©Apeejay Journal of Management & Technology
Vol. 21, Number 1, Jan-June 2026, 44-56
DOI: 10.29385/APEEJAY.21.1.2026.3

Online Reviews and Word of Mouth: A Study on the Consideration as the New Component of the Promotion Mix

Anu Sahi*

Amarjit Kaur**

Abhishek Sharma***

Abstract

In the current digital marketing era, online reviews, comments, and word-of-mouth have emerged as crucial factors influencing consumer perception and purchase decisions. They have become classic components of the modern marketing mix: product, price, place, promotion, people, process and physical evidence. Positive word-of-mouth and internet reviews boost goodwill, expand opportunities, and improve brand perception. Nowadays, whether making decisions or planning purchases, consumers actively rely on peer recommendations and internet evaluations. Present study emphasize the significance of online reviews and word-of-mouth as crucial components of the market mi and evaluating the impact of them on behaviour and psychological implication of consumer decisions. The study utilised the descriptive research design and quantitative research methodology. The primary data of 460 respondents of Punjab was collected using structured questionnaire comprising of buyers mainly of beauty and cosmetic sector. The collected data was analyzed using factor analysis to verify its validity and reliability and regression analysis to evaluate associations. The findings demonstrate that online review and spoken recommendations are effective stimulants for building a strong brand presence, influencing consumer behaviour, and predicting market success. The study highlighted the fact that business in the digital era must integrate customer feedback and word of mouth in their strategic marketing campaigns.

Keywords: Online reviews, Word of mouth, Digital marketing, Online, Reviews, Marketing mix, Promotion

1. Introduction

Digital marketing swiftly making head-ways and the emergence of online reviews, online remarks, word-of-mouth, both good and bad as prominent constituent has redefined the traditional marketing mix (Armelini and Villanueva Galobart, 2011). Online evaluations and word-of-mouth now considered equally important as additional components of marketing mix. Historically, the four P's – Product, Price, Place and Promotion form the foundation of

* Assistant Professor, Apeejay Institute of Management & Engineering Technical Campus, Rama-Mandi Jalandhar, Anusahi81@gmail.com

** Assistant Professor, Apeejay Institute of Management & Engineering Technical Campus, Rama-Mandi JalandharAmarjit.kaur2@gmail.com

*** Assistant professor, Apeejay Institute of Management & Engineering Technical Campus, Rama-Mandi Jalandhar, abhisharma3322@gmail.com

marketing strategy (Çadırcı and Güngör, 2016). But social media has brought about new elements in the market which influence people or customers' perspective, which is known as feedback of the customers, online rating, positive and negative word of mouth. Online reviews and social media platforms have a great and intense power to alter the decisions of customers. In this contemporary era people are so into technology for any type information or to enlighten themselves in relation to every product and services knowledge, people turn-on to their internet or to e-channels and get influence by the same (Cakim, 2010). Even when someone wants to purchase or want to make buying decision for any of the product category, people consider the rating and reviews provided by the customers who already made a buying decision for the similar and same product. However, online reviews, feedback and word of mouth do not only impact or influence the perception of customers but also provide ideas, opportunities, and strategies to the businesses. This is indispensable for the organizations to register and entertain the feedback of customers (Lok *et al.* 2012).

Furthermore, sometimes former buyers publish their posts on websites by adding some pictures of received product which lend a hand to other consumers regarding the quality of the product, color of the product (Lu *et al.* 2013). In addition to this, customers also share every single detail of the product, even by mentioning whether spending certain amount of money was worth it or not. Which ultimately help the future buyer that they should purchase the product or not. This also leads to satisfaction of not only to customers but also to the company. Such reviews not only guide customers in buying decision but also, help the organization for further improvements. As organizations analyze the actual requirements and demand of customers which eventually aid them for further innovation, scope of improvement, maintenance of product quality, provide guidance to grab more market opportunities, and to build a strong competition in the market etcetera (Rahman *et al.* 2019).

