

How Loyal are you to Media Content Subscription?
A Cross-cultural Comparison of North America and China

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A Thesis

in

John Molson School of Business

Presented in Partial Fulfillment of the Requirements
for the Degree of Master of Science (Option Marketing) at

Concordia University

Montreal, Quebec, Canada

November 2020

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CONCORDIA UNIVERSITY

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Abstract

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This thesis is a cross-cultural study of eWOM, comparing the contexts of North America and China. Media content subscription, featured by invisibleness, is hard to predict before the subscription, thus eWOM becomes an externalization of the perceived quality of media content websites. Consumers from diverse cultural backgrounds may be affected to a different extent by positive and negative eWOM. This study also analyzes consumer behavior under the framework of the six Hofstede (2001) cultural variables: collectivism, power distance, uncertainty avoidance, long-term orientation, masculinity, and indulgence.

Electronic Word-of-Mouth(eWOM) has an impact on consumers' perceived quality and brand loyalty of the website they subscribe to. This study will focus on both positive and negative eWOM to explore different patterns of the valence of eWOM by the following structure: first, analyze the mediation effect of perceived quality in the relationship between eWOM and brand loyalty; second, analyze the moderation effect of Hofstede's six cultural variables.

Keywords: eWOM; perceived quality; brand loyalty; culture; collectivism; power distance; uncertainty avoidance; long-term orientation; masculinity; indulgence.

Acknowledgements

Throughout the writing of this thesis, I have received great support from all sides.

I wish to express my appreciation to my research supervisor Dr. Michel Laroche, who has patiently and continuously provided valuable suggestions for the development of the theoretical model, the development of literature, the analysis of data, and the overall structure, and without whom this thesis could not ever be possibly completed.

I would like to acknowledge my thesis committee members Dr. Michèle Paulin and Dr. Kamila Sobol for their detailed reviews of my work and their constructive comments. Each of them offered helpful feedback with their expertise to further improve my thesis.

I also take this chance to especially thank my tutor Dr. Rick Molz, whose course enlightened the initial idea of this study, and who inspired me within or beyond the range of academia.

I would like to thank my family members, who are always there for me. My sincere gratitude also goes to my friends, who have been supportive throughout my entire master's journey.

In addition, I would like to thank my department, John Molson School of Business, Concordia University, where I met many amazing people and received numerous opportunities to go through some adventures.

Table of Contents

<i>List of figures</i>	<i>vii</i>
<i>List of tables</i>	<i>vii</i>
1. Introduction	1
2. Literature Review	4
2.1 Electronic Word of Mouth (eWOM)	4
2.2 Perceived Quality	6
2.3 Brand Loyalty on Social Media	8
2.4 Cultural Differences and Social Media	10
2.5 Hofstede’s Cultural Variables	11
2.5.1 <i>Collectivism</i>	<i>11</i>
2.5.2 <i>Uncertainty Avoidance</i>	<i>13</i>
2.5.3 <i>Power Distance</i>	<i>14</i>
2.5.4 <i>Masculinity</i>	<i>16</i>
2.5.5 <i>Long-term orientation</i>	<i>17</i>
2.5.6 <i>Indulgence</i>	<i>18</i>
3. Methodology	21
3.1 Stimuli	21
3.2 Measurement	22
3.3 Procedure	22
3.3.1 <i>Pretest</i>	<i>23</i>
3.3.2 <i>Reliability & Validity</i>	<i>24</i>
3.3.3 <i>Participants</i>	<i>26</i>
4. Results	29
4.1 <i>The Mediation Effects</i>	<i>29</i>
4.2 <i>The Moderation Effects</i>	<i>31</i>
5. General Discussion	33
6. Theoretical Contribution and Managerial Implication	36
6.1 <i>Theoretical Contribution</i>	<i>36</i>
6.2 <i>Managerial Implication</i>	<i>38</i>
7. Limitation and Future Research	40

References	42
Appendices	48
<i>Appendix 1: Figure of Hofstede’s Country Scores</i>	48
<i>Appendix 2: Tables of Data Analysis</i>	49
<i>Appendix 3: Ethics Research Protocol</i>	53
<i>Appendix 4: Scenarios and questions for the pretest (English)</i>	56
<i>Appendix 5: Questionnaire for the main study (English)</i>	57
<i>Appendix 6: Scenarios and questions for the pretest (Chinese)</i>	59
<i>Appendix 7: Questionnaire for the main study (Chinese)</i>	60

List of figures

Figure 2. 1 – Overview of Theoretical Model	6
Figure 2. 2 - Theoretical Model.....	20

List of tables

Table 2. 1 - Summary of Hypotheses.....	20
Table 3. 1 - Summary of Manipulation Checks.....	24
Table 3. 2 - Inter-item Reliability of Constructs.....	25
Table 3. 3 - KMO and Bartlett’s Test	25
Table 3. 4 - Demographic Sample Comparison of the U.S./Canada & China	26
Table 3. 5– Variable Comparison of the U.S./Canada & China.....	27
Table 4. 1 - Pairwise Pearson Correlation.....	29
Table 4. 2 - Coefficients of the Mediation Effects.....	30
Table 4. 3 - Summary of the Mediation Effects	30
Table 4. 4 – Summary of the Moderation Effects.....	33

1. Introduction

Consumption in today's economy is not only about material goods, but also about expenditures to satisfy mental demands. With the consumers' spiritual needs growing, cultural products have become a large factor contributing to the world's economy (Gao et al., 2020). Theoretically, cultural products are also a significant sector for international marketing research (Lin & Kalwani, 2018). In addition to research in traditional industries, the research on cultural industries has become an emerging field.

Media subscriptions can be video, music, or online journals for published newspapers (McKinsey, 2018). Media content subscription, which refers to consumers paying a fee to have access to protected media content, is the main force of the subscription economy. Among the great number of U.S.-based Internet users who subscribe to products and services online, media-only subscribers account for the largest proportion of 35%; besides, 11% of consumers subscribed to media and goods simultaneously (McKinsey, 2018). This research focuses on online video subscription for the following reasons:

- 1) Online video subscription is representative of a broad user base. Among all the forms of media content subscriptions, online video subscription is one of the most dominant sectors that involve a large number of consumers. The most popular video websites in North America are Netflix, YouTube, HBO, and Disney (BCG, 2016).
- 2) Online video is not only the electronic version of traditional TV programs, but also has a considerable amount of original content (Shapiro, 2020). The originality endows online videos great vitality; in comparison, the online subscription of music or journals do not have such a huge distinction from their traditional forms.

- 3) The content and service of online video subscription are intangible, but they are connected with tangible devices. Understanding consumer behavior in online video subscription will also help the development of other relevant industries (Shapiro, 2020).

Social media is an efficient way to absorb information for consumption. In the U.S., 36% of light media users use social media to find product information (Nielsen, 2016). When the quality of a product or service is difficult to predict based on imagination, electronic word-of-mouth (eWOM) can help reduce the uncertainty of consumption by providing relatively sensible quantifications to intangible products or services (Golmohammadi et al., 2020). Online media subscription has an intangible essence, with a lack of substantial understanding compared to tangible products before consumption; it relies largely on reviews and comments (Aiello, 2014). Electronic Word-of-mouth (eWOM) derives from strangers' online reviews or friends' recommendations (Kuwashima, 2019). This study will choose the setting of strangers' online reviews.

In the global market, the cultural products signify a country's soft power, and the development of an overseas market can be regarded as a conversion to new institutions in another market (Rabêlo et al., 2020). For example, Gao (2020) discussed the branding of Hollywood movies and their application in Eastern markets. Online video subscription is usually a continuous repurchase by preauthorized accounts, and brand loyalty can be an influential concern for consumers to decide whether they prefer to continue with one video brand each paying period. One period for online video subscription is one month, relatively shorter than traditional products, and keeping attracting current customers, and developing potential markets relies on brand loyalty. This study has the intention to fill this particular gap.

Prior research demonstrated the important impact of eWOM on products and services (Stamolampros et al, 2020). eWOM is playing a significant role in forming consumers' perceived quality of a product or service, which further affects consumers' brand loyalty to online video brands. People share information on products and services through hybrid channels on social media (Goodrich & Mooij, 2014). The most popular ones are Facebook, Instagram, and Twitter. Fernández and Martín (2018) argued that social media is a key influence factor in Netflix's success in Spain. Thus, understanding the effects of eWOM can be helpful for video websites organizations to expand their overseas markets, if they better understand the particularities of the customers' cultural differences.

Indeed, consumer behavior varies for multiple reasons, one of which is the specific cultural context. Relatively few studies have been performed on the relationship between the eWOM and the comparison between Western and Eastern cultures (Goodrich & Mooij, 2014; Wu, 2020). Furthermore, previous cultural comparisons mainly focused on the collectivism versus individualism dimension. Some researchers have found that consumers within a more individualist culture tend to read facts to make their judgment, while consumers from a collectivism culture rely on recommendations from familiar people (Errmann et al., 2019; Lee et al., 2018). This study will tentatively develop a more comprehensive perspective, applying all six Hofstede culture dimensions (2001) within the online video subscription industry. Hopefully, we can have a better understanding of the media content that should be incorporated in a specific context. In turn, this knowledge may be useful to other cultural industries.

It is also important to understand eWOM under diverse cultural backgrounds. Exhaustive research has explored the pattern in Western countries, but there is a lack of research from the Eastern context (Lee et al., 2018). Thus, this study will compare the cultures in North America

and China in order to add the Eastern perspective in understanding the effect of eWOM in the online video subscription industry.

The research questions to be discussed in this study are:

- 1) What are the different patterns of positive and negative eWOM?
- 2) How perceived quality of media content subscription mediates the direct relationship between eWOM and brand loyalty?
- 3) What is the moderating role of the Hofstede six cultural variables on the relationship between eWOM and the perceived quality of media content subscription?

2. Literature Review

2.1 Electronic Word of Mouth (eWOM)

Word of Mouth (WOM) is a way of transmitting information directly across parties (Goodrich & Mooij, 2014). The information heard from others can affect people's judgment on a product or service. Modern technology allows traditional WOM to expand to a broader network that can overcome the barrier of time and distance. As defined by Osei-Frimpong and McLean (2017): "Electronic word of mouth is a collection of any positive or negative comments made by potential, actual, or former customers about a product or company, that are accessible by a multitude of people and institutions via the Internet." The eWOM on the Internet becomes an important resource for consumers and for organizations (Ahmad et al., 2020).

Electronic Word of Mouth (eWOM) refers to the information sharing with strangers through Internet platforms (Arndt, 1967; Goodrich & De Mooij, 2014). Similar to traditional WOM, eWOM is also an information resource for consumers to help them make decisions; however, their scope of interaction is different. WOM is mostly among friends and family,

whereas eWOM can also be the interaction with strangers via social media, and beyond friends and family (Goodrich & De Mooij, 2014). The scale of influence of eWOM depends on a mixture of factors: who posts the message, the motivation behind the message, and what the content tries to convey (Bronner & De Hoog, 2011). eWOM can be also affected by the platform used to distribute the post because different platforms will vary in the potential of interactivity and the range of the people they can reach out (Tsao & Hsieh, 2015). In terms of people's eWOM sharing behavior on the Internet, Kuwashima (2019) summarized four kinds of motivations: 1) anticipated reciprocity, 2) enhancing one's reputation, 3) a sense of efficacy toward others, and 4) attachment to a community. These dimensions include self-involvement, which refers to people's desire to become part of the community, and altruism, which refers to people's willingness to help others, but self-involvement comes before altruism in eWOM sharing motivation (Kuwashima, 2019; Miyata, 2005).

eWOM has both volume and valence. The volume of eWOM is relevant to brand awareness, the more people talk about a brand on the Internet, the more people are familiar with that brand; meanwhile, the valence focuses on the content of information delivered (Li & Wu, 2018). The positive valence of eWOM may increase sales and the negative valence of eWOM may damage sales (Lin & Kalwani, 2018). Cultural variables can affect the power of eWOM. Lin and Kalwani (2018) argued that for cultural products on Amazon, Japanese consumers are more easily affected by positive eWOM, whereas the U.S. consumers are more easily affected by negative eWOM. Compared to the large literature on positive eWOM, there is a paucity of negative eWOM research (Razi et al., 2017). To compensate for this gap, this study will explain the pattern of both positive eWOM and negative eWOM affected by six cultural variables of Hofstede (2001). Most articles on eWOM chose several key dimensions from the six cultural

dimensions by Hofstede (2001), and fewer of them researched all six variables.

