Electronic word of mouth: Challenges for consumers and companies

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HOW EWOM READERS EVALUATE COMPANIES’ WEBCARE RESPONSES

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ABSTRACT

Web 2.0 has empowered consumers to voice complaints with reduced costs (physical and psychological), and to share these with a multitude of other consumers on the Internet. As a public phenomenon, online complaints have a negative impact on consumers’ evaluations of brands that are under attack in online complaints. By means of an experiment, we study the most effective means for companies to counter complaints as expressed in negative electronic word of mouth (negative eWOM). The results show that negative brand evaluations engendered by negative eWOM can be attenuated by webcare interventions dependent on type of strategy (proactive vs. reactive) and platform used (consumer-generated vs. brand-generated blog). This effect appeared to be mediated by conversational human voice. The findings are discussed in the light of practical implications for online complaint management.
ELECTRONIC WORD OF MOUTH · CHALLENGES FOR CONSUMERS AND COMPANIES

INTRODUCTION

The advent of consumer-empowering technologies has provided consumers with a plethora of online venues to exchange negative experiences with products and brands with a multitude of other consumers. Complaints, heretofore expressed in one-to-one communication, are now publicly shared on social network sites, (anti) brand communities, review sites and (micro)blogs (Ward & Ostrom, 2006).

The opportunity for consumers to voice their complaints to a broader public poses new challenges for brands (Berry et al., 2010; Bolton & Saxena-Iyer, 2009; Hennig-Thurau et al., 2010). Brands—once predominantly steered by positively-framed top-down mass communication—are increasingly shaped by the brands’ ability to circumvent or mitigate negative online interactions between consumers (Fournier & Avery, 2011). Negative online interactions between consumers, also referred to as negative electronic word-of-mouth are found to have detrimental effects on all phases of the consumer decision-making process, including brand evaluation, brand choice, purchase behavior and brand loyalty (Chevalier & Mayzlin, 2006; Chiu & Cheng, 2003; Vermeulen & Seegers, 2009).

In light of these developments, companies have started to monitor and intervene in negative eWOM (Fournier & Avery, 2011; Shankar & Maltzhouse, 2007). These interventions, also referred to as webcare (Kerkhof, Beukeboom, & Utz, 2010), are either a reaction to specific requests from consumers to respond to their complaint (i.e., reactive webcare) or posted proactively (i.e., proactive webcare) in response to negative eWOM, without a request from the complainant to respond. Webcare—whether reactive or proactive—is believed to provide an effective means to mitigate the effects of negative eWOM (Hong & Lee, 2005; Lee & Song, 2010; Van Laer & De Ruyter, 2010; Weinberg, Davis, & Berger, 2011). A timely response to online complaints can not only resolve the issue with the complainant and as such put a stop to unnecessary follow-up attacks from other consumers exposed to the publicly communicated complaint, but also can increase consumer loyalty, satisfaction and positive electronic word of mouth (Hong & Lee, 2005), when an online complaint is adequately resolved by webcare. Hence, webcare may not only be helpful in improving customer retention, but also in leveraging the power of the collective to build brand equity (Breitsohl, Khammassh, & Griffiths, 2010; Lee & Song, 2010; Van Laer & De Ruyter, 2010).

Although webcare seems to be a promising tool for brand communication in the era of consumer-empowering media, it can also backfire on a company, and undermine its intended effects (Lee & Song, 2010). A step in the wrong direction may engender a spiral of negative effects, wherein a response to negative eWOM is followed by even more negative eWOM. This recently happened to T-Mobile when a famous Dutch comedian reported negative experiences with T-Mobile’s customer service on his Twitter account. The telecommunications provider apologized via Twitter, which was considered to be an inappropriate response by the comedian. Consequently, he used social media to ventilate his negative sentiments regarding the telecommunications provider and invited consumers to do so as well, thereby creating a vicious circle of negative eWOM.

Because of the risk of backfiring effects, both the managerial and the academic literature call for research on appropriate response strategies to counter negative eWOM effects (Berry et al., 2010; Fournier & Avery, 2011; Hennig-Thurau et al., 2010; Lee & Song, 2010). Up till now, little attention has been directed at examining effective webcare strategies in response to negative eWOM (Lee & Song, 2010; Van Laer & De Ruyter, 2010). This study seeks to address this void by examining how, and under what conditions, webcare helps brands to counter negative eWOM effects. We suggest that intervening with webcare is more effective in engendering positive brand evaluations, than not intervening in negative eWOM. Also, we propose that proactive webcare is able to initiate favorable brand evaluations dependent on the platform in which the webcare is embedded (consumer-generated vs. brand-generated), whereas reactive webcare is proposed to be effective independent of the platform. Moreover, we suggest that consumers’ brand evaluations are positively influenced when webcare is perceived as a natural communication style, that is, when webcare conveys a conversational human voice (Kelleher, 2009; Kelleher & Miller, 2006). We further argue that the perceived conversational human voice is contingent on both the platform in which the webcare is embedded (consumer-generated vs. brand-generated blogs) and the type of strategy used (reactive vs. proactive webcare).

