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# THE INFLUENCING FACTORS OF WORD OF MOUTH IN TAIWAN'S CULTURE AND **CREATIVE MOVIES INDUSTRY**

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#### Abstract

This research investigates that norms, narrative, and sales promotion influence word of mouth (WOM) in Taiwan's cultural innovation movies industry. Moreover, brand image and brand familiarity play the moderate roles between them. Study uses quota sampling method to collect questionnaires from Taipei city and uses LISREL model to test the hypothesis. The empirical results from our research indicate that narrative significantly influence word of mouth through brand image. In addition, the empirical results in this research offer some information for Taiwan's cultural innovation movies industry to use norms, narratives, and sales promotion to magnify the influence factors of word of mouth. People can also focus on their brand image and brand familiarity to greaten their influence of WOM to be spread goodly in society. The marketers can use empirical results from our study to develop their marketing strategy and make their costumers become believing toward one's brand through WOM strategy.

Keywords: Word of Mouth, norms, narrative, sales promotion, brand image, brand familiarity, cultural innovation industry



#### INTRODUCTION

Word of Mouth (WOM) can be deemed as a critical in many products communications activity (Plummer, 2007). The importance of this issue become more obvious in the recent years in Taiwan because Taiwan is high technology information country where there are a lot of advertisements and information's coming from internet and media, therefore, increasing high levels of uncertainty avoidance can cause people to be withdrawn and to share information only with people they trust. Moreover, the role which WOM plays in the marketplace is well recognized because of the definitive role it plays in shaping consumers' attitudes and purchase behavior (Ditcher, 1985).

The potential contribution of this study is to provide a discussion platform in the influencing factors of WOM in Taiwan's Culture and Creative Movies Industry. This study selected Cape No.7 to investigate the mechanism influencing factors of Word of Mouth in Taiwan's culture and creative movies industry. Customers normally recognize a movie according to the advertisement on media. WOM requires an effective marketing method to be succeeds for a movie under high competition within various movies in the market. This work further selected norms, narrative, and sales promotion tools as antecedent variables in the study.

Brand image and brand familiarity promise to be a mediating psychology variable between norms, narrative and sales promotion, and WOM because it may influence consumers' information processing style and their ultimate brand choice (Campbell and Keller, 2003). Brand image, rather than brand identification, has also been examined to have a profound impact on WOM. Giving people a good self-esteem image of themselves is what brand image can give (Zhou & Belk, 2004). Note that brand image has stronger effects on WOM than that of brand familiarity because consumers which have deeper level of processing for stimuli that are meaningful to them than those are relatively meaningless (Craik & Lockhart's, 1972).

Three marketing tools (norms, narrative, and sales promotion) were employed to solve the management issues of insufficient of WOM. Above marketing tools were adopted, rather than value and individual performance because norms, which have both subjects and objects, are really suitable to be applied to brand image and familiarity, and to be chosen rather than value. Moreover, narrative is a useful conceptual tool for the diverse interpretations of place meanings, which are important to marketers, consumers and other social actor involved in a place, rather than individual performance. Furthermore, we use sales promotion due to it can give a brand with a feature that enhances its important meaning and encourages consumers to consider that brand over others in their brand repertoire (Henry & Naeem, 2010). Marketing manager need select an appropriate marketing tool in order to meet the customer by analyzing the pros and cons among norms, narrative, and sales promotion management treatments.

#### LITERATURE REVIEW & RESEARCH HYPOTHESES

This research investigates the causal relationship among norms, narrative, sales promotion; brand image, brand familiarity; Word of Mouth. Related researches include norms (Durkheim & Wilson, 1981; Mikailitchenko, Javalgi, Mikailitchenko & Laroche, 2009), narrative (Hopkinson & Hogarth-Scott, 2001; Czarniawska, 2004), and sales promotion (Peattie, 2003; Kotler, 2006); brand familiarity and brand image (Raju & Reilly, 1980; Alba & Hutchinson, 1987); WOM (Arndt, 1967; Ditcher, 1985; Plummer, 2007; Kozinets, Valck, Wojnicki & Wilner, 2010). Figure 1 describes the research framework along with proposed hypotheses.

