

# Delta University Scientific Journal

Journal home page: https://dusj.journals.ekb.eg



# The Impact of Word of Mouth on Brand Avoidance "An Investigation into The Egyptian Automobile Market"

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#### **ABSTRACT**

This study aims to examine the impact of word-of-mouth on brand avoidance in the Egyptian Automobile market. To achieve this objective we designed a survey for sample size is 384 customers, pooling the answers and analyzed statistically. The results show a significant relationship between word-of-mouth and brand avoidance.

Keywords: Word of Mouth, Brand Avoidance

#### 1. Introduction

The word of mouth has attracted the interest of both scholars and practitioners (Pollack, 2017). For many years, word of mouth has been shown to influence awareness, attitudes and behavioral intentions, so it is considered one of the powerful forms of interpersonal communication (Haxhialushi & Panajoti, 2018).

Companies, in advance of providing products or services, are interested in word of mouth, because of their impact on shaping the behavior of people because of the information given to them by other consumers of the product (Wang et al., 2022).

It is a fact that consumers like to talk about products and services especially that are presented differently and that they are interesting (Haxhialushi & Panajoti, 2018).

The company is also interested in motivating consumers by giving them gifts to encourage them to talk about the product, and thus positive word of mouth can be formed about the company and not leave an opportunity for negative word of mouth, and its way in that is to ensure the satisfaction of existing customers with the company (Dinh & Mai, 2016).

Brand avoidance is a daily phenomenon in consumers' lives that may occur as a result of consumers' negative experiences with the brand and negatively affect the company whose brand is avoided as its sales are affected and the number of its customers is reduced (Berndt, et al., 2019). Many researchers see brand avoidance as the opposite of brand loyalty, and avoidance is often the result of brand distrust (Xiao et al., 2022).

According to the above, the researchers settled in their study to test the relationship between word of mouth and its role in brand avoidance, by applying on the Egyptian Automobile Market.

# Theoretical background and hypothesis development

# A- Word of mouth

With the changes taking place in the field of communication and interactions between consumers, traditional advertising has become less effective in changing consumer perception (Mukerjee, 2020). With the increase in digital transformation and the spread of digital tools, word of mouth has had a significant impact among consumers due to the influence of referrals and recommendations among consumers (Mingli et al., 2017).

WOM influences consumers throughout the entire buying process through messaging about product news, hands-on advice, and personal experience about product after trial (Andrei, 2012). This means that word of mouth has proven to be a powerful influencer tool that can work for or against a

brand (Ng et al., 2011). In addition, Asada & Ko, 2016 indicated that customers who received information through WOM were more likely to become repeat buyers than other customers.

Consumer can use to obtain correct and accurate information, and is often an experienced customer in dealing with the brand who can provide information according to previous experience and knowledge with the brand (Foroudi et al., 2021). For example, the information that the consumer obtains from his social environment tends to be truthful and trustworthy, unlike the information that comes from the official sources related with the brand (Mukerjee, 2020).

Velázquez et al., (2015) argue that WOM includes any information about a product, service, or thing that is passed on from one individual to another through communication. Also, Romaniuk & Hartnett, (2017) defines word of mouth as an oral, person-to-person communication between the recipient and the communicator that the recipient considers non-commercial, regarding a brand, product or service. In addition to, Foroudi et al., (2021) refer to word of mouth as a form of communication between individuals regarding their personal experiences with a company or product.

Many studies such as (Sweeney et al., 2012; Asada & Ko, 2016; Yi &Ahn, 2017) measure construct word of mouth as a four components namely Cognitive content, Content Richness, Cognitive delivery, and Strength of delivery, and can be addressed as follows:

# 1- Cognitive content

Cognitive content is one of the most important components of word of mouth and is built on experience. Cognitive content is the extent of the judgment issued by the owner of the information and the objective judgments it contains about the quality and accuracy of the information (Wang., et al., 2022).

