THE EFFECT OF SOCIAL MEDIA BASED eWOM COMMUNICATION ON CONSUMER’S PURCHASE INTENTION (A CASE OF STUDENTS’ ADMISSION CHOICES IN HEIs)

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Abstract

In this era of global networking, social media have created a platform to facilitate electronic Word-of-Mouth (eWOM) communication. People use to discuss and share products and services related experiences and opinions with their acquaintances and friends. The aim of this study was to examine the effect of social media based eWOM on students’ admission choices. This phenomenon was investigated in the context of student’s admission choices at HEIs (Higher Education Institutes). For this purpose, a quantitative research was initiated by adopting IAM (Information Adoption Model) proposed by Sussman and Siegal (2003). Based on this model, four hypotheses were developed which were then tested through various statistical tests using SPSS. A sample of 340 students from Institute of Management Studies, University of Peshawar and Institute of Business and Management Sciences, University of Agriculture, Peshawar was surveyed through adopted questionnaires. Multiple regression analysis results suggest that out of four, three alternate hypotheses are accepted. Findings conclude that

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Information Quality (IQ), Information Credibility (IC) and Information Adoption (IA) of eWOM on social media significantly and positively affect consumer Purchase Intention (PI) while Information Usefulness (IU) of eWOM on social media insignificantly affect consumer PI. All the results supported prior research studies.

**Keywords:** Theory of Reasoned Action, Technology Acceptance Model, Information Adoption Model, Information Quality, Information Credibility, Information Adoption, Information Usefulness, Consumer Purchase Intention, Higher Education Institutes, Social media.

1. **Introduction**

Web 2.0 has not only changed every person’s life style but it also facilitates businesses by providing a new and unique platform to better promote their goods and services in this competitive era. Besides that, Web 2.0 has provided communication opportunity such as eWOM (electronic Word-of-Mouth) by utilizing various electronic media channels like electronic newspapers, blogs, social networking sites (SNS), online discussion forums and e-reviews (Cheung & Thadani, 2012; Goldsmith, 2006).

eWOM via electronic media allow individuals to obtain information related to their choice of product or services from different people located in dispersed geography as they might serve as more reliable and relevant source of information (Lee et al., 2006; Ratchford et al., 2001). It’s been long that eWOM is considered as persuasive tool of marketing (Kumar & Benbasat, 2006; Bickart & Schindler, 2001; Zhang et al., 2010). Past research studies have also acknowledged the significant influence of eWOM on consumers’ purchase intentions (Chan & Ngai, 2011; Bickart & Schindler, 2001; Park et al., 2007; See-To & Ho, 2014).

Social networking channels however, are considered as new platforms of eWOM communication such that it empowers users to connect and communicate with their present networks (Chu & Kim, 2011; Erkan & Evans, 2018; Kozinets et al., 2010). One of the surveys has reported that online users regarded online opinions from different individuals as influential and trustworthy as information given by a company on its websites (Park et al., 2007). Businesses need to organize such online forms and communities rather than just to publish such information on internet websites as studies
reveal significant repercussions of eWOM communication on potential consumers’ purchasing decisions (Bansal & Voyer, 2000).

Social media have reduced agitation of anonymity and thus eWOM information serves as more reliable (Wallace et al., 2009; Chu & Choi, 2011). Although such eWOM communications on social media frequently refers to particular brands therefore, such information significantly affects consumer purchase intentions (Wolny & Mueller, 2013; Wang et al., 2012; Chu & Kim, 2011). Despite that, it is crucial to decide that entire such eWOM (electronic Word-of-Mouth) information serves as being persuasive (Wang et al., 2012). Based on past experiences, consumers evaluate trustworthiness and reliability of information by criticizing and evaluating information before its use. No such studies have yet examined the mechanism of students’ Higher Education Institutions (HEIs) admission choices and signification effect of eWOM communication on SM.

