Effects of Negative word of Communication on Samsung Brand Equity

Dr.Poornima B[1], Mr.Vasanth V[2]

[1]Assistant Professor, Department of B.Com CA, Sri Ramakrishna College of Arts & Science, Coimbatore.

[2]III B. Com CA, Sri Ramakrishna College of Arts & Science, Coimbatore.

Abstract

Brand equity is an important element that may determine consumer perception, preference, and loyalty towards a brand.Negative word of mouth has already become one of the most serious challenges facing the established brand in the modern digital era since consumers can share their views so fast via social media, on-line reviews, and direct conversation.This research paper under looks at the impact of negative word of mouth on brand equity of Samsung with particular emphasis on brand awareness, brand image, perceived quality, and brand loyalty.The study is descriptive and analytical research design and uses primary data as structured questionnaires based on Samsung users.The study was supported by the collection of secondary data using the journals, articles, and company reports.The data were analyzed through the help of statistical tools like percentages, correlation, and regression analysis. The results indicate that negative word of mouth can greatly negatively influence the Samsung brand image and its perceived quality thanks t in turn influences the customer loyalty and purchase intention. Nevertheless, the research also concludes that the negative word of mouth is alleviated with the assistance of strong brand reputation, innovation and after-sales service provided by Samsung. The paper concludes that complaint management, open communication, and active online involvement are the key measures that can be taken to decrease the effects of adverse word of mouth and ensure brand equity

Keywords: Brand equity , Brand awareness , Brand recall , Brand credibility , Consumer trust

Introduction

Brand equity is one of the most precious intangible assets of the organization in the modern consumer electronics world where the global market is very competitive.High brand equity helps firms to gain customer confidence, extreme pricing as well as the long-term customer loyalty.Samsung being one of the top consumer electronics and smart phone brands in the world has developed strong brand equity due to innovation, quality and its worldwide presence.But, in the present digital and social media driven world, brands are becoming more susceptible to negative word of mouth.Word of mouth is informal communication between consumers on their experiences with the services or products.The positive word of attention builds the brand image and purchase intention, on the other hand, the negative word of attitude (NWOM) may ruin the reputation of a brand significantly.Social networking sites, online review sites, customer complaints, product failures, customer service and online criticism may easily go viral and affect the perception and choices of current and prospective customers.The negative word of mouth directly affects the main elements of brand equity like brand awareness, brand image, perceived quality, and brand loyalty.Customers will attach more significance to inappropriate information than to positive information and NWOM is especially destructive to well-established brands such as Samsung.Product and packaging malfunctions, pricing issues, customer dissatisfaction with the services delivered, or slow software upgrades are some of the issues that result in negative conversations about the brand that hinder brand trust and loyalty.Samsung has been able to withstand negative reception occasionally, but due to its high innovativeness, a large product portfolio, and successful marketing, the company has been able to retain its dominant position.

STATEMENT OF THE PROBLEM

With the current digital and highly connected market, consumers are more than ever relying on the word of mouth, particularly the online comments and social media debates, to make their purchasing decisions. Whilst a good word of mouth can reinforce brand image and consumer loyalty, a bad word of mouth (NWOM) has the potential to go viral and affect consumer attitudes in a big way. Even such well-established brands as Samsung are not exempt in the negative impact of poor customer opinion due to issues with a product or dissatisfaction with services or unmet expectations. Although Samsung has good brand recognition worldwide, and due to its high presence, there are cases of negative word of mouth on product performance, pricing, after sales service, and technological problems; this can be a threat to its brand equity.

SCOPE OF THE STUDY

The current paper is aimed at evaluating the impacts of negative word of mouth on the brand equity of Samsung.The research focus is limited to the perception and opinion of the consumers about the Samsung products based on the negative word of mouth that is created by different channels of communication like social media, online reviews, and personal interaction. The paper analyzes how negative word of mouth affects the critical aspects of brand equity, which are brand awareness, brand image, perceived quality and brand loyalty.It will find out the role of poor consumer attitudes in customer trust, purchase intentions, and overall perception of the brand of Samsung.

RESEARCH QUESTIONS

1. How much does negative word-of-mouth (NWOM) affect the overall samsung brand equity?
2. What is the impact of negative word-of-mouth on the consumer brand awareness and brand recall?
3. How does negative word-of-mouth affect brand quality and brand credibility?
4. What is the influence of negative word-of-mouth on consumer trust on a brand?

RESEARCH OBJECTIVES

1. To examine the effects of bad word of mouth on the Samsung brand equity.
2. To find ways of reducing the negative word of mouth and improving the brand equity of Samsung.
3. To investigate how the online platforms and social media circulated negative word of mouth about Samsung.

RESEARCH METHODOLOGY

Research design

The research design to be used in this study will be quantitative, descriptive, and explanatory research design.

