

RGC Ref. No.: UGC/FDS14/B10/15 (please insert ref. above)
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**RESEARCH GRANTS COUNCIL  
COMPETITIVE RESEARCH FUNDING SCHEMES FOR  
THE LOCAL SELF-FINANCING DEGREE SECTOR**

**FACULTY DEVELOPMENT SCHEME (FDS)**

**Completion Report**  
(for completed projects only)

<p><b><u>Submission Deadlines:</u></b></p> <ol style="list-style-type: none"> <li>1. Auditor's report with unspent balance, if any: within <b><u>six</u></b> months of the approved project completion date.</li> <li>2. Completion report: within <b><u>12</u></b> months of the approved project completion date.</li> </ol>
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**Part A: The Project and Investigator(s)**

**1. Project Title**

Adaptive Word-of-Mouth Behavior and Online Forum Design: A Cross-Cultural  
Investigation into the Dynamic Nature of Online Consumer Reviews

**2. Investigator(s) And Academic Department(s) / Unit(s) Involved**

Research Team	Name / Post	Unit / Department / Institution
Principal Investigator	Haksin CHAN/ Associate Prof	Department of Marketing/ The Hang Seng University of HK
Co-Investigator(s)	Xin YANG/ Assistant Prof	Department of Marketing/ The Hang Seng University of HK
Others	Luke CHAN / RA Vincentia YUEN / RA Irina YU / RA	Department of Marketing/ The Hang Seng University of HK

**3. Project Duration**

	Original	Revised	Date of RGC / Institution Approval (must be quoted)
Project Start Date	1 Nov 2015		
Project Completion Date	31 Oct 2017	30 Apr 2018	23 Jun 2017
Duration (in month)	24	30	23 Jun 2017
Deadline for Submission of Completion Report	31 Oct 2018	30 Apr 2019	23 Jun 2017

## **Part B: The Final Report**

### **5. Project Objectives**

#### 5.1 Objectives as per original application

1. To fill an important knowledge gap in this digital-global era by advancing the sparse cross-cultural literature on WOM communication
2. To reveal how the design features of online forums might lead to complex, culture-specific responses from online reviewers (in terms of WOM favorability and WOM certainty)
3. To extend recent research on a previously neglected dimension of WOM behavior (namely, WOM certainty) across cultures
4. To offer practical guidance to managers looking to track, monitor, and harness the consumer-generated content in global online forums

#### 5.2 Revised objectives

Date of approval from the RGC:

Reasons for the change:

- 1.
- 2.
3. ....

#### 5.3 Realisation of the objectives

*(Maximum 1 page; please state how and to what extent the project objectives have been achieved; give reasons for under-achievements and outline attempts to overcome problems, if any)*

The PI and Co-I have engaged in three different projects to fulfill the four objectives set forth in the grant proposal. The three projects, all cross-cultural in nature, have yield four conference papers (presented, respectively, at *AMA* [the largest conference of the marketing field], *ANZMAC* [the largest conference of the field in Australia and New Zealand], and *ICBI* [a smaller conference focusing on Internet in business]) and two journal manuscripts (one has been accepted for publication at *Journal of Global Marketing* and the other is under review at *Psychology & Marketing*). Data collection is still ongoing for the third project, and we expect to prepare another manuscript in six to nine months' time. It is therefore reasonable to say our research has achieved the **first objective** to contribute to the small body of cross-cultural literature on communication in general and word-of-mouth communication in particular.

To achieve the **second objective**, we have—with the help of three RAs—conducted extensive observations and netnography of the design features and textual reviews in over 40 major review platforms around the world. Guided by the literature, we have identified several categories of platform design features that may elicit complex, culture-specific responses. Three experimental studies explicitly address the causal relations between platform design and review quality (i.e.,

word-of-mouth favorability and word-of-mouth certainty). Overall, our projects have revealed consumer susceptibility to platform design and identified the resulting culture-specific responses.

