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# A Comparison of US and Korean Consumers: A Cross-Cultural Study of Brand-Related UGC Found in Discussion Boards of Product Review Sites

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To the Graduate Council:

I am submitting herewith a thesis written by Hyuk Jun Cheong entitled "A Comparison of US and Korean Consumers: A Cross-Cultural Study of Brand-Related UGC Found in Discussion Boards of Product Review Sites." I have examined the final electronic copy of this thesis for form and content and recommend that it be accepted in partial fulfillment of the requirements for the degree of Master of Science, with a major in Communication and Information.

Margaret Morrison, Major Professor

We have read this thesis and recommend its acceptance:

Sally McMillan, Daniel Haygood

Accepted for the Council: <u>Carolyn R. Hodges</u>

Vice Provost and Dean of the Graduate School

(Original signatures are on file with official student records.)

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> A Thesis Presented for the Master of Science Degree The University of Tennessee, Knoxville

> > Hyuk Jun Cheong December 2008

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#### Acknowledgements

I would like to express my gratitude to many people who helped me complete this thesis. First of all, I want to thank my extremely helpful thesis adviser Dr. Margaret Morrison. She has been my valuable mentor and my friend all the time that I have studied here. Her insights, patience and valuable time made me to achieve the master's degree at UT. I also would like to thank Dr. Sally McMillan and Dr. Daniel Haygood, my thesis committee members, for giving me insightful and valuable feedback into my thesis.

My special thanks goes to my family. I am deeply grateful for my parents for their continuous support and love. Their love and encouragements at difficult moments provided me energy, and made me strong enough to complete this thesis. Thank you very much, and I love you both. I also would like to share this moment with my sister and brother-in-law, who shared valuable knowledge and supporting me throughout my master's degree.

#### Abstract

This study is a partial replication of Fong and Burton's 2008 study. Fong and Burton (2008) conducted a cross-cultural study comparing Chinese and US Internet users in terms of willingness to engage in information-seeking and information-giving, utilizing Hofstede's (1980; 1991) individualistic/collectivistic cultural dimension.

The current study examines cross-cultural differences in the use of UGC between US and Korean consumers by conducting a content analysis of the discussion boards of six digital camera review sites based in the US and Korea. It content-analyzes 1871 online postings on discussion boards of US-based and Korea-based product review sites.

The study adopts Hofstede's (1980; 1991) individualistic/collectivistic dimension and Hall's (1981; 1990) cultural contexts (high-context & low-context cultures) as cultural dimensions, and found some cross-cultural differences and similarities between US and Korean Internet users by examining four hypotheses concerning US and Korean Internet users' willingness to engage in information-seeking, willingness to engage in information-giving, tendency to use implicit communication styles, and tendency to use explicit communication styles.

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#### Chapter 1

#### Introduction

Fong and Burton (2008) conducted a cross-cultural study comparing Chinese and US Internet users in terms of willingness to engage in information-seeking and information-giving, utilizing Hofstede's (1980; 1991) individualistic/collectivistic cultural dimension. This study partially replicates Fong and Burton's study by comparing Korean and US consumers. Fong and Burton (2008) content-analyzed 5993 online postings on US-based and China-based discussion boards, and found that there are some differences between collectivistic cultures (e.g., China) and individualistic cultures (e.g., the US). Chinese Internet users were more likely to engage in information-seeking, while US Internet users were more likely to engage in information-seeking, while 2008).

The current study content-analyzes online postings on six discussion boards on US-based and Korea-based product review sites. Only discussion boards on product review sites will be observed, in order to analyze exclusively brand- and product-related information. This study adopts Hofstede's (1980; 1991) individualistic/collectivistic dimension and Hall's (1981; 1990) cultural contexts (high-context & low-context cultures) as cultural dimensions, and examines four hypotheses concerning US and Korean Internet users' willingness to engage in information-seeking, willingness to engage in information styles, and tendency to use explicit communication styles.

#### Background of the Study

Since the Internet emerged a few decades ago, the geographical borders of the market place have significantly faded (Ko, Roberts, & Cho, 2006). Companies can implement global campaigns through Web sites with relatively low budgets, and consumers can look up product- or brand-related information without limitations of time or space. With the diminution of the geographical boarders of the market place, global marketers and online advertisers have been faced with the problems of whether and to what extent they should adjust their Web sites and the online advertising placed within other Web sites.

Adjusting company Web sites according to the nationalities of consumers may be important, because consumers from different cultures or environments may react differently to advertising and have different decision-making processes (Chen-Yu, Hong, & Lee, 2001). In fact, many online marketers have adjusted their Web sites for global consumers by offering either language options (e.g., <u>www.toyota.com</u> & <u>www.hyundaimotors.com</u>) or hyperlinks leading to localized Web sites (e.g., <u>www.canon.com</u> & <u>www.samsung.com</u>).

Even though global marketers and online advertisers have tried to prepare for global consumers by fine-tuning their Web sites, they do not seem to be prepared for a new trend in global consumers' site use called User Generated Content (UGC). UGC is very important for marketers because many UGCs are product- or brand-oriented (e.g., product reviews in online retail stores, brand recommendations in personal blogs, product-related discussion in online forums), and Internet users search brand- or productrelated UGC to get other Internet users' opinions for their purchase decisions. According to a recent study by Cheong and Morrison (2008), Internet users are more likely to trust peer recommendations found in UGC than marketer-generated product information found on manufacturers' Web sites or in online advertising. Cheong and Morrison (2008) provide insight into why people deem consumer opinions to be more credible than an advertiser's positive words. Consumers believe that brand recommendations and product information in UGC are based on experiences with the products or brands. They trust these experience-based comments more than online advertising because they think the consumers who posted the UGC have nothing to gain by posting comments, and, thus, are not likely to post untruthful comments (Cheong & Morrison, 2008).

Although some previous researchers (Riegner, 2007; Cheong & Morrison, 2008; Shu-Chuan & Kamal, 2008) have shown that UGC is crucial for global companies, global marketers have not considered it essential in performing global marketing because most UGC sites are geared towards social networks within a country, and because the postings on UGC sites based in different countries are composed in different languages. However, understanding UGC is vital for global marketers because they have to understand the media and behavior habits of the target consumers in order to successfully penetrate target markets.

In order to give some insight into the decision-making of global marketers, a few cross-cultural studies on electronic Word of Mouth (eWOM) have been conducted (Cheung, Anitsal, & Anitsal, 2007; Fong & Burton, 2006; Fong & Burton, 2008). These cross-cultural studies on eWOM are closely related to UGC because peer

3

recommendations and product-related opinions posted by Internet users tend to be conveyed through eWOM communications.

The first study by Cheung, Anitsal, and Anitsal (2007) explored the internal motivational factors of US and Chinese consumers to engage in WOM communication, utilizing qualitative in-depth interviews as its methodology. The researchers interviewed eight US consumers and eight Chinese consumers. The study found a few new motivational factors not discussed in previous literature, including three dimensions of altruism (i.e., altruism toward people with close social ties, altruism toward fellow consumers, altruism toward business organizations), seeking retaliation, seeking compensation, and seeking bargaining power (Cheung, Anitsal, & Anitsal, 2007).

Cheung et al. (2007) found that several motivational factors, such as the strength of social ties, expressing a sense of achievement, altruism, and seeking a therapeutic effect, were common between US and Chinese interviewees, while a few factors were not common to both groups. The factors which were not common between the two groups were seeking confirmation of one's own judgment, seeking retaliation, seeking advice, seeking correction/compensation, and seeking bargaining power. The first three factors were found only among Chinese participants, and the last two factors were found from only among their US counterparts (Cheung et al., 2007).

#### Cross-Cultural Studies by Fong and Burton

Since the current study partially replicates Fong and Burton's cross-cultural study (2008), their two cross-cultural studies pertaining to Chinese and US consumers' use of UGC in discussion boards are reviewed below in detail.

Using both online surveys and content analysis, the first of Fong and Burton's two studies (2006) was conducted to determine whether or not Chinese and Americans behave differently online as to how they use the electronic Word-of-Mouth (eWOM) found in US- and China-based discussion boards. Product-based discussion boards were searched through six Internet portals (US: eBay, Yahoo, Google; China: EachNet, Sina, Netease) with criteria recommended by Kozinet: the level of interaction and the amount of Web traffic (Kozinet, 2002).

Fong and Burton (2006) found that both Chinese and Americans deem information from discussion boards to be important, and that there is a slight difference between Americans and Chinese in terms of their information-seeking. High proportions of respondents in both countries indicated that they had requested a recommendation (US: 84.2%; China: 81.5%). However, the balance of information-seeking and -giving behaviors was different. Nearly 73% of the American respondents indicated that they had given a recommendation, while only 33.3% of the Chinese counterparts answered that they had offered a recommendation (Fong & Burton, 2006).

The second study by Fong and Burton (2008) is an extension of their 2006 study. They extended their study by conducting more content analyses; they did not utilize a survey for this study. The researchers (Fong & Burton, 2008) observed the contents of 5993 online postings in the same six discussion boards they had used in 2006. The postings were observed for a period of six months (March to May 2004 and March to May 2005). Again, they investigated US and Chinese consumers' tendencies to engage in information-seeking and information-giving, and found that China-based discussion board participants engaged in higher levels of information-seeking than did participants on the US-based discussion boards, while the Chinese engaged less in information-giving than their US counterparts (Fong & Burton, 2008).

Fong and Burton's studies (2006; 2008) have significant implications, because there have been a limited number of investigations on the information-seeking and giving behaviors related to eWOM in online discussion boards. No known cross-cultural study pertaining to eWOM in online discussion boards based in different countries was conducted before Fong and Burton's studies (2006; 2008).

