

CONSUMERS' AGE AND WORD OF MOUTH

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ABSTRACT

Turbulent marketing environment, where the consumers' economic and social roles in general are transforming, has caused businesses to accept the fact that consumer choice and decision making comprise a single social process, which does not depend only on the impact of companies' marketing mix elements on the consumers, but that this complex process is most determined by individual or group-based interactions and relationships between the consumers themselves through word-of-mouth communication.

Consumer behaviour at the market is determined by many factors, and is therefore characterized as very complex and difficult to predict. Consumers' age is one amongst many important factors that marketing theory and practice research on a daily basis. This paper attempts to address the impact of consumers' age on creation and diffusion of word of mouth resulting in purchase decision, and tries to point out some directions of thinking and future research, based on the experience from the Republic of Serbia.

KEY WORDS: consumer, word of mouth, buying decision.

1. INTRODUCTION

One of the basic characteristics of the current business setting and the marketing environment is the fact that businesses are slowly losing control of the flows of marketing information on the market, and that it is increasingly taken over by the consumers themselves.

Most of the completed, but also current marketing research focuses in detail on interactions between businesses themselves, as well as interactions between businesses and consumers, to explain the market's structure and dynamism. On the other hand, negligible effort has been made towards studying interactions between consumers themselves and the consequences of these interactions on purchase decision making. The contemporary problems of business operations and reduction in the return on marketing investment have placed a considerable question mark before the claim that consumer decision is merely a choice of one of the large number of alternatives offered by businesses on the market. The current business reality and marketing environment potentiate interaction between consumers themselves as a fundamental mechanism increasingly creating the shape and structure of the market.

This new marketing era is based on incessant interactions and communications between consumers across the global

market, who thus share and consume information on all relevant dimensions of their existence. On the one hand, these changes facilitate businesses' identification and targeting of potential consumers, but on the other, businesses lose control over the messages they have sent to the target market. The emergence of the internet has accelerated and multiplied the communication process even more, completely relativising time and place as significant factors of the communication process.

According to the research of Webtrends Consultancies for 2009, attention is drawn on the following trends in consumer behaviour:

- Reduction in consumer loyalty, who increasingly display price oriented rather than brand oriented behaviour. The brand is still important, but the consumers' standards and expectations are at a much higher level than earlier;
- Reduction in consumer trust, especially in mass media, regardless of the industry the business belongs to, where the only growth in trust is recorded in face-to-face and the internet, i.e. electronic word-of-mouth communication between consumers; as many as 80% consumers put interpersonal word-of-mouth communication at the first place when it comes to the degree of trust.

- Increase in independence of the consumers, who make their buying decision decreasingly under the influence of businesses, and increasingly independently, based on their own information, gathered mostly by word-of-mouth communication.

The report further states that 10% to 40% consumers customize businesses' products and services independently, actively initiating communication with them, and thus shape their demands from businesses so that the application of 4R (Reveal, Reward, Respect and Retain your consumers) principle is suggested, and word-of-mouth communication plays the most significant role in these activities.

As enterprises today find it increasingly complex to achieve business success, they must invest an increasing amount of effort in researching consumer behaviour, striving to study not only individual factors influencing this behaviour, which are extremely numerous, but also to establish whether there is a certain interdependence of action of these factors on consumer behaviour.

This paper aims to present the phenomenon of interpersonal word-of-mouth communication and implications that it has on consumer behaviour, and, using statistical analysis, offer the answer to the research question:

- Is there a statistically significant correlation between consumers' age and generating, disseminating and effects of word-of-mouth communication?

2. LITERATURE REVIEW

Consumer behaviour in specific marketing situations is determined by numerous factors of internal and external character. Both groups of factors require equal amounts of attention. Although internal factors are more difficult to understand, it is the external factors – demographic, geographic, social and economic – that very often make the decisive impact on consumer behaviour and buying decisions. Demographic factors take up a special place in marketing research as the number, mobility, gender structure, and especially age structure, determine the potential of the market and consumer behaviour. Age significantly determines the differences in the process of purchasing products and services. At every stage of their lives, consumers differ by manifested requirements and desires, by purchasing power, by preferences, tastes, use and post-purchase assessment of products and services, in terms of communicating their satisfaction or disappointment to other consumer.

The so-called cohort effect (Schiffman, Kanuk, 2004, p. 57; Maričić, 2011, p. 169) is a very important one, referring to the fact that there are differences in behaviour between age groups depending on the time and the setting they grew up in, and, as such, retain thus acquired habits and

behaviours, for instance baby boomers who, at their mature age, listen to rock music and drink Pepsi.