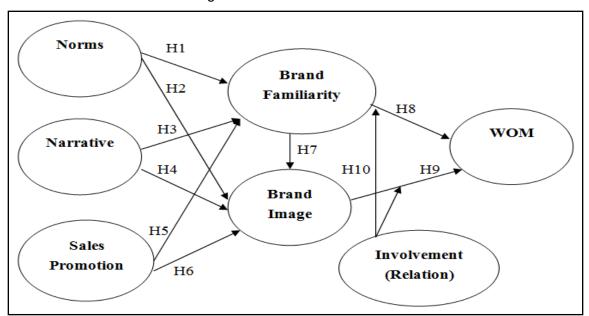


Figure 1: Research Framework

### Relationship between norms, brand familiarity, and brand image

Norms must be shared prescriptions and apply to others, by definition. Norms always include sanctions; values never do (Morris, 1965). In addition, norms, according to the extreme view presented by Durkheim and Wilson (1981), are social rules which constrain selfish behavior.

Brand familiarity reflects the brand-related experiences accumulated by the consumer (Alba & Hutchinson, 1987). Moreover, Berelson and Stenier (1964) describe it as pre-existing information in the consumer's mind. Lastovicka (1979) measured knowledge by asking subjects if they could talk about a general group of product for a long time.

The complex set of beliefs, values, norms and attitudes acquired by consumers as part of their national heritage will construct cultural environment. Based on cross-cultural advertising communication principle (Mikailitchenko et al., 2009), norms and beliefs are one of the cultural environment variables as important determinants of transferability of imagery communication

(Durkheim & Wilson, 1981). The need for image processing appears to be cultural phenomena that are influenced by traditions of the country, its media habits, and dominating lifestyle. The strong cultural predisposition to reading books and newspapers create in less need for visualization, while media habits oriented toward watching TV and reading colorful magazines create image-based information elaboration patterns. Therefore, image-intensive tools generate with increasing the brand familiarity (Mikailitchenko *et al.*, 2009).

It should be pointed out at once that the rather considerable literature on the classification of values is relevant to the problem of typing norms. Based on the typology of norms (Morris, 1965, p. 610), norms could protect interests of society rather than the interests of the individual, absolutely will create the value in this society. At the point of its classification itself, involves a presently held value, and most norms are based upon established values. In addition, Durkheim and Wilson (1981) has suggested a classification of values on the bases of modality, content, intent, generality, intensity, explicitness, extent, and organization, and this scheme provides valuable insights for the classification of norms (Morris, 1965, p. 611). The value itself can be held a single individual; therefore, the individual perspective by one research has demonstrated that consumers' personal likes and dislikes will influence brand image (Therkelsen & Halkier, 2008). Hence, this study addresses the following hypotheses:

Hypothesis 1: Norms have a positive influence on the brand familiarity.

Hypothesis 2: Norms have a positive influence on the brand image.

#### Relationship between narrative, brand familiarity, and brand image

Narrative has attracted interest within management and organization studies (for example, Boje, 1995; Czarniawska, 1998, 2004) and marketing and consumer research (for example, Hopkinson & Hogarth-Scott, 2001; Branthwaite, 2002). Increasingly, narrative is recognized as a framework for the understanding of marketing and consumption process in general, and especially in relation to brands.

Based on perspective in the marketing of tourism destinations (Lichrou, O'Malley & Patterson, 2010), narrative can be more usually framed from tourism destinations. Moreover, within marketing management, tourism destinations are traditionally framed as products to be marketed (Kerr, 2006). Frames derive from metaphors and, in this example, "product" and "narrative" are competing metaphors of place which is based on sign theory (Lichrou, O'Malley & Patterson, 2010). From that place, people save their money and their weeks escape from work to buy what becomes a memory (Cacioppo & Petty, 1979) from that place which has special thing and symbolic meaning for tourists. From the view of places that capture their intangible, cultural, historical and dynamic aspects may be more enabling for marketing purposes that is make deeper familiarity of one's brand. In addition, Hankinson (2004) notes

that tourist spaces are culturally significant; they engender representational cultures, which increase the accessibility of sites in everyday life. He further explains that signs, images, and symbols make the site familiar to tourists in their ordinary culture.