#### About Korea

Korea was selected for the current cross-national study for several reasons. First, Korea is one of the biggest markets for the US. Korea is the seventh-largest US trading partner; it is larger than France or Taiwan. Korea is the sixth-largest country exporting high technology goods to the US, and the fifth-largest market importing US agricultural products. In fact, numerous US companies, including Ford Motor Company, Motorola, P&G, Citigroup Inc., Dell, eBay, Pfizer Inc., and McDonald's, are struggling to win competitions against domestic companies in Korea (US Commercial Service, 2007).

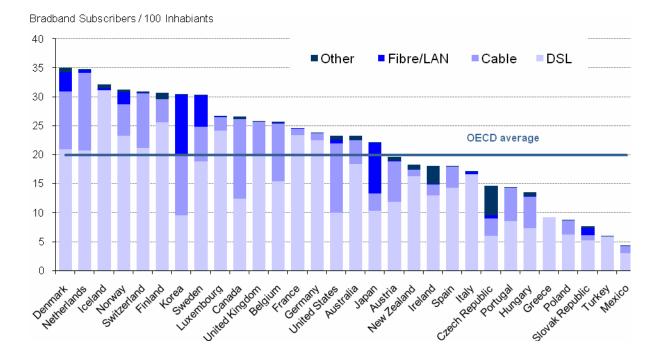
Second, Korea is one of the most digitalized countries in the world, and remains the leader in the Asian-Pacific region in terms of its Internet infrastructure and broadband penetration rate (Euromonitor International, 2008). Table 1 gives basic information concerning the Internet populations of Korea and the US.

	Korea	US
Population	48.84 million	304.92 million
Internet Users	35.00 million (71.6%)	216.62 million (71.0%)
PCs in Use	28.73 million	216.44 million

Table 1. Basic Information About Korean and US Internet Populations

Source: Euromonitor International, 2008.

According to a recent Organization for Economic Co-operation and Development (OECD) Report (2007), the broadband penetration rate in Korea is very high (Figure. 1). The number of broadband subscribers passed 30 subscribers per 100 inhabitants; the US, in contrast, is ranked  $15^{\text{th}}$  with 23 broadband subscribers per 100 inhabitants. The country with the highest broadband penetration rate, Denmark, has 35 broadband subscribers per 100 inhabitants. Korea is the leading country in terms of the proportion of high-speed Internet subscribers. The proportion of fiber optic line/LAN (Local Area Network; 1 - 108 Mbps) and cable users among broadband services is much higher than that of DSL (Digital Subscriber Line; 512 Kbps – 8 Mbps) users.



*Figure 1. OECD Broadband Subscribers Per 100 Inhabitants, By Technology, December 2007* Source: OECD, 2007.

Third, Korea is a typical Oriental country, which is rather different from Western countries such as the US. As previous research studies have indicated, consumers from different countries have different decision-making processes, and engage in different levels of information searches before they make a purchase decision (McGuiness, Campbell, Leontides, 1991; Long-Chuan, Rose, Blodgett, 1999; Jarvenpaa & Tractinsky, 1999). Supporting this idea, Samiee (2001) asserted that culture is the single most critical factor influencing international marketing on the Internet. In international marketing, comparative cross-cultural studies are often needed by marketers in order to figure out the cultural differences of foreign countries. For this reason, the present cross-cultural study will offer marketers useful information regarding how collectivistic cultures are different from individualistic cultures in terms of information-giving/seeking, and how high-context cultures are different from low-context cultures in terms of opinion-giving styles (i.e., direct vs. indirect).

#### Purpose of the Study

This study is a partial replication of Fong and Burton's study (2008). It examines cross-cultural differences in the use of UGC between US and Korean consumers by conducting a content analysis of the discussion boards of six product review sites based in the US and Korea. The topics of all six review sites are relevant to one particular type of product – digital cameras. Digital cameras were chosen for the current study because they are one of the most popular product categories about which Internet users search information online and post their opinions (Riegner, 2007). Digital cameras are also relatively pricey, complex, and easy to purchase online. Consumers are twice more likely to be influenced by UGC if they make an online purchase than an offline purchase (Riegner, 2007).

This cross-national study adopts Hofstede's (1980; 1991) individualism/collectivism dimension from his well-known five cultural dimensions and Hall's (1981; 1990) cultural contexts (high- vs. low-context cultures) to see if they differ between the two cultures. The two dimensions are adopted for the present study because both can help to explain the cultural differences between the two countries. According to Taylor, Wilson, and Miracle (1994), both dimensions are the most prominent dimensions by which to examine cross-national differences. Although Fong and Burton's study (2008) used Hall's (1981; 1990) cultural contexts only to explain Hofstede's (1980; 1991) individualism/collectivism dimension, the current study will utilize Hall's cultural contexts more deeply than did Fong and Burton to figure out cultural differences across US and Korean Internet users' communication styles when they are engaged in opinion-giving.

Korea is a highly collectivistic country, whereas the US represents a typical individualistic country (Hofstede, 1991). According to Cho, Kwon, Gentry, Jun, and Kropp (1999), Korea represents a typical collectivistic country with a high degree of power distance, low degree of masculinity, and high degree of uncertainty avoidance, whereas the US is characterized by a high degree of individualism, low degree of power distance, high degree of masculinity, and low degree of uncertainty avoidance.

Both countries also show big differences in terms of cultural contexts. Korea is said to be a high-context culture, while the US is a low-context culture (Hall, 1981; 1990). The two adopted cultural dimensions (i.e., the individualism/collectivism dimension and cultural contexts) will be explained more thoroughly in the Literature Review chapter.

#### Implications of the Study

Global companies are struggling to give positive impressions to global audiences via their Web sites. However, most companies do not seem to have established robust strategies regarding the brand- or product-related information found in UGC. Internet users share product-related information and pre- and post- purchase experiences through UGC, and, thus, consumers build brand perceptions based on the information found in UGC. In fact, consumers judge brands and products based on peer recommendations found in social networking sites (SNS), online retail stores, and discussion boards of product review sites almost as much as on online advertising or company sites (Riegner, 2007). Even though consumers use all of these sites for WOM communication, this study will focus on UGC in the discussion boards of product review sites because brand-related information and product recommendations mostly appear in online discussion boards, and the contents in discussion boards usually focus on a particular product category.

This cross-national study offers analyses of consumers in both individualistic and collectivistic countries by comparing US and Korean consumers in terms of how they utilize the Internet for information-sharing. Understanding how Internet users share product-related information and peer recommendations will help marketers to be more successful with their target markets, and assist online advertisers in executing global campaigns.

The current study has its implications for scholars as well, since it is the first cross-cultural study comparing US and Korean consumers in terms of their use of brand-related UGC. Even though many other Korean communication and marketing scholars have conducted a plethora of cross-cultural studies comparing Korean and US consumers, no known cross-cultural study with regard to UGC has been conducted yet. Further, only a few cross-cultural studies regarding Korean consumers' online behaviors have been carried out thus far (Ko, Jung, Kim, & Shim, 2004; Kim & Lee, 2006; Ko, Roberts, & Cho, 2006; Choi, Hwang, & McMillan, 2008).

Ko et al. (2004) investigated perceived risk during online shopping with a sample of US and Korean consumers, and found that they had similar levels of perceived risk. The levels of perceived risk were rather different, based on consumers' experiences with online shopping, for both the countries; the perceived risk was higher for inexperienced online shoppers than for frequent online shoppers for both the US and Korean consumers (Ko et al., 2004).

Kim and Lee (2006) conducted a cross-cultural study comparing US and Korean consumers' reactions to Web site qualities. The major findings of their study were that consumers from both countries reacted to online retail site qualities based on different dimensions; the US sample responded more to integrated communications, trust, and innovativeness, whereas the Korean sample responded more to informational fit-to-task, visual appeal, and flow-emotional appeal (Kim & Lee, 2006).

Ko et al. (2006) examined cross-cultural differences across US and Korean Internet users' motivations for using the Internet and US and Korean Internet users' interactivity on a Web site, using cultural context as a cultural dimension to explain the differences between the countries. They found that people from low-context cultures such as the US had more information motivation, whereas people from high-context cultures such as Korea had more social interaction motivation. These findings were consistent with other cross-cultural studies with regard to the offline behaviors of people from different cultural contexts (Ko et al., 2006).

Choi, Hwang, and McMillan (2008) conducted a cross-cultural study examining US and Korean consumers' attitudes toward mobile advertising, advertising effectiveness (i.e., purchase intention), and perceived values of mobile advertising. They investigated these with data collected from a sample of 629 Korean and US college students who were recruited from the two countries. A major finding of the study is that the US consumers have more positive attitudes toward mobile advertising, higher purchase intentions, and more favorable perceived values than do the Korean counterparts. The study also indicates that the US consumers rank key independent variables such as entertainment, informativeness, and interactivity more favorably than do their Korean counterparts (Choi, Hwang, & McMillan, 2008).

In this chapter, brief background information of the study (e.g., Fong and Burton's cross-cultural studies and general information of Korea), and the purpose and implications of the current study were provided. The following chapter reviews previous literature regarding Web 2.0, User-Generated Content (UGC), and two cultural dimensions: individualism and collectivism and high-context cultures and low-context cultures.

#### Chapter 2

#### **Literature Review**

#### Web 2.0

Since its emergence, the Internet has rapidly become an essential tool for billions of people all over the world. A variety of people use the Internet when they pay bills, read newspapers, search information, watch news, manage bank accounts, purchase and bargain for products, monitor the lives of others, develop social networks through blogs such as MySpace and Facebook, share information through UGC sites, and exchange opinions through online forums (Cheong & Morrison, 2008).