Knoll (2015) stated that the ramification of eWOM on SM hinges on both consumers and information worthiness. In spite of the fact that it is just an argument which is established on existing research works and not yet experientially explored. The aim of this study was to assess the characteristics of information and consumer behavior towards such information using IAM (Information Adoption Model) model (Sussman & Siegal, 2003; Evans & Erkan, 2014). This model explains eWOM information characteristics. IAM elaborates computer–mediated information, thus it is highly suggestive and applicable for eWOM research studies (Cheung et al., 2009; Cheung et al., 2008; Junco & Mastrodicasa, 2007; Shu & Scott, 2014). Moreover, Cheug et al., (2008) in particular has utilized this model which is then applied further by Shu and Scott (2014) in the ambience of Social Media (SM). As this study aims at examining eWOM on SM, so application of this is relevant and suitable for current study.

Internet Generation (IG) students are considered to have grown up in an era where they communicate and interact through Internet using Smartphones and Social Networking Sites (SNS) such as LinkedIn, Twitter, Snap Chat, IMO, Whatsapp, Facebook, text messages and Instagram etc (Junco & Mastrodicasa, 2007; Howe & Strauss, 2000; Tapscott, 2009). Students enrolling in HEIs are more technology savvy than previous generations (Junco & Mastrodicasa, 2007). They perceive that SM play intrinsic role in their educational career choices (Prensky, 2001; Wankel & Wankel,
2011; Junco & Mastrodicasa, 2007). Social media allow students to share contents, to establish communities where they can exchange their opinions and views related to different needs and purchase decisions.

McMillan and Chavis (1986) have suggested four attributes of sense of community which are stated as: (a) Sense of membership (i.e. sense of belongingness of a member to certain group), (b) Sense of influence (i.e. a member with sense that he/ she will be influence or influenced by a group members of a community), (c) Sense of enforcement of needs (i.e. a member in a group senses support from others, receive status for group and he/ she is having ability to meet other members’ needs in a group while fulfilling his/ her own needs), and (d) Sense of Shared emotional connection (i.e. due to high quality and frequent interaction, members in a group sense share relationships and connections with each others).

Due to extensive use of internet by majority people, it is quite challenging and difficult to analyze and gauge the credibility and quality of information shared in the form of eWOM (Yoo, Kim, & Sanders, 2015; Reichelt et al., 2014). Information quality (IQ) described as robustness of connotation immersed in a theme (Filieri & McLeay, 2014; Yeap et al., 2014). It helps consumers in the assessment of services and products’ attributes (Yoo et al., 2015; Filieri & McLeay, 2014). However, as eWOM on SM is less anonymous, so it is assumed that information quality shared on SM has robust influence on consumers’ purchase intentions. Contrarily, past studies shown positive association between consumers’ purchase intentions and information credibility (Howe & Strauss, 2000; Prendergast, Ko, &Yuen, 2010; Park et al., 2007; Hsu & Tsou, 2011). In fact, information credibility is considered as pivotal aspect in consumers’ convincing process (Wathen & Burkell, 2002).

Sussman and Siegal (2003) have advocated two other elements of IAM i.e. information adoption and information usefulness (IU). Cheung, Lee and Rabjohn (2008) explain information usefulness as the perception of consumers’ towards information such that decision making performance will be improved with use of information. Previous researchers also found significant relationship between IU and consumers’ purchase intention (Chiang & Jang, 2007). Later on, other research studies also signified association between purchase intention and information usefulness (Xia & Bechwati,
2008; Liu & Zhang, 2010). That is the reason for inclusion of information usefulness in this study. There is one another factor that is information adoption which might influence purchase intentions of individuals (Cheung & Thadani, 2012). Information adoption mechanism however, may vary over different communication platforms (Park et al., 2007; Cheung et al., 2009).