Based on the narrative morsel model, narrative is an important means to create tourist attractions and notes how tourist destinations receive visitors' through the narrative morsels it plant itself or that are put in circulation by others' (Meethan, 2001). Therefore, shift toward education is essential for the development of expertise and innovative thinking of one place (Lichrou, O'Malley & Patterson, 2010). Moreover, in order to elicit narratives, the experience of change is revolved around one of temporal context (Lichrou, O'Malley & Patterson, 2010, p.137). Therefore, from the perceptions of people that has education and experience of change, those perceptions become an important dimension of the image of place brands (Freire, 2009). Thus, the following hypotheses:

Hypothesis 3: Narrative has a positive influence on brand familiarity.

Hypothesis 4: Narrative has a positive influence on brand image

# Relationship between sales promotion, brand familiarity, and brand image

Peattie (2003) cited that sales promotions are marketing activities usually specific to a time period, place/costumer group, which encourage a direct response from consumers/ marketing intermediaries, through the offer of additional benefits. Moreover, Kotler (2006, p. 469) defines sales promotion as a "short-term incentive to encourage the purchase or sale of a product or service".

Because sales promotions are constantly changing, and because they attract consumers' attention, they can fulfill intrinsic needs for exploration and information (Lindholm, 2008). From the exploration process by the consumers, they can respond to sales promotions to express and enhance their sense of themselves as smart shoppers and earn social recognition or affiliation (Cheema & Kaitati, 2010). In addition, Kamdar and Srivastava (2009) findings showed that the recognition scores for familiar brands are adjusted for the guessing and constructive recognition that may result from inferences associated with familiar brands, which finally can affect people's intention to buy the same brand, based on attitude forming theory.

One of the sales promotion benefits is to increase in the quality of the product bought. By reducing the price of the product or by offering a smaller package size, sales promotions can relax budget constraints and enable consumers to upgrade to a better product. (Chandon, Wansink & Laurent, 2000). By seeing this quality cues, followed on the cues theory, it makes consumers to increase the trial, it is also one of the traditional goals assigned to sales promotions (Chandon, Wansik & Laurent, 2000). Therefore, from the trial's involvement in the

product category, more consistent will be the brand image formation (Kamdar & Srivastava, 2009). Hence, we address the following hypotheses:

Hypothesis 5: Sales promotion has a positive influence on brand familiarity.

Hypothesis 6: Sales promotion has a positive influence on brand image.

#### Relationship between brand familiarity, brand image, and WOM

WOM is the intentional influencing of consumer-to-consumer communications by professional marketing techniques. (Kozinets et al., 2010). It is also defined as "an oral, person-to-person communication between a receiver and a communicator whom the receiver perceives as noncommercial, regarding a brand, product, or service" (Arndt, 1967, p.66).

If a consumer is familiar with the brand, it is likely that the establishment of awareness is already achieved. Since the cognitive representation of the brand already exists in the consumer's mind, it is more likely for the consumer to develop consumer cognitive structures or schema related to the brand (Olson & Dover, 1978). Hence, a familiar brand may lead to a welldeveloped brand image, which is consistently held across consumers, that also lead to the conclusion of the consistency of brand image formation is greater for familiar brands than for unfamiliar brands.

Based on the role of brand familiarity on the impact of word-of-mouth communication on brand evaluations that brand familiarity as one specific component of the brand name concept and likely to moderate the processing of WOM message, is considered a significant factor influencing consumers' perceptions (Low & Fullerton, 1994). In addition, from the consumers' perceptions, it also affects various facets of consumer decision making, like ultimate brand choice (Hoyer & Brown, 1990). When the consumer has made the decision then it will be believed that consumers are less likely to change their attitude toward a brand, based on the rigidity of attitude principle (Fisher & Dube, 2003), especially when it pertains to familiar brands (Hoyer & MacInnis, 1997), then it is expected that exposure to WOM, either positive or negative, will be happened (Sundaram & Webster, 1999).