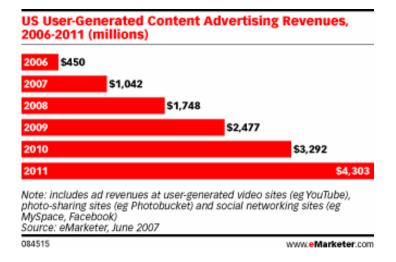
Even though some of these online activities have existed from the early stages of the Internet, others such as blogging (e.g., MySpace.com; Facebook.com), informationsharing (e.g., Wikipedia.org), video-sharing (e.g., YouTube.com), and photo-sharing (e.g., flickr.com) appeared only a few years ago. These newly emerged forms of online activities are based around social computing; the Web sites which contain much UGC are thus called social networking sites (SNS) (Musser, 2006).

Web 2.0 is a recently generated term, coined by O'Reilly Media Inc. in 2005, to explain new trends in Internet users' activities (O'Reilly, 2005). This new idea has been defined by Musser (2006) as follows:

A set of economic, social, and technology trends that collectively form the basis for the next generation of the Internet -- a more mature, distinctive medium characterized by user participation, openness, and network effects. (O'Reilly, 2005, p. 4)

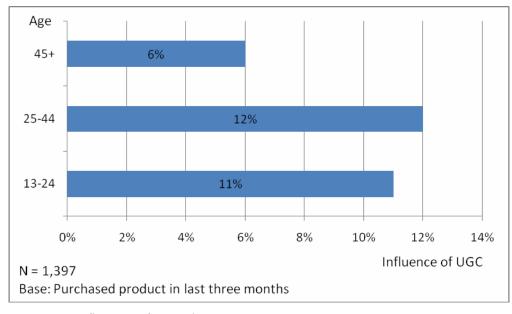
Web 2.0 has its uniqueness in terms of its content creators. Under the Web 2.0 environment, a plethora of content is created by normal Internet users; it is called User-Generated Content (UGC). Sergey Brin, a co-founder of Google, described the emergence of Web 2.0 as the appearance of a "whole new ecosystem" of the World Wide Web (Goo, 2006).

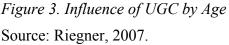
Web 2.0 has significant implications for advertising practitioners and marketers because its emergence has profoundly changed the Web environments by providing platforms for UGC (Riegner, 2007). UGC, also known as consumer-generated media (CGM), has generated a variety of niche markets within the media landscape that attracted around 70 million online users, and created more than \$450 million in advertising revenue in 2006 (Verna, 2007). UGC is expected to generate \$4.3 billion in advertising revenue by 2011, more than four times what UGC in US-based sites generated in 2007 (eMarketer, 2007). UGC sites are now one of the most attractive media for advertisers. For example, MySpace surpassed Yahoo in terms of online display advertising; MySpace drew 56.8 billion ad views, while Yahoo drew 53.1 billion advertising views in June 2008 (Reuters, 2008).



*Figure 2. UGC Advertising Revenues 2006 – 2011* Source: eMarketer, 2007.

Web 2.0 has rapidly penetrated consumers' lives. More than 63 million people in the US read at least one blog a month, and 24 million people visit YouTube per month (Fulgoni, 2007). The adoption of Web 2.0 has occurred more hastily within younger generations; more than 55% of teens maintain social networks online, and around half (48%) visit social network sites at least once a day (Lenhart & Madden, 2007). Older consumers, in contrast, are less likely to adopt Web 2.0. According to a survey conducted by Riegner of more than 4,000 Internet users, only 6% of Internet users aged 45 and over indicated that they are influenced by UGC, while around 11% of Internet users aged 13-24 answered that UGC is influential in their social lives (Riegner, 2007). Although older generations do not seem to be big fans of Web 2.0, it is crucial to marketers because younger people will be turning into major consumers shortly. Figure 3 shows the degree of influence of UGC by age.





The influence of Web 2.0 is significant for marketers for another reason. Consumers are more likely to trust peer recommendations than any kind of advertising. Since UGC is created by ordinary Internet users, other Internet users assume that brandrelated opinions and peer recommendations in UGC are not influenced by companies, and, thus, they are considered more credible than advertising generated by marketers; consumers know that marketers tend not to give negative information about their products (Cheong & Morrison, 2008).

UGC is tremendously influential in marketing contexts because Internet users are not "bound by standards of objectivity," and "most have strong views that they express openly" (Johnson & Kaye, 2004, p.624). UGC, therefore, involves both positive and negative information about products. As the literature has shown, consumers tend to engage in product-related WOM communications when they are either very satisfied or

very dissatisfied (Anderson, 1998). Anderson (1998) proposed a utility-based model with

a U-shaped function that shows the tendency for very satisfied and very dissatisfied

consumers to engage in WOM communications. This influences marketers critically

because consumers tend to perceive brand images through WOM communications

(Arndt, 1968; Bearden & Etzel, 1982; Anderson, 1998).

#### User Generated Content (UGC)

UGC, a core idea of Web 2.0, has been defined by the Interactive Advertising

Bureau (2008) as follows:

User Generated Content (UGC), also known as consumer-generated media (CGM), refers to any material created and uploaded to the Internet by nonmedia professionals, whether it's a comment left on Amazon.com, a professional-quality video uploaded to YouTube, or a student's profile on Facebook. UGC has been around in one form or another since the earliest days of the Internet itself. But in the past five years, thanks to the growing availability of high-speed Internet access and search technology, it has become one of the dominant forms of global media. (Interactive Advertising Bureau, 2008, p. 1)

UGC has been regarded as a 'new media revolution' because it has been changing the online environment rapidly. Over 110 million Internet users own blogs, and approximately 175,000 blogs are newly launched every day (Technorati, 2007).

The effects of UGC on marketing contexts are even more significant. For

example, approximately half of all bloggers post brand- or product-related information at

least once a week, and around 77% think blogging is a useful way to get product

information for their purchases (Armstrong, 2006). Furthermore, UGC does not influence

only a few people for a short duration; it influences numerous consumers for many years.

Consumer opinions, once expressed on the Web, last long and reach everywhere (Graham & Havlena, 2007). Even though an online user answered a question posted by another online user, the effect of the answer is not limited to one person; millions of people who have the same curiosity visit the same pages over and over again.

#### Early Forms of UGC

Actually, Internet users have been influencing each other since the beginning of the World Wide Web. The Internet users have affected their peers via e-mail, Usenet, Instant Messaging, and discussion boards.

Early forms of UGC appeared almost as early as the Internet appeared a few decades ago; Internet users read and posted public messages on Usenet, a global discussion network that enables Internet users to share their opinions and experiences on a given topic (Interactive Advertising Bureau, 2007).

A few rating sites, which allowed users to rate subjects based on any number of criteria, appeared in the 1990s. The subjects of those sites were various--from physical appearance (e.g., ratemyface.com and hotornot.com) to professional competence (e.g., ratemyprofessors.com). These early forms of online rating sites made a plethora of people interested in UGC by creating a controversy about a possible invasion of privacy. Such controversies, in turn, made UGC sites more common and influential (Interactive Advertising Bureau, 2007).

#### Product Review Sites

Review sites, especially product-related review sites, are one of the most influential types of UGC sites for product purchase decisions. In product review sites, consumers share brand-related opinions and pre-purchase experiences, and, thus, they can help other site users make informed purchasing decisions. Most of these review sites are grouped by product categories such as automobiles, digital cameras, notebooks, and tourism (Interactive Advertising Bureau, 2007).

Many product review sites include discussion boards, along with review pages and product-related news pages. The questions and answers in the discussion boards are usually posted by the sites' users; Internet users visit product review sites in order to get insights into product information, and they go to discussion boards specifically to get product recommendations from their peers. (Interactive Advertising Bureau, 2007)

These discussion boards have huge influential powers. A recent Nielsen study (2007) reported that consumer recommendations placed in the discussion boards are the most trusted form of advertising. More than 75% of the respondents from 47 global markets across the world rated consumer recommendations as the most trusted form of advertising (newspapers: 63%; TV and magazines: 56%; online ads: 34%).

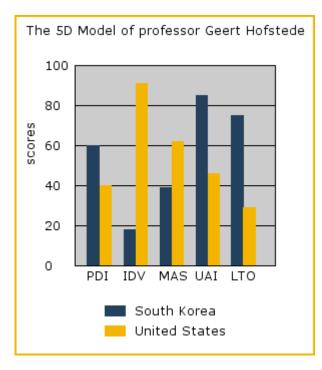
#### Cultural Dimension: Individualism and Collectivism

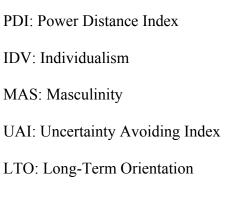
This current cross-cultural study adopts the individualism/collectivism dimension to examine US and Korean Internet users' willingness to engage in information-seeking and information-giving behaviors. The individualism/collectivism dimension was used by Fong and Burton (2008) in their original study on which the current study is based.

#### Hofstede's Five Cultural Dimensions

Hofstede's (1980; 1991) five cultural dimensions are the most frequently and widely adopted dimensions of cultures (Taylor, Miracle, & Wilson, 1997; Jarvenpaa & Tractinsky, 1999; Singh, Hongxin, & Xiaorui, 2005; Laroche, Kalamas, & Cleveland, 2005; Ko, Roberts, & Cho, 2006; Cheung, Anitsal, & Anitsal, 2007). He suggested that different nations may have different cultural values, and, thus, each country can be classified in terms of five underlying dimensions. The five dimensions include power distance, individualism/collectivism, masculinity/femininity, uncertainty avoidance, and long-term/short-term orientation (Hofstede, 1980). For explanations of the five cultural dimensions, see Appendix A.