2. Literature Review:

Conventional Word-of-Mouth performed vital role in shaping consumer choice patterns (Liu & Zhang, 2010; Engel et al., 1969; Arndt, 1967). Previous research studies also demonstrated that WOM is more influential and effective than conventional marketing practices like traditional advertising media and personal selling (Engel et al., 1969; Arndt, 1967; Katz & Lazarfeld, 1955). Thus WOM remained vital element for marketing practitioners and researcher scholars.

Social media stood appropriate channel for electronic Word-of-Mouth (Kim, Sung & Kang, 2014; Evans & Erkan, 2014; Canhoto & Clark, 2013). eWOM refers to any favorable or unfavorable remarks stated by existing, former or prospective consumers of products, which are made available via internet to several numbers of people (Hennig-Thurau et al., 2004). Besides that, opinion leaders create profile related products or company brands and start promotion by discussing it with other consumers. Individuals share their views and comments in the form of videos, pictures, written texts or even sharing application to multitude users. Thus visually enriched contents made eWOM more attractive and entertaining. In addition to that social media channels assist in propagation of eWOM information among large number of users (Coviello et al., 2014). Furthermore, social media users share their views and thoughts related information by forwarding the same posts in relevant user groups (Chu & Kim, 2011). This is the reason that emerging number of consumers are deviating towards social media channels to get the desired information related products or company brands (Naylor et al., 2012; Barreda et al., 2015; Baird & Parasnis, 2011).

eWOM involves exchange of information among people (Bansal & Voyer, 2000). Same contents of information can bring different notions among receivers as influence of eWOM information varies from person to person (Cheung et al., 2008; Chaiken & Eagly,
1976). Past researchers have considered Information Adoption Model (IAM) in order to know how consumers perceive information shared with them (Nonaka, 1994).

In social media, eWOM information can be generated in multiple ways. Users can share posts related to products or company brands intentionally or unintentionally by commenting, liking and forwarding posts with their friends and acquaintances or even with other people without any advertising intentions and thus become a fan of product or company brand. Marketers can also promote their products or company by posting information on their official websites (Bansal & Voyer, 2000; Alboqami et al., 2015).

Past studies have also used various theories and model in order to analyze consumers’ information adoption scheme.

Sussman and Siegal (2003) proposed Information Adoption Model (IAM) by integrating dual process theories i.e. Elaboration Likelihood Model (ELM) and Technology Acceptance Model (TAM) (Petty et al., 1981; Bansal & Voyer, 2000; Petty & Cacioppo, 1986). IAM consists of four elements: (a) argument quality (which illustrates the central route), (b) source credibility (which exhibits the peripheral route), (c) information adoption and, (d) information usefulness. Thus IAM describes how information communicated on internet platforms influence people. This model is robustly appropriate for eWOM research works (Cheung et al., 2009; Cheung et al., 2008; Moran et al., 2014; Shu & Scott, 2014).

Shu and Scott (2014) utilized IAM in SM theme while Cheung et al., (2008) have used in an online discussion forums. Currently this study is aiming at examining eWOM in social media context, thus IAM is found feasible for this research study. It has been revealed that individuals who embrace eWOM information on SM are more probable to generate purchase intention (Erkan & Evans, 2014; 2018). Past studies also evident that eWOM are more influential on consumers’ purchase intentions because eWOM information is generated by acquaintances and friends (Park et al., 2007; Chu et al., 2011; Moran, Gillian & Muzellec, 2014). Students of Gen Y are well informed, technology dependent and media savvy (Alch, 2000). They are more serene as compared to any other generation with new technologies. Students are using improved forms of communication in their education, entertainment and purchasing (Alch, 2000). Ferguson et al., (2008) and Marken (2007) reveal that college-aged population obtain products information via
Facebook, this provides advertisers the opportunity to convince or influence consumers to pass along product information to others.