In the remainder of the article, we review relevant literature and provide an overview of research in the areas of electronic word-of-mouth, (online) complaint management, and the role of conversational human voice in computer-mediated communication. Based on this research we formulate a set of hypotheses. Next, we detail our methodology for testing the hypotheses, followed by the results and associated discussion. We conclude with suggestions for future research and for management implications.

LITERATURE REVIEW

ONLINE COMPLAINTS

Web 2.0 has empowered consumers to voice their complaints with reduced physical and mental costs, and to share these with a multitude of other consumers (Hong & Lee, 2005). With just one click, consumers can post their complaints in the form of negative eWOM to the Internet. Consumers do so as a way to vent negative feelings resulting from dissatisfying experiences with products and services. Moreover, as the anonymity of the Internet relaxes social constraints of complaining, consumers unhesitatingly promote these negative sentiments among a broad audience of Internet users (Gelb & Sundaram, 2002). Being aware of the great number of potential negative eWOM receivers, online complaining often serves as a deliberate action to harm focal companies (Grégoire, Tripp, & Legoux, 2009; Hennig-Thurau, Gwinner, Walsh & Gremler, 2004; Hong & Lee, 2005; Ward & Ostrom, 2006). Consumers post and spread negative eWOM to warn other consumers for dissatisfying consumer experiences, and to collectively retaliate against a company responsible for negative consumption experiences (Hennig-Thurau et al., 2004; Ward & Ostrom, 2006). As such, negative eWOM can be understood as a trigger event, that is, something that happens during customer’s lifecycles and indicates a (negative) change in the relationship with the brand for a substantial number of (potential) consumers (Maltzhouse, 2007).

Given this persuasive intent of negative eWOM, and the extent to which electronic networks are enabling consumers to rapidly disseminate negative eWOM
to a broader audience, negative eWOM poses a severe threat to marketers (Hennig-Thurau et al., 2010; Ward & Ostrom, 2006). Especially since negative eWOM, as a form of consumer-generated content, is found to be more credible and more useful than marketer-generated information (Bickart & Schindler 2001), and hence, a very persuasive source of consumer information.

The negative effects of negative eWOM have been repeatedly demonstrated in past research (Basuroy, Chatterjee, & Ravid, 2003; Chakravarty, Liu, & Mazumdar, 2010; Chevalier & Mayzlin, 2006; Sen & Lerman, 2007; Willemsen, Neijens, Bronner, & De Ridder, 2011). For example, in their study of online message boards, Chiou and Cheng (2003) demonstrated negative eWOM to have a strong impact on brand evaluations, even more so than positive word of mouth. This asymmetric effect of negative eWOM, also referred to as “negativity bias” (Ahuwalia, 2002), has been explained by the diagnostic value of negative product information. Negative product attributes are believed to be more characteristic of a poor quality product, than positive attributes are for a high quality product. Consumers therefore pay more attention to negative eWOM than to positive WOM, and find it more useful in their evaluations of products and brands (Sen & Lerman, 2007). As a result, negative eWOM has stronger effects than positive WOM in terms of reach and impact (e.g., Arndt, 1967; Godes & Mayzlin 2004; Hart, Heskett, & Sasser, 1990; Sen & Lerman, 2007). Hence, companies call for appropriate strategies to control negative eWOM and its potential damage.

WEBCARE AS ONLINE COMPLAINT MANAGEMENT

Due to the rise of web 2.0, complaining has changed from a private phenomenon into a public phenomenon (Ward & Ostrom, 2006). Before the era of participatory media, complaints were expressed in one-to-one communication which gave marketers some level of control in terms of recovery strategies (Hong & Lee, 2005). This has changed now as complaints are diffused over the Internet and prompt many other consumers than just the complainant to spread complaints in the form of negative eWOM (Ward & Ostrom, 2006).

Because negative eWOM, as a trigger event, may negatively affect a substantial number of (potential) customers, negative eWOM requires detection and intervention (Malthouse, 2007) to control negative eWOM and its potential damage. However, since negative eWOM is a persuasive source of consumer information with a force of unprecedented speed and reach, negative eWOM is difficult to control. As asserted by Deighton and Kornfeld (2009, p. 4): “today marketing is less a matter of domination and control, and more a matter of fitting in.” To fit in, brands need to relinquish control, and participate in conversations about their brands (cf. Fournier & Avery, 2011).

As a precondition for dialogical communication, companies need to monitor the online platforms where their brands are likely to be discussed. Various services enable companies to monitor online conversations about brands across multiple social media platforms (e.g., Nielsen blog pulse). This is important, because negative eWOM takes place not only in branded platforms such as brand-sponsored message boards and brand-generated blogs (Chiou & Cheng, 2003; Yang, Kang, & Johnson, 2010), but also in consumer-generated platforms such as review sites, consumer blogs, social network sites, recommendation sites, (micro) blogs and (anti) brand communities (Van Laer & De Ruyter, 2010; Vásquez, 2011).