Previous research studies conducted by Hofstede (1980; 1991) illustrate the differences between Korea and the US in terms of the five dimensions. Hofstede (1991) classified Korea as having a low degree of individualism (Score: 18/100), while the US scores 91 on the same dimension. This means Koreans are less independent and rely more on others' opinions, while Americans place more value on self-reliance and independence. In terms of power distance, Korea scores higher (60) than the US (40); Koreans are more likely to accept and expect that power is distributed unequally. Hofstede (1991) described Korea as having a low degree of masculinity (39) and the US with a high degree of masculinity (62). The difference in masculinity suggests that Americans are more assertive and competitive than Koreans. In terms of uncertainty avoidance, Korea scores much higher (85) than the US (46). This suggests that Koreans do not make decisions if they are not certain about the whole situation. In contrast, Americans tend to make a decision even though they are not sure about their situation (ITIM International, 2008). Figure 2 shows the cultural differences between the two countries in terms of Hofstede's (1980; 1991) five cultural dimensions.





*Figure 4. Cultural Dimensions of Korea and US* Source: ITIM International, 2008

#### Individualism and Collectivism

Similar to Fong and Burton (2008), Hofstede's dimension of individualism and collectivism is adopted to set up hypotheses concerning the degree of willingness to engage in information-seeking and information-giving. According to Triandis (1990), the individualism and collectivism dimension is the most important dimension in analyzing social behaviors. The dimension fits this study well, since Korea is a typical Asian country with a low degree of individualism (indicating a high degree of collectivism), and the US, in contrast, ranked the highest among the 53 countries which Hofstede analyzed in terms of their individualistic behavior (Hofstede, 1991). Hofstede (1991) defined individualism and collectivism as follows:

Individualism pertains to societies in which the ties between individuals are loose: everyone is expected to look after himself or herself and his or her immediate family. Collectivism as its opposite pertains to societies in which people from birth onwards are integrated into strong, cohesive ingroups, which throughout people's lifetime continue to protect them in exchange for unquestioning loyalty. (Hofstede, 1991, p.51)

The degrees of individualism and collectivism influence consumers critically when they search information before a product purchase (Ordóñez de Pablos, 2005). According to Ordóñez de Pablos (2005), collectivistic countries such as Korea (score in individualism: 18) and China (20) rely more on reference groups for their information sources, whereas individualistic cultures such as the US (91) and the UK (89) rely less on others' opinions and make individual decisions because they place greater value on independence and self-reliance; people in individualistic cultures also tend to express their opinions more than do the people in collectivistic cultures. For example, Chinese are more likely to rely on online reference groups for their information sources, while Americans are more likely to engage in opinion-giving (Fong & Burton, 2006; 2008).

As shown in Figure 4, Korea is characterized as a collectivistic country (Hofstede, 1980; 1991); numerous research studies support this idea (Hoare & Pares, 1988; Triandis, 1990; Laroche, Kalamas, & Cleveland, 2005; Ordóñez de Pablos, 2005; Kim & Lee, 2006). Korean consumers, as members of a collectivistic culture, highly value dependency on the opinions of group members from their reference groups (Hoare & Pares, 1988). Supposedly, Korean consumers are more likely to search others' opinions from their reference groups before they make a product purchase decision. With that in mind, the following hypothesis is posed: H1. Korean Internet users engage more in information-seeking in discussion boards to gain others' opinions and product recommendations than US consumers do.

The literature also suggests that there are differences between collectivistic cultures and individualistic cultures in terms of opinion-giving (Fong & Burton, 2006; 2008). Laroche et al. (2005) explained the differences using an "T" versus "we" concept. People from different cultures behave differently because they value different social units. In collectivistic cultures, people place high value on groups (we), so they are more likely to follow group norms and maintain hierarchies. This is partially correlated with the degree of power distance. Many North East Asian countries (e.g., Korea, Japan, and China) have high degrees of power distance (Eng & Kim, 2006). In order to maintain hierarchies, group members are often required to hide their opinions. People in individualistic cultures, in contrast, are more encouraged to speak their opinions in public than are the people in collectivistic cultures, because individualistic cultures highly value self-reliance, independence, and freedom of speech (Hofstede, 1980). They are less dedicated to maintaining a hierarchy than are collectivistic cultures (Laroche et al., 2005).

Therefore, it is reasonable to expect that group members in collectivistic cultures are less likely to engage in opinion-giving, and individuals in individualistic cultures are more likely to engage in opinion-giving. With that in mind, the following hypothesis is posed: H2. US Internet users engage more in information-giving in discussion boards to express their opinions and product recommendations than Korean consumers do.

Fong and Burton (2008) examined the same hypotheses in their study. The current study adopted their hypotheses and modified the nationalities of Internet users from Chinese to Korean to examine the differences between US and Korean Internet users.

#### **Cultural Dimension: Cultural Contexts**

Hall's (1981; 1990) cultural context is another cultural dimension used in this cross-national study. Even though Fong and Burton (2008) utilized cultural context only to explain individualism and collectivism, the current study adopted it to examine the communication styles of US and Korean Internet users.

With the cultural context, countries can be classified into two types: high- and low-context. They are categorized in terms of the amount of information that people can manage comfortably (Keegan & Green, 2000). Hall (1981) described the US as a typical low-context culture, along with Western European countries, and gave Asian countries, including Korea, as examples of high-context cultures. High-context cultures such as Asian and African countries use indirect and implicit communication styles, but lowcontext cultures, in contrast, have explicit and direct communication styles (Taylor, Miracle, & Wilson, 1997). For example, advertisements in high-context cultures tend more to be relational, intuitive, and contemplative, while those in low-context cultures are more likely to be analytical and action-oriented (Taylor, Miracle, & Chang, 1994). Hall (1981) defined the communication styles of a high-context culture and a low-context culture as follows:

A high context (HC) communication or message is one in which most of the information is already in the person, while very little is in the coded, explicit, transmitted part of the message. A low context (LC) communication is just the opposite; i.e., the mass of the information is vested in the explicit code. (Hall, 1981, p.79)

Cultural context has been deemed an efficient tool to examine cultural differences in communication styles and message contents (Batra, Aaker, and Myer, 1995). This cultural dimension is valuable because it offers a useful way to measure intangible differences between nations (Ko et al., 2006). Batra et al. (1995) actually found that there is a significant difference between high-context cultures and low-context cultures in terms of the contents in advertisements and the reactions to them.

People in low-context cultures tend to prefer verbalizing messages with much more background information, and are not likely to be well-informed on topics which are not in their interests (Ko et al., 2006). People in low-context cultures enjoy expressing their personal thoughts, and tend to place value more on individuals (Taylor, Miracle, & Chang, 1994). People in high-context cultures, in contrast, usually use implicit communication styles, and are likely to be well-informed on subjects outside of their interests because they have a wider "network" (Ko et al., 2006, p.94). Since they have implicit and indirect communication styles, messages are harder to understand than in low-context cultures (Ko et al., 2006).

Hofstede (1980) describes cultural contexts as a cultural dimension which is strongly correlated with individualism and collectivism. A variety of countries with highcontext cultures such as Asian countries are collectivistic (e.g., Korea and Japan), while numerous countries with low-context cultures such as North American and Western European countries are rather individualistic (e.g., the US).

Cultural contexts affect consumers significantly when it comes to informationseeking and -giving because people with different cultural contexts have different methods of communication. Cultural contexts also have implications for advertising. Previous studies on global advertising have utilized cultural contexts in comparing directversus-indirect communication, verbal-versus-nonverbal advertising messages, small amounts of information versus large amounts of information, and intuitive-versusanalytic advertising messages (Taylor, Miracle, & Chang, 1994). Taylor et al. (1994) examined the differences in advertising between high-context cultures and low-context cultures in terms of the execution and message strategies in television commercials. They observed over 3,000 Japanese, Korean, and US TV commercials and measured several variables. They found that TV commercials in high-context cultures are more likely to have indirect and nonverbal messages with small amounts of information, while TV commercials in low-context cultures tend more to involve direct/verbal messages and large amounts of information (Taylor et al., 1994).

People in low-context cultures tend to be more encouraged to express their opinions than those in high-context cultures, and are more likely to use direct and explicit communication styles. With that in mind, the following hypothesis is posed: H3. US Internet users are more likely than Korean Internet users to give direct recommendations (e.g., a direct recommendation with a specific brand name) with larger amounts of information when they are engaged in opinion-giving.

As high-context cultures prefer indirect and ambiguous communication styles, they may have different styles of opinion-giving when they offer opinions online. People in high-context cultures may have tendencies to give product recommendations with a smaller amount of information and without mentioning direct brand or product recommendations. With that in mind, the fourth hypothesis is posed as follows:

H4. Korean Internet users are more likely than US Internet users to give indirect recommendations (e.g., a recommendation without a specific brand or product name) with smaller amounts of information when they are engaged in opinion-giving.

In this chapter, four hypotheses were proposed based on reviews of previous literature regarding Web 2.0, UGC, discussion boards of product review sites, and, in order to set up research questions, two cultural dimensions: Hofstede's (1980; 1991) individualism and collectivism; Hall's (1981; 1990) high-context cultures and lowcontext cultures. The next chapter describes the methodology used for the study: the selection of the sample, units for measurement, and coding procedures.

## Chapter 3

## Methodology

This study investigates cross-cultural differences between Korean Internet users and US Internet users in terms of information-sharing behaviors and use of UGC. To test the proposed hypotheses, a content analysis of the discussion boards of six digital camera review sites based in the US and Korea is utilized. A coding sheet for the content analysis was obtained from Fong and Burton's 2008 study, and modified to fit the current study (See Appendix B). To examine each hypothesis of the present study, the following units were measured.

H1. Korean Internet users engage more in information-seeking in discussion boards to gain others' opinions and product recommendations than US consumers do.

- Web site country
- Whether or not an online posting has direct requests for camera recommendation
- Numbers of questions in an original posting

H2. US Internet users engage more in information-giving in discussion boards to express their opinions and product recommendations than Korean consumers do.

- Web site country
- Number of online responses per original posting

## H3. US Internet users are more likely than Korean Internet users to give

direct recommendations (e.g., a direct recommendation with a specific brand name)

with larger amounts of information when they are engaged in opinion-giving.