This study is intended at probing the influence of social media-based eWOM communication on students’ admission choices of HEIs. More specifically, this study adopt IAM suggested by Sussman and Siegal (2003) by utilizing its elements such as: (a) information quality, (b) information credibility, (c) information usefulness and, (d) information adoption; as major precursors of users’ purchase intentions (Sussman & Siegal, 2003). Outcomes of the study will contribute to existing literature. Along with that it will assist in provision of theoretical insights related to electronic Word-of-Mouth in SM. On managerial end, it will elaborate the antecedents of electronic WOM information on SM by assisting HEIs to utilize internet based marketing communication by influencing students’ purchase intentions in their HEI admission choices.

3. Theoretical Framework

Previous studies illustrate that consumers’ reliance on social media for information related to unknown brands is increasing day by day (Schivinski & Dabrowski, 2016; Naylor et al., 2012). Thus social media sites are proven as worthy sources in terms of eWOM. This study applied Erkan and Evans (2018) adopted IAM model which was brought into being by Sussman and Siegal (2003). IAM (Information Adoption Model) has four elements: Information Quality (IQ), Information Usefulness (IU), Information Credibility (IC) and Information Adoption (IA).

Due to extensive use of internet, contents shared and created via eWOM in social media have a question of credibility and quality. Consumers face difficulty in evaluating the quality and credibility of information shared through SM before reliance (Yoo et al., 2015; Reichelt et al., 2014). By information quality we mean the strength of embedding meanings in information (Yeap et al., 2014). It plays vital role in the assessment of product and service related information (Filieri & McLeay, 2014). Prior studies also confirmed positive association between consumers’ purchase intentions and information credibility (Hsu & Tsou, 2011; Park et al., 2007; Prendergast, Ko, & Yuen, 2010).

In consumer information persuasion process, information credibility is considered as an initial factor (Wathen & Burkell, 2002). Therefore, we consider IC as one of the
factors which affect consumers’ PI. Therefore, two hypotheses were proposed which are stated below:

**H1:** Quality of electronic word-of-mouth information in social media has a significant effect on students’ admission choices of HEIs

**H2:** Credibility of electronic word-of-mouth information in social media has a significant effect on students’ admission choices of HEIs

Remaining two components of IAM are: Information usefulness (IU) and information adoption (IA) (Sussman & Siegal, 2003). IU remits to users' perceptions that using information improves their performance (Cheung et al., 2008). Previous research findings also suggest worthy relationship between consumers’ purchase intentions and information usefulness (Xia & Bechwati, 2008). Thus with the inclusion of information usefulness as a component of IAM, we develop hypothesis H3, since information adoption was also found influential on consumers’ PI as well (Cheung & Thadani, 2012). Therefore, hypothesis H4 is developed for testing the aforementioned relationship. It is also found that people who engage in adopting eWOM information are more likely to have purchase intentions (Evans & Erkan, 2014).

**H3:** Usefulness of electronic word-of-mouth information in social media has a significant effect on students’ admission choices of HEIs

**H4:** Adoption of electronic word-of-mouth information in social media has a significant effect on students’ choices of HEIs

Figure 3.1 illustrates the theoretical framework.

![Theoretical framework diagram](http://www.webology.org)
4. Research Methodology

4.1 Sampling design

A survey research strategy was utilized by taking a sample of 340 students from the Institute of Management Studies, University of Peshawar and IBMS, University of Agriculture, Peshawar. According to Peoples’ Republic of China (PRC, 2014) statistics, people under the age of 18-29 are heavy users of social media. Based on this fact, university students were considered suitable and appropriate source of data collection for this study.

Convenience sampling technique was used to collect data from students’ population. The sample size of 340 is considered appropriate, as stated in Krejcie & Morgan (1970) table by Sekaran (2006). Conventional method also suggest same sample size, as prior studies conducted by Erkan and Evans (2016; 2018) considered 384 sample size for their studies. To collect data from each HEI, Proportion Allocation Method (Cochran, 1977) was used. Table is given in the Appendix A.

4.2 Measurements and scales

Multiple item approach was used while designing questionnaire. For better reliability, validated questionnaire items were considered to measure each construct. All the items of each construct were measured on five-point Likert scale ranging from 1-strongly disagree to 5- strongly agree. Items of each variable were borrowed from past studies. Below Table 4.1 exhibits variables and its items.