When consumers' brand image is good, then it will ensuing the purchase intentions (Arndt, 1967). In addition, Esch, Schmitt, Redler, Langner (2008) also stated that on the brand image itself, consumers' purchase intention can be influenced by brand image. Then from purchasing the brand image associated with consuming a specific brand, such as Louis Vuitton handbag, so that the brand itself becomes an extension of the individual's self image and helps to enhance self-esteem (Zhou & Belk, 2004), based on self-conscious theory (Wheeler-Brooks & Scanlon, 2009); Moreover, whenever consumers already have self-esteem, then it will effect WOM to be spread to another people that will have significant influence for costumers to adopt this product (Rogers, 2003; Sheth, 1971).



Hence, we address the following hypotheses:

Hypothesis 7: The consistency of brand image formation is greater for familiar brands than for unfamiliar brands.

Hypothesis 8: Brand familiarity has positive influence on WOM.

Hypothesis 9: Brand image has positive influence on WOM.

Due to the involvement that costumers involved in watching or even attending some of the activities related with the movie. Due to the fact there is involvement happens in the process from brand image and brand familiarity to WOM, costumers will spread the advertisement of WOM effectively to the others that also makes others becoming enthusiastic to that movie. Therefore, the involvement has positive influence to WOM. Hence, we address the following hypothesis:

Hypothesis 10: Involvement has positive moderating effect to WOM.

#### **RESEARCH METHOD**

#### Measurement and scale

We adopt the questionnaires by using a six-point Likert scale with items. The following sections comprise the items and variable constructs.

Norms. We employ the structures and scales of norms by Heide and John (1992), using three constructs to measure norms: solidarity, flexibility, and information exchange. Narrative: We adopt the structures and scales of narrative by Lichrou, O'Melley and Patterson (2010) using two items to measure narrative: present challenges and future visions. Sales Promotion: We employ the structures of sales promotion by Chandon, Wansink and Laurent (2000) using three items to measure sales promotion: value expression, money savings, and convenience to match with three promotion items.

Brand Image: We employ the structures of brand image by Kamdar and Sristastava (2009), using two items to measure brand image: performance imagery and judgment feeling.

Brand Familiarity: We adopt the structures and scales of brand familiarity by Mlkailitchenko, Javalgi, Mlkailitchenko and Laroche (2007): recall and visual imagery.

WOM: We employ the structures and scales of WOM by Kozinets, Valck, Wojnicki and Wilner (2010), using four constructs to measure WOM: evaluation, embracing, endorsement, and explanation.



#### Survey design

We employ quota sampling to conduct the survey procedure. The sample was drawn from customers in Taipei City who have watched Cape No.7 in cinemas in our thesis. The number of questionnaires is first calculated and then these 640 questionnaires were distributed separately in twelve administrative districts in Taipei City. The samples are divided according to age, gender statistics, tribes in each distinct. For each side of Taipei, like the east side in Taipei, we will divided each male and female equally for forty people who are Real Taiwanese and their residences are in Middle and Southern part of Taiwan, however, they work in Taipei now and their ages are 35 years above. For Mainlanders/non-tribe column will also be divided into each male and female equally for forty people who also can be qualified as Taiwanese whose residences are in Taipei, and Taiwanese whose residences are in middle and southern part of Taiwan, but they're below 35 years. Following this quota sampling procedure, 400 formal questionnaires were distributed to guide the sample distribution to match the population distribution and to control sampling error under plus or minus five percent (See Table 1).

Table 1 Sample Structure of Quota Sampling

|                      | Taiwanese       |        | Mainlanders |        | Sample    |  |
|----------------------|-----------------|--------|-------------|--------|-----------|--|
|                      | Local Residents |        |             |        | Structure |  |
|                      | Male            | Female | Male        | Female |           |  |
| East Side in Taipei  | 40              | 40     | 40          | 40     | 160       |  |
| West Side in Taipei  | 40              | 40     | 40          | 40     | 160       |  |
| South Side in Taipei | 40              | 40     | 40          | 40     | 160       |  |
| North Side in Taipei | 40              | 40     | 40          | 40     | 160       |  |
| Total                | 160             | 160    | 160         | 160    | 640       |  |

#### **Questionnaire Administration**

We send 640 questionnaires and 615 were returned from 2012 spring. The ratio of questionnaires return is 96%. In the 615 returned questionnaires, there are 587 valid and 28 invalid questionnaires missing values or incomplete answers. The effective rate of response was 95.4%.