Two of the projects have highlighted review certainty, which is a new and important dimension of word-of-mouth behavior, thereby (largely) achieving the **third objective**. Since one of the projects (experimental studies to demonstrate causality) is still ongoing, the realization of the objective is not complete. Data quality is the primary reason for the under-achievement (Note: we conducted three experiments but the data patterns were somewhat haphazard). In retrospect, we realize that some of the participants were not motivated to perform the experimental tasks. We will find better time slots and provide stronger motivations when we conduct the experiments again in the summer.

As far as the **fourth objective** is concerned, we have offered practical guidance (in the form of managerial implications for digital and buzz marketers) in all the conference papers and journal manuscripts. Therefore, we consider this objective fulfilled.

#### 5.4 Summary of objectives addressed to date

<b>Objectives</b> <i>(as per 5.1/5.2 above)</i>	<b>Addressed</b> <i>(please tick)</i>	<b>Percentage Achieved</b> <i>(please estimate)</i>
1. To fill an important knowledge gap in this digital-global era by advancing the sparse cross-cultural literature on WOM communication	✓	100%
2. To reveal how the design features of online forums might lead to complex, culture-specific responses from online reviewers (in terms of WOM favorability and WOM certainty)	✓	100%
3. To extend recent research on a previously neglected dimension of WOM behavior (namely, WOM certainty) across cultures	✓	85%
4. To offer practical guidance to managers looking to track, monitor, and harness the consumer-generated content in global online forums	✓	100%

## 6. Research Outcome

### 6.1 Major findings and research outcome

(Maximum 1 page; please make reference to Part C where necessary)

This FDS grant has enabled the PI and Co-I to engage in three research projects on cultural patterns of communication among consumers (specifically, preferred communication styles in online review forums) and with consumers (specifically, preferred communication styles of loyalty program customers). These projects have resulted in three conference papers and two journal manuscripts, one of which has been accepted for publication by *Journal of Global Marketing* and the other is under review at *Psychology & Marketing* (see Part C for details). We expect the third project, for which data collection is still going on, will lead to a third manuscript in six to nine months.

In particular, the first project concerns how the design features of online review forums may affect word-of-mouth certainty by virtue of the reviewers' cultural tendencies. As pointed out by Dubois, Rucker, and Tormala (2011), a significant proportion of online reviews contain certainty phrases such as "I'm sure" or uncertainty phrases such as "I have some doubt." This new measure of online communication holds great promise for advancing digital marketing theory and practice. Based on a systematic observation of major online review forums in Eastern, collectivist cultures (e.g., *Dianping.com* [China], *Mouthshut.com* [India]) as well as Western, individualist cultures (e.g., *Healthgrades* [USA], *Trustpilot* [Denmark]), we identify specific platform features (e.g., word limit, audience feedback) that impact word-of-mouth certainty through the cognitive route (e.g., review quantity, review objectivity) or the social route (e.g., request availability, request accessibility, feedback visibility, feedback specificity). A manuscript covering this project is currently under review at *Psychology & Marketing*.

Building on the preferences of collectivist versus individualist consumers for a prevention versus a promotion focus (Aaker and Lee 2001) and for a future versus a present orientation (Chen et al., 2005), the PI and Co-I extended the logic of platform design to a second project that involves the development of a culture-based model to guide the communication strategy for global marketers in the digital realm (forthcoming at *Journal of Global Marketing*). Exemplified with real-life cases from airlines (e.g., Finnair, Southwest) to retail stores (e.g., House of Fraser, MUJI), this model contrasts how collectivist and individualist consumers respond to a to-date (vs. to-go) communication frame under different scenarios. This culture-based model of communication represents a synergy of ideas behind this FDS grant and a subsequent FDS grant awarded to the Co-I (UGC/FDS14/B25/16). While the two grants concern substantively different topics (word-of-mouth vs. loyalty-program communication), a common conceptual thread led to a joint project on the design features of communication platforms and how these features may elicit complex, culture-specific responses. Note that this second project represents an after-the-fact, serendipitous collaboration that leveraged both PIs' interests and expertise within the broad confines of the two FDS grants.