# 2- Cognitive delivery

Cognitive delivery refers to the amount of information clients receive from word-of-mouth sources (Wang., et al., 2022). The frequency of information has an important role in helping consumers in the decision-making process, for example, in order to buy a mobile phone, the consumer must have information about the battery, the different applications, the operating mechanism, the latest versions (Foroudi et al., 2021).

# 3- Content richness

Content richness refers to the extent to which a company's message is perceived as informational, sound, and vital (Asada & Ko, 2016). Richness focused on the language used like reminiscent phrases or tell the stories which affects the decisions of other customers towards the company and its products (Foroudi et al., 2021).

# 4- Strength of delivery

The strength of the advocacy relates to the emotional appeal of the company's messages, Indicates the degree of strength that is perceived when a WOM message is delivered (Asada & Ko, 2016). It focused on the method emotional (Mukerjee, 2020).

#### **B-** Brand avoidance

Xiao, et al., (2022) argues that brand avoidance is the awareness of deliberately rejecting a brand for several negative factors. Also, Jayasimha, (2017) defined brand avoidance means that consumers deliberately choose to reject the brand.

Accordingly, avoidance expresses the situation in which the consumer intentionally avoids or rejects the brand with all its products, with the availability of his ability to purchase, yet they decide not to buy the brand

Many studies such as (Berndt, et al., 2019; Odoom, et al, 2018; Jayasimha, 2017; Rindell, et al., 2014; Lee, et al, 2012) measure construct brand avoidance as a four dimensions experiential avoidance, avoidance related to customer identity, moral avoidance, advertising avoidance, and can be addressed as follows:

#### 1- Experiential avoidance

It results from the unfulfilled brand promises (Abro, et al., 2020). The customer may become alienated from the brand upon repeat purchase (Jayasimha, 2017).

Dissatisfaction may result when actual consumer experiences do not match the expectations required of the brand and as a result brand alienation may occur (Khan & Ashraf, 2019).

# 2- Identity avoidance

Consumers consider brands that align with their self-concept and that help maintain their self-identity. Therefore, consumers may also avoid certain brands as a way to build and enhance their self-concept (Almqvist, et al, 2016). The consumer also maintains his self-concept by avoiding a brand that conflicts with his desired or actual self-concept (Jayasimha, 2017).

Customer identity avoidance occurs when consumers avoid brands that are inconsistent with their self-concept, whose consumption results in a loss of customer identity, or in the event that the brand cannot meet the customer's identity requirements (Berndt, et al., 2019).

#### 3- Moral avoidance

Brand can be avoided for reasons related to moral due to the belief that the brand is harmful to the environment or conflicts with the personal moral values and beliefs of customers, including their own beliefs and customs (Bayarassou, et al., 2020).

Moral avoidance includes the company's monopoly on certain products, which leads to the customer's awareness of a power imbalance between him and the company, and he resorts to avoiding the brand as much as possible (Odoom, et al, 2018). Avoidance can also include political, religious, social, and economic factors related with client ideology (Berndt, et al., 2019; Lee, et al., 2009). Therefore, moral avoidance is related with socially harmful promises (Lee, et al., 2012).

# 4- Advertising avoidance

Advertising and various components of an organization's marketing communications mix influence a customer's decision to avoid a particular brand (Knittel, et al, 2016). Aspects that can contribute to brand avoidance include advertising content, music, celebrity endorser, responsiveness (Berndt, et al., 2019).

Rindell, et al., (2014) argue that brand avoidance includes moving away from the brand, while the boycott includes negative behavior, but it can be for a period.

The researchers conducted an exploratory study to determine the avoidance of customers for one brand from others and the factors that help in purchasing a specific brand, and personal interviews were conducted with 30 customers in the Egyptian Automobile Market. The study revealed as to increase of some customers' interest customers retain their owned cars due to the increase in used car prices, also, customers respond to advertising campaigns that seek to reduce car purchases such as "Let It Rust campaign". In addition to that, customers are influenced by the words of their reference when purchasing, also customers can buy the new car when the agent focused on the characteristics associated with the car's performance and price. In light of the results of the exploratory study, the researchers can formulate the research problem in "There is an increase in cars' brand avoidance, which leads to the question: Can brand avoidance of buying cars be reduced through word of mouth?".