- Web site country
- Whether or not the online response has brand or product references
- Number of words per online response

H4. Korean Internet users are more likely than US Internet users to give indirect recommendations (e.g., a recommendation without a specific brand or product name) with smaller amounts of information when they are engaged in opinion-giving.

- Web site country
- Whether or not the online response has brand or product references
- Number of words per online response

The current cross-cultural study employed a content analysis as the methodology, similar to Fong and Burton's previous study (2008). A content analysis was selected as the methodology because it is one of the most widely adopted methods for ethnography and cultural studies. Content analysis is a great way to find international differences in communication contents (Berelson, 1971), and also helps researchers to have direct understanding of social interaction by allowing them to look directly at texts in communication (Busch et al., 2005).

The same methodology as in Fong and Burton's (2008) study was utilized for this cross-cultural study for three reasons. First, Hypotheses 1 and 2 of this study are essentially the same as Hypotheses 1 and 2 of Fong and Burton's study. The only difference is that this study uses Korean Internet users instead of Chinese Internet users. Second, both studies use the same cultural dimension (i.e., individualism/collectivism) to generate the first two hypotheses. Third, many of the same units were coded for measures: the author's pseudonym; Web site country; Web site name; date of posting;

direct requests; number of questions asked in an original posting; number of online responses containing product recommendations; number of online responses containing brand or product references; and the word count of each online response. Although Fong and Burton (2008) observed country of origin (CoO) effects, the current study did not measure them, since this study does not investigate CoO effects; Fong and Burton (2008) examined two hypotheses concerning the willingness to engage in information-seeking and information-giving behaviors and two hypotheses regarding Country of Origin (CoO) effects by observing online postings in China-based and US-based discussion boards.

Data gathering for this study was occurred over a one-month period (September 2008). Although Fong and Burton observed for six months, this study focuses on only one month because the author has only one month for data collection and analysis. After the defense of this thesis, the author will extend the study with observations of the discussion boards for five more months.

## Sample

Online postings in the discussion boards of six digital camera review sites were used as units of analysis for the current study. Online digital camera review sites were chosen as samples of this study for three reasons. First, online review sites are one of the most frequently visited Web sites when consumers search for product-related information or brand recommendations (Riegner, 2007). Consumers visit online review sites since they can easily locate information related to products they are planning to purchase; the subjects on most review sites are based around one particular type of product (e.g., Edmunds.com – automobiles; dpreview.com – digital cameras; apartmentratings.com – apartments).

Second, product review sites are third-party, independent Web sites which are not affiliated with product manufacturers. Observing product- or brand-related information on third-party, independent product review sites is important because consumers deem the sites not to be controlled by companies (Sussan, Gould, & Weisfeld-Spolter, 2006).

Third, there are plenty of digital camera review sites online, and many of them are actively used by Korean and US consumers. Digital cameras are one of the most popular electronics for both Korean and US consumers, and are frequently searched online because they are easy to purchase online (Riegner, 2007).

The review sites included in this study are *Digital Photography Review* (www.dpreview.com), *Steve's Digicams* (www.steves-digicams.com), *Digital Camera Resource Page* (www.dcresource.com), *DC Inside* (dica.dcinside.com), *SLR Club* (www.slrclub.com), and *Dizin* (www.dizin.co.kr). The former three sites are US-based digital camera review sites, and the latter three are Korea-based review sites. All of the six sites have discussion boards in their menus, which are used by numerous consumers in each country.

## Selection of Review Sites

Review sites for analysis were selected through two steps. First, the researcher searched digital camera review sites via the most popular Internet portal sites in both the countries (the US: Ebay.com, Google.com, & Yahoo.com; Korea: Auction.co.kr, Naver.com, & Daum.net). The three US Internet portal sites were adopted from Fong and Burton's 2008 study, and the three Korean Internet portal sites were selected based on their popularity. Fong and Burton (2008) used the same three US Internet portals and three popular Chinese Internet portal sites (i.e., EachNet, Sina, and Netease). Ebay is the biggest and most well-known online auction site in the US. Google is the biggest portal site in the US; Google ranked as the top Internet portal in the US with 37.1 billion searches conducted in August 2008. Yahoo is the second-biggest Internet portal site in the US with 8.5 billion searches (ComScore, 2007). Auction, owned by Ebay, is the leading auction site in Korea; it was founded by a Korean company, but was soon merged with Ebay in the late 1990s (Alexa, 2008). Naver is the biggest Internet portal site in Korea (Alexa, 2008; Hoare, 2007); it ranked as the leading search engine provider in Korea (Alexa, 2008; Hoare, 2007); it company. Dut was soon were popular with Korean Internet users for its email service and its online communities.

Second, the six review sites were selected based on criteria developed by Kozinets (2002); the criteria recommended are a high level of interaction and a sufficient amount of Web traffic. These criteria were also adopted from Fong and Burton's 2008 study. Alexa, the Web information company, was used to measure Web traffic and the level of interaction of the US-based Web sites. According to Alexa (2008), *Digital Photography Review* (www.dpreview.com) is the most-visited digital camera review site in the US, and *Steve's Digicams* (www.steves-digicams.com) is the fourth-visited digital camera review site in the US. Even though *Steve's Digicams* is not the second-mostvisited digital camera review site, the site was included in this study because the second and the third digital camera review sites do not have discussion boards in their menus. *Digital Camera Resource Page* (www.dcresource.com) is the fifth-most-visited digital camera review site. The Korea-based review sites were also chosen via Alexa. According to Alexa (2008), *DC Inside* (dica.dcinside.com) is the leading digital camera review site in Korea. It is the most-visited digital camera review site as well as the seventh-mostvisited Web site in Korea. *SLR Club* (www.slrclub.com) is the second-most-visited Korea-based digital camera review site (Alexa, 2008). Although the site was founded for users of digital Single-Lens Reflex (SLR) cameras, the site now has many contents related to point-and-shoot cameras as well. The third-most-popular Korea-based digital camera review site is *Dizin* (www.dizin.co.kr). The site has numerous digital camera reviews and digital camera-related news. All six sites have discussion boards in their menus, and the discussion boards are actively used by various US and Korean Internet users.

## Coding Procedures

The observation of the discussion boards was conducted by the bilingual author and two recruited bilingual coders. The first coder (the author of the study) and the second coder evaluated online postings to analyze information-seeking behaviors, and the first, second, and third coders evaluated online responses in response to online postings which incorporated direct requests for camera recommendations. The third coder was additionally recruited to evaluate online responses because of the number of online responses (N=2023, Table 6). Both the second and third coders were recruited based on the extent of their understanding US and Korean cultures and their language skills. Both the coders had lived in the US for several years, and were fluent in both English and Korean.

To assess inter-coder reliability, the study utilized Perreault and Leigh's (1989) Index of Reliability (IR). Perreault and Leigh's (1989) IR was employed because it is deemed a better measure of reliability than other measures such as percentage agreement, coefficient of reliability, Scott's  $\pi$ , or Cohen's Kappa (Cho & Khang, 2006).

For training purposes, before coding online postings, the author explained to the second coder the basic information of the study such as the purpose of the study and the four hypotheses, and then showed several exemplary codings. The author and the second coder next individually evaluated the first fifty online postings in US-based discussion boards and fifty online postings in Korea-based discussion boards. Perreault and Leigh's IR was .91 in this stage. After coding the one hundred online postings, the author and the second coder resolved disagreements by discussion, and coded a further random sample of one hundred online postings for inter-coder reliability's sake. After coding a hundred random postings, both coders checked the coding together, and found that the estimate of inter-coder reliability on each category was satisfactory (>.80) (Perreault & Leigh, 1989). The Perreault and Leigh's IR was 1.0 for Web site country, Web site name, author, and date of topic started; .90 for direct requests; and .87 for the number of questions in an original posting.

After the analysis of online postings by the author and the second coder, the third coder was recruited by the author, and trained by both the author and the second coder. In the training session, the author and the second coder explained to the third coder brief

information about the study including the purpose of the study and the four proposed hypotheses, and then showed how to code the numbers of words and brand references with twenty postings. Next, all three coders coded a random sample of eighty postings together: forty postings in the US-based discussion boards and forty postings in the Korea-based discussion boards. While coding together, the coders found a few disagreements on the numbers of words and brand references. During the discussion session, two kinds of disagreements were identified. First, the coders found that some discussion board users included questions from original postings, as shown in the following example:

**Imported-optics wrote:** Does the Pentax have a wide range of lenses including 3rd party (i.e., Sigma) and lenses from an earlier time like 35mm film lenses mountable on the K200d?

Not as wide as Canon and Nikon, but yes.

**imported-optics wrote:** Same with the Olympus 510 does it have a wide var. of lenses even some that date back to the 35mm age?

No. When Olympus went digital, they abandoned their mount and developed something new: the 4/3 Mount. No old Olympus lenses will mount to new Olympus bodies. And the selection of OEM lenses is small and expensive, and third party lenses are rare.

**imported-optics wrote:** I am a serious amateur looking to shoot anything from wildlife to athletics to landscapes to macro. I will be buying a 35mm slr body of the same brand I decide.

I.E. If I go with the K200d I'll buy a pentax 35mm body. Same with Olympus. Hence me wanting a lens mount on the digital that can switch. So I can take off my prime lens from the DSLR and swap it with the telephoto lens from the 35mm.

Only Canon and Nikon still make 35mm film SLRs. You can get a used Pentax 35mm film SLR that can use the same lenses, but not so with the Olympus. In addition, most dSLRs use image sensors

that are smaller than a 35mm film exposure, so the same lens will have a different angle of view on a dSLR as it does on a film SLR. [September 8, 2008, *Steve's Digicams*]

The number of words used in this example would be 117 if the coders counted only the opinions generated by the writer, whereas the number of words would be 253 if the questions from the original postings were also counted. The author decided not to measure the copied parts from the original postings because the parts were not actual opinions given by the writers of camera recommendations. So, the number of words of this exemplary posting is 117.