The third project involves a series of controlled experiments in a computer lab to test several hypotheses about the impacts of specific forum design features (e.g., solicitation of objective vs. subjective review content, high vs. low visibility of audience feedback) on both word-of-mouth favorability and word-of-mouth certainty. The data from three experiments lend support to some hypotheses but not others. Upon closer examination, we have realized that data quality is an issue for two of the three experiments. We will therefore treat them as pilot tests and will conduct the experiments again in the summer. Given that participant motivation has been identified as the key problem, it is hoped that the outcomes will be better the next time around.

## 6.2 Potential for further development of the research and the proposed course of action (Maximum half a page)

Drawing on the cultural and linguistic insights derived from a wide variety of online review forums, the PI and Co-I successfully applied for a follow-up IIDS research grant (UGC/IIDS14/B03/18) to organize a two-day academic event in July 2019, titled A Symposium on Electronic Word of Mouth in China: Cultural and Linguistic Perspectives (中國電子口碑研討會：文化及語言的觀點).

This timely and important topic, so far, has attracted significant interest from scholars of major universities in Hong Kong, Macau, Shenzhen, Guangzhou, Changsha, Hunan, Xiamen, Taiwan, and the USA. Apart from the academia, this event will also feature experience-sharing sessions from prominent practitioners (such as a mainland KOL with over 20,000,000 followers and a high-profile media expert in Hong Kong). We expect the participating scholars to benefit greatly from leading practitioners in digital marketing and e-commerce.

To further develop this research agenda, the PI and Co-I are currently in discussion with *Journal of Global Marketing* to launch a special issue on Electronic Word of Mouth and Online Customer Reviews: A Cross-Cultural Perspective. If approved by the editorial board, the special issue will be published some time in 2021.

## 7. Layman's Summary

*(Describe in layman's language the nature, significance and value of the research project, in no more than 200 words)*

In this digital-global era, online product reviews are arguably the most powerful source of consumer information (that is accessible around the clock and around the world to virtually anyone with Internet capability). There is, however, a surprisingly lack of cultural insights into this global information source.

One notable characteristic of online reviews—unlike traditional word-of-mouth communication—is that they are under heavy influence of platform design (e.g., word limit, content solicitation). In other words, review forums may be designed to encourage certain types of review behavior over others. Our research builds on this provocative idea to investigate the impacts of platform features on (1) review favorability and (2) review certainty in Eastern versus Western cultural contexts.

Our research (which includes observations, theoretical analysis, and experiments) illuminates the nuanced effects of platform features on Eastern versus Western reviewers—in terms of review favorability and review certainty. The results shed new light on how culture impacts online behavior and offer practical guidance for operators of review platforms and for companies looking to analyze consumer-generated content. The logic that platform design is vital to communication is applicable not only to word-of-mouth communication among consumers but also to corporate communication with consumers.

## **Part C: Research Output**

### 8. Peer-Reviewed Journal Publication(s) Arising **Directly** From This Research Project

*(Please attach a copy of the publication and/or the letter of acceptance if not yet submitted in the previous progress report(s). All listed publications must acknowledge RGC's funding support by quoting the specific grant reference.)*

The Latest Status of Publications				Author(s) (denote the corresponding author with an asterisk*)	Title and Journal / Book (with the volume, pages and other necessary publishing details specified)	Submitted to RGC (indicate the year ending of the relevant progress report)	Attached to this Report (Yes or No)	Acknowledged the Support of RGC (Yes or No)	Accessible from the institutional repository (Yes or No)
Year of Publication	Year of Acceptance (For paper accepted but not yet published)	Under Review	Under Preparation (optional)						
2019	2019			Morgan (Xin) YANG,* <b>Haksin CHAN</b> , Irina YU, Henry FOCK	Consumer motivation for reward pursuit: A culture-based and progress-based model of loyalty program effectiveness, <i>Journal of Global Marketing</i> , in press	No	Yes	Yes	Yes
		Yes		<b>Haksin CHAN</b> ,* Morgan (Xin) YANG. Vincentia YUEN, and Kevin. ZENG	The Wild, Wild West—and East—of Online Review Forums: Observations and Propositions under review at <i>Psychology &amp; Marketing</i>	No	Yes	Yes	No

### 9. Recognized International Conference(s) In Which Paper(s) Related To This Research Project Was / Were Delivered

(Please attach a copy of each conference abstract)