This study therefore sought to examine the impact of word of mouth on brand avoidance by applying into Egyptian Automobile Market. The following specific objectives were established:

- 1- Determining the nature of the correlation between the dimensions of word of mouth and brand avoidance.
- 2- Determining the impact of the dimensions of word of mouth on the dimensions of brand avoidance. **Hypothesis development**

Based on the above, the research hypotheses can be formulated as follows:

- 1. There is a significant impact of the dimensions of word of mouth on experiential avoidance.
- 2. There is a significant impact of the dimensions of word of mouth on identity avoidance.
- 3. There is a significant impact of the dimensions of word of mouth on moral avoidance.
- 4. There is a significant impact of word of mouth dimensions on advertising avoidance.

#### 2. Material and methods

#### 2/1. Population and sample

The study population is the Egyptian Automobile Market, and the sample size was determined, which amounted to 384 customer, at 5% error limits and 95% confidence level. The researchers pulled the convenient sample from the Egyptian Automobile Market, the number of investigations valid for analysis was 289. Researchers used Google Drive forms in preparing the survey, then we available survey link on the Internet via (Facebook, Gmail, Yahoo ... etc.) for 14 days.

In the study we used a survey research method to investigate impact of word of mouth on brand avoidance. The statements assessed by using Likert scale of five points scale ranging from 5" completely agree" to 1" completely disagree", taking into account the inverse gradation of the brand avoidance scale. Confidentiality and the rights of withdrawal were observed.

#### 2/2. Measurement

# 1- The independent variable: Word of mouth

The scale that was used by many studies, including the study (Foroudi et al., 2021), was relied upon, and the researchers relied on it because it is the common scale in all studies reviewed by researchers and it consists of four dimensions: cognitive content, cognitive delivery, content richness, strength of delivery.

# 2- The dependent variable: Brand avoidance

It was measured using a scale (Odoom, et al., 2018), and it consists of four dimensions: experiential avoidance, identity avoidance, moral avoidance, and advertising avoidance.

# 2/3. Validity and Reliability

The researcher used Cronbach's Alpha to test the reliability of measures of all variables (word of mouth, and brand avoidance and it's dimensions).

Table 1: Reliability Analysis

Variable	Cronbach's alpha
cognitive content	0.794
cognitive delivery	0.810
content richness	0.773
strength of delivery	0.841
experiential avoidance	0.804
identity avoidance	0.788
moral avoidance	0.862
advertising avoidance	0.904

The analysis in table 1 suggests that the Cronbach's alpha values for all the study variables (dependent and independent) exceeded 0.7 thresholds. This indicates that the instruments employed were reliable enough to conduct the study and to make a conclusion.

#### **Results**

The research used mean and standard deviation to summarize data collected. Simple regression, and multiple correlation coefficient were also adopted to assess the impacts between the variables.

# a- The relationship between word of mouth and brand avoidance.

Table 2: Means, standard deviations, and correlations among the study variables.

	Variable	M	SD	R			
				1	2	3	4
1	cognitive content	3.433	0.948	1			
2	cognitive delivery	3.567	0.990	0.651* *	1		
3	content richness	3.651	1.056	0.551*	0.632*	1	
4	strength of delivery	3.806	0.994	0.485*	0.621*	0.592*	1
5	experiential avoidance	3.443	1.017	0.475*	0.462*	0.538*	0.615*
6	identity avoidance	3.717	0.947	0.414*	0.361*	0.478*	0.505*
7	moral avoidance	3.198	0.951	0.416* *	0.425*	0.449*	0.498*
8	advertising avoidance	3.651	1.122	0.480*	0.563*	0.648*	0.617* *

It is clear that availability of word of mouth and brand avoidance among customers for Egyptian Automobile Market with a degree greater than mean. Also, there is a significant correlation between word of mouth and brand avoidance, and the correlation value was (0.388).