According to a recent report by TNS NIPO (2011), 30% of the consumers post their complaints in branded environments. The remaining 70% of the online complaints are lodged on consumer-generated platforms.

When companies monitor negative eWOM on the Internet they are also in a position to take remedial action by means of webcare. Although webcare is gaining in popularity as a brand communications tool, the concept has not been defined so far. In line with Harrison-Walker (2001) and Hong and Lee (2005) we define webcare as: The act of engaging in online interactions with (complaining) consumers, by actively searching the web to address customer feedback (e.g., questions, concerns and complaints). Webcare is performed by one or more company representatives (i.e., webcare teams) and serves as a tool in support of customer relationship, reputation and brand management. Central to these efforts is the aim to restore or improve the brand evaluations of complaining customers and/or of those who have been exposed to the negative eWOM of complaining customers. Although research on the effects of webcare is still in its infancy, both anecdotal and empirical evidence suggest that webcare can engender positive responses in consumers after encountering negative eWOM. For example, Lee and Song (2010) exposed participants to negative eWOM that was either followed or not followed by an accommodative response in which the company tried to redress the complaint expressed in the negative eWOM. Their findings show that an accommodative response has a more favorable effect on how individuals evaluate the company than no response at all. In a similar vein, Kerkhof and colleagues (2010) demonstrated that any form of accommodative response (i.e., apology or financial compensation) to negative eWOM evokes positive cognitive responses in consumers. In line with these studies, we hypothesize:

H1. Webcare interventions in negative eWOM (vs. no webcare interventions), engender more positive brand evaluations among visitors of a consumer-generated or brand-generated platform.

PROACTIVE VERSUS REACTIVE WEBCARE

Companies not only have to decide whether to offer webcare or not, they also have to decide upon a strategy for when to offer webcare. In this study we distinguish between a reactive and a proactive webcare strategy. With a proactive webcare strategy, the company takes on a proactive approach and responds unsolicitedly to negative eWOM. With a reactive webcare strategy, a company responds to negative eWOM only when it is explicitly asked to do so by the customer. Malthouse (2007, p. 384) discusses that both proactive and reactive contacts may be important in reaching marketing objectives and asserts that the effectiveness of such contacts should be tested by companies. An empirical study by Köhler, Rohm, De Ruyter, and Wetzeils (2011) compared the effectiveness of proactive and reactive communication styles of online agents, and demonstrated that these styles are important in explaining firm–customer relationships within a service context.

For negative eWOM this distinction is also relevant, as consumers are increasingly aware of the possibility that a company will read online complaints and respond accordingly. Hence, consumers not only post complaints on the web to vent negative feelings (Hong & Lee, 2005), but also as a way to attract the attention of companies, and as such, to find redress for their grievances. For this reason,
negative eWOM often not only addresses an audience of fellow consumers, but also the company that is under attack in the negative eWOM (Vásquez, 2011) as shown in this example:

“I just got a new Dell laptop and paid a fortune for the four year, in-home service. The machine is a lemon and the service is a lie. I'm having all kinds of trouble with the hardware: overheats, network doesn't work, maxes out on CPU usage. It's a lemon. But what really irks me is that they say if they sent someone to my home—which I paid for—he wouldn't have the parts, so I might as well just send the machine in and lose it for 7–10 days—plus the time going through this crap. So I have this new machine and paid for them to FIX IT IN MY HOUSE and they don't and I lose it for two weeks. DELL SUCKS. DELL LIES. Put that in your Google and smoke it, Dell.”

Not only do customers construct negative eWOM with a dual audience in mind, they also explicitly invite companies to respond to negative eWOM (Lee & Song, 2010), as is demonstrated by the following comment:

“I don't notice anything of the high speed internet service. We have a KPN internet subscription with a downloaded speed up to 16 Mbps. However, we have only been able to get 6.8 MBps max. The modern allows a download speed of 20 Mbps. It's a Speedtouch T789. […] KPN webcare, can you please help us? We have been loyal customers for years, but we don't understand any of this…”

The finding that consumers are inviting companies to respond to negative eWOM is also reflected in a recent study by TNS NIPO (2011). In this study it was demonstrated that almost 60% of online complainants desire a response from the company when posting negative eWOM on the internet. When they do so in a timely manner, brands may expect that consumers sympathize with the brand because it shows that they are sensitive to the concerns of customers, and take their issues and problems seriously (Hong & Lee, 2005; Van Laer & De Ruyter, 2010). Hence, reactive webcare, posted in response to negative eWOM in which the consumer requests a reply, is likely to yield favorable brand evaluations, irrespective of the platform (i.e., consumer-generated or brand-generated).