Moreover, the study tries to explain that promotion and advertisement are not enough to motivate a consumer to buy a particular product or service. Consumers are having certain benefits through advertisements and promotion of product such as, awareness and exposure, information dissemination, creating desire, building brand image, call-to-action, repetition and recall, and emotional connection (Jain, 2021). These points therefore lead to loyalty while promotions and advertisement are undoubtedly extremely strong tools from marketing toolkit. These basically

include word of mouth recommendation, public reviews on social media channels and websites, product quality, pricing range and company's reputation (Huo *et al.* 2014).

Customer feedback creates positive connection between the company and its clients as it demonstrates the customer centric approach in which it genuinely cares about customers' opinions and experiences (Godes and Mayzlin, 2004). Additionally, it enhances the communication between organization and customer. Also, with the help of this, it helps organization in improving the quality of product and builds trust and credibility. Apart from aforementioned points, it drives innovation and build loyalty between the organization and customers. By analyzing the factors that contribute to the creditbility, influence and reach of online reviews and word of mouth, it is clearly understood able that how consideration can be strategically incorporated into the marketing mix (Chen and Xie, 2008).

The study highlights the importance of word of mouth and online reviews as a salient component in the promotion mix. Giving value and importance to customers' feedback and word of mouth the business can successfully maintain the positive relationship between an organization and customers (Chevalier and Mayzlin, 2003). Acknowledging these factors as strategic assets, business can grasp the power of authentic customer testimonials and social acceptance to establish a competitive edge in the dynamic and interconnected digital marketplace. The study attempts to highlight the importance of online reviews and word of mouth to create the strong brand image in the society (Gręboszc-Krawczyk, 2020). The study establishes the linkages between the online reviews and buying decision of the customers. This study basically shows that how digital marketing, advancement in technology, online reviews, WoM and marketing mix help customers in purchasing decision and provide the helping hand to the organization in the improvisation of the product's features (Chevalier and Mayzlin, 2003).

2. Literature Review

Armelini, and Galobart (2011) described that since 1990, the reason of expeditious progression in information technology and augmentation in the usage of the internet such as electronic media and social media is included to the media mix. However, several appearances of traditional media and marketing channels have lost their ability to influence public. Although, modern media channels and marketing mix are having a positive impact on brand value and can even prevail numerous advantages to the organization by convincing customers to favor a specific

brand. Çadırc and Güngör (2016), claims that online social networks aid users to erect strong relationships with friends, family and strangers. Moreover, these social media platforms are witnessing a rapid growth around the world. Gungor also claims that, that the results of a investigating six motivational factors for engaging in electronic word of mouth communication, investigated under three dimensions: producing, consuming and forwarding of content of online social networks. It also encourages by self enhancement, electronic social interaction and exhibitionism. It basically helps every individual or users to construct public profile and communicate with others and also rely upon the published content and reviews of customers. Social interaction connects people with each other's and affects their perception ability.

According to Chen and Xie, in their study explored that purchasing decisions are greatly influenced by new market trends. They outlined the basic problems with Internet customer reviews that influence the perspective of potential buyers. Buying based on personal use and social media reviews help potential customer learn more about the product. He argues that a new element of marketing communication mix, user-generated product information like Internet reviews, might serve as free sales assistant to help customers choosing the products that fits perfect with their needs and usage. He examined four strategic issues: (1) when an online seller should give its customers consumer reviews; (2) how a seller's choice to provide reviews interacts with its strategy for product assortment; (3) how the seller's approach to providing reviews interacts with its traditional marketing communication strategy; and (4) when is the best time for the seller to provide information about reviews for a product. According to writers' findings, an online seller may gain or lose from providing online customer reviews based on factors like product's attributes, the review's level of information, the seller's approach to product assortment, and consumer diversity in terms of product consumption expertise.

