

**A Comparative Study:
Does the Word-of-mouth Communications and Opinion Leadership Model
Fit Epinions on the Internet?**

Yan Jin
Graduate Student of School of Journalism
University of Missouri -Columbia
211 S. College Ave, #3
Columbia, MO 65201
Yi82c@mizzou.edu
(573) 817-3293

Peter Bloch
Professor of Marketing
University of Missouri -Columbia
10b Middlebush Hall
Bloch@missouri.edu
(573) 884-1808

Glen T. Cameron
Professor of School of Journalism
University of Missouri -Columbia
214 A Walter Williams
CameronG@missouri.edu
(573) 884-2607

A Comparative Study:
Does the Word-of-mouth Communications and Opinion Leadership Model
Fit Epinions on the Internet?

Abstract

By reviewing the literature on word-of-mouth communications and opinion leadership, a theoretical model for epinions is proposed via comparing the epinions with the traditional WOM and opinion leadership model in five facets: (1) The changing environment of interpersonal communication fostered by the Internet and increasing epinion sites; (2) Comparison of the interactive process of epinions and traditional WOM model; (3) Comparison of recommendation sources of epinions and WOM; (4) Comparison of the motivations for recommendation source providence and source search; (5) Comparison of communication effects of epinions and WOM. And then nine propositions are suggested. The author proposes that these classic models and theoretical frameworks tend to apply to epinions model, but the opinion leader's accessibility and credibility are affected negatively due to the technical and equipment requirement, and the uncertainty of epinion leader's identity and qualification may effect epinions' communication effects.

INTRODUCTION

Epinions, defined later in this paper as non-professional consumers' opinions about a specific product, service or brand that are posted on a company-sponsored consumer forums, a neutral third-party site or in chat room, have become an important phenomenon on the Internet and in the course of online communication with the primary aim to get people to share their opinions and recommendations of products and services. Since 1999, there are an increasing number of articles published in business trade journals about the emerging phenomena as opinions posted online, web of advice, and online review and rating process. More and more consumers found themselves turning to digital referral network and online reviewers to get out of information jams and make better buying decisions. Free advice is available from company-sponsored consumer forums, neutral third-party sites, and chat rooms. The topics of those opinions involve a broad range of product categories, including gadgets, books, tools, cars, movies, and hobbies, etc. Those opinion providers online spend a lot of time giving free advice to mostly anonymous opinion receivers or seekers, and the motive for them to do so is likely to "help on modern life's daily hypertensive moments"(Hamilton, 2001).

Basically, there are two kinds of epinions. (1) Paid epinions: Some commercial sites motivate the advice-givers by paying them based on how popular their reviews are. In this format, an epinion giver can get paid by reviewing products on the advice site such as Epinions.com, and different viewers for different product area sometimes get paid differently, for example, electronic-products area reviewers attracted a lot more traffic--and money. Violators of copyright and other epinions rules have their payments canceled and can be tossed off. (2) Unpaid epinions: Some company sponsored sites, such as Amazon.com, and some neutral third-party sites as well as chat rooms provide specific community of unpaid advice-givers. For

example, Amazon lets customers provide bad as well as good reviews right on the page where the item is sold, which has attracted more than 2 million postings and has become addictive for some readers. Without tangible payment, there are intangible rewards as self-satisfaction and gratification from opinion receivers or seekers.

Accordingly, there are different categories of opinion givers based on their motives of advice sharing: (1) Opinion givers who just want to talk about products they love; (2) Opinion givers who want to help others and get satisfaction from doing so. As a kind of basic drive of human beings, helping out may be a basic human drive, and New York psychologist John Shuler, author of the *Psychology of Cyberspace*, says providing advice and feedback online taps into the desire many of us feel to share information about which we consider ourselves expert. Otherwise venue-less experts get "a sense of power" helping others online (Hamilton, 2001).

Basically, opinions are opinions, reviews and rankings of the Internet masses posted online in contrast to those of professional critics at other professional or "ask an expert" sites, or in old-media sources or classic word of mouth communication. To maintain the quality and credibility of the opinion reviewers, some sites like Amazon not only allows book reviews, but lets customers vote on the "helpfulness" of the reviews people post, and the sites start to rank the reviewers based on some secret formula. On those opinion sites, top reviewer list and ranking formula as well as bios and expertise of top reviews on some sites are often provided for opinion seekers. Opinion.com even provides reviews of the reviewers to help you decide whom to trust and incentive for reviewers to take their jobs seriously – they get paid depending on how often their reviews are read (Gately, 2000).