#### Reliability and validity analysis

We conduct the reliability analysis through using Cronbach's α coefficient to measure the consistency reliability of the constructs. In terms of a good reliability construct, the Cronbach's a coefficient should larger than 0.70 (Nunnally, 1970). In our empirical study, Cronbach's α coefficient of all dimensions are larger than 0.70.



Furthermore, we assess the reliability jointly for all items of a construct by computing the composite reliability. According to Fornell and Larcker (1981), composite reliability larger than 0.7 indicates an acceptable fit of data. We find CR value of all dimensions are larger than 0.7.

In addition, we compute the average variance extracted (AVE) to confirm the discriminate validity (Fornell & Larcker, 1981). If AVE is larger than 0.4, it exhibits that this questionnaire possesses the high discriminate validity (Batra & Sinha, 2000). We find that all AVE are not smaller than 0.5 which indicate that an acceptable fit of a great discriminate validity of the data (Fornell & Larcker, 1981). Concerning evaluation of on convergent validity, we can test it by employing a confirmatory factor analysis (CFA) model. From Table 2, we discover all AVE are larger than 0.5, and our data set has the discriminate validity.

Table 2 Reliability and Validity Analysis of Variables

| Construct   | Item                   | Cronbach's α | Item to total correlation | Cronbach's α if item deleted | Loading | Composite<br>Reliability |
|-------------|------------------------|--------------|---------------------------|------------------------------|---------|--------------------------|
| Norms       |                        | 0.74         |                           |                              |         | 0.7932                   |
|             | Solidarity             |              | 0.72                      | 0.68                         | 0.67    |                          |
|             | Flexibility            |              | 0.65                      | 0.75                         | 0.73    |                          |
|             | Information            |              | 0.66                      | 0.72                         | 0.69    |                          |
|             | Exchange               |              |                           |                              |         |                          |
| Narrative   |                        | 0.81         |                           |                              |         | 0.8146                   |
|             | Present<br>Challenges  |              | 0.75                      | 0.84                         | 0.72    |                          |
|             | Future<br>Visions      |              | 0.78                      | 0.81                         | 0.84    |                          |
| Promotion   |                        | 0.72         |                           |                              |         | 0.8002                   |
|             | Value expression       |              | 0.61                      | 0.71                         | 0.73    |                          |
|             | Money<br>savings       |              | 0.68                      | 0.74                         | 0.63    |                          |
|             | Convenience            |              | 0.67                      | 0.73                         | 0.60    |                          |
| Brand       |                        | 0.83         |                           |                              |         | 0.7742                   |
| Familiarity | Recall                 |              | 0.80                      | 0.84                         | 0.87    |                          |
|             | Visual<br>Imagery      |              | 0.80                      | 0.84                         | 0.74    |                          |
| Brand       |                        | 0.79         |                           |                              |         | 0.9125                   |
| Image       | Performance<br>Imagery |              | 0.72                      | 0.85                         | 0.77    |                          |
|             | Judgment<br>Feeling    |              | 0.78                      | 0.79                         | 0.83    |                          |
| WOM         | -                      | 0.68         |                           |                              |         | 0.8352                   |
|             | Evaluation             |              | 0.63                      | 0.67                         | 0.72    |                          |
|             | Embracing              |              | 0.62                      | 0.69                         | 0.75    |                          |
|             | Endorsement            |              | 0.58                      | 0.64                         | 0.48    |                          |
|             | Explanation            |              | 0.70                      | 0.75                         | 0.79    |                          |

#### **EMPIRICAL RESULTS**

#### The result of basic statistic analysis

We first conduct basic statistic analysis to overview the whole samples. We then conduct oneway ANOVA to determine whether the demographics control variables is hold. From the results of one-way ANOVA in Table 3, we find that there is no significant difference between different demographics (i.e., gender, educational level, occupations type, relation, income level). This result indicates that the sample is reasonably to control the demographic variables.