Word-of-mouth communication (Grönroos, 2004, p. 269) is defined as "messages and information on a business, its credibility, trust in it, the business' manner of operation, offer and quality of its products and services, exchanged in individual communication". Grönroos was one of the first marketing experts who analysed the phenomenon of this specific communication form by viewing through the prism of consumer perception and the prism of consumer-to-consumer relations on the market, thus attributing to it two significant dimensions of observation – psychological and social.

One of the leading marketing authorities, especially in the area of consumer behaviour, Michael Solomon (2011, p. 332) defines word-of-mouth communication as "communicating information on products and services from one individual to another". He also points to the still present high degree of significance of formal information sources, which he primarily equates with corporate advertising, especially in the case of developing brand awareness among consumers, but remarks that word-of-mouth communication gains predominance in the later phases of evaluation and acceptance of the product on the market. If the consumers hear positive impressions on a product from their friends, acquaintances and relatives, this increases the chance that they will purchase and accept the offered product and service.

Hanna & Wozniak (2009, p. 457) define word-of-mouth communication as "personal communication between individuals, where one of them plays the role of message recipient, whereas the other acts as the source, i.e. sender of a message that is regarded as non-commercial and relates to products, services or brands". Although it refers to businesses' products, services or brands, word-of-mouth communication is generated completely independently of the business; it is transmitted spontaneously and autonomously between consumers.

George Silverman defines word-of-mouth communication as "communication about a business' products and services occurring between individuals, assuming that they are independent of the businesses offering those products and services, and that this communication is conducted through media also independent of the business whose products are referred to" (2005, p. 25). Interpersonal word of mouth communication can flow through different types of media such as telephone, mail, the Internet etc.

Emanuel Rosen (2009) is another author researching the phenomenon of word-of-mouth communication, but in terms of its exploitation by businesses, criticising contemporary marketing executives for excessive investment of money and expectations into advertising and other traditional marketing instruments aimed at reaching the targeted individual consumer. The author considers word-of-mouth communication about a business and its products, services and brands to be "aggregated and personal" (2009, p. 7).

Keller and Berry (2003) devote the focus of their research to word-of-mouth communication, especially studying consumers who initiate and generate it, to whom they refer as "influential". These are consumers with "active minds, common sense, clearly defined priorities, self-confidence, firm beliefs and opinions, dedicated approach to life, who know more than other consumers, are the first to learn the news, and extend and share their experience and considerations with their environment" (p. 124).

Mowen defines word-of-mouth communication as messages exchanged face-to-face between partners in the exchange (1995, p. 551). Mowen was also among the first ones to study situations where the likelihood of occurrence of word-of-mouth communication is high, and in this sense he identifies three situations (1995, p. 552).

- when the products are 'visible' in the environment, i.e. have a certain symbolic and express the concept of the personal self;
- when the products are complex to use; and
- when the observed products are not easy to test before buying.

The contemporary consumers are very well informed and educated, not basing their buying decision on businesses' aggressive marketing, but rather on independent information received from other consumers with whom they engage in interactive relations.

Based on the changes in consumer-to-consumer relations, Libai, Bolton, Bugel, de Ruyter, Gotz, Risselada and Stephen (2010.) redefine interpersonal communication into a broader context than mere verbal, face-to-face communication. According to these authors (2010, p. 269) interpersonal communication is "C2C communication in a relationship used for transfer of information from one consumer (or a group of consumers) to another consumer (or a group of consumers) in such a manner that it has the ability to affect and change their preferences, actual buying behaviour, and their future relationship with the same and other consumers". The authors opine that interpersonal communication can also have a non-verbal form, when a consumer influences another consumer by his buying behaviour, through learning and observing. The effect is sometimes identical, and sometimes greater than verbal interpersonal communication. The authors see the consumer setting where they engage in C2C relationships as off line or traditional (face-to-face, in the shop, at work etc.) and direct, or online, through the internet (chat rooms, social networks, blogs etc.). The authors further especially emphasise the need to study specific consumers on the market who are the carriers and key generators of interpersonal communication. Individual consumers who have a greater influence on other consumers are referred in marketing literature as opinion leaders or influentials, and their identification and utilisation should be in any business' focus.