As a kind of shopping service powered by online word of mouth (Greens, 1999) and interpersonal communications taking place on the Internet, there has not been any

communication model or conceptual framework for it yet. And the questions about how these opinion-provider sites should develop in the future, what could be their revenue source, and their credibility compared with their accessibility can only be addressed after a clear opinion conceptual model is constructed and tested. Comparison between the opinion model and the classic model of word-of-mouth communication and opinion leadership should provide insights in understanding opinions' source credibility, information flow and communication effects. This paper will provide an integrative framework that attempts to explore the motivation of opinion seekers who search for information/advice, source assessment on its accessibility, credibility as well as source homophily of the opinion givers, and the communication effects of opinions. The primary theoretical support for this opinion model are derived from word of mouth communication and opinion leadership in dynamic social and interpersonal ties together with homophily theory in communication and attribution theory in marketing (the two latter theories will be elaborated in the comparison part of the opinion model). And this paper is organized in the following structure: First, key conceptual definitions and theories will be introduced, which will provide the background for the following model development; second, a conceptual model and several propositions for opinions will be developed by comparing the word of mouth and opinion leadership models with the new characteristics brought in by opinions; then, conclusion will be made and future research avenues will be discussed.

KEY CONCEPTUAL DEFINITIONS AND FUNDAMENTAL THEORIES

Word of Mouth Communication

Marketing researchers have found that personal sources play a particularly influential role in affecting product choice, selection of service providers, and in the diffusion of information

regarding new products. Personal sources often are rated by consumers as the most important source of information, especially when the information seekers perceive high risk, or when consumers are generally susceptible to interpersonal influence (Gilly et al. 1998).

One of the most widely accepted notions in consumer behavior is that word-of-mouth communication (hereafter WOM) plays an important role in shaping consumers' attitudes and behaviors (Brown and Reingen 1987). WOM is a kind of interpersonal communications in which none of the participants are marketing sources (Bone 1995). Katz and Lazarsfeld (1955) found that WOM was the most important source of influence in the purchase of household goods and food products. It was seven times as effective as newspapers and magazines, four times as effective as personal selling, and twice as effective as radio advertising in influencing consumers to switch brands.

During the 1960s and early 1970s, many other studies demonstrated the continued importance of interpersonal influence. Arndt (1968) proposed that WOM exposure often appeared to be more selective than was exposure to the mass media. In a study on a new food product, the respondents who were most predisposed to buy the new product were more likely to report WOM exposure, while the less favorably predisposed respondents were less likely to receive WOM. Therefore, WOM seemed to reinforce existing tendencies to buy new products. Day (1969) corresponded to Arndt (1967) that WOM has a much greater impact than communications on those who are exposed, because there is an opportunity for feedback and clarification; WOM is regarded as providing more reliable, trustworthy advice; and personal contacts are generally able to offer social support and encouragement.

Opinion Leadership

Central to the study of interpersonal WOM communications has been the concept of opinion leadership, which proposes that some individuals exert a disproportionate amount of influence on the behavior of others in some given topic area (Summers 1970). This paper embraces that opinion leadership is the degree to which an individual is able informally to influence other individuals' attitudes or overt behavior in a desired way with relative frequency (Rogers 1983, Mowen 1990).

The topic of opinion leadership has long been of interest to consumer researchers because opinion leaders play an important role in marketing strategies and the concept itself makes a key contribution to models of consumer decision making. The construct of opinion leadership has its roots in the voting behavior study conducted by Lazarsfeld, Berelson and Gaudet (1948), in which they concluded a two-step flow of communication theory that ideas often flow from radio and print media to opinion leaders and from them to the general public. This theory portrays opinion leaders as direct receivers of information from impersonal mass-media sources, who in turn transmit (and interpret) this information to the masses. In this theory, the opinion leader is viewed as a middleman between the impersonal mass media and the majority of society. Katz and Lazarsfeld (1955) expanded on this early work and described the influence some people have over purchase decision of others. According to their study, opinion leaders exert their influence through communication.