The question is whether proactive webcare also engenders positive brand evaluations, as scholars warn that companies should be careful in proactively intervening in negative eWOM (Chiou & Cheng, 2003; Deighton & Kornfeld, 2009), especially if negative eWOM takes place in consumer-generated platforms. Pushing messages at consumers may not be considered to be appropriate in a context that is made for consumers and their conversations. As observed by Fournier and Avery (2011, p. 11): “Amid the cultural conversation, most brands seem inauthentic; their presence intrusive and out of place. Brands, as much as we might wish otherwise, are uninvited crashers of the Web 2.0 party.” As proactive webcare interventions in consumer-generated platforms are posted unsolicitedly in response to negative eWOM, it is likely that the brand will be perceived as intrusive. Consequently, webcare interventions may not result in positive brand evaluations, or even worse, might lead to negative brand evaluations in these contexts. This might be different for proactive webcare in brand-generated platforms. Consumers who post negative eWOM on a brand-generated platform inherently accept that the platform is being monitored by the company, and that there is a fair chance that the brand will proactively respond to concerns and complaints expressed on the brand-generated platform. Thus we may expect that when a brand responds to negative eWOM with a proactive webcare strategy in a brand-generated platform, it is not considered to be intrusive or out of place by the observing public, but instead, as a sign that the company is responsive to the opinions and needs of consumers. Following this line of argument, we hypothesize the following:

H2. The effect of webcare strategy on brand evaluations is moderated by platform type, such that (a) a proactive webcare intervention in negative eWOM engenders more positive brand evaluations in a brand-generated than in a consumer-generated platform, whereas (b) a reactive webcare intervention engenders positive brand evaluations, irrespective of the platform.

CONVERSATIONAL HUMAN VOICE

We propose that the moderation effect as proposed by H2 can be explained by the extent to which the audience perceives webcare to demonstrate a ‘conversational human voice,’ which is found to be important in creating favorable brand responses in computer-mediated communications (Kelleher & Miller, 2006). Conversational human voice (Kelleher, 2009, p. 177) is defined as: “an engaging and natural style of organizational communication as perceived by an organization’s publics based on interactions between individuals in the organization and individuals in publics.”

For webcare to be perceived as engaging and natural and thus as demonstrating human voice, it should be based on “candid dialogue” (Lee, Hwang, & Lee 2006). Whereas communications with a corporate voice are perceived as profit-driven and persuasive (Locke, Weinberger, & Sears, 2004), communication with a human voice invites the audience to communicate in a non-persuasive manner. Following Kelleher (2009) and Kelleher and Miller (2006), a company demonstrates a high level of conversational human voice in its communications if it is open to dialog, welcomes conversational communication, and provides prompt feedback addressing criticism with a direct, but uncritical, manner. Through this communication style, brands ‘mimic one-to-one communication’ and “humanize” the corporate voice (Kuhn, 2005).

Empirical research in other domains than online complaint management (e.g., computer science, communication studies, public relations), confirmed that conversational human voice is important for effective online communication. According to these studies, conversational human voice positively affects a variety of responses concerning relational maintenance, including trust, satisfaction, and commitment (Belaid, De Jong, & Steehouder, 2010; Kelleher, 2009; Sweetser & Metzgar, 2007). Also, in the study by Yang, Kang, and Johnson (2010), conversation-al human voice appeared to be a key factor in enhancing positive attitudes toward a company that used a corporate blog to communicate with its audience. These and other studies as well focused on the effects of conversational human voice in communications that are initiated by the company (e.g., Kelleher, 2009; Schultz, Utz, & Goritz, 2011; Sweetser & Metzgar, 2007; Yang et al., 2010). In this study, we assert that companies can also demonstrate a conversational human voice if it
responds to communications that have been initiated by the consumer and, consequently, that the perceived human voice carries on to brand evaluations. However, we propose that reactive and proactive webcare strategies are likely to engender different perceptions of conversational human voice.

Reactive webcare is expected to score high on conversational human voice when a consumer requests the brand to respond to negative eWOM. Then a consumer invites the company to engage in a conversation. If a brand is subsequently responsive to this request, and partakes in the conversation that has been initiated by the consumer, the emerging consumer-brand dialog is not considered to be driven by commercial interests, but instead, by a willingness to be engaged with its consumers through dialogical communication.

Proactive webcare can also demonstrate a conversational human voice, but we expect this only to occur in the context of brand-generated platforms. Brand-generated platforms are often set up and administered by a brand to realize “markets-as-conversations”: conversational environments where brands aim to build collaborative relationships with its publics rather than treating them as targets (Grunig & Huang, 2000). Hence, by its very nature, brand-generated platforms such as corporate blogs and brand-sponsored message boards enable the company to proactively engage in a dialog with consumers (Kelleher, 2009). By posting negative eWOM on a brand-generated platform, the consumer enters the domain of the brand and thereby inherently accepts the fundamentals on which it has been built. Thus, in the context of a brand-generated blog, proactive webcare is considered to be a manifestation of its willingness to engage in conversational communication. Hence, a proactive webcare in the context of a brand-generated platform will be perceived as high in conversational human voice. However, this is expected to be different for proactive webcare in the context of consumer-generated platforms. In these contexts, proactive webcare does not adhere to the norms of “markets as conversations” inherent in social media. Proactive webcare is posted unsolicitedly in response to negative eWOM, and hence, may be perceived to derive from a profit-driven machinery whose aim is to control online conversations, rather than to engage in conversational communication with its consumers. We henceforth expect a proactive webcare strategy in consumer-generated platforms to be perceived as low in human voice.