Another disagreement was whether or not the coders consider online postings which included only product model names, without mentioning brand names, as brandreferred online postings. For example, some discussion board users posted online postings mentioning only product names such as "SD880IS," "D90," and "A700" without providing brand names such as "Canon," "Nikon," and "Sony." The coders decided to code these online postings as brand-referred postings because the viewers of the postings could recognize the brand names by viewing the product names.

After resolving the two kinds of disagreements, the three coders individually coded a further random sample of two hundred online responses again, and found few disagreements on coding. Perreault and Leigh's IR was .95. The inter-coder reliability estimate was also satisfactory for this time (>.80) (Perreault & Leigh, 1989). The Perreault and Leigh's IR was .92 for the number of online responses per original posting; .88 for number of words per online response; and .97 for brand or product references. The coders used the same coding sheets written in English for both the US-based and the Korea-based discussion boards in order to prevent any accidental change of meanings while translating data. The coders coded online postings from only non-brandrelated discussion boards such as "Beginners Questions," "Open Talk," "What camera should I buy?" and "General Q&A." Brand-related discussion boards such as "Canon Talk" and "Nikon Talk" were not observed for the analysis because two of the Koreabased review sites (i.e., *SLR Club & Dizin*) did not have brand-related discussion boards on their menus, while all three US-based review sites had brand-related discussion boards.

Data in the form of postings was carried out over a one-month period (September 2008) for all of the online postings which were related to digital cameras. Data collection was conducted at least fifteen days later than the date of the original post because the postings needed to generate replies from other discussion board users.

This chapter presented the methodology of the study: the selection of the sample, units for measurements, and coding procedures. A content analysis was chosen as the method for the study and carried out on the discussion postings on six digital camera review sites to investigate cross-cultural differences across Korean Internet users and US Internet users. The results of the study will be presented in the next chapter.

### **Chapter 4**

### Results

Table 2 summarizes the total number of online postings analyzed. For the USbased discussion boards, a total of 914 online postings were observed (*Digital Photography Review*: 642; *Steve's Digicams*: 201; *Digital Camera Resource Page*: 71). Even though the coders could successfully code all the online postings within *Digital Photography Review* and *Steve's Digicams*, the coders could not successfully code all the postings on the *Digital Camera Resource Page*, the third-most-visited US digital camera review site. The online postings on the site posted from September 1 to September 17 were missing. It seems that the postings before September 18 were erased because of some technical problems. The coders, therefore, coded only half of the month.

For the Korea-based discussion boards, a total of 957 discussion postings were observed (*DC Inside*: 416; *SLR Club*: 521; *Dizin*: 20). Even though the coders could successfully code all the postings on the Korea-based review sites, the coders could not gather a large enough number of online postings from the third-most-visited Korean review site; the discussion boards of *Dizin* had only a few discussion postings. The number of online postings within the site was only twenty; all twenty of these postings were analyzed.

	<b>US-based Discussion Boards</b>				Korea-based Discussion Boards				
	Digital Photography Review	Steve's Digicams	DC Resource Page	Total US	DC Inside	SLR Club	Dizin	Total Korea	Grand Total
Number of Discussion Postings	642	201	71	914	416	521	20	957	1871

Table 2. Summary of Numbers of Discussion Postings

Even though the number of postings on two of the digital camera review sites did not turn out to be adequate for comparing cultural differences, the lack of online postings will not significantly affect the value of the current study, because the two sites are the third-most- visited review sites in both the countries; the first- and the second-mostvisited digital camera review sites in the US and Korea are included in the current study (the total number of online postings =1871).

# Information-Seeking Behavior

To test Hypothesis 1 (H1. Korean Internet users engage more in informationseeking in discussion boards to gain others' opinions and product recommendations than US consumers do.), the numbers and percentages of the online postings which contain direct requests for digital camera recommendations were analyzed. Because of the popularity of digital Single-Lens Reflex (SLR) cameras, direct requests for camera accessories (e.g., camera lenses, camera flashes, and memory cards) were coded as well; a digital SLR camera is composed of a camera body and an interchangeable lens, and, if needed, a camera flash can be attached to a camera body as well. Because of its interchangeable lens and attachable accessories, consumers purchase camera lenses and flashes separately from camera bodies. Some consumers purchase multiple lenses for a digital SLR camera.

Since this study replicates the information-seeking and information-giving parts of Fong and Burton's 2008 study, a direct request for a digital camera recommendation was measured based on the example of a direct request provided by Fong and Burton (2008). The example of a direct request for a product recommendation was as follows:

I am interested in purchasing a camera to use primarily for black and white photography. I was curious if there was a specific brand recommended for black and white photography. I eventually want to use the camera for professional shots/family and children. Can anyone recommend a specific camera and tell me more about it? Any advice is appreciated Thanks! [April 28, 2005] (Fong & Burton, 2008, p. 237)

Table 3 shows the numbers and percentages of online postings which have direct requests for digital camera recommendations observed across the discussion boards of the US-based and the Korea-based digital camera review sites. A number of Internet users in both the countries posted in the discussion boards of the product review sites asking for brand or product recommendations; a total of 17.4% of the online postings in the discussion boards were direct requests for digital camera recommendations.

There was a significant difference between the Korea-based discussion boards and the US-based discussion boards in terms of the numbers of online postings containing direct requests for camera recommendations ( $\chi^2=27.81$ ; p<.01). For the Korean discussion boards, 21.9% of the online postings were direct requests for digital camera recommendations, whereas only 12.7% of the online postings in the US-based discussion boards were direct requests for digital camera recommendations.

	Number	Percentage	Number	Percentage	Number	Percentage
	US (N=9	14 postings)	Korea (N=	957 postings)	Total	(N=1871)
Direct Requests for Recommendation	116	12.7%	210	21.9%	326	17.4%
Chi-squareTtest			$\chi^2 = 27.$	81; <i>p</i> <.01		

Table 3. Postings With Direct Requests for Recommendation

The higher percentage of direct requests for camera recommendations in the Korea-based discussion boards is consistent with a finding of Fong and Burton's 2008 study. According to Fong and Burton (2008), Internet users in collectivistic cultures, such as China, are more likely to post direct requests for product recommendations in online discussion boards than are those in individualistic cultures, such as the US; 19.3% of the online postings in China-based discussion boards were direct requests for digital camera recommendations, while only 6.2% of online postings on US-based digital camera review sites were direct requests for digital camera recommendations.

Although Fong and Burton (2008) measured only numbers and percentages of the direct requests in original postings for digital camera recommendations to examine their first hypothesis regarding Chinese and US Internet users' willingness to engage in information-seeking, the current study additionally measured the number of questions in an original posting for the examination of information-seeking behaviors. For instance, the number of questions is three in the following exemplary post:

I have posted here a few times (as have others) about my indecision in buying a Canon XSI or a Nikon D90.

To be honest I'm leaning toward the D90. I guess my first question is do you believe the price difference is justified? The D90 kit is 500 big ones

more than the xsi kit.

Second question is about lenses. Doing research I have heard more than once that the glass is what makes the shot. How do the two kit lenses on each model compare? To be honest I like the nikon 18-200 vr lens but I really don't want to spend the \$1600 (D90 body plus 18-200 lens). I could probably dish out some cash for a better canon lens as the body is cheaper. Honestly, at least to start, I am looking for one decent lens to do it all. As I progress I will get more lenses.

Finally, take into consderation that this is my first dslr. However, I do want to keep it for awhile. I recently talked (over the phone) to a sales rep that tried to talk me into the Canon because he thought the D90 was to advanced for someone's first dslr. ANy truth there?

I will be using the camera for photos to go with travel articles. I also would like to use it for microstock photography. Again I would like to thank everyone on the forum for your help and suggestions. Bryan [September 22, 2008, *Digital Photography Review*]

The number of questions in an original posting was measured because it could indicate discussion board users' willingness to engage in information-seeking behaviors; if a consumer writes more questions in a single posting, this might mean that the consumer engages more in information-seeking. Table 4 summarizes the average number of questions in an original posting.

There was a significant difference between the average numbers of questions in an original posting with requests for product information in the US- and the Korea-based discussion boards in September 2008 (F(1, 322)=20.78; p<0.01). The mean number of questions in an original posting posted by the participants of the US-based discussion boards was 1.1, whereas the participants of the Korea-based discussion boards, in contrast, on average posted 1.56 questions in an original posting. The number of questions in an original posting in the US-based discussion boards ranged from one to four, and the number of questions in an original posting in the Korea-based discussion boards ranged from one to six.

	N	Mean	Std dev.	Df 1	<b>Df 2</b>	<i>F</i> -value	Р
US	116	1.10	.44				
Korea	208	1.56	1.02	1	322	20.78	<.01
Total	324	1.40	.89				

Table 4. Number of Questions in an Original Posting

\* Df 1 = Between groups \* Df 2 = Within groups

In sum, the Korea-based discussion board users' higher frequency of direct requests for product recommendations and higher number of questions in an original posting suggest that Korean Internet users, as hypothesized, were more likely to engage in information-seeking than were the US Internet users. Therefore, the first hypothesis (H1: Korean Internet users engage more in information-seeking in discussion boards to gain others' opinions and product recommendations than US consumers do) was supported.

# Information-Giving Behavior

Similar to Fong and Burton's 2008 study, the mean numbers of the online postings in response to each direct request for camera recommendations were measured to test the second hypothesis examining the information-giving behaviors of the US- and the Korea-based discussion board users. Similar to Fong and Burton's 2008 study, this study did not compare just the raw numbers and percentages of the online responses containing product recommendations, because the Korean discussion board participants had a higher percentage of direct requests for camera recommendations. Average numbers of online responses provided to each request were measured to assess rates of information-giving behaviors.

