# "THE POSITIVE AND NEGATIVE INFLUENCES OF WORD OF MOUTH MARKETING ON CONSUMER BUYING BEHAVIOR"



# RABEL H. BHURGRI

(111012-055)

Thesis Submitted in partial fulfillment of the requirements for the degree of Bachelors of Business Administration (BBA).

Department of Management Sciences

Bahria Institute of Management and Computer Sciences

(BIM&CS)

2001-2004

#### **ABSTRACT**

The main purpose of this study is to examine the negative and positive affects that word of mouth marketing has on consumer buying behavior. The relationship between the consumer buying behavior and the influencing factors are studied carefully.

Five hypotheses were developed and tested individually. Secondary data was used, for example, Roper's report (2004) and primary data was collected by conducting a survey in the form of a questionnaire in the area of Islamabad and Rawalpindi. In the survey, 100 respondents were selected randomly at households and universities. The data was analyzed by using frequency distribution and ranking.

From the statistical results it was observed that consumers tend to rely on word of mouth for the purchase of everyday items as well as long term goods. The people that seem to have an influence on the decision of consumers the most are close family, friends and acquaintances. Results show that a bitter experience of a product/place can create problems for the company as it is a major factor of negative word of mouth. Viral Marketing is gaining rapid popularity among consumers as is seen in the results. The most important result revealed was that negative word of mouth travels faster than positive comments.

# TABLE OF CONTENTS

	Page
ABSTRACTACKNOWLEDGEMENTS	iii iv
DEDICATION	v
LIST OF TABLES	vii
LIST OF FIGURES	viii
CHAPTER	
I.INTRODUCTION	. 1
Broad problem area	4
Rational of the study	6
• Problem statement	9
Objectives of the study	9
• Hypothesis development	10
• Definition of the terms	12
II. LITERATURE REVIEW	. 14
III. METHODOLOGY	24
Sample/Data	24
Instruments and measures	25
• Procedure	26
IV. RESULTS AND DISCUSSION	28
V. CONCLUSION AND RECCOMENDATIONS	47
• Conclusion	47
Recommendations	49

### REFERENCES

# APPENDICES