Optimal use of opinion leadership depends on its reliable and valid measurement. Three basic techniques of measuring opinion leadership are provided: self-designating, sociometric, and key informant (Goldsmith and Desborde 1991; Jacoby 1974). While there were various specific operational measures of opinion leadership, all traced their origin to one of the above three different measurement approaches. Silk (1971)'s study offered suggestions for controlling

responses bias which might affect the Rogers self-designating opinion leadership scale. Weimann (1991) examined a new measure to identify opinion leaders (the Strength of Personality Scale) developed by the Allensbach Survey Center in Germany. Flynn et al. (1996) described in a study the development and validation of multiple-item self-report scales to measure opinion leadership and opinion seeking for specific product or service domains. Five separate studies provided ample evidence for the unidimensionality, the reliability, and the construct and criterion-related validity of the resulting scales.

COMPARATIVE STUDY OF EPINION MODEL AND W-O-M MODEL

A Temporary Definition of Epinions

Upon the examination of current development of epinions and the definitions related to WOM and opinion leadership, a temporary definition of epinions are provided before getting into the discussion of opinion model itself – Epinions are non-professional consumers' opinions about a specific product, service or brand that are posted on a company-sponsored consumer forums, a neutral third-party site or in chat room.

Personal source is still the most important source of information even online. Just the same as WOM and opinion leadership, when the information seekers perceives high risk or are generally susceptible to interpersonal influence, epinions will be perceived most important among diversified online information. As WOM is a kind of interpersonal communications in which none of the participants are marketing sources, epinion is also a kind of interpersonal (though it kind of blurs the boundary of interpersonal and interpersonal communication, as will be discussed later) communication and the definition of epinions in this article has excluded marketing-source professional opinions. The basic mechanism of epinions is compatible with

that of WOM or opinion leadership. A fair amount of information and advice, especially as to the strengths and limitations of products and services, is offered in these online chat sessions. Within such kind of context, the Internet is proving to be a fertile environment for word-of-mouth communication.

Based on the integration of the classic word of mouth communication model and opinion leadership theories, a theoretical model for epinions will be proposed via comparing the epinions with the traditional WOM model in the following facets: (1) The changing environment of interpersonal communication fostered by the Internet and increasing opinion sites; (2) Comparison of the interactive process of epinions and traditional WOM model; (3) Comparison of recommendation sources of epinions and WOM; (4) Comparison of the motivations for recommendation source providence and source search; (5) Comparison of communication effects of epinions and WOM.:

From Opinions to Epinions – The Changing Environment for Interpersonal Communication

In classic opinion leadership theories, opinion leaders and opinion receivers often have close proximity that increases the occurrence of product-related conversations. With the rapid growth in the use of the Internet, a type of close “electronic proximity” or “communities” is created, in which people of like minds, attitudes, concerns, backgrounds, and experiences are coming together in community sites or chat rooms to explore their common interests. A fair amount of information and advice, especially as to the strengths and limitations of products and services, is offered in these online opinion sites. Within such kind of context, the Internet is proving to be a fertile environment for the classic word-of-mouth communications, and the

dynamics of the opinion leadership online need to be redefined. The Internet has significantly impacted the social interaction and the presentation of the self online (Mann and Stewart 2000) and given online communication a different look from traditional personal communication and mass communication.

As stated by McQuail (2000), Internet, as the representative of new media, can be seen as a new medium for interpersonal communication, for interactive play, and for information search and collective participation. As far as collective participation is concerned, it includes especially the uses of the Internet for sharing and exchanging information, ideas, experience and developing active relationships. It can be seen as a virtual substitute of interpersonal communication and personal information search.

On the other hand, online identities are often not genuine or revealed. They are adopted and often designed to conceal aspects of identity, for instance age or gender (Jones 1997). Participation in many online discussions and interactions is thus essentially anonymous, and this may sometimes be part of the attraction. However, the lack of authenticity and also commitment tends to undermine the credibility of the virtual community and opinions in a larger sense.

PI: The rapid growth in the use of the Internet fosters close "electronic proximity" or "communities," in which opinions are conveyed based on people of like minds, attitudes, concerns, backgrounds, and experiences who are willing to exchange information and advice, especially as to the strengths and limitations of products and services.