Education Income **WOM** Gender Occupation Age level level F-value 0.24 0.37 0.41 0.72 1.50 P-value 0.84 0.76 0.58 0.20 0.65

Table 3 ANOVA Analysis in Formal-test

#### Results of LISREL analysis

Table 4 displays the structural model with the coefficient and almost significant relationship between variables and variables are followed the hypothesized direction. These results provide us the reasonably evidence for the model. Norms have significant effect on brand familiarity (H1:  $\beta_1$ = 0.55, t-value = 3.56) and brand image (H2:  $\beta_2$  = 0.48, t-value = 7.57). Narrative has effect on brand familiarity (H3:  $\beta_3$  = 0.39, t-value = 3.43), and also influences brand image (H4:  $\beta_4 = 0.67$ , t-value = 8.05). We also try to analyze more specific about sales promotion. We find the results that sales promotion significantly affect both brand familiarity and brand image ( $\beta_5$  = 0.28, t-value = 4.80;  $\beta_6$  = 0.42, t-value = 3.70). However, brand familiarity significantly influences brand image but has less effect on WOM. (H7:  $\beta_7 = 0.23$ , t-value = 3.25; H8:  $\beta_8 = 0.08$ , t-value = 1.20). Finally, brand image influences WOM (H9:  $\beta_9 = 0.36$ , t-value = 6.25).

We also propose the path diagram of LISREL model as Figure 4.2, and we make the conclusion about that the main paths are that narrative affects WOM through brand image. We employ various fitness indices to examine the validity of the model and fit indices of the proposed measurement model are shown in the Table.

The Chi-square test is the regular statistics used to check the similarity of fit between observed covariance matrix and the model shown of the covariance matrix. In our model, the Chi-square is 504.45, the degree of freedom is 208, and we calculate the  $\chi 2$  /df is 242. The GFI (goodness-of fit index) is a measure of the relative amount of variance and covariance in sample data that is jointly explained by sample data (JÖreslog & SÖrbom, 1984). If the model possesses a good fit, then the value is usually above 0.90. The AGFI (adjusted goodness-of-fit index) adjusts for the number of degrees of freedom in the specified model. If the model

possesses a good fit, then the value is usually above 0.60. Besides, the NFI (normed fit index) and CFI (comparative fit index) use an "independence model" as a basis of comparison by which to assess the hypothesized model. These values range from 0 to 1. In our model, CFI is 0.94, NNFI is 0.94, NFI is 0.95, GFI is 0.86 and AGFI are 0.82, individually. Furthermore, the RMSR and RMESA provide information about the fit of the model with unknown but optimally chosen parameter values for the population covariance matrix, if it is available (Bagozzi & Yi, 1988). In our study, the RMSR (root mean square residual) is 0.026. The RMSEA (root mean error approximation) is 0.078. The result of RMSR indicates a good fit.

Table 4 Results LISREL Analysis (Hypothesis testing)

| Hypothesized Path                       | Coefficient       | T-value |            |  |
|-----------------------------------------|-------------------|---------|------------|--|
| H1: Norms→ Brand Familiarity            | $\beta_1 = 0.19$  | 2.94**  | Non-Reject |  |
| H2: Norms → Brand Image                 | $\beta_2 = -0.25$ | -3.74** | Non-Reject |  |
| H3: Narrative → Brand Familiarity       | $\beta_3 = 0.43$  | 6.80**  | Non-Reject |  |
| H4: Narrative → Brand Image             | $\beta_4 = 0.56$  | 11.34** | Non-Reject |  |
| H5: Sales Promotion→ Brand Familiarity  | $\beta_5 = 0.10$  | 2.85**  | Non-Reject |  |
| H6: Sales Promotion → Brand Image       | $\beta_6 = 0.12$  | 2.47**  | Non-Reject |  |
| H7: Brand Familiarity → Brand Image     | $\beta_7 = 0.65$  | 20.15** | Non-Reject |  |
| H8: Brand Familiarity → WOM             | $\beta_8 = 0.06$  | 1.25    | Reject     |  |
| H9: Brand Image→ WOM                    | $\beta_9 = 0.11$  | 2.22**  | Non-Reject |  |
| Indicator                               | Estimated Value   |         |            |  |
| $\chi^2$ /df                            | 504.45/208=       | 2.4252  |            |  |
| Comparative fit index (CFI)             | 0.94              |         |            |  |
| Non-normed fit index (NNFI)             | 0.94              |         |            |  |
| Normed fit index (NFI)                  | 0.95              |         |            |  |
| Goodness of fit index (GFI)             | 0.86              |         |            |  |
| Adjusted goodness of fit index (AGFI)   | 0.82              |         |            |  |
| Root mean square residual (RMR)         | 0.026             |         |            |  |
| Root mean square error of approximation | 0.078             |         |            |  |
| (RMSEA)                                 |                   |         |            |  |

#### **Empirical analysis of rival models**

It is generally agreed that researchers would investigate compare rival models and not just inspect the goodness of fit of hypothesized model (Bollen & Long, 1993). Bagozzi and Yi (1988) provided the necessity of the rival model.