In practical life, online product reviews usually include both positive and negative individual reviews. When the positive and negative reviews conflict with each other, aggregated ratings can reconcile the inconsistency and provide a general overview of the product or service (Qiu et al., 2012). Thus, the valence of eWOM research is determined by aggregated ratings, rather than a single individual review. For example, an aggregated rating equal or below 2 out of 5 stars can be considered a negative review, whereas an aggregated rating equal or above 3 out of 5 stars can be considered as a positive review (Qiu et al., 2012). Figure 2.1 is an overview of the research model to be used in this study, with eWOM as the independent variable. There are also six cultural variables: 1) collectivism 2) uncertainty 3) power distance 4) masculinity 5) long-term orientation and 6) indulgence.

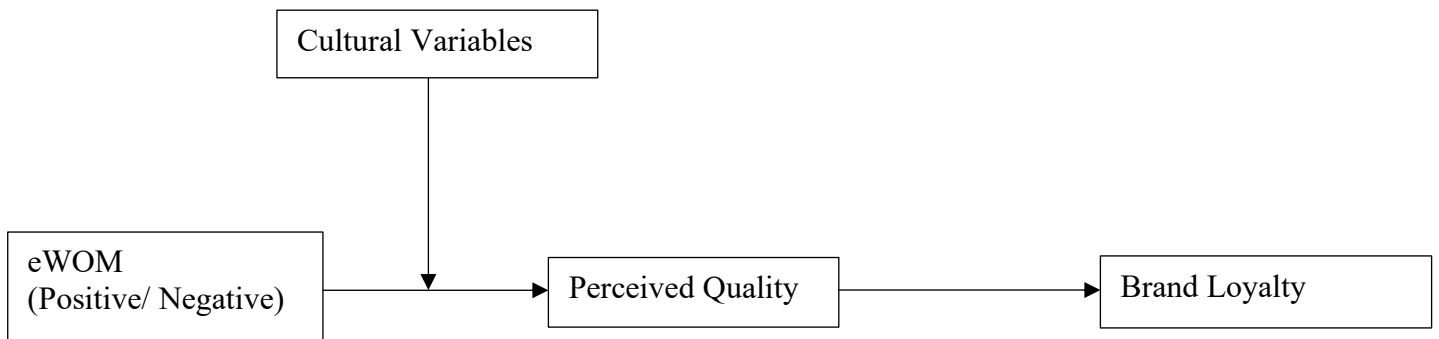


Figure 2. 1 – Overview of Theoretical Model

2.2 Perceived Quality

Product quality can be divided into two perspectives: objective quality and perceived quality (Brunsø, 2005). Perceived quality refers to consumers' expectations of excellence of products or services and is based on subjective perceptions (Das, 2014). Perceived quality can

describe diverse perspectives, from a brand, a product, or both (Rosillo-Díaz et al., 2020). Moreover, the subjective judgment of perceived quality can derive from external information, and different content of online reviews can form different opinions of products and services for consumers (Hong et al., 2018). Some researchers have demonstrated that there is a positive relationship between eWOM and perceived quality. In fact, positive eWOM can contribute to an increase in perceived quality of products and services, whereas negative eWOM can lead to a decrease in perceived quality of products and services (Hong et al., 2018). Consumers' perceived quality also relies on their perception of whether the reviews reflect the actual situation, which can be largely affected by cultural dimensions (Stamolampros et al., 2020). This study focuses on the moderating effects of cultural variables on the relationship of positive and negative eWOM on perceived quality.

KPMG (2019) reported that content is an important element to consider when evaluating online video's service quality. Other factors to consider are price, easiness to access, and ad-free environment. Lin & Kalwani (2018) demonstrated that the perceived quality based on eWOM in the movie industry varies across cultures because cultural products are sensitive to cultural contexts. Similarly, the core of online video services also relies on the quality of the contents. Entertainment is an important factor justifying why people prefer online video services. The high-quality original content is the main driver contributing to Netflix's success in the past decade, and the series such as *House of Cards* and *Stranger Things* helped increase its subscribers to 158 million, almost over 10 times the subscriber base from 2010; and Disney has a content library containing unique series such as *The Simpsons* (Shapiro, 2020). On the other hand, online video has become a popular resource for learning, and up-to-date video with good clarity are helpful learning resources with high quality (Lange & Costley, 2020). Besides the

content, the quality of the hardware is also a factor of quality. For example, CBS's advantage in broadcasting the Super Bowl is to reduce the latency of live broadcasting (Tribbey, 2016). For intangible cultural products, consumers' judgments are more likely to rely on online reviews or their own experiences of using the products compared to traditional tangible products (Yang & Lee, 2019). However, before subscribing to an online video website, consumers know little about the true quality of the product and service, so they will rely largely on eWOM to make decisions because of the intangible essence of cultural products. Thus:

H1a: Positive eWOM increases perceived quality.

H1b: Negative eWOM decreases perceived quality.

2.3 Brand Loyalty on Social Media

Brand loyalty refers to “a deep commitment to rebuy or repatronize a preferred product/service in the future... despite situational influences and marketing efforts having the potential to cause switching behavior” (Oliver, 1999). Oliver (1999) also discussed different scenarios between satisfaction and brand loyalty: brand loyalty is less likely to change compared to satisfaction. Further research demonstrated that brand loyalty may not necessarily turn out to be a repurchase, and consumers can still have recognition in brands even if they do not purchase (Bisschoff & Joubert, 2020). Loyal consumers are a great asset for a brand because consumers with a commitment to a brand are less likely to be influenced by other competitors' marketing strategies (Bisschoff & Joubert, 2020). Furthermore, situational influences are significant in forming brand loyalty (Mathews, 2019). A large literature researched sociocultural impacts on brand loyalty, and the values and judgements may form different loyalty patterns (Mathews, 2019). This study will also compare how loyal are consumers from North America and China, to

understand the sociocultural influences of Hofstede's (2001) six cultural variables.

Previous empirical studies have mainly explored brand loyalty in traditional industries with material goods, while few have looked at the cultural industries. In fact, brand loyalty in traditional industries, such as consumer goods, have been widely discussed. A typical example for consumer goods is that Gentile et al. (2019) analyzed the effect of consumer's expertise on brand loyalty in the beer industry. For cultural products, there are studies about the tangible products such as clothing in the fashion industry. For example, Yang and Lee (2019) researched brand loyalty on low-end and mid-end fashion brands comparing consumers in China and Korea. Ahmad et al. (2020) explored the effects of social media on brand loyalty in the modest fashion industry in Malaysia. However, brand loyalty in the intangible cultural sectors remains relatively untouched. Brand loyalty in traditional industries has material goods as the carrier, but it is difficult to measure the intangibility in some industries. Hand and Riley (2016) argued that little research has been done around brand loyalty in the performing arts industry, such as concerts and theatres. Bisschoff and Joubert (2020) found some empirical evidence on brand loyalty looking at the online accommodation booking platforms. Overall, we are concluding that more research needs to be conducted in virtual industries without tangible products.

Numerous companies use social media to enhance their brand image. The interactions on social media can improve brand awareness and brand recognition (Erdoğan & Çiçek, 2012). When the content of eWOM on social media is positive, updates frequently, and appears on various platforms, brand loyalty will increase to a large extent (Erdoğan & Çiçek, 2012). The decisive factor contributing to brand loyalty can vary in different categories of industries, but perceived quality remains to be influential as part of the utility value. Das (2014) argued that perceived quality has a direct relationship with brand loyalty. When the perceived quality is

higher, consumers are more willing to repurchase products or services from a brand, and the repetitive purchase will form brand loyalty between customers and the brands, so an increase in perceived quality will increase the degree of brand loyalty. On the contrary, when the perceived quality is lower, consumers are less likely to be loyal to a brand. Thus:

H2: Brand loyalty is positively related to perceived quality.

H3: Perceived quality mediates the relationship between eWOM and brand loyalty.

2.4 Cultural Differences and Social Media

Many product purchases and decision-making processes relevant to eWOM are based on cultures tendencies across global markets (Lin & Kalwani, 2018). Understanding these differences can help manage global markets by tailoring social media strategies. From the previous cross-cultural comparison literature, some reported similarities of eWOM between Eastern and Western cultures while others focused on their differences (Lee et al., 2018). Each country is a combination of different dimensions of cultural values (Hofstede, 2001). For example, China is a collectivist country, whereas the United States is characterized by individualism, and India is a mix of both; and the degree of cultural convergence and divergence can vary across regions in the world (Lee et al., 2018). According to Hofstede (1998), Western cultures are characterized by femininity, individualism, low uncertainty avoidance, low power distance, and short-term orientation. In contrast, the cultures of East Asian countries are characterized by masculinity, collectivism, high uncertainty avoidance, moderate power distance, and a long-term orientation (Lin & Ho, 2018). The differences in cultural backgrounds require targeting strategy on social media. For example, consumers from collectivist cultures tend to prefer friends' recommendations, whereas consumers from individualist ones are more likely to

believe strangers' online reviews (Erdoğan & Çiçek, 2012; Errmann et al., 2019).

Hofstede (2001) six cultural dimensions play an important role in understanding cultural products in global markets (Gao et al., 2020). For industries such as media content subscription, the content itself is culture sensitive. Brands need to take into consideration the cultural values to choose intended social media contents in different target markets to position their products and services accordingly (Ahmad et al., 2020). Cultural dimensions are also the integration of psychological traits, so cultural variables can affect consumers' behavior (Lin & Ho, 2018). Media content subscription relies largely on the website's content; thus, a good understanding of cultural differences is significant in developing marketing strategies. Hofstede's cultural values distinguish one customer group from another, and in each cultural group there is a pattern to follow; and even people in the same society can belong to different cultural groups (Hofstede, 1998).

2.5 Hofstede's Cultural Variables

2.5.1 Collectivism

Among the six Hofstede (2001) cultural variables, the discussion of collectivism and individualism is the most popular dimension. In fact, previous cross-cultural analyses of eWOM focused more on collectivism and individualism than on the other cultural dimensions.

Collectivism refers to a closely associated social framework among groups, whereas individualism is a more loosely connected framework (Razi et al., 2017). As Wagner (1995) defined it, personal interests are prior to the need of the group for individualists; in contrast, for collectivists, the demands of the group win over personal interests. Collectivism and individualism also affect people's preferences for cooperation; collectivists have a greater

tendency towards cooperation than individualists, especially when traditionalism supersede modernity; whereas individualists prefer to work independently than in teamwork (Wagner, 1995). In collectivist cultures, people rely more on human resources to maximize benefits for the whole group, but in individualist cultures, people choose to work with others only when collaboration helps them achieve personal goals (Razi et al., 2017; Wagner, 1995).