Godes (2004) claims that, managers usually take keen interest in communication that are generated from word of mouth as they are having the belief that a product's success is related to the word of mouth that it generates. Nevertheless, measuring word-of-mouth presents at least three major difficulties. To begin with, how is the data collected? Direct observation has been difficult ever since the knowledge is shared in private talks. Secondly, should one measure about these conversations? The third difficulty arises from the non-exogenous nature of word-of-mouth. Although the company is engrossed in tying word-of-mouth to future sales, we also need to acknowledge that word-of-mouth is a result of previous sales. Author's main goal was to deal

with these issues. He selected new television (TV) series from the 1999–2000 seasons to provide context for the research. Usenet, a collection of hundreds of newsgroups covering a wide range of topics, is his source for word-of-mouth discussions. He discovered that, internet discussions could provide a simple and affordable way to gauge word-of-mouth. He also demonstrated that, in the era of TRP or Television ratings, the conversations among the viewers and talks across the communities are having the explanatory value.

Krawczyk (2020) affirms that, Word-of-mouth communication becomes increasingly dependent on customer storytelling. The paper's main aim is to assess if consumer storytelling is effective enough to support nostalgic brands' word-of-mouth marketing. The findings of the empirical research on 24 global and Polish nostalgic brands, both generational and trans-generational that involved 1,000 Polish consumers are offered. The study's methodology includes focus group interviews, online surveys, and in-person interviews. According to research, nostalgic brands those that represent personal histories create stories more frequently than non-nostalgic brands. Respondents who are older are more likely to engage in consumer storytelling. Customers love to share the anecdotes they write about nostalgic brands. Considering how powerful customer storytelling is, it makes sense to encourage customers to tell tales about the business, as they may play an important role in spreading word-of-mouth marketing.

2.1 Need of the Study

Social media and e-application reviews and verbal communication are crucial in buying decisions in this contemporary era. Customers prefer internet reviews and word-of-mouth from their peers. Hence, the research tries to recognize the significance of these aspects at the time of buying a product or service. Though large number of studies is conducted in this field, yet very few and almost negligible could be found in the beauty and cosmetic sector in India. The research tries to fill the gap by conducting the research on online reviews and WoM in the cosmetic and makeup industry of India.

2.2 Objectives of the Study

a) To assess how word of mouth and internet reviews affect the consumer buying decisions.

b) To measure the impact of word of mouth and internet reviews on product promotion.

3. Research Methodology

3.1 Research Design

The research design is descriptive in nature. Descriptive research design is used to describe the traits and characteristics of certain groups such as customers, producers, salespeople, organizations Miksza and Elpus, (2018). It also helps to measure the degree of relationship between two or more variables. It may categorize in cross sectional and cohort analysis (Rohilla, 2010).

3.2 Sampling technique

In this study, a well-structured questionnaire was distributed among 522 respondents using judgment sampling technique from major districts of Punjab namely, Jalandhar, Ludhaina, Hoshiapur, Amritsar, However, 52 did not respond and 10 responses were incomplete. Therefore, a sample of 460 respondents were finally chosen for the purpose of analysis.

The hypotheses of the study were as follows:

H1: There is a significant impact of word of mouth on buying decisions

H2: There is a significant impact of online reviews on buying decisions.

H3: There is a significant impact of word of mouth on Product promotion

H4: There is a significant impact of online reviews on Product promotion

3.1 Research Techniques

The linear regression model is applied to test the hypotheses. These regression models are as follows:

Model I:

$BD = \alpha + \beta_1 WoM + \beta_2 ONR + \varepsilon$

BD= Buying Decision

WoM= Word of Mouth

ONR = Online Reviews

In model I, dependent variable is BD which refers to the buying decisions and WoM is independent variable which means word of mouth. Whereas, OnR is control variable and represents the online reviews and ε is used for random error in the model.