In sum, we expect that reactive webcare scores high on conversational human voice. This is also expected for proactive webcare, but not in the context of a consumer-generated platform. Moreover, given its positive impact on brand evaluations (Yang et al., 2010), we expect conversational human voice to mediate the differential effects of reactive and proactive webcare on brand evaluations across platforms. Hence, we propose the following hypotheses (see Fig. 1):

H3. The effect of webcare strategy on perceived conversational human voice is moderated by platform type, such that (a) a proactive webcare intervention in negative eWOM is perceived as higher in conversational human voice in a brand-generated than in a consumer-generated platform, whereas (b) a reactive webcare intervention is perceived as high in human voice, irrespective of the platform.

H4. Perceived human voice will mediate the moderation effect of platform type on the effect of webcare strategy on consumers’ brand evaluations (proposed in H2a/b).
Webcare strategy
For the manipulation of webcare strategy, the negative eWOM post was followed by either no response (i.e., control condition), or a response that was posted reactively or proactively by a spokesperson of the automotive brand. In the reactive webcare condition, the spokesperson’s response was modified to lead the participants to believe that the response was posted upon the customer’s request. In the webcare post it was stated that the spokesperson thanked the customer for his question, after which the spokesperson replied with an explanation of the recall procedure.

In the proactive webcare condition the spokesperson’s response was posted unsolicitedly. To further stress the proactive nature of the webcare response, the first line of the spokesperson’s post stated that the spokesperson actively searched the web to address questions, suggestions and complaints from customers. The spokesperson then continued with the same explanation of the recall procedure as given in the reactive webcare condition.

Platform type
The platform manipulation was created by embedding the posts in a website that was supposedly retrieved from an automobile blog (i.e., consumer-generated blog), or from a blog that was initiated and administered by the brand (i.e., brand-generated blog). The platform was cued by the name and logo in the header and url of the blog.

PRETEST
A pretest among 24 participants (67% female, $M_{age} = 28$) was conducted to ensure that the experimental materials had intended effects. First, the participants were exposed to the two platform manipulations and asked to identify the source of the blog. Cross-tabulations revealed that 71% of the respondents correctly recognized the brand-generated platform, and 96% correctly recognized the consumer-generated platform, $\chi^2 = 22.76, p < .001$. Thus, pretest results suggested that the website manipulation was effective.

Second, participants were exposed to the negative eWOM post. To check whether the negative eWOM post was indeed perceived to be negative, participants were asked to evaluate the tone of voice of the post on a 7-point semantic scale ($1 = $negative, $7 = $positive). As intended, the post was considered to convey a negative tone-of-voice ($M = 1.63, SD = 0.65$).

Finally, respondents were exposed to the two webcare posts that differed in strategy (i.e., reactive vs. proactive). Respondents were subsequently asked to evaluate the posts on a 7-point semantic scale ($1 = $reactive, $7 = $proactive). The proactive post was evaluated more proactive than the reactive post ($M_{reactive} = 4.75, SD = 1.68$; $M_{proactive} = 4.21, SD = 1.67$). However, this difference was only marginally significant, $t(23) = 1.70, p < .10$. Therefore, the two posts were slightly adjusted. In the final materials it was more explicitly stated that the car brand is actively searching the web to address questions, concerns and complaints from consumers.

PROCEDURE
Participants were approached with a notification on the university website and on several social networks (such as Facebook), with a request to participate in an online study on ‘brands and blogs’. Participation was stimulated by raffling bookstore vouchers. By opening a link in the notification, participants were redirected to the experiment, which was administered online to let the stimulus material look as realistic as possible. Participants were randomly assigned to the stimulus material related to one of the six experimental conditions and were instructed to carefully inspect the blog. After exposure to the stimulus material, respondents answered a series of questions to tap their evaluation of the automotive brand, and dependent of the exposed experimental condition, their evaluation of the webcare response in terms of conversational human voice. Next, questions were asked to check the effectiveness of the stimulus materials. Finally, all participants were debriefed and thanked for their participation.

MEASURES
Brand evaluation
Participants were asked to give their general impression of the brand on a series of five 7-point Likert-type items ($1 = $Not at all agree; $7 = $Completely agree). The brand is good, trustworthy, respectable, favorable, and of high quality (Mitchell & Olson, 1981; Raney, Arpan, Pushapati, & Brill, 2003). The items proved to constitute a reliable scale and were averaged to form a composite score ($M = 4.33, SD = 1.23, \alpha = .92$).

Conversational human voice
For those exposed to the webcare strategy conditions, participants indicated the perceived human voice conveyed in the webcare strategy. The level of perceived human voice was measured by seven 7-point Likert-scale items ($1 = $Not at all agree; $7 = $Completely agree), which were adopted from Kelleher and Miller (2006). The scale included items such as: “The brand is open to dialogue”; “The brand provides prompt feedback addressing criticism with a direct, but uncritical manner”; “The brand treats the customer and others as human”; and “The brand uses conversational-style communication”. As in previous research, the scale proved reliable, and, hence, the items were averaged to form an index measure ($M = 4.96, SD = 0.73, \alpha = .76$).