Consequently, individualists have a greater acceptance of modern technology, when technology is crucial to time management, productivity, and personal interests, and vice versa (Razi et al., 2017). Collectivism and individualism are also impactful in the consumer's psychological preference for products and services. For example, Asians care more about the public perceptions of their outer self, thus they try to maintain an appropriate behavior under the social norms; whereas Westerners are more likely to focus on their personal needs and pleasure, regardless of what others say about them (Lee et al., 2018).

In countries with individualist cultures, such as the U.S., there is greater social trust compared to countries with collectivist cultures such as China (Tang, 2017). Consequently, consumers in collectivist cultures choose to trust or not to trust eWOM, based on source credibility (Luo et al., 2014). Similarly, Errmann et al. (2019) found that consumers with collectivism could generate a higher level of trust from friends' recommendations compared to eWOM from strangers; by contrast, consumers with individualism tend to believe strangers' eWOM more than their friend's recommendations. Collectivists tend to write more positive eWOM than negative eWOM, because they are afraid of acting as naysayers against the mainstream opinion (Lin & Kalwani, 2018). Therefore, consumers from collectivist cultures are more likely to trust negative eWOM, which expresses the true feeling of the product, and they tend to regard positive eWOM as fake propaganda. Thus:

H4: *Positive (vs. negative) eWOM has a stronger effect on perceived quality for individualist (vs. collectivist) cultures.*

2.5.2 Uncertainty Avoidance

People have different degrees of tolerance of ambiguity and aversion to risks. Strong uncertainty avoidance is always associated with a dissatisfaction of instability in a culture (Razi et al., 2017). In strong uncertainty avoidance cultures, people act more conservatively; however, people in weak uncertainty avoidance cultures are more tolerant of instability and risk (Lin & Ho, 2018). To comply with people's concerns in strong uncertainty avoidance cultures, there tend to be strict rules and regulations as a method to reduce risks and clear instructions can help relieve the anxiety of people with strong uncertainty avoidance (Wu, 2020). Different degrees of uncertainty avoidance may result in people's different reactions towards positive and negative eWOM, because eWOM is a tool that provides more understanding of products or services, and consumers seek eWOM to decrease the risk of uncertainty (Razi et al., 2017). On the other hand, people's attitudes towards innovation may vary. In weak uncertainty avoidance cultures, people can accept new products and services more easily, and tend to be more creative; whereas people from strong uncertainty avoidance cultures are reluctant to change (De Mooij & Hofstede, 2002; Samaha et al., 2014). Despite the fact that new products and services are more adventurous than existing products and services, people from weak uncertainty avoidance cultures are more willing to take the risk and regard the risk as part of future market potential.

People from strong uncertainty avoidance cultures feel more trustworthiness from negative personal reviews compared to people from weak uncertainty avoidance cultures (Razi et al., 2017). Moreover, whether the source of information is credible is another concern: People

under strong uncertainty avoidance cultures are more likely to believe in experts than in generalists, but people from weak uncertainty cultures are more likely to believe in common people (Samaha et al., 2014). For people in weak uncertainty avoidance cultures, positive eWOM is credence of perceived quality and can reduce potential risks to a larger extent, compared to people in strong uncertainty avoidance cultures. People from strong uncertainty avoidance cultures are less likely to trust positive eWOM because they hold a doubtful view for judging the authenticity of eWOM. Moreover, risk-averse consumers are more sensitive to bad news and are prepared for the worst scenario (Tang, 2017). In strong uncertainty avoidance cultures, people are more likely to be affected by negative eWOM. Thus:

H5: Positive (vs. negative) eWOM has a stronger effect on perceived quality for weak uncertainty avoidance (vs. strong uncertainty avoidance) cultures.

2.5.3 Power Distance

Power distance refers to the degree of hierarchy: in cultures with large power distance, more powerful people have control over less powerful people, but in cultures with small power distance, even less powerful people do not feel threatened by authorities (Hofstede, 2001). Power distance can also be defined as the extent of unequal power distribution which less powerful people can accept (De Mooij & Hofstede, 2002). In cultures with large power distance, people have greater acceptance of the powers that are unequally distributed, but in small power distance cultures, individuals make efforts to decrease inequity in the distribution of power (Hofstede, 1984; Lin & Ho, 2018; Razi et al., 2017). Prestige, status, and wealth are indicators of gaining respect from others in large power distance cultures (Tang, 2017). In cultures with large power distance, people form the institutions based on social status; for example, in corporations, large

power distance is the strict hierarchy between managers and subordinates (De Mooij & Hofstede, 2002; Wu, 2020). Moreover, in large power distance cultures, people acquire more luxury products, because brands can act as a symbol to indicate social status or wealth (Lee et al., 2018).

Furthermore, people from large power distance cultures are more easily influenced by expertise and authorities, compared to people from small power distance cultures (Pornpitakpan & Francis, 2001; Samaha et al., 2014). Press releases issued by large companies have greater influence in large power distance cultures, because people are more willing to accept the authority (Tang, 2017). However, cultures with small power distances are more open to horizontal communication, and peer reviews will have a large influence on people from small power distance cultures. People from small power distance cultures think that everyone has the right to express their opinion (Nath et al., 2018). Lin and Kalwani (2018) argued that there is more negative feedback on Amazon's U.S. website than on the Amazon Japan website; therefore, in small power distance cultures, people are more willing to express negative reviews, because people are less afraid of authorities. However, eWOM generated by peer consumers will be more impactful in small power distance cultures, compared to large power distance cultures (Tang, 2017).

In particular, the system of media content subscription authorized paid users a certificate, whereas other users could not access it (Russell et al., 2012). Some consumers may regard such certificates as a privilege over other consumers who did not pay; for example, paid users have the right to enjoy ad-free videos, where other users cannot skip the advertising at the beginning of each video. The privilege is similar to when they consume luxury goods, but because online video subscription is relatively accessible, the privilege of paid members for video websites is of a much less degree than the privilege of purchasing luxury brands. People in large power

distance cultures prefer the privilege more than people in small power distance cultures. When people are under more hierarchical control, they tend to trust negative eWOM, which they believe to express consumers' true feelings. In contrast, positive eWOM under large power distance is more likely the result of deference to authority. Thus:

H6: *Positive (vs. negative) eWOM has a stronger effect on perceived quality for small power distance (vs. large power distance) cultures.*

2.5.4 Masculinity

The distinction between masculinity and femininity under cultural dimensions is more psychological than biological (Lin & Ho, 2018). In feminine cultures, women and men are treated more equally; but in masculine cultures, men are considered to occupy the dominant role in society and women rarely have higher positions or better salaries (Wu, 2020). The role differentiation of gender is more obvious in masculine cultures, for example, men earn a salary in the workplace, while women are housewives in the family; on the contrary, in feminine cultures; there is no distinct difference in the tasks of different genders and women also have relatively equivalent right to work (De Mooij & Hofstede, 2002).

Masculine cultures emphasize achievement and success, with lower levels of communication, caring about others, the quality of life, and the development of personal characteristics such as gentleness, empathy, and sensitivity (Hofstede, 1998). The attitude towards technology in masculine cultures is positive, when technology is efficient, which can help promote success and achievements (Razi et al., 2017). People in feminine cultures are less likely to express or accept negative eWOM (Lin & Kalwani, 2018). People in feminine cultures prefer not to hurt others' feelings and tend to believe that companies provide products and

services with a kind intention, and the problem of quality is only a small mistake. However, negative reviews have greater effects on people in masculine cultures, and the perceived quality can be significantly affected.

Masculine cultures value status, but in feminine cultures, status is not as important as in masculine cultures (De Mooij & Hofstede, 2002). Masculine cultures share commonalities with large power distance cultures, where people tend to pursue products and brands of high status, for example, watches and jewelries (De Mooij, 2010). In masculine cultures, people with high status can have control over others to express positive reviews, and the opinion receivers have more trustworthiness toward negative eWOM, because they tend to believe that negative eWOM expresses the true feeling. Thus:

***H7:** Positive (vs. negative) eWOM has a stronger effect on perceived quality for feminine (vs. masculine) cultures.*

2.5.5 Long-term Orientation

Long-term orientation is a future-oriented perspective rather than a short-term perspective (De Mooij & Hofstede, 2002). Long-term orientation is typical in China, featuring thrift, perseverance, and peace in mind; whereas short-term orientation is more likely to be found in Western countries (De Mooij & Hofstede, 2002). Long-term oriented consumers are more likely to believe the online views that can restrict their consumption at the current stage to save for future consumption. Therefore, long-term oriented consumers prefer negative eWOM to positive eWOM. eWOM does not have a great influence on long-term oriented consumers right away, because they believe they are better off in the future (Nath et al., 2018). Even if eWOM is constantly changing according to market changes, long-term oriented consumers are less likely

to be influenced by positive eWOM than short-term oriented consumers. Long-term oriented cultures and short-term oriented cultures have different attitudes towards “matter and spirit”: long-term oriented cultures insist to do what matters, whereas short-term oriented cultures focus more on what are the right things to do (Hofstede & Minkov, 2010).

For long-term oriented consumers, positive eWOM will not increase their expectations to the extent of short-term oriented consumers, and they can tolerate poor quality of products and services more than short-term oriented consumers (Nath et al., 2018). Long-term oriented consumers regard quality as a dynamic process: the quality will improve if manufacturers invest more in developing new technologies, whereas the quality will decrease when companies care less about consumers. Great acceptance of fluctuation in quality makes eWOM less important for long-term oriented consumers. In contrast, for short-term oriented consumers, “here and now” is their primary concern (Nath et al., 2018). Short-term oriented people are more willing to accept positive information and are more reluctant to accept negative information (Hofstede & Minkov, 2010). Thus:

***H8:** Positive (vs. negative) eWOM has a stronger effect on perceived quality for short-term orientation (vs. long-term orientation) cultures.*

2.5.6 Indulgence

Indulgence vs. restraint was added to Hofstede’s cultural dimensions in 2010, later than other dimensions (Zhang & Yang, 2018), so there is relatively less eWOM research about indulgence and restraint compared to the other cultural variables. The idea of indulgence was first introduced from the World Values Survey in different countries and is relevant to life satisfaction levels (Hofstede & Minkov, 2010).

Indulgence refers to the individual's penchant for enjoying life and having fun (Hofstede, 2001). Indulgence contains multiple levels of human needs, from the basic needs to a higher level of spiritual needs (Guo et al., 2018). People from indulgent cultures are more willing to purchase products or services with hedonic value, compared to people from restrained cultures. Utilitarian value is based on rational judgment and relies on previous purchase routine, but hedonic value is more intuitive, passionate, and immediate (Hong et al., 2017; Kim & Hyun, 2020). Indulgent cultures also have a positive attitude towards personal pleasure (Hofstede, 2011).

In indulgent cultures, there is less restriction on the willingness to enjoying life (Guo et al., 2018). People in indulgent cultures are more likely to enjoy leisure, whereas people from restrained cultures control personal desires, and these features affect their consumption behavior (Zhang & Yang, 2018). Therefore, people in indulgent cultures are more likely to accept positive eWOM, which complies with their desires to consume at the current moment; however, people in restrained cultures are more likely to accept negative eWOM, which helps restrict leisure consumption. Thus:

***H9:** Positive (vs. negative) eWOM has a stronger effect on perceived quality for indulgent (vs. restraint) cultures.*

Therefore, the theoretical model is depicted in Figure 2.2, and the 9 hypotheses of this study are generalized in Table 2.1.