Online responses with digital camera recommendations typically include specific information regarding brands, models, and features. Some recommendations even provide hyperlinks to digital camera reviews and hyperlinks to an online retail store from which posting readers can buy cameras. An example of a digital camera recommendation is as follows:

The Olympus E-510 with the two kit lenses is a good deal, depending on how much it costs. The camera was recently replaced by the E-520 model, so you are buying last year's model, but it was still a highly recommended camera. The two lenses allow you to have the equivalent 35 mm range of 28mm to 84mm in one lens, and 80mm to 300mm in the other one. These are not the best lenses, but they are good enough, and they give you a combined coverage of 28mm to 300mm, which is fine for a multitude of conditions.

Here is a good review on the camera http://www.cameralabs.com/reviews/OlympusE510/index.shtml

Here is what the camera is selling for on Amazon for comparison; http://www.amazon.com/Olympus-Digital-Stabilization-14-42mm-40-150mm/dp/B000NVXF30 [September 18, 2008, *Steve's Digicams*]

Table 5 summarizes the average numbers of online responses provided in response to a direct request for a digital camera recommendation across the US- and the Korea-based discussion boards. There was a significant difference between the US and the Korean discussion board participants in terms of the average numbers of online responses per original posting as a result of a direct request for camera recommendations (F(1, 324)=105.09; p<0.01). For the US-based discussion boards, the mean number of online responses per original posting was

10.31, whereas the average number of online responses per online posting provided by the Korea-based discussion board participants was only 3.94. The difference between the discussion boards based in both the countries was significant; the mean number of online responses in the US-based discussion boards was more than double those in the Korea-based discussion boards.

	N	Mean	Std dev.	Df 1	<b>Df 2</b>	F-value	Р
US	116	10.31	8.25				
Korea	210	3.94	2.70	1	324	105.09	<.01
Total	326	6.21	6.17				

Table 5. Number of Camera Recommendations Per Direct Request

\* Df 1 = Between groups

\* Df 2 = Within groups

The higher average number of online postings in response to direct requests for camera recommendations on the US-based discussion boards is also consistent with a finding of Fong and Burton (2008). In their study, the mean number of camera recommendations per original posting for the US-based discussion boards was 1.89 in 2004 and 2.56 in 2005, while it was .78 in 2004 and 1.43 in 2005 for the China-based discussion boards.

Even though both the Korea-based discussion boards and the China-based discussion boards indicated lower average numbers of camera recommendations per direct request than did the US-based discussion boards, the average numbers of online responses in this study are much higher (US: 10.31 and Korea: 3.94) than those in Fong and Burton's study (US: 1.89 in 2004; 2.56 in 2005 and China: .78 in 2004; 1.43 in

2005). This difference between the two studies might occur because this study observed online postings in 2008, which is much more recent than Fong and Burton's observations; supposedly, consumers in 2008 use far more online discussion boards than did the consumers in 2004 and 2005. Another reason for the difference might be that this study observed the discussion boards of product review sites, while Fong and Burton observed discussion boards based on Internet portal sites. The discussion boards of digital camera review sites are more geared toward camera-related topics than are Internet portals; the topics in the discussion boards of Internet portals are much broader. They cover almost everything. In spite of the differences between the two studies, both the studies suggest that people from individualistic cultures (i.e., Americans) are more likely than those from collectivistic cultures (i.e., Koreans and Chinese) to provide their opinions.

In summary, the US-based discussion boards' higher numbers of online postings in response to an opinion-seeking online posting (10.31, as opposed to 3.94) suggest that the participants of the US-based discussion boards, as hypothesized, were more likely to engage in information-giving than were the participants of the Korea-based discussion boards. Therefore, the second hypothesis (H2: US Internet users engage more in information-giving in discussion boards to express their opinions and product recommendations than Korean consumers do) was supported.

# Communication Styles of US and Korean Internet Users

The communication styles of online discussion board users when they are engaged in information-giving were observed because they are critical to companies; numerous consumers perceive brand images, and judge brands and products based on the brand-related opinions and product recommendations found in online discussion boards (Riegner, 2007).

To test Hypotheses 3 and 4 examining the differences between US and Korean Internet users' information-giving communication styles, the numbers and percentages of brand-referred online responses and the mean numbers of words used in an online response were counted across the discussion boards of both countries. The online responses with brand references were counted to examine the communication styles of US and Korean Internet users because a recommendation of a product without mentioning a brand name is somewhat ambiguous, indirect, and non-obvious (typical communication styles of high-context cultures), whereas a recommendation of a product with a brand reference is direct, obvious, and clearly articulated (typical communication styles of low-context cultures such as the US) (Miracle, Chang, & Taylor, 1992).

As mentioned in the previous section, the camera recommendations with only product names were considered to be brand-referred online postings. However, recognized model names tied to brands were coded as brand recommendations. The following online response is a typical example of a product recommendation with only model and product names:

I would also suggest the ELF series cameras. The suggested SD890IS is one of ELF line. I have had an old SD500 for 5 years now, and the only improvement would be the addition of image stabilization which the SD890IS has. It is the size of a deck of cards, fits into a shirt or pants pocket easily and goes anywhere. The pictures are great and the video is too (from coming from a point and shoot). I do not think you can go wrong here.

Hope that helps!!!! [September 12, 2008, Digital Photography Review]

Although the brand name was not provided in this example post, it was considered a brand-referred online posting, since the viewers of the posting can recognize the brand (Canon) of the cameras. Camera names such as "SD890IS" and "SD500" were provided to help viewers recognize the brand name in the posting.

Table 6 summarizes the numbers and percentages of brand-referred camera recommendations. Even though the researchers found a slight difference between the US-and the Korea-based discussion boards in terms of the percentages of online responses with brand references (1.9%), the difference was not significant enough to generalize the online behaviors of the Internet users from both countries ( $\chi^2=0.96$ ; p>.01). For both the US- and the Korea-based discussion boards, more than 75% of the camera recommendations were written with brand references, while less than 25% of the online responses did not show brand references; the brand- or product-referred online responses posted in the US-based discussion boards were 76.0%, while those in the Korea-based discussion boards were 77.9%.

_	Number	Percentage	Number	Percentage	Number	Percentage
	US (N=1)	196 postings)	Korea (N=	827 postings)	Total	(N=2023)
Recommendations With Brand Reference	909	76.0%	644	77.9%	1553	76.8%
Chi-square Test			$\chi^2 = 0.9$	96; <i>p</i> >.01		

Table 6. Camera Recommendations With Brand Reference

The mean number of words used in an online response was also measured to examine the communication styles of US- and Korea-based discussion board users when they are engaged in information-giving. The number of words used was counted because if a camera recommendation had more words, the recommendation would have more information suggesting the information would be more clearly articulated (typical communication styles of low-context cultures). In contrast, if an online response were written with only a few words, it would include only a little information suggesting the information would be more implicit (typical communication styles of high-context cultures) (Miracle, Chang, & Taylor, 1992).

Table 7 summarizes the average number of words used in an online response. There was a significant difference between the discussion board participants in the two countries (F(1, 2021)=139.58; p<0.01). For the Korea-based discussion boards, the mean number of words used in an online response was 74.86, while the average number of words in an online response for the US-based discussion boards was 141.98. This supports Hall's (1981; 199) theory of cultural contexts. According to Hall (1981; 1990), people from high-context cultures (e.g., Korea) prefer implicit messages with smaller amounts of information because most of the information is already in the person, while those from low-context cultures (e.g., the US) prefer explicit messages with larger amounts of information because more information is needed to be understood.

	N	Mean	Std dev.	Df 1	<b>Df 2</b>	<i>F</i> -value	Р
US	1196	141.98	149.13				
Korea	827	74.86	80.20	1	2021	139.58	<.01
Total	2023	114.54	129.85				

Table 7. Numbers of Words in a Camera Recommendation

\* Df 1 = Between groups

\* Df 2 = Within groups

Because of the slight differences across the US- and the Korea-based discussion boards in terms of the percentages of brand- or product- referred online responses (US: 76.0% as opposed to Korea: 77.9%), it could not be said that the US-based discussion board users express more directly than the Korea-based discussion board participants when they are engaged in information-giving. However, notwithstanding the slight differences in brand references, there was a significant difference across the US- and the Korea-based discussion board users in terms of the numbers of words used in an online response (US: 141.98, as opposed to Korea: 74.86). Therefore, Hypotheses 3 and 4 were only partially supported.

### Chapter 5

# **Discussion, Limitations, Implications and Future Study**

### Discussion

This study found some cross-cultural differences and similarities between US and Korean Internet users by examining four hypotheses concerning the content of brand- or product-related UGC found in the discussion boards of six digital camera review sites.

The users of the Korea-based discussion boards seemed more likely to engage in information-seeking than did the participants of the US-based discussion boards. Larger proportions of online postings in the Korea-based discussion boards were found to contain direct requests for digital camera recommendations than those in the US-based discussion boards (21.9%, as opposed to 12.7%). The number of questions in an original posting was also different across the US- and the Korea-based discussion boards; the discussion postings in the Korea-based discussion boards included 1.56 questions in an original posting, while the discussion postings in the US-based discussion boards showed only 1.10 questions in an original posting. These results support the findings of Fong and Burton's 2008 study; they found that the participants of the China-based discussion boards more engaged in information-seeking than did their US counterparts (Fong & Burton, 2008).

Similar to what Fong and Burton (2008) found, the findings of the current study related to information-seeking support Hofstede's (1980; 1991) work on individualistic/collectivistic cultural dimensions. According to Hofstede (1980; 1991), consumers from collectivistic cultures typically rely more on reference groups, and, thus,

are more likely to ask others' opinions and recommendations when they are about to make a purchase decision. Consumers from individualistic cultures, in contrast, place more value on self-reliance and independence, and, thus, are more likely to make decisions independently without asking for opinions or product recommendations from their reference groups.