Model II:

$PrP = \alpha + \beta_1 WoM + \beta_2 OnR + \varepsilon$

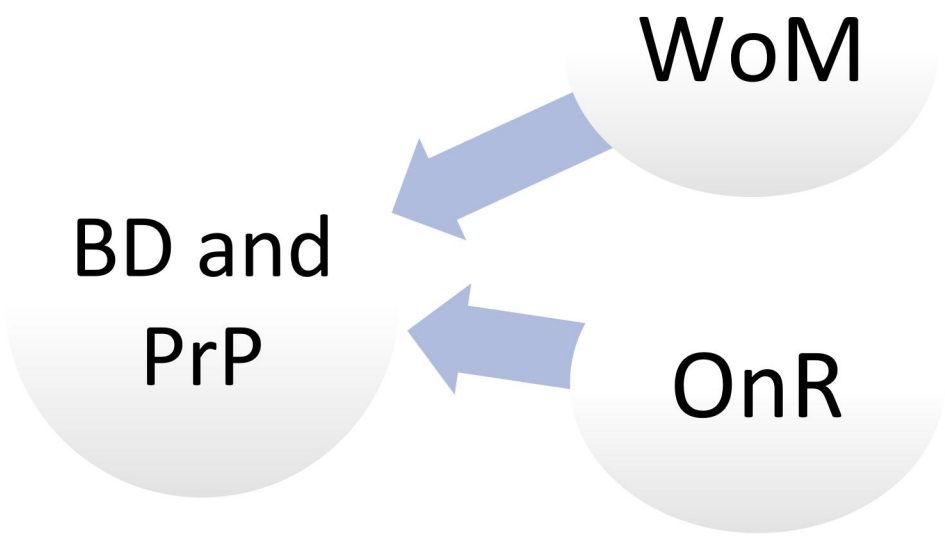
PrP= Product Promotion

The model II includes the dependent variable PrP which indicates the product promotion and WoM is considered here an independent variable which stands for word of mouth. Whereas, control variable is OnR which stands for online reviews and ε is random error in the model.

3.2 Conceptual framework

In this conceptual framework, buying decisions and product promotion are two independent variables in two different models whereas, word of mouth and online reviews are used as independent and control variable in both models mentioned above.

Figure 1. Equation Diagram



Source: Author's Own Creation

4. Data Analysis and Interpretation

4.1 Data Analysis

4.1.1 Reliability Test

Table 1. Reliability Test

Reliability Test	
Cronbach's Alpha	**N**
Model I = 0.798	
Model II = 0.697	24

Source: Author's Own Creation

In order to assess the consistency of the questionnaire data a reliability test was carried out on Model I. The Crobach's alpha rating of 0.798 shows that reliability of the the factors considered in the study. Model II displays a value of 0.697, which is likewise deemed appropriate for study. These numbers attest to the reliability and suitability of the responses gathered from respondents for additional statistical analysis. As a result the study's questionnaire is regarded as trustworthy and internally consistent.

4.1.2 KMO and Bartlett's Test

Table 2. KMO and Bartlett's Test

KMO and Bartlett's Test			
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	Model 1	0.679	
	Model II	0.734	
	Approx. Chi-Square		
	(Model I)		3288.786
	(Model II)		4223.891
Bartlett's Test of Sphericity			
	Df		190
	Sig.		0.000

Source: Author's Own Creation

To determine whether the data was appropriate for factor analysis, the KMO and Bartlett's test were used the sample size is sufficient for analysis, as shown by the KMO values of 0.679 for model I and 0.734 for model II. The variables are substantially associated, as indicated by the Bartlett's test significance value of 0.000 which is below 0.05. The data's suitability is further supported by the high chi-square values. As a result, the data might be used for additional statistical analysis.

4.1.3 Breusch-Pagan Test for Heteroskedasticity

Table 3. Breush-Pagan / Cook Weisberg test for Heteroskedasticity

H_0: Constant Variance
Variables: Fitted values of BD and PrP
Chi2 (Model 1) = 3.1
Chi2 (Model 1) = 2.9
Prob > chi2 (Model 1) = 0.076
Prob > chi2 (Model 1I) = 0.081

Source: Author's Own Creation

The heteroskedasticity of the abovementioned regression models were tested using the Breusch-Pagan Test. Both model I and model II have probability values that are higher than 0.05, at 0.076 and 0.081 respectively. This suggests that the null hypothesis cannot be rejected of constant variance. As a result, heteroskedasticity issues are not present in the models. For interpretation, the regression results are regarded as stable and trustworthy.