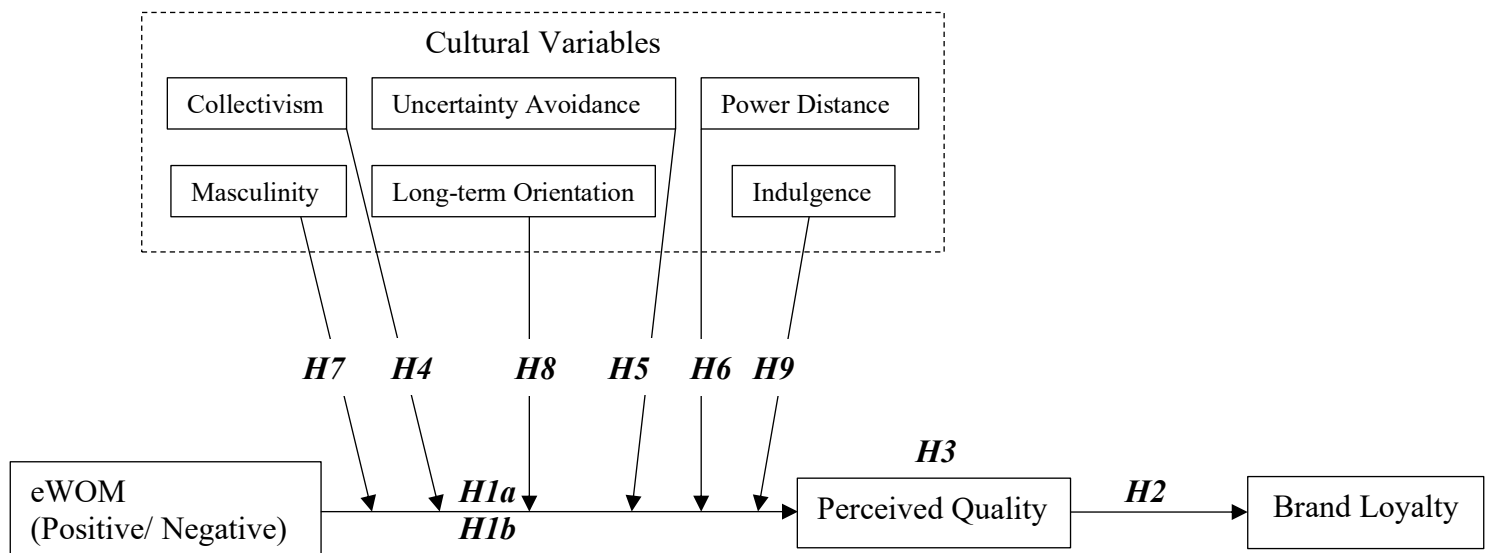


Figure 2. 2 - Theoretical Model

H1a: Positive eWOM increases perceived quality.
H1b: Negative eWOM decreases perceived quality.
H2: Brand loyalty is positively related to perceived quality.
H3: Perceived quality mediates the relationship between eWOM and brand loyalty.
H4: Positive (vs. negative) eWOM has a stronger effect on perceived quality for individualist (vs. collectivist) cultures.
H5: Positive (vs. negative) eWOM has a stronger effect on perceived quality for weak uncertainty avoidance (vs. strong uncertainty avoidance) cultures.
H6: Positive (vs. negative) eWOM has a stronger effect on perceived quality for small power distance (vs. large power distance) cultures.
H7: Positive (vs. negative) eWOM has a stronger effect on perceived quality for feminine (vs. masculine) cultures.
H8: Positive (vs. negative) eWOM has a stronger effect on perceived quality for short-term orientation (vs. long-term orientation) cultures.
H9: Positive (vs.. negative) eWOM has a stronger effect on perceived quality for indulgent (vs restraint) cultures.

Table 2. 1 - Summary of Hypotheses

3. Methodology

In this study, we used online self-reported survey based on a 7-point Likert scale. First, we built two scenarios to indicate eWOM (positive vs negative), and the pretest was to test the positivity and authenticity of the scenarios. Then, the main study was conducted to test the hypotheses including the mediation effects and the moderation effects.

3.1 Stimuli

The development of the stimuli in this study was adapted from Park & Lee (2009): distinguish positive and negative eWOM, and make sure of the positivity and negativity in each of the scenarios. Participants rate the provided scenario based on a 7-point Likert scale (1= negative information, 7= positive information). Different online video brands were selected targeting different cultural groups, to make the participants better understand the context. In the North American context, Netflix is one of the top media service streams (Shapiro, 2020), and in China's context, iQiYi is one of the giants in this industry (Wang& Lobato, 2019). Both Netflix and iQiYi are representative of online video subscription brands in their culture, respectively. eWOM is controlled as positive eWOM and negative eWOM. The scenario was firstly created in English (see Appendix 4), and then translated into Chinese (see Appendix 6). The scenarios of positive and negative eWOM are created based on real online reviews about Netflix on the Consumer Affairs website (2020). Based on the perceived quality of the website proposed by Yoo and Donthu (2001), the design of the eWOM scenario focused on three dimensions: the content, the customer service, and the easiness to use the website. Besides, the scenario also considered factors indicated by KPMG (2019): price and the hardware relevant to online video subscription. The choice of online video websites between the texts distributed to North American participants and Chinese participants was different. Netflix was embedded in the

scenario distributed to North American participants, whereas iQiYi was used in the scenario for Chinese participants.

3.2 Measurement

Perceived quality was measured on a 3-dimension scale adapted from the SITEQUAL model developed by Yoo & Donthu (2001). Brand loyalty was measured on a 3-dimension scale developed by Kim & Yu (2016). For each of the six cultural variables, there are two extremes: collectivism vs individualism; great uncertainty avoidance vs weak uncertainty avoidance; large power distance vs small power distance; masculinity vs femininity; long-term orientation vs short-term orientation; and indulgence vs restraint, which were measured based on the scales of Yoo et al. (2001) and Heydari et al. (2020). All the variables are rated using a 7-point Likert scale (1 = strongly disagree to 7 = strongly agree).

3.3 Procedure

This research used the self-reported survey method based on these measurement scales. The questionnaire distribution method in this study is online. For North American participants, the questionnaire was designed on Qualtrics and distributed on Amazon Mechanical Turk (MTurk), whose North American users account for the largest proportion of the entire user base. For Chinese participants, the questionnaire was designed and distributed on Wenjuanxing (WJX), one of the largest Chinese survey websites. MTurk allows to specifically choose U.S. and Canadian consumers as the sample, and the default users of WJX are only Chinese consumers, thus the target cultural groups are controlled. Any registered user on MTurk and WJX over 18 years old from target cultural groups can participate, including a) North American

consumers (Americans and Canadians); b) Chinese consumers.

First, a pretest of n=70 participants was conducted, and after the manipulation check, the main study was conducted including n=420 participants. All the participants must agree to the information and consent form at the beginning of the questionnaire, and they could exit the study at any time without risk (see Appendix 3). For each valid response, the participant received \$1 CAD as remuneration. The questionnaire including the information consent form was originally designed in English (see Appendix 5) and translated into Chinese (see Appendix 7) when assigned to Chinese participants; thus the participants from both target cultural groups understood the questions and the terms they consented to clearly. This study strictly followed the research ethics throughout the entire procedure. All the data collected were voluntary responses and were kept safely by the researcher. The data were anonymous, and the participants received their remuneration by filling in the unique survey ID after they finished the questionnaire. There was no information to recognize the real identity of the participants.

3.3.1 Pretest

A pretest of n=70 participants was conducted before the main study (men= 44.3%, $M_{age}=31.0$, bachelor's degree and above= 77.1%). There were 37 (52.8%) responses from the United States and Canada, and 33 (47.1%) responses from China. In the pretest, the researcher constructed two controlled scenarios of eWOM (positive eWOM vs. negative eWOM). Each participant was randomly assigned to one scenario, and was asked to answer manipulation check questions. For the manipulation check, two questions were asked based on the 7-point Likert scale and an independent-sample t-test was conducted.

This study used aggregated ratings of the participants to decide whether the eWOM is

positive or negative (Qiu et al., 2012). The first question is to test the positivity and negativity of the information conveyed by the designed eWOM scenario: “What do you think of this online video website after reading this online review? (1= negative, 7= positive).” There is a significant difference between positive eWOM scenario and negative eWOM scenario ($M_{\text{positive}}=5.73$, $M_{\text{negative}}=2.4$, $t=-21.0$, $p=.000$). The independent-sample t-test showed a significant difference between positive eWOM and negative eWOM; thus the positive eWOM scenario and the negative eWOM scenario were successfully manipulated.

The second question referred to Bhandari & Rodgers (2018) to ensure the controlled scenario is close to a practical setting: “This review looks a lot like the reviews I've seen online.” In general, both scenarios turned out to be true to life ($M_{\text{positive}}=4.77$, $M_{\text{negative}}=5.19$, $t=2.15$, $p=.033$). Overall, the text in the scenario reflected the real-life setting, and the negative eWOM scenario proved to be more true-to-life than the positive eWOM scenario. Table 3.1 summarizes the results of the manipulation checks.

Scenario	<i>Positive eWOM</i>	<i>Negative eWOM</i>	<i>t</i>	<i>p</i>
Q1 : Positivity	<i>M=5.73</i>	<i>M=2.4</i>	<i>-20.96</i>	<i>.000***</i>
Q2 : Authenticity	<i>M=4.77</i>	<i>M=5.19</i>	<i>2.145</i>	<i>.033*</i>

Note: * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$.

Table 3. 1 - Summary of Manipulation Checks

3.3.2 Reliability and Validity

The reliability of variables was tested by Cronbach’s alpha, and the validity of the entire theoretical model was tested by KMO and Bartlett’s test. Each of the variables in this model has its Cronbach’s alpha over 0.7 (Nunnally & Bernstein, 1995), which signifies an adequate level of inter-item reliability for the variables tested. Perceived quality ($\alpha=.764$), collectivism ($\alpha=.753$)

and long-term orientation ($\alpha = .78$) have a Cronbach's $\alpha > .75$, respectively, and brand loyalty ($\alpha = .87$), uncertainty avoidance ($\alpha = .856$), power distance ($\alpha = .812$), masculinity ($\alpha = .828$), and indulgence have a Cronbach's $\alpha > .8$ respectively. The summary of inter-item reliability of all the constructs is provided in Table 3.2.

Construct	Citation	Dimensions	Cronbach's α
Perceived quality	Yoo & Donthu (2001)	3	.764
Brand loyalty	Kim & Yu (2016)	3	.87
Collectivism	Yoo, B et al. (2001)	6	.753
Uncertainty avoidance	Yoo, B et al. (2001)	5	.856
Power distance	Yoo, B et al. (2001)	5	.812
Masculinity	Yoo, B et al. (2001)	4	.828
Long-term orientation	Yoo, B et al. (2001)	6	.78
Indulgence	Heydari et al. (2020)	6	.841

Table 3. 2 - Inter-item Reliability of Constructs

Meanwhile, Pearson coefficients (see Appendix 2) and KMO are used to test validity. Pearson coefficients indicated that the variables in this model have convergent validity, and the variables have discriminant validity from the demographic data. The validity is acceptable in this theoretical model, and the sampling is adequate because the KMO of the whole model is bigger than 0.5 ($KMO = .728 > 0.5$, Kaiser & Rice, 1974). Both the reliability and the validity of the proposed model were verified. KMO and Bartlett's Test in Table 3.3 showed more details.