Comparison of Interactive Processes – New Patterns of Information Transmission

Two Dutch telecommunication experts, Bordewijk and Kaam (1986) have developed a model, in which they describe four basic communication patterns and show how they are related

to each other: (1) *Allocation*, information is distributed from a center simultaneously to many peripheral receivers. It is typically one-way communication to many, with relatively little personal “feedback” opportunity, in which time and place of communication are determined by the sender or at the “center”. (2) *Conversation*, individuals (in a potential communication network) interact directly with each other, bypassing a center or intermediary and choosing their own partners as well as the time, place and topic of communication. Characteristic of this pattern is the fact that parties are equal in the information change. (3) *Consultation*, it refers to a range of different communication situation in which an individual (at the periphery) looks for information at a central store of information – data bank, auction website, online rating, etc., in which the time and place of consultation and also the topic are determined by the receiver and the periphery and not by the center. (4) *Registration*, it is actually the consultation pattern in reverse, in which a center “requests” and receives information from a participant at the periphery. The accumulation of information at a center often takes place without reference to, or knowledge of, the individual. Based on the patterns above, opinion pertains most to the conversation (email and chat) and consultation (rating and opinion posting).

As its characteristic is concerned, WOM differs from other information sources in several important ways. First, WOM communications differ from nonpersonal sources of external information in that the WOM channel is immediately bi-directional and interactive. The reality of the situation in the WOM channel is constructed by mutually perceiving pairs; the source of WOM information implicitly perceives a variety of attributes about the information seeker and the communication situation, and the WOM seeker likewise perceives a variety of attributes about the WOM source and the situation. Therefore, the WOM search is proactive rather than the passive, informal information exchange that tends to occur unsolicited in everyday

conversation (Gilly et al. 1998). The key characteristic of the influence is that it is interpersonal and informal and takes place between two or more people, none of whom represents a commercial selling source that would gain directly from the sale of something.

The nature of opinions in a large sense blurs the distinction between personal and impersonal communication, which may in turn blur the definition of word-of-mouth communication. Opinions don't have to be immediately bi-directional, because besides chat room opinion exchange, there are many other formats of opinions that may not be exchanged simultaneously. Further, without need to talk with people face to face, there is no restrictive definition as "personal" communication to opinions. Typing words to a number of anonymous web users is a kind of "impersonal" communication behavior as far as the physical proximity is concerned. Opinion communication can also be seen as a kind of mass-to-mass communication instead of pure one-to-one communication, because several viewers' comment to a product can reach several opinion seekers simultaneously via the medium of Internet, and there is no physical proximity limitation set by conversation situation.

P2: Opinions are a kind of combination of personal and impersonal communication, and mass-to-mass communication and pure one-to-one communication, which blurs the boundary of mass communication and word of mouth communication.

Comparison of Recommendation Sources

Source-Receiver Homophily and Heterophily. As a fundamental principle of human communication, source-receiver similarity promotes communication effectiveness. The effectiveness of communication is indexed by the extent to which the intentions of the source are reflected in responses elicited from a specified audience or receiver. Communication

effectiveness relates to the degree to which a source exercises influence over the actions and reactions of message recipients (Alpert and Anderson, 1973). Alpert and Anderson further argue that communication and its potential for influence occurs most frequently among individuals who are similar, alike, that is homophilous. Perceived or subjective source-receiver homophily/heterophily (similarity/dissimilarity) on attributes which are relevant to the communication process correlates with interpersonal attraction and frequency of interaction, and with the potential effectiveness of communication.

The perceived or subjective source-receiver homophily/heterophily for opinion providers and seekers are different from those in traditional WOM model. Since most opinions are communicated in anonymous status (though there are some opinion sites providing reviewer's bio and expertise to opinion seekers), it is hard for source and receiver to identify the demographic or physical similarity or dissimilarity such as gender, age, occupation and so on. For opinion model, experience proximity seems most important for source and receiver to construct homophily and thus enhance the communication effects. The source's experience homophily may be assessed easily by reading the opinion provider's personal experience about some specific product or brand in the review. Just as the result of Pillemer and Keeton (1995)'s study, experiential similarity (e.g., having experienced a similar status transition) is more important than structural similarity (e.g., similarity of age, gender, marital status) in determining sources of emotional support and stress following life events.

