all the archived threads on essential oils. . . . Ah, I am ready to conduct my own research (December 24, 2004).

The meanings the member derived from beauty products go beyond the utility of the products to include the process of learning about and formulating essential oils.

Stop pirated products (active). A byproduct of OL provides members is a network of consumers that potentially can be empowering. Our observations show that members are not only concerned with their own consumption activities, but also use the network to dissuade agents harmful to consumers. Although online shopping is becoming more and more popular, it remains a risky means of making a purchase in China, because pirated goods are everywhere, and few consumers have the expertise to verify the authenticity of a product. Some members therefore took as their cause the boycotting of dishonest online retailers that sell pirated beauty products by posting and updating their names and internet addresses. Others took pictures of products to illustrate the differences between authentic and pirated goods. A thread entitled “Stop fake products! But don’t know if it works!” (September 17, 2003) noted the story of a member who exploited loopholes in a auction site so that a dishonest retailer could not take advantage of unknowing consumers. Her actions were regarded at herculean at OL, and her example was followed by many other members.

Conclusions. As VCC members increase their persuasion knowledge, they become more assertive and undertake reflexive behavior, be it active or passive, to adapt to or resist marketers’ persuasion attempts.

DISCUSSION
The current study examines a self-built beauty forum (OL) and investigates eWOM in the VCC. Our findings delineate the sources of social capital relevant to eWOM (structured eWOM, cognitive focus, social relations) that have impacts on consumers’ learning (product knowledge), persuasion knowledge development, and behavioral outcomes (consideration and consumer reflexivity). We then proposed a integrated model and outline a set of implications that examine relationships among the constructs.

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As VCC members increase their persuasion knowledge, they become more assertive and undertake reflexivity behavior, to be active or passive, to adapt to or resist marketers’ persuasion attempts.

This research shows that consumer ties, source credibility, and social norms are sources of effectiveness in eWOM. Our findings suggest that by framing the postings to increase the accessibility of the selected few, the moderator could potentially clarify the targeting/positioning of the VCC, encourage expert posters to participate actively and less experienced members to lurk, and help develop the social/relational motivation among members, who appreciate reinforcement and support. These activities in turn boost the sponsoring portal’s web traffic. An online strategy is becoming a firm’s overall strategy (Edelman, 2007), understanding the areas that a firm can support website navigability and address user needs are important to marketing and advertising professionals.

To an advertiser, a VCC is a new medium and a content provider. Because the contents are provided by posters on their own initiatives, a VCC is similar to reality shows on television, where the director could influence, but could not dictate the outcome. Thus, VCCs provide both opportunities and challenges. A VCC that is focused, such as the OL beauty forum, provides important “contact points” for the advertisers to engage involved consumers. There is evidence that advertisers are already reading VCC postings and using them to their advantages: When the second author inquired about Clarins’ essential oils at a cosmetics counter, the salesperson discussed users’ acclaim on internet newsgroups in her effort to convince the author of the product’s merits. Meanwhile, some companies take a more active role: SK-II, a cosmic brand allegedly using misleading advertising, posted the message “Friends on the Internet” on popular websites in China to clarify the company’s position and thank Internet users for their support (Sina. com, 2005). While these examples indicate that some companies are tackling the issues, future research needs to examine issues such as how an advertiser can best improve interactivity with a consumer-user.

Past research shows that eWOM has strong influence on product and brand decisions. Our findings go beyond the direct effects and indicate that eWOM have differential effects on informed and uninformed consumers. To an uninformed consumer, eWOM may trigger variety-seeking and excessive buying; to an informed consumer, eWOM facilitates selective buying tailored to the consumer’s specific needs. Additional research should examine the moderating effects of consumers’ prior product knowledge and use a longitudinal design to trace consumers’ behavioral changes as they become more informed over time through participation in the VCC.

Consumption as a salient part of life is under scrutiny and consumers increasingly reflect on their own consumption attitudes and behavior. There are many sources such as magazine articles and television programs that can trigger reflectivity thoughts. However, a VCC plays a distinct role by extending individual-level reflectivity to a collective level by stimulating and aggregating consumers’ discussions about consumption, and highlighting potential contradictions between their consumption experiences and marketing forces. We also observe passive and active reflectivity among VCC members to reduce excessive buying, enrich consumption experience, and stop pirated goods. However, as a VCC, members can hardly avoid the consequences of having consumption aspirations. Many admit that they have spent much more money on beauty products after they become members than before. Rather than escaping from the market of beauty products, members explore alternative ways to protect themselves and enrich their consumption experiences beyond the dictates imposed by marketers. Marketers and advertisers need to understand consumers’ quest for self-discovery to use meanings, symbols, and images to create their own consumption experiences. Indeed, marketers’ cooperation rather than imposition could help attenuate the tensions between marketers and consumers in a rapidly expanding market.

We acknowledge the several limitations of this research. For example, we have no way of including the opinions of ‘turkers,’ or those who read, but do not contribute to a forum. Furthermore, by selecting threads posted between October and April, we inevitably have included a larger proportion of threads that relate to members’ “New Year’s resolutions,” which are likely to be more reflective. Although we have no reason to expect that threads posted during other months would reveal categories unlike to that time of the year, we recognize that the topics discussed in the newsgroup may have seasonal variability. In addition, we paid limited attention to individual and social interactive.
enjoyment members gain by participating in newsgroups. As Hoffman and Novak (1996) suggest, flow or a sense of fullfill-
ness is a strong motivator for using the internet, so individual enjoyment and so-
cial interactivity could delineate new di-
sections for additional research that goes beyond the postulates we identify. [5]

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