KMO and Bartlett's Test		
<i>Kaiser-Meyer-Olkin Measure of Sampling Adequacy.</i>		.728
<i>Bartlett's Test of Sphericity</i>	<i>Approx. Chi-Square</i>	141.592
	<i>df</i>	21
	<i>Sig.</i>	.000

Table 3. 3 - KMO and Bartlett's Tests

3.3.3 Participants

In the main study, each participant was randomly assigned to one scenario, either positive eWOM or negative eWOM, and was asked to answer 11 questions based on the scenario given, including main study questions and demographic questions. Two eWOM scenarios were coded for SPSS analysis (positive eWOM=1, negative eWOM=0).

Table 3.4 indicates the demographic data comparing the United States and Canada with China, from the perspective of gender, age, and education. There were n=420 valid responses collected in the main study (men= 51.0%, M_{age} =31.7, bachelor's degree and above=83.8%). The two cultural groups were of equivalent number of people, age and education levels: 223 North Americans (men=62.9%, M_{age} =33, bachelor's degree and above=84.3%), and 207 Chinese (men= 38.6%, M_{age} =30.3, bachelor's degree and above= 82.3%). Compared to other demographic information, gender has the largest difference between the two cultural groups.

	Total		The U.S./ Canada		China	
Participants	n= 420		n= 213		n= 207	
Gender						
Male	214	51.0%	134	62.9%	80	38.6%
Female	206	49.0%	79	37.1%	127	61.4%
Age						
18-24	81	19.3%	26	12.2%	55	26.6%
25-34	202	48.1%	104	48.8%	98	47.3%
35-44	95	22.6%	58	27.2%	37	17.9%
45 and over	42	10.0%	25	11.7%	17	8.2%
Mean	31.67		33.00		30.30	
Education						
Under bachelor's degree	68	16.2%	33	15.5%	35	16.9%
Bachelor's degree	270	64.3%	134	62.9%	136	65.7%
Graduate degree and over	81	19.3%	46	21.6%	35	16.9%

Table 3. 4 - Demographic Sample Comparison of the U.S./Canada & China

To understand demographic data, we conducted Pearson coefficient analysis (see Appendix 2), which showed that power distance is significantly related with age, and masculinity is significantly related to gender; however, the rest of the variables are not significantly related with demographic variables.

		The U.S./ Canada	China	<i>p</i>
<i>Perceived quality</i>	<i>Mean</i>	5.37	5.09	.000***
	<i>SD</i>	1.04	0.98	
<i>Brand loyalty</i>	<i>Mean</i>	5.36	4.83	.000***
	<i>SD</i>	1.11	1.14	
<i>Collectivism</i>	<i>Mean</i>	4.74	4.87	.286
	<i>SD</i>	1.16	1.08	
<i>Uncertainty avoidance</i>	<i>Mean</i>	5.46	5.24	.015
	<i>SD</i>	0.82	0.94	
<i>Power distance</i>	<i>Mean</i>	3.93	4.34	.001**
	<i>SD</i>	1.70	1.45	
<i>Masculinity</i>	<i>Mean</i>	4.12	4.62	.002**
	<i>SD</i>	1.70	1.37	
<i>Long-term orientation</i>	<i>Mean</i>	5.24	5.22	.783
	<i>SD</i>	0.89	0.81	
<i>Indulgence</i>	<i>Mean</i>	4.88	4.92	.662
	<i>SD</i>	1.10	0.99	

Note: * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$.

Table 3. 5– Variable Comparison of the U.S./ Canada & China

Another independent-sample t-test was conducted to compare the six cultural variables in both cultural groups and the results can be found in Table 3.5. The test variables were perceived quality, brand loyalty, collectivism, uncertainty avoidance, power distance, masculinity, long-term orientation, and indulgence, and the grouping variable was country (coded the United States/ Canada= 1, China= 0). Participants from North America are more generous in rating perceived quality ($M_{NA}=5.37$, $SD=1.04$, $p= .000$), and brand loyalty ($M_{NA}=5.36$, $SD=1.11$,

$p = .000$), whereas the Chinese participants are more reluctant to give high scores in evaluating perceived quality ($M_{\text{CHN}}=5.09$, $SD=0.98$, $p = .000$) and brand loyalty ($M_{\text{CHN}}=4.83$, $SD=1.14$, $p = .000$). Comparing the data collected from both cultural groups with the cultural country scores from Hofstede's model (see Appendix 1), there are similarities and differences. According to Hofstede (2001) country scores, the collectivism in China should be 4 times of that in the United States and Canada; however, the data collected in this study only showed that China's collectivism is slightly higher than the United States and Canada ($M_{\text{CHN}}=4.87$, $SD=1.08$; $M_{\text{NA}}=4.74$, $SD=1.16$), and the difference is not significant. This study also identified the difference in power distance ($M_{\text{CHN}}=4.87$, $SD=1.08$; $M_{\text{NA}}=4.74$, $SD=1.16$, $p = .001$), but the difference is not as large as Hofstede's country scores indicated (North America: 40 vs. China: 80). Even if there are more female participants from China, the masculinity in China ($M_{\text{CHN}}=4.62$, $SD=1.37$, $p = .002$) is still higher than the masculinity in North America ($M_{\text{NA}}=4.12$, $SD=1.7$, $p = .002$), which is consistent with Hofstede's country scores.

On the other hand, uncertainty avoidance, long-term orientation, and indulgence showed a different pattern than Hofstede's country scores. North American participants were expected to have lower uncertainty avoidance scores, lower long-term orientation scores, and higher indulgence scores; however, the data collected in this study showed an opposite pattern, which demonstrated that the cultural values of a country can be largely affected by the sample chosen. In summary, there is a significant difference between consumers from North America and China for the following variables: perceived quality, brand loyalty, power distance, and masculinity. However, there is no significant distinction for collectivism, uncertainty avoidance, long-term orientation, and indulgence between the two cultural groups.

4. Results

In the main study, we used ANOVA analysis in SPSS to test the mediation effects and the moderation effects. For the mediation effects, we compared the relationship with the moderator absent and present, and found a significant change of coefficients. For the moderation effect, we constructed the moderator by multiplying the moderator with the independent variable. Overall, five of nine hypotheses in this study were supported.

4.1 The Mediation Effects

The mediation effects can be measured by comparing the model before and after adding the mediator. First of all, a pairwise Pearson correlation comparison was conducted to test the direct relationship among the variables involved in the mediation effects; as a result, eWOM, perceived quality, and brand loyalty were found to be significantly related to each other. The pairwise Pearson correlations can be found in Table 4.1. Perceived quality is positively related to eWOM ($r = .553, p = .000$), brand loyalty is positively related to eWOM ($r = .471, p = .000$), and brand loyalty is positively related to perceived quality ($r = .705, p = .000$). When eWOM is positive, both perceived quality and brand loyalty have a higher mean score; in contrast, when eWOM is negative, both perceived quality and brand loyalty have a lower mean score. Thus, H1a, H1b, and H2 were supported.

	eWOM	Perceived quality	Brand loyalty
eWOM	<i>1</i>	<i>.553</i>	<i>.471</i>
Perceived quality	-	<i>1</i>	<i>.705</i>
Brand loyalty	-	-	<i>1</i>

Note: $p = .000$.

Table 4. 1 - Pairwise Pearson Correlation

Subsequently, a two-way ANOVA analysis was conducted to analyze the mediation effect of perceived quality in the relationship between eWOM and brand loyalty. In this linear regression model, brand loyalty was the dependent variable, and eWOM and perceived quality were two independent variables. The coefficients are presented in Table 4.2. Comparing to the direct relationship ($r = .471, p = .000$), in the mediating model, the effect of eWOM on brand loyalty decreased largely ($\beta = .117, p = .004$) by .354. On the other hand, the effect of perceived quality on brand loyalty still remained impactful ($\beta = .640, p = .000$) to a similar extent of the direct relationship ($r = .705, p = .000$). By reducing the coefficient of eWOM, perceived quality has a partial mediation on the effect of eWOM on brand loyalty, thus, H3 was supported. Table 4.3 indicated the four hypotheses of mediation effects are all supported.

	<i>SD</i>	β	<i>t</i>	<i>Sig.</i>
Constant	.218		5.423	.000
eWOM	.090	.117	2.903	.004
Perceived quality	.045	.640	15.807	.000

Note: Dependent variable: Brand loyalty

Table 4. 2 - Coefficients of the Mediation Effects

Hypotheses	β	<i>p</i>	Supported or not
H1a/ H1b: eWOM → Perceived quality	.553	.000***	Supported
H2: Perceived quality → Brand loyalty	.705	.000***	Supported
H3: eWOM → Perceived quality → Brand loyalty	(eWOM) $\beta = .11, p = .004$ ** (Perceived quality) $\beta = .640, p = .000$ ***		Supported

Note: * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$.

Table 4. 3 - Summary of the Mediation Effects

4.2 The Moderation Effects

A three-way ANOVA analysis was conducted to measure the moderation effects. In this study, six multiple regression analyses were conducted to test each hypothesis containing the moderation of the six cultural variables. In the statistical model, eWOM was the dependent variable, perceived quality was the independent variable, and each cultural variable (collectivism, uncertainty avoidance, power distance, masculinity, long-term orientation, and indulgence) was the moderator in each hierarchical regression. In the multiple regression, the first hierarchy includes the independent variable and the moderator; the second hierarchy includes the interaction of the independent variable* the moderator, whereas the dependent variable is fixed. The researcher compared the results from different layers of regression and analyzed.

To test the moderation effect of *collectivism*, the moderator variable was constructed as eWOM multiplied by collectivism. The overall regression of the moderation of collectivism was found to be significant ($F(3, 416) = 33.81, p = .000, R^2 = .196$). When the interaction of eWOM*collectivism increases, perceived quality will decrease ($\beta = -.636, p = .001$). Therefore, collectivism has an impactful negative moderating effect on the relationship between eWOM and perceived quality. H4 was supported.

The moderating role of *uncertainty avoidance* was tested by constructing the moderator as eWOM multiplied by uncertainty avoidance. There is a significant overall regression ($F(3, 416) = 42.14, p = .000, R^2 = .223$). However, there is no significant coefficient to support H5, so the negative direction of moderation remained to be unproven. H5 was not supported.

The moderator indicating the effect of *power distance* was measured by multiplying eWOM and power distance. The overall regression was found to be significant ($F(3, 416) = 8.78,$

$p = .000$), and the coefficient shows a significant negative moderation effect ($\beta = -.285, p = .040$). Thus, H6 was supported. However, the R square is too small to support that perceived quality will change according to the moderator to a large extent, and the moderator only has a weak effect ($R^2 = .060$).

A similar pattern can be found in the moderation effect of *Masculinity*, whose statistical moderator was eWOM multiplied by masculinity. The overall regression was found to be significant ($F(3, 416) = 7.94, p = .000$), and there is significant negative moderation effect ($\beta = -.417, p = .005$). Thus, H7 was supported, in spite of a weak effect size ($R^2 = .054$).

The moderator to test *long-term orientation* was to multiply eWOM by long-term orientation. The overall regression of long-term orientation was significant ($F(3, 416) = 44.45, p = .000, R^2 = .243$). Long-term orientation also has a powerful negative moderating effect on the relationship between eWOM and perceived quality ($R^2 = .243, \beta = -.924, p = .001$), which is consistent with the expected direction. When the interaction of eWOM and long-term orientation increases, perceived quality decreases. H8 was supported.