P3: Since it is hard for opinion source and receiver to identify the demographic or physical similarity or dissimilarity, experiential proximity is most important for source and receiver to construct homophily and thus enhance the communication effects.

Strong-Tie vs. Weak-Tie. Brown and Reingen (1987) presented a network analysis of WOM behavior in a natural experiment, in which they employed the relational properties of tie strength and homophily to examine WOM referral behavior at the macro level of inquiry (e.g., flows of communication across groups) as well as the micro level (e.g., flows within dyads or small groups) (Brown and Reingen 1987; Frenzen and Nakamoto 1993). The study proposed that WOM recommendation sources could be categorized according to the closeness of the relationship between the decision maker and the recommendation sources, or the "tie strength". The tie strength of a relationship is defined as strong if the source is someone who knows the decision maker personally; tie strength is defined as weak if the source is merely an acquaintance or one who does not know the decision maker at all. At the macro level, weak ties displayed an important bridging function, allowing information to travel from one distinct subgroup of referral actors to another subgroup in the broader social system; at the micro level, strong and homophilious ties were more likely to be activated for the flow of referral information. Strong ties were also perceived as more influential than weak ties, and they were found to be more likely to be utilized as sources of information for related goods (Brown and Reingen 1987). The primary advantage of strong-tie recommendation sources is that they can simultaneously evaluate the decision maker and the product alternatives to provide information that is custom tailored to the decision maker's preferences. Weak-tie recommendation sources have the advantage of not being limited to the social circle of the decision maker, so they are more numerous and more varied. Consequently, there is a greater likelihood of finding more and better information regarding the product from weak-tie recommendation sources (Duhan et al. 1997).

Upon the definition of strong-tie and weak-tie recommendation source, most of the opinions fall into the realm of weak-tie recommendation sources, because most of the time the source of opinions is merely an acquaintance or one who does not know the decision maker at all with concealed identity and anonymous status. Hence there is a greater likelihood of finding more and better information regarding the product from opinions.

P4: Most of the opinions fall into the realm of weak-tie recommendation sources and there is a greater likelihood of finding more and better information regarding the product from opinions.

Source Accessibility and Credibility. In traditional WOM model, opinions have relatively high accessibility and high credibility. Information on product or service information or advice from opinion leaders can be easily accessed and transmitted during a conversation or dialogue without any technical requirements. Because opinion leaders often base their product comments on firsthand experience, their advice reduces for opinion recipients or opinion seekers the perceived risk or anxiety inherent in buying new products. The very fact that opinion leaders provide both favorable and unfavorable information also adds to their credibility.

Obviously, compared with traditional WOM and opinion leadership, opinions have limited accessibility and comparatively lower credibility. First, without Internet connection or not knowing the Internet technology, it is impossible to get access to the opinions disseminated exclusively online, and though feedback from the reviewers can be got in a short period of time, it still takes time to access and communicate with opinion leaders compared with in pure WOM communication. Second, since opinions are opinions, reviews and rankings of the Internet masses posted online in contrast to those of professional critics at other professional or “ask an

expert” sites, or in old-media sources or classic word of mouth communication, opinion receivers can hardly identify the opinion leader who posts his/her opinions about a product or a brand. Thus there is no definite guarantee if the opinion leader really bases his/her product comments on firsthand experience as being done by classic opinion leaders. But for some specific formats of opinions, positive and negative product information are provided objectively under “pros” and “cons”. This decent content credibility may compensate part of the low source credibility of opinions. Further like classic opinion leaders, opinion leaders do offer both consumption information and advice, which helps reduce the perceived risk of a consumer when making purchase decision. To maintain the quality and credibility of the opinion reviewers, some opinion givers demonstrate credibility by mentioning experience or credentials, and some sites let customers vote on the "helpfulness" of the reviews people post, and the sites start to rank the reviewers based on some secret formula. On those opinion sites, top reviewer list and ranking formula as well as bios and expertise of top reviews on some sites are often provided for opinion seekers.

P5: Compared with traditional WOM and opinion leadership, currently opinions have limited accessibility and comparatively lower credibility.