Another finding of this study is that the participants of the US-based discussion boards engaged more in information-giving than did those of the Korea-based discussion boards. The numbers of online responses which included camera recommendations were measured to examine the degrees of engaging in information-giving across the participants of the US- and the Korea-based discussion boards. The average number of online responses with a digital camera recommendation was 10.31 for the US-based discussion boards, while the mean number of online responses including a camera recommendation was only 3.94 for the Korea-based discussion boards. This finding is also consistent with the finding of Fong and Burton (2008). They found that consumers from individualistic cultures such as US posted more responses for camera recommendations than did those from collectivistic cultures such as China; the average number of online responses with camera recommendations from the US-based discussion boards was 2.56, whereas the mean number of online responses containing camera recommendations from the China-based discussion boards was 1.89 (Fong & Burton, 2008).

The finding with regard to information-giving behavior also supports a finding of Fong and Burton (2008); the participants of the US-based discussion boards engaged more in information-giving than did those of the China-based discussion boards. This finding is consistent with Hofstede's (1980; 1991) individualism/collectivism dimension as well. According to Hofstede (1980), people from individualistic cultures (e.g., Americans) are more willing to speak out their opinions in public than are people from collectivistic cultures (e.g., Koreans and Chinese), because of the former's high value on self-reliance, independence, and freedom of speech, and the latter's high value on groupreliance, group orientation, and harmony-seeking.

Notwithstanding the positive results regarding information-seeking and -giving behaviors, the hypotheses concerning the discussion board users' use of communication styles when engaged in information-giving were only partially supported in the current study. Almost the same proportions of camera recommendations written with brand references were found in both the US- and the Korea-based discussion boards (76.0% for the US-based discussion boards, as opposed to 77.9% for the Korea-based discussion boards). In other words, both the US and the Korean Internet users are likely to give a product recommendation with specific brand or product names; more than three out of four Internet users in both the countries wrote online responses with brand references.

Even though the study found non-supporting results from the measurements of the brand-referred online responses, it also found supporting results for H3 and H4 from the measurements of the numbers of words used in a camera recommendation. For the US-based discussion boards, the average number of words used in an online response was 141.98, while it was only 74.86 for the Korea-based discussion boards; the US-based discussion board participants were more likely to write camera recommendations with

more words than were the Korean discussion board users. This finding is consistent with Hall's (1981; 1990) cultural contexts. Since people from low-context cultures are more likely to provide more clearly articulated opinions with much more information than those from high-context cultures (Ko et al., 2006), the participants of the US discussion boards might write their opinions with more words.

#### Limitations

Since this study replicates a previous study conducted by Fong and Burton (2008), the study has the same kinds of limitations as the original study. One limitation of the study is the use of only one product category as the topic of the discussion boards of the product review sites. Consumer behaviors may vary according to the product categories in which they are interested. Investigating the discussion boards related to only one kind of product might not be sufficient to generalize cultural differences. Additionally, as Fong and Burton pointed out, discussion board participants may behave differently offline, because the characteristics of discussion boards are somewhat collectivistic in their nature (Fong & Burton, 2008).

Another limitation of the current study is the researchers' incapability of ascertaining the true nationalities of the discussion board participants. Although the participants of the Korea-based discussion boards are likely to be Koreans because Korea is the only country of which the official language is Korean, the nationalities of the participants of the discussion boards based in the US may vary because many countries use English as their official language. English is the official language in 55 countries (e.g., the UK, India, & Nigeria). However, the current study has valuable implications because this is the first cross-cultural study of UGC comparing English- and Koreanspeaking Internet users.

A further limitation of the current study is that the researchers measured only the numbers and percentages of online postings and the numbers of questions in an original posting to examine information-seeking behaviors. Consumers, in reality, often engage in information-seeking by searching and reading brand- and product-related information without posting questions in discussion boards. Although the author was aware of that, it was not possible to measure how many times online postings were viewed by Internet users because most of the discussion boards analyzed did not have the "number of views" function.

## Implications and Future Studies

As the first cross-cultural study of UGC comparing US and Korean Internet users, the present study has several implications for both scholars and practitioners.

First of all, since this study is one of the very first academic research studies pertaining to the brand-related UGC found on product review sites, it will provide a benchmark for scholars who have similar academic interests in related fields. UGC is a newly created research field as consumers have begun to use Web 2.0 for their everyday lives. Therefore, it is suggested that more studies be conducted to understand how consumers use brand-related UGC for purchase processes. A plethora of possible research questions concerning consumers' use of brand- or product- related UGC have not been studied yet. Second, this study is the first cross-cultural UGC study using a sample of US and Korean consumers. Even though many Korean communication researchers have conducted cross-cultural studies comparing US and Korean consumers, no researchers have conducted a cross-cultural study concerning Korean consumers' use of UGC. As the first cross-cultural study comparing US and Korean consumers' UGC use, this study provides insightful findings to global marketers and online advertisers. This study suggests to global marketers that they consider the influential powers of reference groups for marketing products to consumers in Korea. The current study suggests that the reference groups of Korean consumers may significantly influence their peers on product purchase decisions.

Another managerial implication for practitioners is that product review sites are one of the most highly targeted media for consumers, and therefore they should consider review sites as places to implement WOM campaigns and to monitor consumer feedbacks. As Riegner (2007) pointed out, consumers judge brands and products based on the brand information and product recommendations found on discussion boards of product review sites and other social networking sites. Furthermore, consumers visiting product review sites are usually potential buyers of a particular kind of product or are opinion leaders who also diffuse their opinions offline.

In this chapter, discussions, limitations, and implications of the current study were provided. As this study pointed out, innumerable unanswered possible research questions about UGC await for researchers. Researchers, in future studies, may consider consumers' use of brand-related UGC on other kinds of Web sites, such as social networking sites (e.g., blogs, YouTube, and Flickr) or online retail stores. Research studies on other kinds of product categories may be interesting as well; other digital gadgets or travel destinations could be interesting for future studies. Another interesting topic of future studies might be how Internet users differently adopt UGC as their information sources by ages or genders.

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### **Appendix A: Five Cultural Dimensions (Hofstede, 2008)**

**Power Distance Index (PDI):** that is the extent to which the less powerful members of organizations and institutions (like the family) accept and expect that power is distributed unequally. This represents inequality (more versus less), but defined from below, not from above. It suggests that a society's level of inequality is endorsed by the followers as much as by the leaders. Power and inequality, of course, are extremely fundamental facts of any society and anybody with some international experience will be aware that 'all societies are unequal, but some are more unequal than others.'

**Individualism (IDV)--** on the one side versus its opposite, collectivism--, that is the degree to which individuals are integrated into groups. On the individualist side we find societies in which the ties between individuals are loose: everyone is expected to look after him/herself and his/her immediate family. On the collectivist side, we find societies in which people from birth onwards are integrated into strong, cohesive in-groups, often extended families (with uncles, aunts and grandparents) which continue protecting them in exchange for unquestioning loyalty. The word 'collectivism' in this sense has no political meaning: it refers to the group, not to the state. Again, the issue addressed by this dimension is an extremely fundamental one, regarding all societies in the world.

**Masculinity (MAS)** versus its opposite, femininity, refers to the distribution of roles between the genders which is another fundamental issue for any society to which a range of solutions are found. The IBM studies revealed that (a) women's values differ less among societies than men's values; (b) men's values from one country to another contain a dimension from very assertive and competitive and maximally different from women's values on the one side, to modest and caring and similar to women's values on the other. The assertive pole has been called 'masculine' and the modest, caring pole 'feminine'. The women in feminine countries have the same modest, caring values as the men; in the masculine countries they are somewhat assertive and competitive, but not as much as the men, so that these countries show a gap between men's values and women's values.

**Uncertainty Avoidance Index (UAI)** deals with a society's tolerance for uncertainty and ambiguity; it ultimately refers to man's search for Truth. It indicates to what extent a culture programs its members to feel either uncomfortable or comfortable in unstructured situations. Unstructured situations are novel, unknown, surprising, different from usual. Uncertainty avoiding cultures try to minimize the possibility of such situations by strict laws and rules, safety and security measures, and on the philosophical and religious level

by a belief in absolute Truth; there can only be one Truth and we have it.' People in uncertainty avoiding countries are also more emotional, and motivated by inner nervous energy. The opposite type, uncertainty accepting cultures, are more tolerant of opinions different from what they are used to; they try to have as few rules as possible, and on the philosophical and religious level they are relativist and allow many currents to flow side by side. People within these cultures are more phlegmatic and contemplative, and not expected by their environment to express emotions.

**Long-Term Orientation (LTO)** versus short-term orientation: this fifth dimension was found in a study among students in 23 countries around the world, using a questionnaire designed by Chinese scholars. It can be said to deal with Virtue regardless of Truth. Values associated with Long Term Orientation are thrift and perseverance; values associated with Short Term Orientation are respect for tradition, fulfilling social obligations, and protecting one's 'face.' Both the positively and the negatively rated values of this dimension are found in the teachings of Confucius, the most influential Chinese philosopher, who lived around 500 B.C.; however, the dimension also applies to countries without a Confucian heritage.

Posting Information
Posting ID
Web site country
Web site name
Author
Date of topic started
Date of access
Information-seeking
Direct request
Numbers of questions in an original posting
Information-giving
Number of answers per online posting
Information-giving communication styles
Brand or product references
Number of words per online posing

## Vita

Hyuk Jun Cheong was born in Seoul, Korea on December 13, 1978. He received his Bachelor degree in Law from Keimyung University, Daegu, Korea, in 2001. He entered the University of Tennessee, Knoxville in 2006. His research interest has been user generated content in computer environments and new media since he started the Master's program in the College of Communication and Information concentrating in Advertising.