The moderation role of *indulgence* was tested by constructing the moderator variable as eWOM multiplied by indulgence. The overall regression was found to be significant ($F(3, 416) = 18.61, p = .000, R^2 = .118$). However, the variable's coefficient was not significant and it fails to prove the negative moderation effect of indulgence on the relationship between eWOM and perceived quality. Therefore, H9 was not supported. The hypotheses testing relating to the moderation effects were summarized in Table 4.4.

Hypotheses	β	<i>R square</i>	<i>t</i>	<i>p</i>	Supported or not
H4: eWOM * Collectivism	-.636	.196	-3.244	.001**	Supported
H5: eWOM * Uncertainty avoidance	.235	.223	.863	.389	Not supported
H6: eWOM * Power distance	-.285	.060	-2.063	.040*	Supported
H7: eWOM * Masculinity	-.417	.054	-2.807	.005**	Supported
H8: eWOM * Long-term orientation	-.924	.243	-3.337	.001**	Supported
H9: eWOM * Indulgence	-.362	.118	-1.593	.112	Not supported

Note: Dependent variable: Perceived quality. * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$.

Table 4. 4 – Summary of the Moderation Effects

5. General Discussion

This study tested a 4-factor theoretical model intending to understand the mediation role of perceived quality and the moderating role of Hofstede's six cultural variables. In the proposed research model, the independent variable is eWOM, the dependent variable is brand loyalty, the mediator is brand loyalty, and the moderators are Hofstede's six cultural variables, which moderate the effect of eWOM on perceived quality.

We first tested the two direct relationships: the effect of eWOM on perceived quality (H1a and H1b) and the effect of perceived quality on brand loyalty (H2). The results confirmed a consistent finding with previous studies: positive eWOM will result in higher perceived quality, negative eWOM will result in lower perceived quality, and higher perceived quality will result in higher brand loyalty.

We then tested the mediation effect of perceived quality (H3). The statistics indicated a significant mediating effect of perceived quality. When adding perceived quality to the main effect of eWOM on brand loyalty, perceived quality became the main factor contributing to the dependent variable, whereas the standardized coefficient of the independent variable is lower.

Finally, we tested six key hypotheses (H3-H9) to understand the moderation effect of Hofstede's six cultural variables and four of the six hypotheses were supported (H4, H6, H7 and H8). Collectivism and long-term orientation were found to be significantly impactful moderators on the relationship between eWOM and perceived quality.

H6 and H7 had significant results, but with a relatively low R square, which could be explained by the sample size. Because of the realistic restrictions, the sample collected from each cultural group is around 200. However, the cultures are always discussed under a macro background. If the theoretical model is applied to a larger size of the sample, even significant moderations with low R square will have the effects in scale. We further understood the two unsupported hypotheses H5 and H9 with insignificant results. There are four reasons to explain the unsupported hypotheses:

1) The scores of the six cultural dimensions may be different due to the demographic information of participants. In this study, over 80% of participants from both cultural groups have bachelor's degrees or above, respectively. People with higher levels of education are more

likely to become individualists, have lower power distance, and masculinity, which resulted in fewer differences in these variables, compared to the original Hofstede's country score.

2) The participants from the West and the East may have different judgments on the rating scales. According to "the golden mean" from Confucianism in Chinese philosophy, people prefer to select values in the middle, trying to avoid extreme values (Chan, 1963). From the perspective of Chinese consumers, they are very likely to choose 5 or 6 when they feel strongly agree, instead of choosing a 7. There could be a different rating criterion between North American participants and Chinese participants.

3) In the six cultural dimensions, some variables are more difficult to change than others. Education level affects masculinity to the least extent, and even when the numbers of female Chinese participants were twice the number of female North American participants, the masculinity in China is still significantly higher. In conclusion, collectivism, power distance, and masculinity are more likely to be innate factors that are more difficult to change, on the contrary, uncertainty avoidance, long-term orientation, and indulgence are easier to change.

4) The cultural variables may change under extreme conditions. The country scores are likely to be correlated with historical events; for example, China's economic success in 1988 was reflected by the country score at that moment (Hofstede & Minkov, 2010). The data in this study was collected in September 2020, when the COVID-19 has been under control in China, but still prevalent in North America. Amid the pandemic, people may prefer stable, sustainable, and risk-free styles, which also is reflected in their financial management and consumption. Thus, North American participants may report a higher level of uncertainty avoidance, long-term orientation, and a lower level of indulgence than usual, whereas Chinese participants are not affected by COVID-19 to the same extent.

Furthermore, there is a practical restriction, as the entire procedure strictly followed the research ethics. All the participants chose to respond to the questionnaire on a voluntary basis and each valid response was identically analyzed. Participants from North America and China can have different degree of acceptance towards the manipulation of scenario and the collection of data, and we fully respected their rights because of ethics concerns. Nevertheless, this study provides theoretical contributions and managerial implications. Inevitably, there are also limitations, which may indicate direction for future research.

6. Theoretical Contributions and Managerial Implications

6.1 Theoretical Contributions

We believe this study has several theoretical contributions to current eWOM research. This study broadens the scope of eWOM from traditional material goods to cultural product consumption. The material goods industry selling consumer goods or luxury goods have already been discussed exhaustively in the previous literature; on the contrary, the literature about cultural products and industries have a gap remaining to be explored (Yang & Lee, 2019). This study used the online video subscription industry as an example, and it has found that eWOM can affect the perceived quality and brand loyalty in the cultural industries. Similar to traditional industries, positive eWOM will contribute to positive perceived quality and brand loyalty in the cultural industries, and negative eWOM will lead to decreased perceived quality and brand loyalty. The criterion of perceived quality can be different between cultural products and traditional products: when a cultural product is not visible, the content, the service, and the reputation of the service provider become increasingly significant. Like the consumer goods industry, the media content subscription industry also showed a preference for good perceived

quality. This study compares different patterns of positive and negative eWOM, which adds to a lack of research in negative eWOM for current literature.

By adding the Eastern lens to the Western perspective, this study enriches the contexts of eWOM research. The cross-cultural comparison of eWOM's patterns in affecting consumer's behavior has become a trend, and the comparison between the West and the East has been given greater attention because there is an obvious distinction between the West and the East in terms of Hofstede's six cultural dimensions. Previous eWOM research comparing Asia and North America focused more on Japan or Korea, but fewer studies targeted China. The ambiguity of Chinese characters and institutions in society are the main reasons; therefore, in this experiment, the researcher translated the text to target both cultural groups. Moreover, the consumers from two cultural groups showed a different tendency in the indicated variables. For example, with a higher mean in perceived quality and brand loyalty, consumers from North America are more likely to have positive judgments on the quality of the online video subscription industry, and become loyal users of the same online video website. In contrast, Chinese consumers showed less impact from positive eWOM, and less tenacity to one online video website.

This study also indicated the possibility of changes in Hofstede's six cultural dimensions (Hofstede & Minkov, 2010). Under the unique pandemic situation in 2020, some factors forming people's cultural preferences in North America and China may change. This study showed a developing pattern of Hofstede's country scores when North American participants have similar levels of uncertainty avoidance, long-term orientation, and indulgence, whereas Chinese participants have lower levels of collectivism and a higher level of indulgence than expected.

6.2 Managerial Implications

Besides, in relation to the current findings, this study can provide managerial implications. Specifically, the findings in this study may help understand the huge market for the media content subscription industry in today's competition. The cultural dimensions play a decisive role in developing the cultural industries in a non-native market, and understanding the cultural differences is essential to achieving success. According to the supported mediation effects in this study, perceived quality mediates eWOM and brand loyalty to a large extent. For the online video subscription industry, the firms can improve their brand loyalty by increasing the quality, for example, by improving the media content provided to consumers, enhancing the customer service, and balancing the price of the service. The method to develop product and service quality can be different compared to traditional industries, and the online video subscription researched in this thesis has generalizability to other cultural industries. The media content providers can offer various ways for the consumers to understand the perceived quality of their products and services before subscription, for example, free trial. In this way, they can reduce the ambiguity of virtual products and increase the positivity of eWOM.

What's more, this study has implication in establishing cross-cultural marketing strategies. Because of the complexity of cultures in the global market, varying media content for different target markets is an important strategy (Ahmad et al., 2020). According to the supported moderation effects, collectivism, power distance, masculinity, and long-term orientation all have a negative effect on the relationship of eWOM on perceived quality. To develop the online video subscription in another country, it is also crucial to decide whether the content is suitable for the consumers in targeted countries. Even though some movies from Hollywood have received huge success and become movie brands (Shapiro, 2020), they may still

be unaccustomed in Eastern contexts, which also explains the failure of untailed cultural output. The development of online video subscription and other cultural industries is essentially the transfusion of cultures, and the internalization of cultural industries is always relevant to the adaption of cultures. The firms should research carefully the cultural difference between the original market and the target market they are willing to expand to, and should try to understand the context of the target market by collaborating with local companies or hiring local employees.

This study also motivates organizations to adapt their marketing strategies according to different target groups and to the change of time. The results showed that the cultural context in North America and China will not remain constant all the time in the ever-changing environment. Some cultural variables may converge, whereas other cultural variables may diverge. Since Hofstede's country scores can develop over time, and can be affected under certain historical moments, organizations should use a dynamic lens to view the changes in the circumstances and be prepared to adapt in different periods. After an impactful worldwide success or recession, the firm should learn new experiences, evaluate the country scores again, and adjust their strategies in the global market accordingly. It is equivalently important to improve the crisis prevention mechanism in the organization, in order to be more resilient to potential risks. Even within the same country, the customers still vary in the underlying cultural backgrounds. The organizations should be more specific about their target groups when designing marketing strategies in order to tailor their marketing to several particular target groups. In this way, the marketing strategies can be implemented more accurately and efficiently.

7. Limitation and Future Research

This study has three limitations that are also indicators of future research avenues. First, this study separated positive eWOM and negative eWOM into two distinct scenarios. Even if the manipulation checks ensured that each scenario measured the controlled eWOM, in a real-world setting, the eWOM is more critical than absolute, including both positive and negative impressions of the product or service in one comment. Moreover, the controlled scenarios were comprehensive eWOM targeting as many aspects as possible; however, real eWOM may mention only a point, not cover all the aspects in one comment. Consumers' overall impression on the discussed product or service could be affected by the key point that they pay most attention to, so even in a mixture of positive and negative opinions, different people can take in the message in various ways. Future studies can mix positive and negative eWOM together in different proportions, in order to explore whether the mixture of eWOM is more reliable than pure positive and pure negative eWOM. The researchers can also break down the factors that form positive and negative eWOM.

Second, the selection of participants in the study may not be widely representative, because the country's culture comparison in this study is partially different from Hofstede's country scores. The difference can be explained by the relatively high level of education of the participants from both cultural groups, where their cultural values converge. It is possible that even people in a same society can be under different cultural groups (Hofstede, 1998). There is a trend that in a specific society, there can be combinations of different cultural dimensions, and the convergence or divergence of cultures (Lee et al., 2018). In immigration society such as the United States and Canada, the convergence or divergence of cultures can be impactful and is always developing. Future researchers can focus on the development of Hofstede's model under

new conditions.