Research into causes and results of interpersonal communication implies the analysis of the following

factors (Libai, Bolton, Bugel, de Ruyter, Gotz, Risselada and Stephen, 2010, p. 273):

- characteristics of consumers – causes and results, and the intensity and modes of spreading interpersonal communication are highly dependent on the consumers' psychological, demographic, sociological and other characteristics, by which all categories and segments thereof are differentiated;
- characteristics of products and services – if products are visible and outstanding, easy to test and try, symbolic or hedonistic, when the consumers have not necessary knowledge and experience of them, and when they are situationally convenient to the consumer, the likelihood of emergence of strong interpersonal communication is high;
- characteristics of media – the development of new technologies has changed the traditional interpersonal communication media, i.e. face to face and telephone. The media of today are mobile, where interpersonal communication is achieved by exchanging video, photo, voice or text (sms and mms) messages; it is also online, in the form of digital exchange of messages, and point-of-sale;
- characteristics of relations – imply temporal, spatial and social distance or vicinity of consumers in the relationship, determining the intensity and effects of interpersonal communication;
- characteristics of markets – depend on the activities of businesses, competitors, and consumers themselves, resulting in different levels and directions of interpersonal communication.

Taghizadeh, Taghipourian and Khazaei (2012) believe that interpersonal communication is the primary indicator of the business' future success. Consumer satisfaction and their loyalty generate positive interpersonal communication attracting new consumers, with simultaneous growth in the purchases by existing consumers. By understanding interpersonal communication in the sense that it is carried out between consumers about all aspects and emotions related to products and services on the market, the authors identify the following characteristics of interpersonal communication (2012, p. 2570):

- Informality – this communication flows outside all formal media and types of B2C marketing communication, so that it can have different forms of occurrence and content;
- Non-commercial character and credibility – at its core, interpersonal communication is generated without any financial interest or motive, and therefore affects consumers so strongly;
- Persuasiveness – refers to the key characteristic of interpersonal communication, due to which it is the source of research of marketing science and practice;

- Relevance – as interpersonal communication is either sought or provided by consumers who are close to those who need it, interpersonal communication is shaped in a manner convenient to the consumer, and is especially significant as such, because it reduces the risk of buying and increases confidence in the appropriateness of the made buying decision;
- Ever-presence – interpersonal communication is not temporally limited, and is always present in all forms of relations between consumers, and other stakeholders on the market;

Consumer generated – interpersonal communication is always related to the consumers, i.e. their needs, desires, dilemmas, fears etc; it flows from one set of consumers to another, and is forwarded to a third set of consumers.

Contemporary consumers are more often more willing to adjust their behaviour based on advice or recommendation from another consumer, than passively respond to marketing stimuli sent by businesses. It is therefore very important for these businesses to start appreciating the reality of C2C relation both in offline and online setting, according to the principle that intensive word of mouth communication leads to more intensive creation of relations between consumers, which further leads to an even stronger intensity of interpersonal word of mouth communication. C2C relations directly determine the enterprise's business result and position it takes on the market. Albeit positive, interpersonal communication attracts new consumers and affects the growth in positive buying decision, but reverse regularity is also in effect – if it is negative, whereby this communication affects general behaviour of consumers and their value for the business.

3. RESEARCH METHODOLOGY

The survey conducted in order to confirm or reject the hypotheses set in the study is a segment of a complex project of research into the phenomenon of the impact of consumer-to-consumer word-of-mouth communication on purchase decisions. The study uses a research method in the form of structured personal communication, i.e. questionnaire, whose dissemination and response retrieval, due to geographic dispersion and size of the research area (Serbia, Croatia and Slovenia), was conducted predominantly through the Internet – 1214 respondents or 80.2%, and personally – 299 respondents

or 19.8%. The survey aimed at accomplishing the set research goals and confirming or rejecting the defined hypotheses was conducted from May until September 2014 on a defined stratified sample of 1513 respondents. Stratification was performed by gender, geographic location the respondents' age and education levels. The data gathered by means of the questionnaire were processed by appropriate mathematical and statistical methods, with the application of statistical SPSS software, as follows:

- Parametric tests:
 - Normal distribution – testing the hypothetical proportion value of the basic set, based on the sample;
 - Analysis of variance, i.e. ANOVA dispersion analysis with 1, 2, and 3 samples:
 - t-test
 - Levene's test

The questionnaire consists of 30 items, included in the survey and grouped in order to confirm or reject the set hypotheses and accomplish the set research objectives, but, due to limitations imposed by the conference, this article only presents a number of items, i.e. statements aimed to confirm or reject the defined hypotheses. The items are arranged with a Likert scale of offered reply options.

Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
1	2	3	4	5

H₁ More mature/experienced consumers are more prone to generate word of mouth communication.

H₁ More mature/experienced consumers believe more that word of mouth communication reduces shopping risks.

Due to limitations imposed by the conference, this paper only presents only some of the statements from the survey.

4. ANALYSIS AND FINDINGS

Statement 1. **I communicate my experience of product and services, producers and retailers to others only when I am very satisfied or very dissatisfied with them.**

Table 1. Structure of replies by age

Statement 1.		(1) up to 30 yrs	%	(2) 31-45 yrs	%	(3) 46-65 yrs	%
Valid	Strongly disagree	63	4.9	24	13.0	0	0
	Disagree	42	3.3	13	7.1	0	0
	Neither agree nor disagree	75	5.9	2	1.1	10	19.2
	Agree	497	38.9	71	38.6	18	34.6
	Strongly agree	600	47.0	74	40.2	24	46.2
	Total	1277	100.0	184	100.0	52	100.0

As the p value is lower than 0.05, it is concluded with the probability of 95% that there are statistically strong differences between respondent age groups regarding Statement 1.

If the p-value is less than 0.01, the differences are HIGHLY statistically significant. As the difference is statistically different, post-hoc test is performed.

Table 2. ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
Statement 1	Between Groups	19.102	2	9.551	8.332	.000
	Within Groups	1730.828	1510	1.146		
	Total	1749.930	1512			

Table 3. Post-Hoc Tukey test

Dependent Variable	(I) Age2	(J) Age2	Mean Difference (I-J)	Std. Error	Sig.
Statement 1	1.00	2.00	.339*	.084	.000
		3.00	-.072	.151	.883
	2.00	1.00	-.339*	.084	.000
		3.00	-.411*	.168	.039
	3.00	1.00	.072	.151	.883
		2.00	.411*	.168	.039

The application of Post-Hoc Tukey test enables identifying the existence of two statistically significant differences in replies, between groups aged up to 30 years (1) and 31-45 years (2), and between groups aged 31-45 years (2) and 46-65 years (3). It is noted that the group aged 31-45 gives significantly low grades compared to other age groups when responding to Statement 1, which can point to the conclusion that more mature and young respondents are more prone to generate word of mouth communication as a consequence of outstanding satisfaction or dissatisfaction

with product, services, producers and retailers, compared to middle-aged respondents.

Statement 2. Despite negative comments by other consumers, I will very seldom still decide to buy a product/service.

Table 4. Structure of responses by age

Statement 2.		(1) up to 30 yrs	%	(2) 31-45 yrs	%	(3) 46-65 yrs	%
Valid	Strongly disagree	101	7.9	10	5.4	0	0
	Disagree	172	13.5	19	10.3	0	0
	Neither agree nor disagree	151	11.8	7	3.8	5	9.6
	Agree	567	44.4	96	52.2	25	48.1
	Strongly agree	286	22.4	52	28.3	22	42.3
	Total	1277	100.0	184	100.0	52	100.0

As the p value is lower than 0.05, it is concluded with the probability of 95% that there are statistically strong differences between respondent age groups regarding Statement 2.

If the p-value is less than 0.01, the differences are HIGHLY statistically significant. As the difference is statistically different, post-hoc test is performed.

Table 5. ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
Statement 2	Between Groups	36.368	2	18.184	13.250	.000
	Within Groups	2072.286	1510	1.372		
	Total	2108.654	1512			

Table 6. Post-Hoc Tukey test

Dependent Variable	(I) Age2	(J) Age2	Mean Difference (I-J)	Std. Error	Sig.
Statement 2	1.00	2.00	-.276*	.092	.008
		3.00	-.728*	.166	.000
	2.00	1.00	.276*	.092	.008
		3.00	-.452*	.184	.038
	3.00	1.00	.728*	.166	.000
		2.00	.452*	.184	.038

The application of Post-Hoc Tukey test enables identifying the existence of two statistically significant differences in replies, between groups aged up to 30 years (1) and 31-45 years (2), and between groups aged 31-45 years (2) and 46-65 years (3). It is noted that the group aged up to 30 gives significantly lower grades, i.e. expressed the highest agreement, compared to other age groups when responding to Statement 2, especially compared to the group aged 46-65, who gave the highest grades, i.e. expressed the highest agreement, with the statement that they will very seldom decide to buy if there is negative word of mouth communication. It can be concluded from the results of statistical processing that respondents of primarily mature age are the most prone to give up the purchase due to negative word-of-mouth communication

of other consumers. The youngest respondents, aged up to 30 years, are the least prone to give up a purchase when there are negative comments of other consumers about products and services. Such a state can partly be explained by a certain degree of stubbornness of younger consumers and rational attitude of the more experienced.