4.1.4 Multicollinearity Test

Table 4. Multicollinearity Test

Variables	VIF	1/VIF
BD	1.52	0.65
PrP	1.59	0.63
WoM	1.49	0.67
OnR	1.42	0.71

Source: Author's Own Creation

The VIF test was used to perform the multicollinearity test. All variables have VIF values between 1.42 and 1.59, which are significantly lower than the typical threshold of 10. This

suggests that the independent variables do not have a strong correlation with one another. Additionally, the tolerance values fall inside the permissible range. As a result, the variable individually contribute to the study and the regression models are free from multicollinearity problems.

4.1.5 Regression Model Results

Table 5. Multicollinearity Test

Model Summary					
Model	**R**	**R Square**	**Adjusted R Square**	**Std. Error of the Estimate**	**Durbin Watson**
1	0.60	0.36	0.3571	0.67386	1.89
2	0.50	0.25	0.36	0.57	1.78

a. Dependent Variables: Buying Decisions (BD)

b. Dependent Variables: Product Promotion (PrP)

Source: Author's Own Creation

Online reviews, word-of-mouth and purchasing decisions have a somewhat positive correlation, according to the regression analysis. With a R value of 0.6 day and R Square of 0.36 in model I, the independent variable account for 36% of the variation in purchasing decisions. The R value of 0.50 and R Square of 0.25 in model II Indicator 25% variation in product promotion. There is no autocorrelation problem because the Durbin-Watson values are near 2. As a result both regression models meets statistical requirements.

4.1.6 Hypothesis Testing

Table 6. Hypothesis Testing

	Hypothesis	**Coefficient**	**Result**
H1	Word of Mouth has a significant impact on buying decisions	0.53	H1 Accepted
H2	Online Reviews have significant impact on buying decisions.	0.49	H2 Accepted
H3	Word of mouth has significant impact on Product promotion	0.39	H3 Accepted
H4	Online reviews have significant impact on Product promotion	0.41	H4 Accepted

Source: Author's Own Creation

All four of the hypotheses are accepted according to the findings of the hypothesis testing. With the coefficient value of 0.53 word of mouth significantly influences purchasing decision in a positive way. With a coefficient value of 0 .49, online reviews also have a considerable impact on purchasing decisions. With coefficient values of 0.39 and 0.41 respectively, word-of-mouth and internet reviews also have a favourable impact on product marketing. The results support the notion that word-of-mouth and internet evaluations have a significant impact on customer behaviour and marketing initiatives.

5. Discussion and Findings

The study revealed that customers exhibits more faith in user shared evaluations and suggestions rather than conventional advertising. Further internet has a significant impact on consumer buying decision (Soviet Board.). The results unveiled that digital presence is a two way sword, on one side, the unfavorable reviews can lower purchasing intentions, while positive reviews boost buyer confidence. The results highlighted the ways for companies to improve their market position and brand image by sharing consumer experiences online. In order to increase customer trust and loyalty businesses should priorities customer happiness and actively handle online criticism.

4. Conclusion

To conclude, the study explored that word of mouth and Internet reviews have become an important parts of the contemporary promotional mix in today's age. Majority of the potential and existing customers rely significantly on online advice and peer opinion before making any buying decision. Therefore, the study implies that organizations can enhance their brand reputation, consumer trust and product promotion with the support of positive customer reviews. Moreover, Companies can obtain a competitive edge in the market by promoting consumer interaction and skillfully handling feedback. It can be deduced that word-of-mouth and internet reviews are crucial to the expansion of businesses and consumer choice in the present times.

5. Limitations and recommendation

The study has its limitations in terms of specific sectors and region. As the survey exclusively looks at the beauty and cosmetic sector and is restricted to comparatively small set of respondents from Punjab only, the results may be difficult to generalise. In future more

comprehensive studies covering more sectors, large samples and extended region can help to explore and generalise the consumer purchase decision across internet.