Table 4.1 Questionnaire items details

<table>
<thead>
<tr>
<th>Variables</th>
<th>Research authors</th>
<th>Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>IQ</td>
<td>Park et al., (2007)</td>
<td>Five items</td>
</tr>
<tr>
<td>IU</td>
<td>Cheung et al., (2008), Bailey &amp; Pearson (1983)</td>
<td>Two items</td>
</tr>
<tr>
<td>IA</td>
<td>Cheung et al., (2009)</td>
<td>Four items</td>
</tr>
<tr>
<td>PI</td>
<td>Coyle &amp; Thorson (2001), Prendergast et al., (2010) and Erkan &amp; Evans, (2016)</td>
<td>Four items</td>
</tr>
</tbody>
</table>

Items were modified as per the requirement of this study.

4.3 Results and Analysis

4.3.1 Reliability Test
To ensure that all adapted items of questionnaire measuring constructs are reliable, Cronbach’s alpha was used for establishing reliability of the measures. The acceptable threshold for reliability is 0.7 (Hair et al., 2003; Gliem & Gliem, 2003). Below reliability statistics Table 4.2 is given.

Table 4.2 Reliability Statistics

<table>
<thead>
<tr>
<th>Variables</th>
<th>No. of items</th>
<th>Cronbach’s alpha (α)</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>IQ</td>
<td>05</td>
<td>0.82</td>
<td>Reliable</td>
</tr>
<tr>
<td>IC</td>
<td>04</td>
<td>0.70</td>
<td>Reliable</td>
</tr>
<tr>
<td>IU</td>
<td>02</td>
<td>0.71</td>
<td>Reliable</td>
</tr>
<tr>
<td>IA</td>
<td>04</td>
<td>0.81</td>
<td>Reliable</td>
</tr>
<tr>
<td>PI</td>
<td>04</td>
<td>0.75</td>
<td>Reliable</td>
</tr>
</tbody>
</table>

### 4.3.2 Sample Characteristics

A sample of 340 were analyzed in terms of gender, age, qualification, internet use, internet usage frequency and internet using duration by measuring frequency and percentages Below is the Table 4.3 stating students’ sample characteristics

Table 4.3 Students’ Sample characteristics (n=340)

<table>
<thead>
<tr>
<th>Measure</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>253</td>
<td>74.4</td>
</tr>
<tr>
<td>Female</td>
<td>87</td>
<td>25.6</td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18-24 years</td>
<td>306</td>
<td>90</td>
</tr>
<tr>
<td>25-31 years</td>
<td>29</td>
<td>8.5</td>
</tr>
<tr>
<td>32-38 years</td>
<td>4</td>
<td>1.2</td>
</tr>
<tr>
<td>39-45 years</td>
<td>1</td>
<td>0.3</td>
</tr>
<tr>
<td>46 or older</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Qualification</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bachelor’s</td>
<td>315</td>
<td>92.6</td>
</tr>
<tr>
<td>Master’s</td>
<td>16</td>
<td>4.7</td>
</tr>
<tr>
<td>Ms/ M.Phil</td>
<td>8</td>
<td>2.4</td>
</tr>
<tr>
<td>PhD</td>
<td>1</td>
<td>0.3</td>
</tr>
<tr>
<td>Internet Use</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>340</td>
<td>100</td>
</tr>
<tr>
<td>No</td>
<td>0</td>
<td>0.0</td>
</tr>
<tr>
<td>Internet usage frequency</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Everyday</td>
<td>269</td>
<td>79.1</td>
</tr>
<tr>
<td>4-5 days per week</td>
<td>32</td>
<td>9.4</td>
</tr>
</tbody>
</table>
Once or twice a week 26 7.6  
Very rare 13 3.9  
  
Internet usage duration  
Less than 1 years 23 6.8  
1-3 years 85 25  
4-6 years 117 34.4  
More than 6 years 115 33.8  