Statement 3. I tend to share my experiences about products and services more with consumers I know, such as friends and relatives, rather than those I do not know.

Table 7. Structure of answers by age

Statement 3		(1) up to 30 yrs	%	(2) 31-45 yrs	%	(3) 46-65 yrs	%
Valid	Strongly disagree	33	2.6	18	9.8	3	5.8
	Disagree	50	3.9	12	6.5	2	3.8
	Neither agree nor disagree	58	4.5	/	0.0	/	0.0
	Agree	319	25.0	65	35.3	8	15.4
	Strongly agree	811	63.5	89	48.4	39	75.0
	Total	1271	99.5	184	100.0	52	100.0
	unanswered	6	.5	/	0.0	/	/
Total		1277	100.0	184	100.0	52	100.0

As the p value is lower than 0.05, it is concluded with the probability of 95% that there are statistically strong differences between respondent age groups regarding Statement 3.

If the p-value is less than 0.01, the differences are HIGHLY statistically significant. As the difference is statistically different, post-hoc test is performed.

Table 8. ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
Statement 3	Between Groups	23.361	2	11.681	11.839	.000
	Within Groups	1483.866	1504	.987		
	Total	1507.228	1506			

Table 9. Post-Hoc Tukey test

Dependent Variable	(I) Age2	(J) Age2	Mean Difference (I-J)	Std. Error	Sig.
Statement 3	1.00	2.00	.376*	.078	.000
		3.00	-.064	.141	.892
	2.00	1.00	-.376*	.078	.000
		3.00	-.440*	.156	.013
	3.00	1.00	.064	.141	.892
		2.00	.440*	.156	.013

The application of Post-Hoc Tukey test enables identifying the existence of two statistically significant differences in replies, between groups aged up to 30 years (1) and 31-45 years (2), and statistically significant differences in answers between groups aged 31-45 years (2) and 46-65 years (3). It is noted that the group aged 31-45 years (2) gives significantly lower grades, compared to age groups up to 30 years (1) and 46-65 years (3) when responding to Statement 3, whether they generate their experiences interpersonally and share them more with consumers they know such as friends and relatives rather than consumers they do not know. This can be partly explained by a certain social position that middle-aged consumer segment has in

a society where the width of their social interaction is far greater than that of younger and the oldest consumers, so that they often interact with individuals they do not even know, but may have interpersonal influence on them.

Statement 4. Advice from other consumers reduces the risk of wrong buying decision and increase confidence in the correctness of one's own buying decision.

Table 10. Structure of answers by age

Statement 4		(1) do 30.god	%	(2) 31-45.god	%	(3) 46-65.god	%
Valid	Strongly disagree	40	3.1	9	4.9	/	0.0
	Disagree	103	8.1	19	10.3	/	0.0
	Neither agree nor disagree	126	9.9	15	8.2	/	0.0
	Agree	678	53.1	94	51.1	35	67.3
	Strongly agree	315	24.7	47	25.5	17	32.7
	Total	1262	98.8	184	100.0	52	100.0
	unanswered	15	1.2	/	0.0	/	/
Total		1277	1277	100.0	184	100.0	52

As the p value is lower than 0.05, it is concluded with the probability of 95% that there are statistically strong differences between respondent age groups regarding Statement 4.

If the p-value is less than 0.01, the differences are HIGHLY statistically significant. As the difference is statistically different, post-hoc test is performed.

Table 11. ANOVA

		Sum of Squares	df	Mean Square	F	Sig
Statement 4	Between Groups	10.722	2	5.361	5.634	.004
	Within Groups	1422.651	1495	.952		
	Total	1433.373	1497			

Table 12. Post-Hoc Tukey test

Dependent Variable	(I) Godine2	(J) Godine2	Mean Difference (I-J)	Std. Error	Sig.
Statement 4	1.00	2.00	.071	.077	.628
		3.00	-.435*	.138	.005
	2.00	1.00	-.071	.077	.628
		3.00	-.506*	.153	.003
	3.00	1.00	.435*	.138	.005
		2.00	.506*	.153	.003

The application of Post-Hoc Tukey test enables identifying the existence of two statistically significant differences in replies, between groups aged up to 30 years (1) and 31-45 years (2), and statistically significant differences in answers between groups aged 31-45 years (2) and 46-65 years (3). It is noted that the group aged 31-45 years (2) gives significantly lower grades, compared to the other two age groups, when responding to Statement 4, whether advice from other consumers reduces the risk of wrong buying decision and increase confidence in the correctness of one's own buying decision. This once again confirms the belief that the oldest consumers have the most manifest

need for word-of-mouth communication, so they seek it, i.e., initiate its generation, as it also generates the feeling of confidence and reduces the risk of purchase.