Furthermore, it also can utilize the value of GFI, CFI, RMSEA and other relative indicators of path coefficient to analysis (Bagozzi & Phillips, 1992). Sharma (1996) suggested use the difference of  $\chi^2$  value to compare and examine the effectiveness of rival model. Bagozzi and Yi (1988) proposed that the value of  $\chi^2$  and  $\chi^2/df$  are important of them.

Thus, we emphasize these indicators of rival model analysis in our research. In order to analyze and to detect which relation is better than the others, we try to distinguish and to do the research on it by using Fit indices of the proposed measurement model and results of research hypothesis (LISREL) for two different clans, first is high relation (very deep and deep) that the total amount of it is 271 people, and the others is low relation (common, shallow, and very shallow) that the total amount of it is 316 people.

In addition, we also did the calculation of every hypothesized path, coefficient, and Tvalue for each high relation (very deep and deep), and low relation (common, shallow, and very shallow).

In this result of research hypothesis we add one that is relation, that become H10:  $\beta_{10}$  = 0.32, t-value = 4.54 (high relation) and H10:  $\beta_{10}$  = 0.27, t-value = 2.20 (low relation), both for relation to brand familiarity. Moreover, the result for relation to brand image are H11:  $\beta_{11} = 0.45$ , t-value = 6.32 (high relation) and H11:  $\beta_{11}$  = 0.29, t-value = 2.12 (low relation). The result of the relation shows that the relation to the brand image is higher than the relation to the brand familiarity.

Table 5 Results of Moderate Effect Analysis

| Indicator                             |                                 | High involvement  |                | Low involvement       |                   |                |  |  |
|---------------------------------------|---------------------------------|-------------------|----------------|-----------------------|-------------------|----------------|--|--|
| $\chi^2$ /df                          |                                 | 501.38/195 = 2.57 |                | 5                     | 503.42/202 = 2.49 |                |  |  |
| Comparative fit index (CFI)           |                                 | 0.92              |                | С                     | 0.95              |                |  |  |
| Non-normed fit index (N               | Non-normed fit index (NNFI)     |                   | 0.92           |                       | 0.94              |                |  |  |
| Normed fit index (NFI)                |                                 | 0.94              |                |                       | 0.95              |                |  |  |
| Goodness of fit index (0              | Goodness of fit index (GFI)     |                   | 0.84           |                       |                   | 0.86           |  |  |
| Adjusted goodness of f                | it index (AGFI)                 | 0.81              |                |                       |                   |                |  |  |
| Root mean square resid                | Root mean square residual (RMR) |                   | 0.022          |                       |                   |                |  |  |
| Root mean square e                    | error of approximation          | 0.067             | 0.070          |                       |                   |                |  |  |
| (RMSEA)                               |                                 |                   |                |                       |                   |                |  |  |
| Hypothesized Path                     | High involvement                | Low involvement   |                |                       |                   |                |  |  |
|                                       | Coefficient                     | t-<br>value       |                | Coefficient           | t-value           |                |  |  |
| H1: Norms→ Brand Familiarity          | β <sub>1</sub> = 0.52           | 3.44**            | Non-<br>Reject | β <sub>1</sub> = 0.48 | 2.09**            | Non-<br>Reject |  |  |
| H2: Norms → Brand Image               | β <sub>2</sub> = 0.50           | 6.55**            | Non-<br>Reject | β <sub>2</sub> = 0.37 | 4.05**            | Non-<br>Reject |  |  |
| H3: Narrative →Brand Familiarity      | $\beta_3 = 0.36$                | 3.05**            | Non-<br>Reject | $\beta_3 = 0.28$      | 2.59**            | Non-<br>Reject |  |  |
| H4: Narrative →Brand Image            | $\beta_4 = 0.64$                | 7.30**            | Non-<br>Reject | $\beta_4 = 0.55$      | 2.89**            | Non-<br>Reject |  |  |
| H5:Sales Promotion→ Brand Familiarity | $\beta_5 = 0.27$                | 2.90**            | Non-<br>Reject | $\beta_5 = 0.18$      | 1.35**            | Non-<br>Reject |  |  |
| H6:Sales Promotion → Brand Image      | β <sub>6</sub> = 0.40           | 3.20**            | Non-<br>Reject | $\beta_6 = 0.32$      | 3.15**            | Non-<br>Reject |  |  |
| H7:Brand Familiarity → Brand Image    | β <sub>7</sub> = 0.28           | 3.35**            | Non-<br>Reject | β <sub>7</sub> = 0.19 | 2.02**            | Non-<br>Reject |  |  |
| H8:Brand Familiarity → WOM            | β <sub>8</sub> = 0.05           | 1.12              | Reject         | β <sub>8</sub> = 0.07 | 1.15              | Reject         |  |  |
| H9:Brand Image→<br>WOM                | $\beta_9 = 0.38$                | 6.00**            | Non-<br>Reject | $\beta_9 = 0.30$      | 4.58**            | Non-<br>Reject |  |  |
| H10a: involvement →Brand familiarity  | β <sub>10a</sub> = 0.32         | 4.54**            | Non-<br>Reject | $\beta_{10a} = 0.27$  | 2.20**            | Non-<br>Reject |  |  |
| H10b: involvement →Brand Image        | β <sub>10b</sub> = 0.45         | 6.32**            | Non-<br>Reject | $\beta_{10b} = 0.29$  | 2.12**            | Non-<br>Reject |  |  |