Profile of Opinion Leaders vs. Opinion Leaders. As far as the profile of opinion leaders is concerned, there is no obvious difference from traditional opinion leaders except that opinion leaders have to be savvy with Internet and online communication, because both opinion and opinion leaders are people giving information and the personal characters are comparatively stable compared with the different communication media intervened. The following examination of opinion leaders in traditional WOM model largely fits with opinion leaders:

Many attempts have been made to construct demographic, personality, attitudinal, and behavioral profiles of opinion leaders. Summers (1970) proposed three dimensions on the identity of the opinion leader: demographic, social and attitudinal, and topic-oriented. Several studies have found that opinion leaders exhibit generally greater exposure to the mass media (Katz 1957; Katz and Lazarsfeld 1962; Rogers and Cartano 1962; Summers 1970), while others found equal or even less exposure for opinion leaders (Myers and Robertson 1972; Robertson 1968, 1971). In addition, one study found no relationship between opinion leadership and interpersonal communication (Myers and Robertson 1972) and that opinion leaders did not seem to differ from nonleaders in terms of the major demographic variables, with some exceptions, and there was a moderate relationship between opinion leadership and innovative behavior. Armstrong and Feldman (1976) found that opinion leaders differed substantially from nonleaders in initial information sources, while the primary differences were in the use of magazine and friends, with more leaders citing magazines and more nonleaders citing friends. They also found that classifying all information sources as either personal or nonpersonal, significantly more opinion leaders used nonpersonal sources while nonleaders rely more on personal information. In Richmond (1976)'s study opinion leaders were found to acquire more information than nonopinion leaders under conditions of both voluntary and forced exposure to a mediated message, while both opinion leaders and nonopinion leaders acquire more information under forced exposure than under voluntary exposure. Further, opinion leadership tends to be category-specific. Thus the generalized profile of opinion leaders is likely to be influenced by the context of specific product categories, such as interest, knowledge, special-interest media exposure, same age, same social status, and social exposure outside group, etc.

P6: There is no obvious difference from traditional opinion leaders except that opinion leaders have to be comfortable with Internet and online communication, and the profile of opinion leaders in traditional WOM model largely fits with opinion leaders such as interest, knowledge, special-interest media exposure, same age, same social status, and social exposure outside group.

Comparison of Consumer Motivations for Recommendation Source Providence and Source Search

The two-step flow of communication implies that the leaders learn from and form opinions from the mass media and then pass their opinions on to others. These receivers influenced by opinion leadership, the consumers at the end of the two-step influence flow, are the opinion seekers (Flynn et al. 1996). To understand opinion seekers, it is important to examine motivations. Opinion seekers and leaders hold the same motivations as those of opinion seekers and opinion leaders except that there are motives for opinion providers and seekers to exchange opinions online or for the pure affection for online communication and affinity to virtual community.

The Motivations of Opinion Leaders vs. Opinion Leaders. Motivation theory suggests that people may provide information or advice to others to satisfy some basic need of their own. The opinion leaders' true motivations range from self-confirmation or self-involvement, product involvement, social involvement, and message involvement. Furthermore, the information or advice that an opinion leader dispenses can provide all types of tangential personal benefits, which confer attention, imply some type of status, grant superiority, demonstrate awareness and expertise, and give the feeling of possessing inside information and the satisfaction of other's

gratification. Chan and Misra (1990) provided public individuation as a new dimension in understanding the characteristics as well as the motivation of the opinion leader. Public individuation is a state in which people feel differentiated, to some degree, from other people and choose to act differently from them. When addressing the relationship between public individuation and opinion leadership, the author pointed out that the individuation process and this personal-influence process both involve a reciprocal interchange which involves a willingness to stand out in a group situation; and opinion holders' willingness to differentiate themselves in public may have an impact on whether they would be successful in disseminating the information to others.

P7: The motivations of opinion leaders vs. opinion leaders are basically the same, which range from self-confirmation or self-involvement, product involvement, social involvement, and message involvement; opinion providers also confer attention, imply some type of status, grant superiority, demonstrate awareness and expertise, and give the feeling of possessing inside information and the satisfaction of other's gratification.