References

Armelini, G. And Villanueva Galobart, J. (2011) 'Adding social media to the marketing mix: The power of word of mouth', *IESE Insight*, (9), pp. 29–36. Doi:10.15581/002.art-1968.

Çadırcı, T.O. and Güngör, A.S. (2016) 'Electronic word-of-mouth communication in online social networks', *Advances in Marketing, Customer Relationship Management, and E-Services*, pp. 77–102. Doi:10.4018/978-1-4666-9449-1.ch005.

Cakim, I.M. (2010) *Implementing word of mouth marketing online strategies to identify influencers, craft stories, and draw customers*. Hoboken, NJ: Wiley.

Chen, Y. And Xie, J. (2008) 'Online consumer review: Word-of-mouth as a new element of Marketing Communication Mix', *Management Science*, 54(3), pp. 477–491. Doi:10.1287/mnsc.1070.0810.

Chevalier, J. And Mayzlin, D. (2003) *Online book reviews: The impact of word-of-mouth on sales [Preprint]. 10.3386/w10148 is the DOI.*

Gręboszc-Krawczyk, M. (2020) 'Consumer storytelling as an element of word-of-mouth communication of nostalgic brands: Evidence from Poland', *Innovative Marketing*, 16(3), pp. 74–84. Doi:10.21511/im.16(3).2020.07.

Godes, D. And Mayzlin, D. (2004) 'Using online conversations to study word-of-mouth communication', *Marketing Science*, 23(4), pp. 545–560. Doi:10.1287/mksc.1040.0071.

Huo, J. *Et al.* (2014) 'Online word-of-mouth reviews', *Encyclopedia of Business Analytics and Optimization*, pp. 1689–1697. Doi:10.4018/978-1-4666-5202-6.ch151.

Jain, V. (2021) 'Word of mouth as a new element of the Marketing Communication Mix: Online Consumer Review', *South Asian Journal of Marketing & Management Research*, 11(11), pp. 108–114. Doi:10.5958/2249-877x.2021.00117.x.

Lok, P. *Et al.* (2012) *The relationship between Brand Trust, Online Customer Reviews and willingness to purchase*. Sydney: Institute of Transport and Logistics Studies, The Australian Key Centre in Transport Management.

Lu, X. *Et al.* (2013) 'Promotional marketing or word-of-mouth? Evidence from online restaurant reviews', *SSRN Electronic Journal* [Preprint]. Doi:10.2139/ssrn.2272131.

Manoharan, P.K. (2010) *Research methodology*. New Delhi: A.P.H. Publishing Corporation.

Miksza, P. and Elpus, K. (2018) 'Descriptive research design', *Oxford Scholarship Online* [Preprint]. doi:10.1093/oso/9780199391905.003.0003.

Nee, I. (2016) 'Relevance of Managing Online Customer Reviews', *Managing Negative Word-of-Mouth on Social Media Platforms*, pp. 1–30. Doi:10.1007/978-3-658-13998-8_1.

Panneerselvam, R. (2014) *Research methodology*. Delhi: PHI Learning.

Rohilla, P. (2010) *Research methodology*. New Delhi: A.P.H Publishing.

Rahman, F.Y., Yuliati, L.N. and Simanjuntak, M. (2019) 'The influence of marketing mix and word of mouth towards brand image and usage of online bike usage', *Indonesian Journal of Business and Entrepreneurship* [Preprint]. Doi:10.17358/ijbe.5.3.287.

Sharma, N.K. and Sharma, S. (1996) *Research methodology*. Jaipur, India: R B S A Publishers.

Toder-Alon, A. And Brunel, F.F. (2018) 'Peer-to-peer word-of-mouth: Word-of-mouth extended to Group Online Exchange', *Online Information Review*, 42(2), pp. 176–190. Doi:10.1108/oir-09-2016-0290.