5. CONCLUSIONS AND LIMITATIONS

The conducted research into the phenomenon of word-of-mouth communication on the observed sample has led to the following conclusions:

A large majority of consumers communicate their own experience of products, services, producers and retailers to others through word-of-mouth communication only when

they feel markedly high levels of satisfaction, or when they feel great dissatisfaction with and disappointment in them. Marked satisfaction and dissatisfaction feature as the prime driver of word-of-mouth communication most often in the eldest and youngest consumer segments, and somewhat less in consumers of middle age from early thirties to late forties.

A large majority of consumers will very seldom decide to buy a product or service if there is negative word-of-mouth communication in all three studied countries, and this is especially characteristic of the oldest consumers, whereas in young consumers, positive buying decisions are possible despite negative interpersonal communication.

For a large majority of consumers, the quality of relationships between consumers themselves influences the initiation and intensity of word-of-mouth communication, as the large majority of consumers exchange advice and recommendations interpersonally, with consumers they know and are closely and strongly connected to. Such behaviour is especially characteristic of the oldest consumers, and the least for middle aged consumers, who are somewhere at the peak of their professional carrier, so that they know a large number of people, but not so deeply and complexly.

A large number of consumers believe that word-of-mouth communication reduces the risk of wrong buying decision and increases confidence in one's own choice, where the oldest consumers adhere to this belief the most, unlike the youngest consumers.

As regards the set research hypotheses, H_1 has been partly confirmed, in the sense that there are differences in consumer behaviour depending on their age when it comes to generating word-of-mouth communication, but an unequivocal assumption that a higher age and larger consumer experience also means the activity of generating and disseminating word-of-mouth communication cannot be accepted, as it varies among different age segments.

As for the research hypothesis H_2 , it has been fully proved in the sense that the oldest consumers are characterised by the strongest conviction that word-of-mouth communication reduces risk in shopping.

The basic shortcomings of the research could be reduced to the fact that making general conclusion based on a single study is not reliable, regardless of the sample size and instrument structure. An electronic questionnaire and

software solutions may cause confusion in consumers, especially when filling in questions on ranks, and another influencing factor is that the largest number of respondents are fully literate, meaning that they are of younger age. Due to the size of the survey – thirty statements – only some of which are resented in the paper, there is a danger of respondent fatigue, where certain questions are answered by inertia, or the provided answers are neutral. The main shortcoming of the sample lies in the ratio between its size – 1513 – and the size of the basic set – almost 14 million inhabitants.

Consumer saturation with the enormous amount of marketing information on a daily basis has resulted in the lost of their confidence in the formal marketing sources of information, as these, besides being overly aggressive, contain solely positive aspects of the business' offer, which is never consistent with the truth. For these reasons, most consumers turn to informal sources of information and focus on other, similar consumers believed to communicate with utmost sincerity their experience with products and services subject to purchase. What additionally stimulates consumers to exchange their experiences with products and services is the ever-present purchase risk – financial, sociological and functional. This is why most consumers seek and initiate word-of-mouth communication where consumers' personal experiences are exchanged, so that they can reduce the risk of wrong purchase decision and increase confidence in one's own choice.

The contemporary consumer is a person initiating the setting, maintenance and advancement of his own social network, through various forms and intensities of relationship within which bilateral communication is realised, with implications on the enterprise's business success.

The current marketing reality necessarily establishes the assumption that consumer behaviour as a whole, especially its central starting point, is the buying decision, an essential social process, which is set not only by the consumer's personal characteristics, but increasingly by the number, quality, frequency and intensity of interactions and relationships between consumers with all market participants, but mostly with other consumers. Word-of-mouth communication among consumers is a form of manifestation of their interconnection, and, as such, directly shapes the behaviour of consumers, their attitudes, opinions, actions and decisions, and changes thereof.

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