COVARIATES
Differences in brand ownership, product involvement, and frequency of blog usage were measured for exploratory reasons to assess their impact on conversational human voice and brand evaluation. To measure brand ownership, we asked respondents whether they owned a car from the automotive brand as used in the present study (dummy-coded: $0 = $no, $1 = $yes). Product involvement was measured by asking respondents to what degree they were interested in and “felt involved with” automobiles. Both items were significantly correlated ($r = .86, p < .001$) and averaged to form a single measure. Finally, we asked respondents to indicate how often they read blogs on the web. Answer categories were: (1) daily, (2) weekly, (3) monthly, (4) less than monthly, and (5) never.
CHAPTER 5 HOW EWOM READERS EVALUATE COMPANIES’ WEBCARE RESPONSES

RESULTS

MANIPULATION AND CONFOUND CHECKS

Checks similar to those reported in the pretest were carried out to ensure that respondents processed the material properly (see pretest for manipulation check items). As intended, respondents considered the proactive post significantly more proactive (M = 4.46, SD = 1.78), than the reactive post (M = 3.69, SD = 1.15), t(78) = -1.96, p = .05. Also, cross-tabulations revealed that the majority of the respondents correctly recognized the platform, χ² = 65.12, p < .001. Cross-tabulations revealed that 71% of the respondents correctly recognized the brand-generated platform, and 91% correctly recognized the consumer-generated platform.

Confound checks revealed that product involvement was significantly related to human voice (r = .19, p < .05) whereas brand ownership was significantly related to brand evaluation (r = .28, p < .01). Both variables were therefore included as covariates in subsequent analyses. Blog readership was not related to either human voice or brand evaluation, and was dropped as a covariate.

EFFECTIVENESS OF WEBCARE

We proposed that webcare interventions, versus no interventions, in response to negative eWOM, engender more positive brand evaluations among visitors of a consumer-generated or brand-generated platform (H1). To test this hypothesis, we performed an Analysis of Covariance (ANCOVA) with type of webcare strategy and platform type as the independent variables, brand evaluation as the dependent variable and product involvement and brand ownership as covariates. The results demonstrated a main effect for webcare strategy that approached significance, F(1, 157) = 2.65, p = .07, η² = .03. Follow-up planned comparisons showed that people who were exposed to webcare posts had a more positive perception of webcare strategy. For proactive webcare, the model significantly evaluated the brand more positively (Mbrand-generated = 4.55 vs. Mproactive = 4.54), than those in the control group who read no webcare post (Mcontrol = 4.13), F(1, 155) = 4.50, p = .03. In support of H1, the results confirmed that webcare is able to induce favorable brand evaluations after exposure to negative eWOM.

The follow-up comparisons showed no significant differences in brand evaluation between the reactive and proactive webcare conditions, F < 1, ns. However, the two webcare conditions did show differential effects across platform types as indicated by a significant interaction effect between webcare strategy and platform type, F(1, 157) = 3.57, p = .03, η² = .05. In support of H2a, simple effects analyses revealed a significant difference in brand evaluation for proactive webcare across platforms, F(1, 152) = 6.24, p = .01. A proactive webcare intervention engendered more positive brand evaluations in the context of a brand-generated versus consumer-generated platform (Mbrand-generated = 5.20 vs. Mreactive-generated = 4.10). The results also supported H2b, as brand evaluation did not significantly vary for reactive webcare across platforms (F < 1, ns). Respondents who read a reactive webcare post on a consumer-generated and a brand-generated platform showed equally favorable brand evaluations (Mbrand-generated = 4.39 vs. Mconsumer-generated = 4.67).

EFFECTIVENESS OF WEBCARE EXPLAINED BY HUMAN VOICE

H4 stated that conversational human voice will mediate the moderation effect of platform type on the effect of webcare strategy on consumers’ brand evaluations. To test this hypothesis, we dummy-coded both platform type (0 = brand-generated blog, 1 = consumer-generated blog) and webcare strategy (0 = reactive webcare, 1 = proactive webcare) and performed a formal test of mediated moderation through a series of hierarchical regression analyses following the procedure recommended by Muller, Judd, and Yzerbyt (2005). According to this procedure, mediated moderation is present when (1) there is a significant interaction effect between platform type and webcare strategy on the dependent variable brand evaluation; (2) there is a significant interaction effect between platform type and webcare strategy on the mediator human voice; (3) the mediator human voice is significantly related to the dependent variable brand evaluation; and (4) the interaction between platform type and webcare strategy on the dependent variable brand evaluation is reduced in magnitude when the mediator is included in the model.

