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# **Influence of Electronic Word of Mouth (e-WOM) on Brand Credibility and Purchase Intentions "An Applied Study on Young Egyptian Internet Users"**

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بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ  
قَالُوا سُبْحَانَكَ لَا عِلْمَ لَنَا إِلَّا مَا عَلَّمْتَنَا  
إِنَّكَ أَنْتَ الْعَلِيمُ الْحَكِيمُ

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## ***Abstract***

Electronic communication has become an essential part of consumers' everyday lives. Consumers rely on the internet as an alternative source of information pertaining to brands that can be accessed easily. As a result electronic word of mouth (e-WOM) has become a force to be reckoned with that needs to be understood in order to be properly managed. This research investigate how the credibility of the brand as a source of information might be influenced by consumers' engagement in e-WOM and whether this influence subsequently reflects on their purchase intentions. The research findings indicate that indeed there is a relationship between e-WOM and brand credibility that reflects both directly and indirectly on the consumer's purchase intentions. Based on this, several recommendations are developed to help managers navigate their online presence in a way that specifically suits their consumers' internet usage patterns, in order to effectively manage available e-WOM on their brands.

**Keywords:** Electronic word of mouth, Brand credibility, Purchase intentions, Opinion passing, Internet usage, Facebook, Smartphones

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# **Chapter One**

## **Research Framework**

## **1.1 Introduction:**

In this chapter, an overview of the thesis is provided, by discussing the research background which led to defining the research problem and formulating the research questions, objectives and hypotheses. In addition to, highlighting the context of the research as well as the methodology utilized. Therefore, this chapter will include the following:

- Research Background
- Research Problem
- Research Questions
- Research Objectives
- Research Hypotheses
- The context of the Research
- Research Methodology
- Research Importance
- Thesis Structure

## **1.2 Research Background**

The role technology is playing in the current world cannot be disclaimed. Consumers are increasingly relying in their daily lives on electronics, such as smartphones and tablets, to attain services and products, collect information or simply to stay connected (Rivera et al., 2015). The current dominance of speedy technology on consumers' lives creates a pressing urge for marketers to understand the new technologies and their effects, in order to stay informed on how to effectively target consumers (Husnain et al., 2016). The evolution of technology boosted the development of social media, which has become an undeniable force that

thrives on people's need to connect and communicate (Mangold and Faulds, 2009).

Social media has allowed more opportunities for consumers to share their thoughts, including those about brands and products, with their existing social networks such as family and friends (Erkan and Evans, 2016). Hence, it offers even more room for electronic word of mouth (e-WOM) to prosper (Mangold and Faulds, 2009; Sahelices-Pinto and Rodríguez-Santos, 2014). Since, e-WOM, by definition, is "any positive or negative statement made by potential, actual, or former customers about a product or company, which is made available to a multitude of people and institutions via the Internet" Hennig-Thurau, et al. (2004), p.39.

The importance of e-WOM as a source of information can be due to the reasoning that consumers tend to trust it as they perceive it free from any commercial or marketing intent (Pongjit and Beise-Zee, 2015). In addition, consumers do not only trust e-WOM recommendations from family and friends, but they also trust impartial opinions from others outside their social circles (Duan et al., 2008). Therefore, it is foreseeable how e-WOM communications can become a credible, reliable, and persuasive source of information for consumers (Chatterjee, 2001; Bickart and Schindler, 2001; Godes and Mayzlin, 2004; Mayzlin, 2006).

The vast spread of the internet allowed e-WOM to have a wide reach and permanent storage, thereby increasing its influence on consumers and brands (Hennig-Thurau et al., 2004; Sahelices-Pinto and Rodríguez-Santos, 2014). Technology has shifted the balance of power, between brands and consumers, in favor of the consumers (Rivera et al., 2015). Therefore, it is important to consider that e-WOM can influence the decision making