Table 4.3 shows that out of 340 respondents, 253 (74.4%) were male and 87 (25.6%) were female. Most of students were in age range of 18-24 years (90%) with 92.6% (315 students) having qualification of bachelors. All respondents were the users of internet. Out of 340, 269 (79.1%) students uses internet “Everyday”, 32(9.4%) uses internet “4-5 days per week”, 26 (7.6%) using internet “Once or Twice in a week”, while 13 (3.9%) uses internet “Very rare” respectively. The length of time from which respondents are using internet ranges from 115 (33.8%) “More than 6 years” while 117 (34.4%) respondents using it from “4-6 years”, 85(25%) from “1-3 years” and 23 (6.8%) from “Less than 1 years” respectively.

4.3.3 Strength of Relationship among IQ, IC, IU, IA and PI

Correlation analysis helps in measuring the strength and direction of association among the variables. Below Table 4.4 exhibits the result of correlation analysis.

Table 4.4 Strength of relationship among IQ, IC, IU, IA and PI

<table>
<thead>
<tr>
<th>Correlations</th>
<th>Purchase Intention</th>
<th>Inform Quality</th>
<th>Inform Credibility</th>
<th>Inform Adoption</th>
<th>Inform Usefulness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Correlation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PI 1.000</td>
<td>.311</td>
<td>.333</td>
<td>.376</td>
<td>.259</td>
<td></td>
</tr>
<tr>
<td>IQ .311</td>
<td>1.000</td>
<td>.406</td>
<td>.439</td>
<td>.410</td>
<td></td>
</tr>
<tr>
<td>IC .333</td>
<td>.406</td>
<td>1.000</td>
<td>.465</td>
<td>.416</td>
<td></td>
</tr>
<tr>
<td>IA .376</td>
<td>.439</td>
<td>.465</td>
<td>1.000</td>
<td>.446</td>
<td></td>
</tr>
<tr>
<td>IU .259</td>
<td>.410</td>
<td>.416</td>
<td>.446</td>
<td>1.000</td>
<td></td>
</tr>
<tr>
<td>PI .000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td>IQ .000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td>IC .000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td>IA .000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td>IU .000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td></td>
</tr>
</tbody>
</table>

Table 4.4 shows positive and significant association among IQ, IC, IU, IA and Purchase Intention (PI) such as for IQ (r= 0.311, P<0.001), IC (r= 0.333, P<0.001), IU (r= 0.259, P<0.001) and IA (r= 0.376, P<0.001) respectively. According to Cohen (1988),
0.1 < |r| < 0.3 show small association while 0.3 < |r| < 0.5 represents moderate association. Here in this case, only Information Usefulness indicates small association while IQ, IC and IA shows moderate associations.

### 4.3.4 Multiple Linear Relationships among IAM components and PI

In order to explain variation in criterion variable by predictor variables, multiple regression analysis was performed. There are certain assumptions of multiple regression analysis. As sample size of this study is 340 which is greater than 30. According to Central Limit Theorem (CLT) in probability theory, when sample size of the study is greater than 30, data set is assumed to be normally distributed. The reason for this is a sufficiently large sample from a population with a finite variance level; the mean of all samples from the same population roughly equals the population mean. Thus the data set satisfied the normality assumption. Below Table 4.5 illustrate the outcomes of multiple linear regression analyses.