Third, this study concentrated on the effect of eWOM, but there are opportunities remaining to be researched for the motivation of sharing eWOM in different cultural contexts. The influencers on social media have become a new type of job and an important marketing tool for companies worldwide, and they are responsible for conveying eWOM to consumers, such as Youtuber, Instagramer, and Blogger. Their motivations in sharing eWOM could be varied, for example, when sharing information with strangers on the Internet, commercial motives are more influential than non-commercial motives for the information sender on social media (Kuwashima, 2019). In terms of the factors forming the share of eWOM, there is more to discover under diverse cultural backgrounds. Besides, future research can also generalize online video subscription to other cultural industries. Comparing cultural industries with traditional industries to find their similarities and differences is another meaningful direction.

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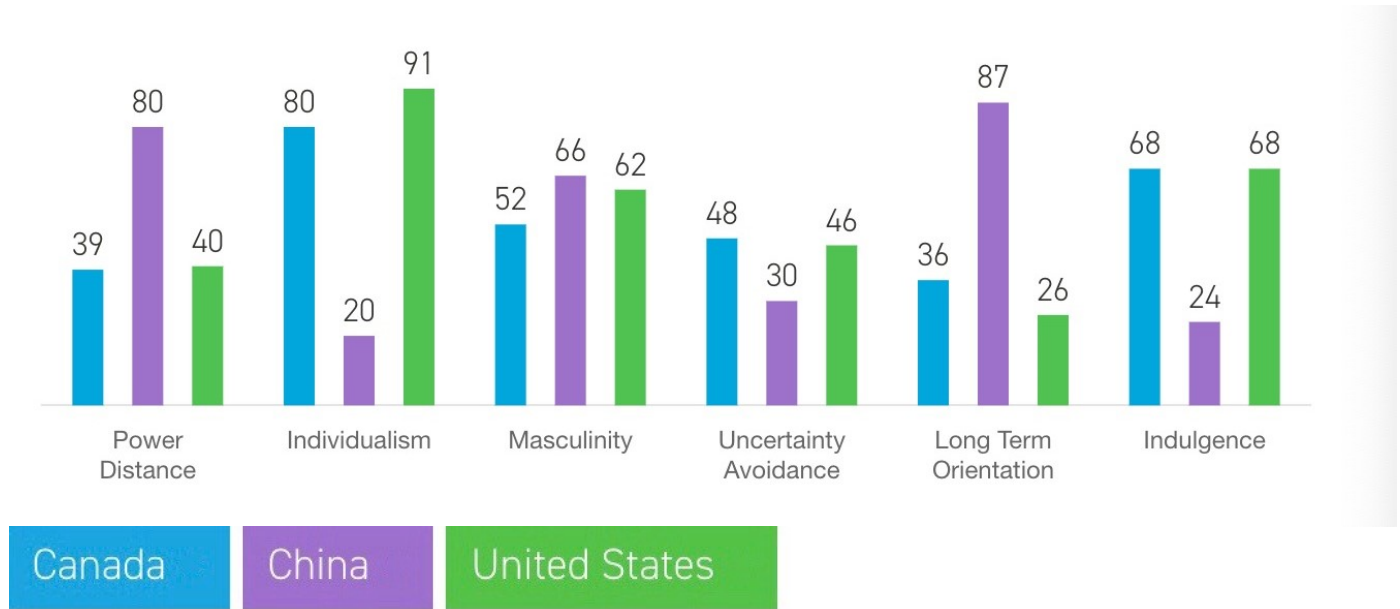
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Appendices

Appendix 1: Figure of Hofstede's Country Scores



(Source: <https://www.hofstede-insights.com/>)

Appendix 2: Tables of Data Analysis

Pearson Correlations of the main effect

		<i>eWOM</i>	<i>Perceived Quality</i>	<i>Brand Loyalty</i>
<i>eWOM</i>	<i>r</i>	1	0.553**	0.471**
	<i>Sig.</i>		0.000	0.000
	<i>N</i>	420	420	420
<i>Perceived Quality</i>	<i>r</i>	0.553**	1	.705**
	<i>Sig.</i>	0.000		0.000
	<i>N</i>	420	420	420
<i>Brand Loyalty</i>	<i>r</i>	0.471**	.705**	1
	<i>Sig.</i>	0.000	0.000	
	<i>N</i>	420	420	420

** Correlation is significant at the 0.01 level (2-tailed).

Pearson Correlations of six cultural variables

		<i>Collectivism</i>	<i>Uncertainty Avoidance</i>	<i>Power Distance</i>	<i>Masculinity</i>	<i>Long-term Orientation</i>	<i>Indulgence</i>
<i>Collectivism</i>	<i>r</i>	1	.423**	.552**	.531**	.501**	.478**
	<i>Sig.</i>		0.000	0.000	0.000	0.000	0.000
	<i>N</i>	420	420	420	420	420	420
<i>Uncertainty Avoidance</i>	<i>r</i>	.423**	1	.178**	.220**	.544**	.342**
	<i>Sig.</i>	0.000		0.000	0.000	0.000	0.000
	<i>N</i>	420	420	420	420	420	420
<i>Power Distance</i>	<i>r</i>	.552**	.178**	1	.739**	.354**	.530**
	<i>Sig.</i>	0.000	0.000		0.000	0.000	0.000
	<i>N</i>	420	420	420	420	420	420
<i>Masculinity</i>	<i>r</i>	.531**	.220**	.739**	1	.460**	.487**
	<i>Sig.</i>	0.000	0.000	0.000		0.000	0.000
	<i>N</i>	420	420	420	420	420	420
<i>Long-term Orientation</i>	<i>r</i>	.501**	.544**	.354**	.460**	1	.424**
	<i>Sig.</i>	0.000	0.000	0.000	0.000		0.000
	<i>N</i>	420	420	420	420	420	420
<i>Indulgence</i>	<i>r</i>	.478**	.342**	.530**	.487**	.424**	1
	<i>Sig.</i>	0.000	0.000	0.000	0.000	0.000	
	<i>N</i>	420	420	420	420	420	420

** Correlation is significant at the 0.01 level (2-tailed).

Pearson Correlations of demographic information

		<i>Collectivism</i>	<i>Uncertainty Avoidance</i>	<i>Power Distance</i>	<i>Masculinity</i>	<i>Long-term Orientation</i>	<i>Indulgence</i>
<i>Age</i>	<i>b</i>	0.043	0.057	.128**	.124*	0.073	-0.025
	<i>Sig.</i>	0.377	0.248	0.009	0.011	0.135	0.61
	<i>N</i>	420	420	420	420	420	420
<i>Gender</i>	<i>b</i>	-0.062	0.007	-.100*	-.140**	-0.078	0.003
	<i>Sig.</i>	0.205	0.886	0.041	0.004	0.109	0.955
	<i>N</i>	420	420	420	420	420	420
<i>Education</i>	<i>b</i>	-0.054	0.025	-0.021	-0.028	0.066	0.009
	<i>Sig.</i>	0.269	0.616	0.661	0.573	0.174	0.852
	<i>N</i>	420	420	420	420	420	420

** Correlation is significant at the 0.01 level (2-tailed).

ANOVA analysis for Collectivism

<i>Model</i>	<i>Sum of Squares</i>	<i>df</i>	<i>Mean Square</i>	<i>F</i>	<i>Sig.</i>
<i>Regression</i>	85.844	3	28.615	33.813	0.000
<i>Residual</i>	352.044	416	0.846		
<i>Total</i>	437.888	419			

a Dependent Variable: Perceived Quality

b Predictors: (Constant), Collectivism, eWOM

c Predictors: (Constant), Collectivism, eWOM, IN

	<i>b</i>	<i>t</i>	<i>Sig.</i>	<i>Partial Correlation</i>
<i>IN_Collectivism</i>	-0.636	-3.244	0.001	-0.157

ANOVA analysis for Uncertainty Avoidance

<i>Model</i>	<i>Sum of Squares</i>	<i>df</i>	<i>Mean Square</i>	<i>F</i>	<i>Sig.</i>
<i>Regression</i>	102.065	3	34.022	42.144	0.000
<i>Residual</i>	335.823	416	0.807		
<i>Total</i>	437.888	419			

a Dependent Variable: Perceived Quality

b Predictors: (Constant), Uncertainty Avoidance, eWOM

c Predictors: (Constant), Uncertainty Avoidance, eWOM, IN

	<i>b</i>	<i>t</i>	<i>Sig.</i>	<i>Partial Correlation</i>
<i>IN_Uncertainty Avoidance</i>	0.235	0.863	0.389	0.042

ANOVA analysis for Power Distance

<i>Model</i>	<i>Sum of Squares</i>	<i>df</i>	<i>Mean Square</i>	<i>F</i>	<i>Sig.</i>
<i>Regression</i>	26.063	3	8.688	8.776	0.000
<i>Residual</i>	411.824	416	0.99		
<i>Total</i>	437.888	419			

a Dependent Variable: Perceived Quality

b Predictors: (Constant), Power Distance, eWOM

c Predictors: (Constant), Power Distance, eWOM, IN

	<i>b</i>	<i>t</i>	<i>Sig.</i>	<i>Partial Correlation</i>
<i>IN Power Distance</i>	-0.285	-2.063	0.04	-0.101

ANOVA analysis for Masculinity

<i>Model</i>	<i>Sum of Squares</i>	<i>df</i>	<i>Mean Square</i>	<i>F</i>	<i>Sig.</i>
<i>Regression</i>	23.712	3	7.904	7.939	0.000
<i>Residual</i>	414.176	416	0.996		
<i>Total</i>	437.888	419			

a Dependent Variable: Perceived Quality

b Predictors: (Constant), Masculinity, eWOM

c Predictors: (Constant), Masculinity, eWOM, IN

	<i>b</i>	<i>t</i>	<i>Sig.</i>	<i>Partial Correlation</i>
<i>IN Masculinity</i>	-.417b	-2.807	0.005	-0.136

ANOVA analysis for Long-term Orientation

<i>Model</i>	<i>Sum of Squares</i>	<i>df</i>	<i>Mean Square</i>	<i>F</i>	<i>Sig.</i>
<i>Regression</i>	106.292	3	35.431	44.449	0.000
<i>Residual</i>	331.596	416	0.797		
<i>Total</i>	437.888	419			

a Dependent Variable: Perceived Quality

b Predictors: (Constant), Long-term Orientation, eWOM

c Predictors: (Constant), Long-term Orientation, eWOM, IN

	<i>b</i>	<i>t</i>	<i>Sig.</i>	<i>Partial Correlation</i>
<i>IN Long-term Orientation</i>	-0.924	-3.337	0.001	-0.161

ANOVA analysis for Indulgence

<i>Model</i>	<i>Sum of Squares</i>	<i>df</i>	<i>Mean Square</i>	<i>F</i>	<i>Sig.</i>
<i>Regression</i>	51.803	3	17.268	18.606	0.000
<i>Residual</i>	386.085	416	0.928		
<i>Total</i>	437.888	419			

a Dependent Variable: Perceived Quality

b Predictors: (Constant), Indulgence, eWOM

c Predictors: (Constant), Indulgence, eWOM, IN

	<i>b</i>	<i>t</i>	<i>Sig.</i>	<i>Partial Correlation</i>
<i>IN Indulgence</i>	-0.362	-1.593	0.112	-0.078

Appendix 3: Ethics Research Protocol



INFORMATION AND CONSENT FORM

Study Title: Cross-cultural Study on electronic Word-of-Mouth(eWOM) in the online video subscription industry

Researcher: Tongdan Luo

Researcher's Contact Information: tongdan.luo@gmail.com

Faculty Supervisor: Michel Laroche

Faculty Supervisor's Contact Information: michel.laroche@concordia.ca

Source of funding for the study: The author received no specific funding for this work.