In line with the ANCOVAS, the interaction between platform type and webcare strategy was significant for both brand evaluation (β = -.32, t(72) = -2.41, p = .018) and human voice (β = -.17, t(72) = -2.04, p < .046). Furthermore, human voice predicted brand evaluation (β = .32, t(72) = 2.87, p < .01). Finally, in a simultaneous regression analysis treating the interaction, human voice, and the community type and webcare strategy effects as predictors of brand evaluation, human voice continued to be a predictor (β = .30, t(72) = 2.80, p < .01), whereas the effect of the interaction was reduced (β = -.24, t(72) = 1.80, p = .08). A Sobel test indicated that the mediating pathway from the webcare strategy × platform type interaction to brand evaluation through human voice was significant, z = −1.7, p < .05, one-sided. Thus, the results support the role of conversational human voice as an underlying mechanism for the interaction between platform type and webcare strategy on brand evaluation.

EFFECT OF HUMAN VOICE ON BRAND EVALUATIONS

We proposed that the effect of webcare strategy on perceived human voice would be contingent on the platform in which the webcare is embedded (H3a-b). To test this hypothesis, human voice was submitted to an ANCOVA with type of webcare strategy and platform type as the independent variables and product involvement and brand ownership serving as covariates. Conform expectations, the results demonstrated a two-way interaction between platform type and webcare strategy, F(1, 77) = 14.1, p = .004, η² = .16. For proactive webcare, perceptions of human voice differed across platforms, F(1, 44) = 5.05, p = .03, η² = .11. As predicted by H3a, people who read a proactive webcare post in the context of a brand-generated blog perceived the brand as demonstrating more of a human voice than in the context of a consumer-generated blog (Mbrand-generated = 5.15 vs. Mconsumer-generated = 4.59). For reactive webcare, conversational human voice did not significantly vary across the platforms (F < 1, ns), which provides support for H3b. Reactive webcare was believed to convey equally high conversational human voice in the context of a brand-generated and a consumer-generated platform (Mbrand-generated = 4.99 vs. Mconsumer-generated = 5.11). No other effects approached significance (Fs < 1).
CONCLUSION AND DISCUSSION

This study examined the most effective means for companies to counter complaints as expressed in negative electronic word of mouth (negative eWOM). The results of an experimental study show that consumers evaluate a brand more favorably in a situation where the focal brand responds to negative eWOM than in a situation in which the brand remains silent. Thus, confirming H1, the results show that webcare positively influences the brand evaluations of consumers who have been exposed to negative eWOM. Confirming expectations, this study demonstrated that consumers’ brand evaluations are positively influenced when webcare demonstrates a conversational human voice (Kelleher, 2009; Kelleher & Miller, 2006). In line with H3, however, conversational human voice appeared to be contingent on both the platform in which webcare is embedded (consumer-generated vs. brand-generated) and the type of strategy used (reactive vs. proactive webcare). In both consumer-generated and brand-generated platforms, a company was perceived to demonstrate a human voice when it offered reactive webcare in response to negative eWOM. By responding to negative eWOM when it is explicitly asked to do so by the customer, a company apparently signals a willingness to engage in conversational communication in a natural way, which prompts conversational human voice. A proactive webcare strategy also instigated perceptions of conversational human voice, but this effect was not found to hold in the context of consumer-generated platforms. Apparently, in a context that is made for consumers and their conversations, a brand’s proactive presence dehumanizes the nature of its communications.

As predicted by H2, similar patterns were found for brand evaluation. In both consumer-generated and brand-generated platforms, a company was evaluated more positively when it offered reactive webcare in response to negative eWOM. By responding to negative eWOM upon the customer’s request, a company evokes sympathy, and hence, a more favorable brand evaluation. Positive brand evaluations are also engendered by proactive webcare, but this effect was less prevalent in the context of consumer-generated platforms. A proactive webcare response to negative eWOM is unsolicited in the context of a consumer-generated platform, thereby resulting in less positive brand evaluations.

Finally, the results provided support for the mediating role of conversational human voice for the moderation of platform type on the relation between webcare strategy on brand evaluations across brand-generated and consumer-generated platforms.

THEORETICAL AND PRACTICAL IMPLICATIONS

In recent years, the online media landscape has changed drastically, empowering consumers to share negative experiences with brands among a broad audience of fellow consumers. Online complaints, as expressed in negative word of mouth (negative eWOM), pose a severe threat for companies: One online complaint from a single consumer can negatively affect the brand evaluations of many other consumers. Although both academics and practitioners stress that negative eWOM is a force to be reckoned with in the consumer market place, little is known about how, if at all, companies should respond to complaints expressed in negative eWOM to counter its undesired effects (Hennig-Thurau et al., 2004; Hennig-Thurau et al., 2010; Hong & Lee, 2005; Kerkhof et al., 2010; Lee & Song, 2010). This study extends the literature by examining webcare—i.e., the act of engaging in online interactions with (complaining) consumers—as a brand communication tool to counter the effects of negative eWOM.