The values of the Pearson correlation coefficients between the dimensions of word of mouth and the dimensions of brand avoidance ranged between (0.361-0.648), where the weakest correlation was between the cognitive delivery and identity avoidance amounted to (0.361), while the strongest was the content richness and advertising avoidance, and amounted to (0.648), and it was found that these transactions are significant at a level of significance of 1%.

# b- Hypotheses Testing

# 1- This part discusses the results of the statistical analysis related to determine the type of relationship between word of mouth and brand avoidance, as follows:

Table 3: Results of a simple regression analysis of the impact of word of mouth on brand avoidance

Independent	β	F	Sig.	$\mathbb{R}^2$
word of mouth	0.655	745.047	0.000	0.151

Table 3 data indicate that the regression model was significant, as the value of F (745.047) was significant at the level of 1% of significance. The value of  $R^2$  was (0.151), which means that word of mouth explains 16% of the changes that occur in brand avoidance, and the remaining 84.9% is due to the influence of other factors that did not appear in the model.

# 2- The impacts of dimension's word of mouth on experiential avoidance.

Table 4: Results of multiple correlation analysis of the impact of dimension's word of mouth on experiential avoidance

Dependent variable	Independent variable	Beta	R <sup>2</sup> change
experiential avoidance	strength of delivery	0.466	0.664
	cognitive delivery	0.443	0.012
	$(\mathbb{R}^2)$		0.676
	F		349.078
	Sig.		0.000

Table 4 data indicate that the calculated F value of the model reached (349.078), and the significant value reached (0.000), which means high moral of the model, and it clear that there is a significant impacts of word of mouth on experiential avoidance. Also, the value of  $R^2$  for the model reached (0.676), which indicates that word of mouth explain (67.6%) of the change that occurs in experiential avoidance. The model also excludes cognitive content and content richness from influencing experiential avoidance.

# 3- The impacts of dimension's word of mouth on identity avoidance.

Table 5: Results of multiple correlation analysis of the impact of dimension's word of mouth on identity

Dependent variable	Independent variable	Beta	R <sup>2</sup> change
identity avoidance	strength of delivery	0.428	0.498
	content richness	0.314	0.057
$(R^2)$			0.555
F			208.018
Sig.			0.000

Table 5 data indicate that the calculated F value of the model reached (208.018), and the significant value reached (0.000), which means high moral of the model, and it clear that there is a significant impacts of word of mouth on avoidance related with customer identity. Also, the value of  $R^2$  for the model reached (0.555), which indicates that word of mouth explain (55.5%) of the change that occurs in avoidance related with customer identity. The model also excludes cognitive content and cognitive delivery from influencing identity avoidance.

#### 4- The impacts of dimension's word of mouth on moral avoidance.

Table 6: Results of multiple correlation analysis of the impact of dimension's word of mouth on moral avoidance

Dependent variable	Independent variable	Beta	R <sup>2</sup> change
moral avoidance	cognitive delivery	0.458	0.487
	strength of delivery	0.270	0.042

$(R^2)$	0.529
F	187.500
Sig.	0.000

Table 6 data indicate that the calculated F value of the model reached (187.500), and the significant value reached (0.000), which means high moral of the model, and it clear that there is a significant impacts of word of mouth on moral avoidance. Also, the value of R<sup>2</sup> for the model reached (0.529), which indicates that word of mouth explain (52.9%) of the change that occurs in moral avoidance. The model also excludes cognitive content and content richness from influencing moral avoidance.