#### **CONCLUSION**

This study provides empirical evidence of influencing factor of WOM for Cape No.7's movie and determines the main factor that affects Cape No.7 by WOM. The main factor that influences WOM in Taiwan's culture and creative movies industry based on our research is narrativeimage- WOM. We can state the conclusion that it's the best main factor inasmuch as besides the evidence from the survey that shows the result of SPSS and LISREL gave the best result,

the others reason is in order to comprehend brand image that can intensify WOM, managers can employ to maximize the proportions of brand image inasmuch as brand value can drive the user to attain their task goal, that is WOM, based on the goal attainment theory. In addition, if one's brand image name and popularity higher, then the perceived risk will be lower (Grewal, Monroe & Krishman, 1998). This is important because if one's perceived risk lower, it means that the brand put more trust on consumers' heart which will give more benefit. Therefore, the narrative also plays important rule here to share the story and impression feeling towards Cape No.7 to another people that will bring the deep impression for them, neither. And they will naturally must have the deep image impression towards this movie, and after that, it will play an important role in determining how consumers process and respond to WOM communications (Sundaram & Webster, 1999). Moreover, the narrative also can bring the purchase intention that will lead to purchase decision to consumers' confidence toward the brand image of Cape No.7 that have the meaning of bringing the self-confidence for them, naturally will affect and make WOM happens to another new costumers to try and watch Cape No.7. In addition, we also discussed how to make narrative in an appropriate way in order to make customers talk and spread it into the better way. Based on the meaning, narrative can be the important means to create tourist attractions and notes how tourist destinations receive visitors' through the narrative morsels it plant itself or that are put in circulation by others' (Meethan, 2001). Therefore, we know that shift toward education is essential for the development of expertise and innovative thinking of one place (Lichrou, O'Malley & Patterson, 2010). In order to make narrative better, the shift towards education is the most important one to make someone and everyone have the same thinking perspective to Cape No.7. Second, the guestion how to make brand image of Cape no.7 have deeper impression to consumers is by the spreading of media entertainment. We know that if one's brand image name and popularity higher, then the perceived risk will be lower (Grewal, Monroe & Krishnan, 1998). The media entertainment that provides the talk-show for the movie Cape No.7 will help this movie to have deeper brand image toward costumers (Tiwari & Abraham, 2010). The talk-show presents every actors, actress, director, even the people who responsible behind the scene absolutely will bring the deeper image for the people.

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