You are being invited to participate in the research study mentioned above. This form provides information about what participating would mean. Please read it carefully before deciding if you want to participate or not. If there is anything you do not understand, or if you want more information, please ask the researcher.

A. PURPOSE

The purpose of the research is to understand the effect of online reviews on consumer behavior. The study results will help multinational companies design cross-cultural marketing strategy.

B. PROCEDURES

You are required to read this consent form carefully. If you agree with the terms, you will be asked to click the "I agree" button at the end of this form. Only by following this process, you confirm your participation and will be taken to the main study page. If you do not want to continue the study, you do not need to provide any information and you should click "I disagree" button to be taken out of the study. You can also discontinue your study any time during the questionnaire by closing your webpage.

In the study, you will be asked to complete an online questionnaire on your electronic device. The questionnaire will provide two scenarios of Netflix online reviews. After reading the scenarios, you will be asked to answer questions about your perception of the website quality and how likely you would choose and stick to the service offered by this website. You should read the online review scenario and answer all the questions in the questionnaire.

If you participate, you will be asked to you will read the instruction and then fill out this questionnaire.

In total, participating in this study will take approximately 15 minutes.

C. RISKS AND BENEFITS

You are unlikely to face certain risks by participating in this research.

This research is not intended to benefit you personally.

D. CONFIDENTIALITY

We will gather the following information as part of this research:

Your self-response choice about your impression on the provided online review scenario, the products, and the brand. Your demographic data information such as gender, age, nationality, and education level.

We will not allow anyone to access the information, except people directly involved in conducting the research. We will only use the information for the research described in this form.

The information gathered will be anonymous. That means that it will not be possible to link you and the information you provide.

We will protect the information in electronic format by encrypting the storage devices and limiting access to authorized researchers only.

We intend to publish the results of the research. However, it will not be possible to identify you in the published results.

We will destroy the information five years after the end of the study.

F. CONDITIONS OF PARTICIPATION

You do not have to participate in this research. It is purely your decision. If you do participate, you can stop at any time. You can also withdraw the information you provided not to be used, and your choice will be respected. If you decide that you don't want us to use your information, you must request by contacting the researcher before October 1, 2020. To withdraw your data, you should provide your Worker IDs for the researcher to match your data and remove it. However, the researcher will not have access to your personally identifiable information.

As a compensatory indemnity for participating in this research, you will receive \$1 CAD. You will be free to discontinue at any time for any reason. You can also withdraw your data any time before the researcher submits the final version of the study to Concordia University Spectrum.

The researcher will message all the participants the study results when the study is finished via your MTurk Worker IDs. Before you receive the official notification of the end of the study, you can withdraw your data at any time. However, you will not receive the compensations if you withdraw your data before the study ends.

There are no negative consequences for not participating, stopping in the middle, or asking us not to use your information.

G. PARTICIPANT'S DECLARATION

I have read and understood this form.

I have had the chance to ask questions and any questions have been answered.

I agree to participate in this research under the conditions described.

My age is 18 and above.

“ I read this form carefully and I agree to participate in the study.”

- I agree.
- I disagree.

If you have questions about the scientific or scholarly aspects of this research, please contact the researcher. Their contact information is on page 1. You may also contact their faculty supervisor.

If you have concerns about ethical issues in this research, please contact the Manager, Research Ethics, Concordia University, 514.848.2424 ex. 7481 or oor.ethics@concordia.ca.

Appendix 4: Scenarios and questions for the pretest (English)

This is a cross-cultural comparison research about online video subscription industry. We would like you to have a basic understanding of online video website such as Netflix, YouTube etc. Please also make sure you are of the target cultural groups in this study.

Imagine that you are browsing the webpages and you see a piece of online review about Netflix below:

- A: Positive eWOM scenario

Netflix has a list of outstanding movies with high ratings, past and present, which are always available. The subscription fee is at affordable price. Their original content has great variety and are well done. The content from TV shows and movies also have great variety. During the quarantine this year, Netflix has kept me entertained. I like the function of remembering where you left in a middle of a show or movie. The customer service is great...Most issues I have encountered have been taken care of in a matter of minutes!

- B: Negative eWOM scenario

Not worth the subscription fee. Netflix customer service was quick to blame either our TV or our Wi-Fi. I'm tired of them, I'm searching for another streaming site to sign up with. Netflix now has boring shows and movies, shows and movies that aren't relevant to me, are nothing that I like, and it just keeps getting worse. Some contents are deceptive, misleading and unfriendly to kids.

Pretest questions:

1. What do you think of this online video website after reading this online review? (1= negative; 7= positive)
2. This review looks a lot like the reviews I've seen online. (1=strongly disagree; 7= strongly agree)

Appendix 5: Questionnaire for the main study (English)

Please rate the following statements on a 1-7 scale. (1=strongly disagree; 7=strongly agree)

1. How will you evaluate the quality of Netflix after reading the text above?

- I believe the contents offered by this website are attractive.
- I believe this website is easy to use.
- I believe the consumer service of this website is helpful.

2. How likely will you be loyal to this website?

- I would subscribe the same brand the next opportunity I get.
- I prefer this brand to others.
- I will recommend others to subscribe this brand.

3. What do you think of collectivism and individualism?

- Individuals should sacrifice self-interest for the group.
- Individuals should stick with the group even through difficulties.
- Group welfare is more important than individual rewards.
- Group success is more important than individual's success.
- Individuals should only pursue their goals after considering the welfare of the group.
- Group loyalty should be encouraged even if individual goals suffer.

4. Are you a person who avoids uncertainty?

- It is important to have instructions spelled out in detail so that I always know what I am expected to do.
- It is important to closely follow instructions and procedures.
- Rules and regulations are important because they inform me as to what is expected of me.
- Standardized work procedures are helpful.
- Instructions for operations are important.

5. What is your opinion about power?

- People in higher positions should make most decisions without consulting people in lower positions.
- People in higher positions should not ask the opinions of people in lower positions too frequently.
- People in higher positions should avoid social interactions with people in lower positions.
- People in lower positions should not disagree with decisions made by people in higher positions.
- People in higher positions should not delegate important task to people in lower positions.

6. What do you think of masculinity and femininity?

- It is more important for men to have a professional carrier than it is for a woman.
- Men usually solve problems with logical analysis, woman usually solve problems with Intuition.
- Solving difficult problems usually requires an active, forcible approach, which is typical of men.
- There are some jobs that a man can always do better than a woman.

7. How closely do you associate with the following qualities?

- Careful management of money (Thrift)
- Going on resolutely in spite of opposition (Persistence)
- Personal steadiness and stability
- Long-term planning
- Giving up today's fun for success in the future
- Working hard for success in the future

8. Do you prefer indulgence or restraint?

- I seek every chance I can to have fun
- Feeling and desires related to merrymaking with friends should be gratified freely
- There should not be any limits on individuals' enjoyment
- Societies should value relatively free gratification of desires and feelings
- Desires, especially with respect to sensual pleasure should not be suppressed
- Gratification of desires should not be delayed

Demographic information

9. What is your age?

- 18-24
- 25-34
- 35-44
- 45 and over

10. What is your gender?

- Female
- Male

11. What is your education level?

- Under bachelor's degree
- Bachelor's degree
- Graduate degree and over

Appendix 6: Scenarios and questions for the pretest (Chinese)

这是一份关于在线视频订阅行业的跨文化比较研究。

我们希望您对爱奇艺，腾讯视频等在线视频网站有基本的了解，同时请确保您属于本研究的目标文化群体。

假设您正在浏览网页，并且网上看到一条看到有关爱奇艺网站的评论如下：

- 情景一：网络好评

“爱奇艺拥有许多优秀的电影高分电影，囊括老电影和新电影，订阅该网站的价格合理。它们的原创内容种类丰富，质量很好，也有各式各样的电视节目和电影。在今年疫情期间，爱奇艺是我的娱乐方式。我喜欢它能够记住上次播放的位置，客户服务也很棒……我遇到的大多数问题都在几分钟之内得到了解决！”

- 情景二：网络差评

"订阅费不划算，爱奇艺客服推脱责任，认为我们的电视或Wi-Fi有问题。我对他们感到厌烦，正在寻找另一个在线视频网站来注册。爱奇艺现在的节目和电影很无聊，都是些我不感兴趣，不喜欢的东西，而且内容越来越糟。一些内容具有欺骗性和误导性，并且不适合儿童。"

预先测试问题：

1. 阅读该评论后，您如何看待该在线视频网站？（1=差评； 7=好评）
2. 这条评论看起来很像我在网上看到的评论。（1=非常不同意； 7=非常同意）

Appendix 7: Questionnaire for the main study (Chinese)

请选择您是否同意以下声明（1=非常不同意；7=非常同意）

1. 在阅读上述文字后，您如何评价这个网站的质量？
 - 我相信该网站提供的内容具有吸引力。
 - 我相信该网站易于使用。
 - 我相信该网站的客服对用户有帮助。

2. 您有多大可能性成为这个网站的忠实用户？
 - 我会在下次订阅相同的网站。
 - 我比其他人更喜欢这个网站。
 - 我会建议其他人订阅这个网站。

3. 您对集体主义和个人主义有何看法？
 - 个人应为团体牺牲自身利益。
 - 即使遇到困难，个人也应坚持与团队合作。
 - 团体福利比个人奖励更为重要。
 - 小组成功比个人成功更重要。
 - 个人只有在考虑了团体的福利之后，才可以追求自己的目标。
 - 即使个人目标受到损害，也应提倡团体忠诚。

4. 您是一个规避不确定性的人吗？
 - 详细的指示很重要，这样我才能始终知道我要做什么。
 - 必须严格遵守指示和流程。
 - 规章制度很重要，因为它们使我清楚要求。
 - 标准化的工作程序对我会有所帮助。
 - 操作说明很重要。

5. 您如何看待权力？
 - 较高职位的人应该自行做出大多数决定，而不应该咨去询较低职位的人。
 - 较高职位的人不应过于频繁地询问较低职位的人的意见。
 - 较高职位的人应避免与较低职位的人进行社交互动。
 - 较低职位的人不能不同意较高职位的人所做出的决定。
 - 上级人员不应将重要任务下放给下级人员。

6. 您对男性社会和女性社会有何看法？

- 对于男性而言，拥有专业的机会比对女性更为重要。
- 男人通常用逻辑分析解决问题，女人通常用直觉解决问题。
- 解决棘手的问题通常需要采取积极和强制的方法，这在男性中是很常见的。
- 在某些工作中，男人总是比女人做得更好。

7. 您拥有以下特质吗？

- 谨慎管理资金（节俭）
- 即使遭遇反对也坚持不懈
- 个人意志力和稳定性
- 长期规划
- 舍弃今天的乐趣，成就未来
- 为将来的成功而努力

8. 您更偏好放纵还是克制自己？

- 我寻求一切可能的乐趣。
- 和朋友享乐的欲望应该自由地得到满足。
- 个人享受不应受到任何限制。
- 社会应重视相对自由的欲望和情感的满足。
- 欲望，尤其是关于感官愉悦的欲望，不应被抑制。
- 欲望的满足不应被拖延。

人口统计信息

9. 您的年龄是？

- 18-24 岁
- 25-34 岁
- 35-44 岁
- 45 岁及以上

10. 您的性别是？

- 男
- 女

11. 您的受教育程度是？

- 本科以下
- 本科学位
- 硕士及以上学位