#### 5- The impacts of dimension's word of mouth on advertising avoidance.

Table 7: Results of multiple correlation analysis of the impact of dimension's word of mouth on advertising avoidance

Dependent variable	Independent variable	Beta	R <sup>2</sup> change
advertising avoidance	cognitive content	0.644	0.316
	strength of delivery	0.351	0.054
	cognitive delivery	0.107	0.032
	$(R^2)$		0.402
F			393.777
Sig.			0.000

Table 7 data indicate that the calculated F value of the model reached (393.777), and the significant value reached (0.000), which means high moral of the model, and it clear that there is a significant impacts of word of mouth on advertising avoidance. Also, the value of R2 for the model reached (0.402), which indicates that word of mouth explain (40.2%) of the change that occurs in the dependent variable advertising avoidance. The model also exclude content richness from influencing advertising avoidance.

#### **Discussion**

The purpose of this research was to find out the impact of the word of mouth on brand avoidance. Accordingly, the results demonstrated that there is a significant impact of word of mouth on brand avoidance.

Also, the results demonstrated that there are a significant impact for strength of delivery and cognitive delivery on experiential avoidance. This result differed with the study (Shin et al., 2016), where it indicated that avoidance related with past experience negatively affects word of mouth, which is the opposite of the result of the current study, where it indicated that word of mouth positively affects the improvement of the degree of avoidance related with past experience. The researchers conclude from this result that customers in the Egyptian Automobile Market are affected by repeating the name of the company that owns the car they use and by comparing the car they use with other car brands, which positively affects the reduction of avoidance related with past experience.

Also, the results demonstrated that there are a significant impact for strength of delivery and content richness on avoidance related with customer identity. Also, the results demonstrated that there are a significant impact for cognitive delivery and strength of delivery on moral avoidance. However, the results demonstrated that there are a significant impact for cognitive content, strength of delivery and cognitive delivery on advertising avoidance. The researchers conclude from this result that the Egyptian Automobile Market belong to groups in which they exchange experiences and past experiences and their interest in other opinions about the brand, as well as the clarity of information sources about the different brands, which positively affects the reduction of advertising avoidance.

# **Conclusion and Recommendation**

The study generates a number of theoretical conclusions that help to clarify research on word-of-mouth, consequences related to its association with brand avoidance, and generally contributes to the discussion about the mechanisms that convert WOM from the positive to the negative form that affects the purchase of the brand. WOM is the term used to describe oral communication between two people, i.e., speakers and listeners who are interested in what the other person talking about their experience. Each of them obviously has a reason for participating in the word-of-mouth process. So this is an answer to the mystery surrounding the origin for word-of-mouth. We can gain a much-needed wider and deeper perspective on what transpires in WOM interactions among consumers by adopting a discursive view of WOM. Also, Word-of-mouth is developed by relying on data retrieved from memory

or conjectured upon a scenario. Tracking what kind and how much WOM is being generated in the market is still a famously difficult task. The intimidatingly high number of WOM episodes that might occur between customers in a marketplace is one obvious reason.

This study recommends that, companies should enhance positive WOM to deal with brand avoidance, by providing valuable gifts to consumers, as well as clarifying product characteristics and focusing on competitive pricing. Dealing with crises in advance such as the "Let It Rust" campaign, spare parts for cars should be provided at a fair price. Also, try to create a dialogue with customers about their experiences of owning certain brands of cars to increase the positive word of mouth from customers about the company. Taking into account the provision of appropriate after-sales service, and credibility in providing a real guarantee in the event of vehicle damage. And manufacturing cars that fit the nature of life in the country in which the car is issued.

#### Limitations and future directions

Some caution should be noted despite the importance of our results. First, we focused on one of the negative aspects of WOM consequences as brand avoidance. Second, as with any analysis, our research has some inherent limitations in study design. The research depends on the use WOM to avoid the mark, especially in the Egyptian car market, which was accompanied by many crises such as the campaign of non-use of cars. Although this study produced some interesting and meaningful results, there are some limitations as well. Like most market research, the study relied on a convenient sample, which may understate the results.

Future research, in this study, we were not interested in the role of WOM on positive attitude. Research may be conducted in other fields types to see whether the same patterns of situation dimensions and consumer purchasing behavior emerge there. Research is also needed to examine the changes in situational factors over a longer period of time.

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