**Table 4.5 Multiple Linear Relationships among IAM components and PI**

<table>
<thead>
<tr>
<th>Independent variables</th>
<th>Dependent Variable</th>
<th>Standardized coefficient Beta (β)</th>
<th>t-value</th>
<th>Significance (P&lt;0.05)</th>
<th>Variance Inflation Factor (VIF)</th>
</tr>
</thead>
<tbody>
<tr>
<td>IQ</td>
<td>Purchase intention</td>
<td>0.229946</td>
<td>3.418</td>
<td>0.0007</td>
<td>1.387</td>
</tr>
<tr>
<td>IC</td>
<td></td>
<td>0.158173</td>
<td>2.161</td>
<td>0.0314</td>
<td>1.426</td>
</tr>
<tr>
<td>IU</td>
<td></td>
<td>0.0124551</td>
<td>0.2306</td>
<td>0.8178</td>
<td>1.501</td>
</tr>
<tr>
<td>IA</td>
<td></td>
<td>0.228265</td>
<td>3.695</td>
<td>0.0003</td>
<td>1.405</td>
</tr>
<tr>
<td>R²</td>
<td></td>
<td>0.202615</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>F-stat</td>
<td></td>
<td>21.28076</td>
<td></td>
<td>0.0000</td>
<td></td>
</tr>
<tr>
<td>DW stat</td>
<td></td>
<td>1.788</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 4.5 reveal that the Information Quality (IQ) has positive and significant effect (β= 0.229, P< 0.05), Information Credibility (IC) has positive and significant effect (β= 0.158, P< 0.05), Information Adoption (IA) has positive and significant effect (β= 0.228, P< 0.05) while Information Usefulness (IU) has positive and insignificant effect (β= 0.0124, P> 0.05) on Purchase Intention.

The R² value shows that IQ, IC, IU and IA explain 20.2% change in Purchase Intention (PI). The F-statistics suggest that model is overall good fit and significant (F-stat= 21.28, P< 0.05). The Durbin-Watson (DW-stat) value is 1.788, which is lying
between the two critical values of \(1.5 < d_w < 2.5\). Therefore, no auto-correlation in our data set. Multicollinearity assumption of multiple regression states that Variance Inflation Factor (VIF) value should be \(1 < |VIF| < 10\). As Table 4.4 shows for all variables (IQ, IC, IU and IA), the VIF values lie between 1 and 10. It was concluded that there is no Multicollinearity issue.

Based on the above analyses, out of four hypotheses, three alternate hypotheses were accepted and only one hypothesis was rejected. Below Table 4.6 exhibits the hypotheses summary.

<table>
<thead>
<tr>
<th>Hypotheses No.</th>
<th>Statement</th>
<th>Results</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>The quality of electronic WOM information in social media has a significant effect on students’ admission choices of HEIs</td>
<td>[\beta = 0.229, \quad P &lt; 0.05]</td>
<td>Hypothesis supported since P-value was less than 0.05</td>
</tr>
<tr>
<td>H2</td>
<td>The credibility of electronic WOM information in social media has a significant effect on students’ admission choices of HEIs</td>
<td>[\beta = 0.158, \quad P &lt; 0.05]</td>
<td>Hypothesis supported since P-value was less than 0.05</td>
</tr>
<tr>
<td>H3</td>
<td>Usefulness of electronic WOM information in social media has a significant effect on students’ admission choices of HEIs</td>
<td>[\beta = 0.0124, \quad P &gt; 0.05]</td>
<td>Hypothesis was not supported since P-value was greater than 0.05</td>
</tr>
<tr>
<td>H4</td>
<td>Adoption of electronic WOM information in social media has a significant effect on students’ admission choices of HEIs</td>
<td>[\beta = 0.228, \quad P &lt; 0.05]</td>
<td>Hypothesis supported since P-value was less than 0.05</td>
</tr>
</tbody>
</table>

5. Discussion
This study examined the effect of social media based eWOM communication on students’ HEIs admission choices. Prior studies examined the influence of eWOM on SM (See-To & Ho, 2014; Erkan & Evans, 2018; Wang et al., 2012; Iyengar et al., 2009; Wallace et al., 2009) on consumers’ online purchase intentions and found statistical significant relationship. Wallace et al., (2009) investigated the impact of WOM and advertising messages on SM on college students’ purchasing behaviors on a control private social network. However, no such studies initiated to fill this gap. As social media have put in place a unique perspective for eWOM communication by empowering individuals/ students to share and exchange opinions and experiences with their companions (Moran et al., 2014; Erkan & Evan, 2018; Kozinets et al., 2010). Four hypotheses were developed which were then statistically examined using various statistical tools. A survey research strategy was initiated.