The Motivations of Opinion vs. Opinion Receivers/Seekers . Opinion seeking has been conceptualized as a subset of product information search (Punj and Staelin 1983), and there is a desire to be a member of a group to adopt the values and beliefs of the group's leaders (Katz and Lazarsfeld 1955). Duhan et al. (1997) developed a theoretical model of the initial stages of recommendation-based decision-making by consumers, which is support for the general proposition about the two routes to the choice of recommendation sources by Brown and Reingen (1987). The model focuses in the factors that influence the likelihood of consumers using strong-tie sources and weak-tie sources of recommendations. The factors used in the

model are the prior knowledge level of the consumer about the product being considered, the perceived decision task difficulty level, and the type of evaluative cues sought by the consumer. Generally, in traditional WOM model, opinion receivers/seekers satisfy a variety of needs by engaging in product-related conversations. Their motivations of opinions are to obtain new-product or new-usage information; to reduce their perceived risk by receiving firsthand knowledge from a user about a specific product or brand, to reduce the search time entailed in the identification of a needed product or service, and to be certain of receiving the approval of the opinion leader if they follow that person's product endorsement or advice and purchase the product. The last motivation seems not fit for opinion receivers/seekers, because the approval from the opinion leaders is unavailable most of the time.

P8: The motivations of opinion vs. opinion receivers/seekers are basically the same, which ranges from obtaining new-product or new-usage information, reducing their perceived risk, and reducing the search time.

Comparison of Communication Effects

WOM communications have been studied as both an input into consumer decision-making (Bloch, Sherrell, and Ridgway 1986) and an outcome of the purchase process (Holmes and Lett 1977; Laczniak, DeCarlo and Ramaswami 2001; Richins 1983; Smith and Vogt 1995; Swan and Oliver 1989). Based on previous discussion in this paper, as a kind of interpersonal communication online, opinions share the same process of communication effects with WOM communication, though the recommendation source credibility and accessibility may bring some difference under the similar framework of effects.

Because the transmission of word of mouth communication involves interpersonal and informal process, attribution theory is particularly helpful in understanding a receiver's interpretation of a sender's motives for communicating such information. The central theme underlying attribution theory is that causal analysis is inherent in an individual's need to understand social events, whereas causal attribution is defined as the cognition a receiver generate to infer the cause of a communicator's generation of information (Laczniak, et al, 2001). According to research in classical attribution theory (Kelley, 1967, 1973), the categories of causal attributions that people generate in response to information include: stimulus, person, circumstances, or a combination of these three. The specific type of attributions generated by individuals depends on the manner in which information is conveyed. Based on the attribution theory (Kelley, 1967) and other studies dealing with word of mouth communication theory (e.g., Richins, 1984), a receiver is likely to use the three important information dimensions to generate casual attributions: consensus, distinctiveness, and consistence.

Some other researchers focused on the WOM influence on judgments of products. Studies of interpersonal influence and compliance behavior suggest that the product evaluations by other consumers can affect judgments (Bone 1995). Availability/diagnosticity theory have been used by some researchers to explore why WOM influence product judgment, which states that the influence of a particular piece of information depends on the relative accessibility of that information in one's memory and the diagnosticity of that information when predicting actual performance (Feldman and Lynch 1988). A study of Herr, Kardes and Kim (1991) investigated the effects of WOM communications and specific attribute information on product evaluations. They concluded that a face-to-face WOM communication was more persuasive than a printed format. And, although a strong WOM effect was found, this effect was reduced or eliminated

when a prior impression of the target brand was available from memory or when extremely negative attribute information was presented. Further, some researchers focused further on how WOM can influence post-usage perceptions. In Bone (1995)'s study, the effects of WOM on both immediate and long-term product perceptions are studied. The authors concluded that WOM could influence immediate and delayed product judgments. This effect appears to be stronger when the consumer faces a disconfirming experience and when the WOM source is perceived to be from an expert.

P9: Epinions appear to influence immediate and delayed product judgments and their effect appears to be stronger when the consumer faces a disconfirming experience and when the opinion source is perceived to be from an expert, which corresponds to the characteristic of WOM and opinion leadership.