Month / Year / Place	Title	Conference Name	Submitted to RGC (indicate the year ending of the relevant progress report)	Attached to this Report (Yes or No)	Acknowledged the Support of RGC (Yes or No)	Accessible from the institutional repository (Yes or No)
Aug, 2016, Atlanta, United States	Harnessing Online Word-of-Mouth Behavior: A Cross-cultural Perspective*	<i>American Marketing Association's (AMA) Summer Educators' Conference</i>	31 October 2016	Yes	No	Yes
Dec 2016, Christchurch, New Zealand	Consumer Motivations for Pursuing Loyalty Program Rewards: A Cross-cultural Perspective	<i>Australian &amp; New Zealand Marketing Academy Conference (ANZMAC)</i>	31 October 2016	Yes	Yes	Yes

\* Won best paper award in the International and Intercultural Marketing Track.

<b>Month / Year / Place</b>	<b>Title</b>	<b>Conference Name</b>	<b>Submitted to RGC</b> <i>(indicate the year ending of the relevant progress report)</i>	<b>Attached to this Report</b> <i>(Yes or No)</i>	<b>Acknowledged the Support of RGC</b> <i>(Yes or No)</i>	<b>Accessible from the institutional repository</b> <i>(Yes or No)</i>
Aug 2017, San Francisco, United States	Bolstering New Product Reviews in the Digital World	<i>American Marketing Association's (AMA) Summer Educators' Conference</i>	31 October 2017	Yes	Yes	Yes
Nov 2017, Kitakyushu, Japan	Managing Online Review Forums: A Construal-Level Perspective	<i>International Conference on Business and Internet</i>	31 October 2017	Yes	No	Yes

#### 10. Whether Research Experience And New Knowledge Has Been Transferred / Has Contributed To Teaching And Learning

*(Please elaborate)*

Two of the three RAs for this project (Vincentia YUEN and Irina YU) have recently been admitted to top PhD programs in related fields at University of Miami (Marketing) and the Chinese University of Hong Kong (Marketing and Tourism), respectively.

#### 11. Student(s) Trained

*(Please attach a copy of the title page of the thesis)*

<b>Name</b>	<b>Degree Registered for</b>	<b>Date of Registration</b>	<b>Date of Thesis Submission / Graduation</b>
N/A			

#### 12. Other Impact

*(e.g. award of patents or prizes, collaboration with other research institutions, technology transfer, teaching enhancement, etc.)*

A conference paper jointly led by the PI and Co-I of this FDS grant won the **best paper award** (International and Intercultural Marketing Track) at the *2016 Australian & New Zealand Marketing Academy Conference (ANZMAC)*, the largest annual academic event for marketing academics in Australia and New Zealand.

Besides successfully applying for a subsequent IIDS research grant (UGC/IIDS14/B03/18) for a two-day symposium on electronic word of mouth in China (forthcoming in July 2019), we are also working with *Journal of Global Marketing* on a special issue: Electronic Word of Mouth and

Online Customer Reviews: A Cross-Cultural Perspective. If approved by the editorial board, the special issue will be published in 2021.

**13. Public Access Of Completion Report**

*(Please specify the information, if any, that cannot be provided for public access and give the reasons.)*

<b>Information that Cannot Be Provided for Public Access</b>	<b>Reasons</b>
N/A	



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COMPETITIVE RESEARCH FUNDING SCHEMES FOR  
THE LOCAL SELF-FINANCING DEGREE SECTOR**

**FACULTY DEVELOPMENT SCHEME (FDS)**

**Completion Report - Attachment**  
*(for completed projects only)*

**RGC Ref. No.:** UGC/FDS14/B10/15

**Principal Investigator:** Haksin CHAN

**Project Title:** Adaptive Word-of-Mouth Behavior and Online Forum Design: A Cross-Cultural Investigation into the Dynamic Nature of Online Consumer Reviews

**Statistics on Research Outputs**

	Peer-reviewed Journal Publications	Conference Papers	Scholarly Books, Monographs and Chapters	Patents Awarded	Other Research Outputs (Please specify)
No. of outputs arising directly from this research project [or conference]	1 (accepted) 1 (under review)	4	0	0	0