This study indeed finds that webcare can be an effective means to counter negative eWOM effects among those who are exposed to complaints in the online environment. This finding provides support for the work of a small but growing group of companies that already engage in webcare. By providing a timely response to online complaints expressed in negative eWOM, these pioneers try to put a stop to the negative effects that negative eWOM can have on other consumers than just the complainant, and, if possible, to improve brand evaluations by showing that they take the issues and problems of consumers seriously. To guide these efforts, many social media platforms (e.g., amazon.com, opinions.com, Tripadvisor.com) are offering services that allow companies to respond, overtly or covertly, to negative eWOM. Unfortunately, the majority of the companies are not taking advantage of these services as much as they could be (Harrison-Walker, 2001; Vásquez, 2011). Companies are hesitant to respond to online complaints through webcare, given a lack of evidence that webcare indeed garners positive outcomes for companies. This study provides initial support for the beneficial effects of webcare in response to negative eWOM and provides important implications for scholars and marketers alike.

First, this study demonstrates that webcare requires a strategic approach to be truly successful. This study was the first to distinguish between reactive and proactive webcare strategies for online complaint management, and to demonstrate that this distinction is useful in explaining consumer responses to the company responsible for any online complaint management. Prior studies that studied online complaint management distinguished between accommodative (i.e., any form of apology, compensation, and/or corrective action) and defensive responses (i.e., any form of denial, attack or shifting blame to others); a categorization that originates from the traditional complaint literature that was mainly focused on one-to-one communication (Coombs, 1999; Marcus & Goodman, 1991). As companies’ responses to complaints are now observed by many other consumers than the complainant in the online environment, it is not only important for companies to determine how to respond, but also when to respond to such complaints (Lee & Song, 2010). This study draws upon a new distinction that is based upon the interaction dynamics of the response, instead of the content of the response. As this reactive–proactive distinction proved to be important in explaining webcare effectiveness and priorly in explaining consumer responses in online service contexts (Köhler et al. 2011), we suggest taking this distinction into account in future studies. For example, future research could focus on the question whether reactive webcare in the context of a user-generated platform still engenders positive brand evaluations among consumers when confronted with a discussion thread of negative eWOM. And if so, whether a marketer should reply to all negative comments separately or reply with a general comment in response to all negative comments at once. This study exposed consumers to only one negative eWOM message and hence future research is needed to gain more insight in the effects of webcare strategies in response to clusters of negative eWOM.
Second, in line with what McLuhan (1964) argued, this study demonstrates that the medium in which webcare is embedded is important in shaping recipients’ responses to (the company responsible for) the webcare. Specifically, this study shows that the effectiveness of webcare interventions appeared to be highly contingent on the type of platform in which the webcare was employed. Although context effects have been well-demonstrated in a substantial number of studies for traditional media vehicles such as television programs (Moorman, Neijens, & Smit 2007), and magazines (Malthouse & Calder, 2010), little research has been directed to context effects for social media. An exception is the study of Schultz and colleagues (2011) who addressed the relative importance of online and traditional media, and demonstrated that the medium deemed important in shaping consumer responses to companies’ online communications. In a similar vein, the current study established an interaction effect between the online platform and webcare strategy. A managerial implication of this finding is that the context in which complaints are posted should be taken into consideration when deciding upon a strategy for when to post webcare in response to negative eWOM. The current data indicate that proactive webcare interventions on consumer-generated platforms seem to be less effective than on marketer-generated platforms, although the latter did not instigate negative consumer reactions. Thus, instead of trying to respond to all negative eWOM, companies should save their efforts and respond only when the platform is likely to engender positive context effects.

Third, this study is consistent with and also extends previous findings on the role of conversational human voice in computer-mediated communication. Whereas prior studies focused on conversational human voice in communications initiated by the company, such as corporate blogs (Kelleher, 2009; Kelleher & Miller, 2006; Sweetser & Metzgar, 2007; Yang et al., 2010), the current study focused on the human voice in companies’ reactions to online communications that have been initiated by a complainant. It was demonstrated that perceived human voice is also important in such brand-to-consumer interactions initiated by the consumer. Thus, the conversational human voice as perceived by the consumer does not only seem to explain the effects of communications that have been initiated by the brand, but also explains the effects of webcare interventions in response to communications that have been initiated by the consumer.

A practical implication that derives from the effects of the perceived conversational human voice in webcare responses is that human voice should receive focal attention when developing effective online communication strategies. Besides deciding whether to engage in reactive and proactive communication dynamics across different platforms, companies could also consider other webcare strategies that are likely to engender this human voice. An example could be the degree of personalization in webcare responses. In webcare interventions, companies adopt multiple strategies in showing their identity with different levels of personalization, for example by representing employees as individuals or as official customer representatives. As demonstrated by Kerkhof and colleagues (2010), accommodative webcare responses are more likely to be effective when accompanied with a personalized message. It is, however, unclear how webcare strategies relate to each other in influencing conversational human voice. For example, can personalization compensate for the relatively low conversational human voice of proactive webcare in the context of a consumer-generated platform? Subsequent research is warranted to shed more light on the individual and combined effects of the content (i.e., personalization) and communication dynamics of webcare (i.e., proactive vs. reactive webcare).

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