CONCLUSIONS AND IMPLICATIONS

Conclusions

By extensively reviewing the literature on WOM communications and opinion leadership, the author provides a comprehensive opinion model. This article is focused on one question: Does the classic models and conceptual frameworks of WOM communications and opinion leadership fit epinions on the Internet? After examining the characteristics of online communication and the new information traffic model, epinions are compared with WOM communications and opinion leadership models. The author suggests nine propositions: (1) The rapid growth in the use of the Internet fosters close "electronic proximity" or "communities, in which epinions are conveyed based on people of like minds, attitudes, concerns, backgrounds, and experiences who are willing to exchange information and advice, especially as to the

strengths and limitations of products and services; (2) Epinions are a kind of combination of personal and impersonal communication, and mass-to-mass communication and pure one-to-one communication, which blurs the boundary of mass communication and word of mouth communication; (3) Since it is hard for opinion source and receiver to identify the demographic or physical similarity or dissimilarity, experiential proximity is most important for source and receiver to construct homophily and thus enhance the communication effects; (4) Most of the opinions fall into the realm of weak-tie recommendation sources and there is a greater likelihood of finding more and better information regarding the product from opinions; (5) Compared with traditional WOM and opinion leadership, currently opinions have limited accessibility and comparatively lower credibility; (6) There is no obvious difference from traditional opinion leaders except that opinion leaders have to be comfortable with Internet and online communication, and the profile of opinion leaders in traditional WOM model largely fits with opinion leaders such as interest, knowledge, special-interest media exposure, same age, same social status, and social exposure outside group; (7) The motivations of opinion leaders vs. opinion leaders are basically the same, which range from self-confirmation or self-involvement, product involvement, social involvement, and message involvement; opinion providers also confer attention, imply some type of status, grant superiority, demonstrate awareness and expertise, and give the feeling of possessing inside information and the satisfaction of other's gratification; (8) The motivations of opinion vs. opinion receivers/seekers are basically the same, which ranges from obtaining new-product or new-usage information, reducing their perceived risk, and reducing the search time; (9) Epinions appear to influence immediate and delayed product judgments and their effect appears to be stronger when the consumer faces a

disconfirming experience and when the opinion source is perceived to be from an expert, which corresponds to the characteristic of WOM and opinion leadership.

Implications

Based on these comparison and propositions, the classic models and theoretical frameworks tend to apply to opinions, but the opinion leader's accessibility and credibility are affected negatively due to the technical and equipment requirement, and the uncertainty of opinion leader's identity and qualification when providing information and advice online.

Since opinions may fall somewhere between publicity and WOM due to its way of dissemination and its interpersonal as well as interactive characteristics, future study should first focus on the communicative nature of opinion and its diversified formats and situations. A scientific and clearer definition of opinions needs to work out based on a comprehensive and deep understanding of the phenomenon.

Considering that "Virtual community" is a core idea of Internet communication, which can be formed by any number of individuals by way of the Internet at their choices or in response to some stimulus (Rheingold, 1994), it is an intriguing area and perspective to explore deeper the process of opinions. Lindlof and Schatzler (1998) define a virtual community as one "founded intentionally by people who share a set of similar interests, often revolving around certain texts or tropes imported from non-CMC venues." Some features of real communities can be attained, including interaction, a common purpose, a sense of identity and belonging, various norms and unwritten rules, with possibilities for exclusion or rejection. There are also rites, rituals and forms of expression. Such kind of online communities have the added advantage of being in principle open and accessible, while real communities are often hard to enter (McQueen 2000).

Thus, Internet offers possibilities for motivated and interactive communication that are not available from mass media or from the immediate physical environment. But considering many opinions are disseminated through websites which likely would not be considered virtual communities, it is provocative to speculate the difference between opinions fostered by way of virtual community and those opinions created in other important milieu.

Another major avenue for future research toward opinions is how to understand the modern consumer in the environment of online communication and e-commerce? What is the role consumer him/herself plays in the new patterns of information transition? What is the relationship between the consumer characteristics and source credibility and motivation? What is the influence of different opinions (paid vs. unpaid) and different opinion sites (company - sponsored, neutral third-party, or chat room) on the flexibility and dynamic of opinion model? All these questions need to be addressed in the future both through theoretical development and empirical studies on each key components of the opinion model. Further, study on predictors of opinion influence is needed and measurement of opinions is to be created in order to identify opinion leaders and measure the effectiveness of opinions.

Practically speaking, how these opinion-provider sites should develop in the future, what could be their revenue source, and their credibility compared with their accessibility are extreme important questions for daily e-commerce managerial concern, and more study on opinions are need to make a more accurate picture of this intriguing new phenomenon.

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