Findings of multiple regression analyses suggested statistically significant relationship among IAM components (such as IQ, IC and IA) and consumers’ purchase intentions except IU. There was no statistically significant relationship found between IU and consumers’ PI. Evans and Erkan (2014) in their research study also found insignificant relationship between IU and consumers’ PI. The reason for such result may be because of the context of this study which is SM. People typically get eWOM information in SM from their friends and acquaintances helpful. This might be the cause of change in the result of H3. IAM model was although found relevant but due to rejection of hypothesis H3, there is still room for further discussion and inquiry for researchers.

Regarding characteristics of electronic WOM information, results of this study correlate with prior research studies. IC and IQ have a positive and significant repercussion on IU while IU is also positively associated with IA which was also suggested by Sussman and Siegal (2003) in their proposed Information Adoption Model. Our findings established evidence that proposed IAM model is applicable and appropriate for electronic WOM research studies. Such findings were also suggested by prior electronic WOM research studies as well (Cheung et al., 2008, 2009; Shu & Scott, 2014). However this study introduce consumers' purchase intentions (PI) as a response variable in the evaluation of electronic WOM information on SM. Therefore, findings of this
study recommend that how information adoption process affect consumers' PI. Findings of this study correlate with past research studies (Erkan & Evans, 2018; Chu et al., 2011; Park et al., 2007; Chu, Chuan, & Choi, 2011). Therefore, it is concluded that social media based eWOM communication effect students in their decision making regarding HEIs admission choices.

6. Conclusion

This research was set out with the aim to investigate the ramification of SM based electronic WOM communication on consumers’ PIs in context of students’ Higher Education Institutions (HEIs) admission choices. Based on IAM components initiated by Sussman and Seigal (2003), this study developed four hypotheses. It was hypothesized that components of IAM have significant effect on consumers’ PI. The results revealed insignificant effect of IU while significant effect IQ, IC and IA on consumers’ PI. Prior studies also supported the current findings of this study (Evans & Erkan, 2014). Major contribution of this study is to understand the influential effects of social media based eWOM communication on students’ admission choices. Further this study contribute theoretically as it corroborate the existing IAM model proposed by Sussan and Siegal (2003).

7. Managerial Implications

This study may have certain important managerial implications. It elaborates the influence of electronic WOM information on SM that affect customers' PIs. For marketers, SNS are essential as it consists of many users; and furthermore, SNS are considered as very suitable platforms for electronic WOM. This study provided marketers' with understanding of electronic WOM dynamics which will help them in designing more creative and appropriate marketing strategies in order to better recruit large number of students.

This research suggests that HEIs need to develop social media pages and websites to connect with their current and potential students in order to compete for students. As the world become a global village, each and every HEI either national or international makes an attempt to cater large segment of students using both traditional as well as advance marketing techniques. Social media is more cost effective mode of marketing which HEIs can utilize to get maximum students’ enrolments.
8. Limitation and Future Directions

This study has certain limitations which may also serve as a future research direction. University students were considered as sample to perform this research. One can conduct research by considering other groups like buyers of automobiles, fashionable product, etc. Another limitation is the consideration of all Social Networking Sites (SNS) together; investigating each site separately can bring different results. Lastly, four components of IAM model were examined. One can extend existing model by adding some new components into it.

References


**Appendix A: Sample size distribution in the selected HEI**

<table>
<thead>
<tr>
<th>University/Institute</th>
<th>Total enrolled Undergraduate and graduate business students</th>
<th>Sampled Business Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>IBMS, University of Agriculture Peshawar</td>
<td>600</td>
<td>204</td>
</tr>
<tr>
<td>IMStudies, University of Peshawar</td>
<td>400</td>
<td>136</td>
</tr>
</tbody>
</table>