Sampling size and sampling technique

Sample size

Sample size of the paper is 60 respondents

Sampling technique

Sampling of Samsung users purposely. Respondents to negative word-of-mouth through reviews, social media and personal communication.

Data Collection Method

- Primary Data

The structured questionnaire will be used to collect primary data from google forms.

- Secondary Data

The sources of secondary data will be Journals,Articles,Online databases, Company reports,Previous studies

Period of study

November 2025 - February 2026

Research tools
- Percentage analysis
- Chi-square
- Anova

LIMITATIONS OF THE STUDY

Limited Generalizability This paper is grounded on a particular sample that will be taken using convenience sampling and it might not be a complete representation of the whole population of consumers. Thus, the results might not be applicable to all areas, sectors as well as brands.

REVIEW OF LITERATURE

Silke Bambauer-Sachse(et.al)(2010)[1] Word-of-mouth (WOM) becomes negative, which is very influential in consumer attitudes and behavior. Initial research indicates that WOM has a strong impact on the purchase intentions (Chatterjee, 2001; Herr et al., 1991) and online WOM is more credible and far-reaching than the traditional influence (Bickart and Schindler, 2001; Chevalier and Mayzlin, 2006). Studies also indicate that negative information receives more attention of consumers due to its more diagnostic nature (Herr et al., 1991) and hence more impactful in judgments (Park & Lee, 2009). Negative contexts have also been found in the literature to diminish brand equity (Loken and Roedder John, 1993; Buchanan et al., 1999; Dawar and Pillutla, 2000) which highlights the danger of negative online reviews.

Erfan Severi1(et.al)(2014)[2] The insights of the literature lay emphasis on the fact that social media is one of the key determinants of consumer behaviour and brand perceptions. According to Kaplan and Haenlein (2010), social media allows consumers to exchange opinions with many other people, making the brand more visible.Online interactions contribute to brand equity, which is mentioned as knowing, loyalty, association, image, and perceived quality as stressed by Aaker (1991) and Keller (1993). Research indicates that electronic word of mouth has a high influence on consumer decisions as most of them use social sites to get information about brands (Poynter, 2008; Duan et al., 2008). Jansen et al. (2009) further explain that e-WOM creates a brand awareness and effects customer attitudes thus its important role in influencing brand equity

Greet Van Hoyea(et.al)(2020)[3] The article by Stockman, Van Hoye and da Motta Veiga (2020) investigates the impact of negative word-of-mouth on applicant attraction, with the brand equity of the employer as a moderator. They rely on the Signaling Theory (Spence, 1973) to state that WOM has a strong influence on perceptions when information is unavailable to job seekers. It has been established in the previous studies that positive WOM boosts attraction (Collins and Stevens, 2002; Van Hoye and Lievens, 2007), whereas the effects of negative WOM are ambivalent (Van Hoye, 2014). Research has discovered that negative WOM decreases attraction(Lee et al., 2013; Keeling et al., 2013), although results diminish when companies have effective employer brand equity (Cable and Turban, 2001; Van Hoye and Lievens, 2009).

Kakalejcik (et.al)(2021)[4] .It has been demonstrated in the literature that contextual cues and crises can undermine brand equity (Aaker and Keller, 1990; Buchanan et al., 1999; Dawar and Pillutla, 2000). Product reviews in the internet have a profound influence on consumer attitudes as well as purchase intentions and poor product review usually damages the reliability of the retailer and sales (Chatterjee, 2001; Chevalier and Mayzlin, 2006; Sen and Lerman, 2007; Xia and Bechwati, 2008). The studies also point out that online WOM has the capacity to erode consumer-based brand equity due to negative reviews (Bambauer-Sachse and Mangold, 2011). Nevertheless, other researchers also have positive WOM seeming to be more prevalent and influential than negative WOM (East et al., 2007; Lee et al., 2008; Martin, 2

Sabrina Mangold(et.al)(2011)[5] Literature shows that green brand equity has a great impact on consumer reactions and enhances positive behavioural effects. The existing literature reveals that a good brand equity drives positive attitudes, preferences, loyalty, and word-of-mouth communication (Wahle et al., 2004; Nyilasy and Reid, 2009).However, negative or low brand perceptions may lower the level of emotional connection and undermine behavioural intentions (Perkins and Reynolds, 2011). Moreover, researchers emphasise that brand equity has a high influence on willingness of consumers to positive communication and purchase behaviour (Bambauer-Sachse and Mangold, 2011; Jalilvand and Samiei, 2012). All in all, studies always affirm that green brand equity helps improve trust, satisfaction and eventually green word of mouth.

About Effects of Negative Word of Mouth on Samsung Brand Equity
Impact on Brand Awareness
　　　Although NWOM may bring brand into the limelight, it has a tendency to develop negative awareness such that customers remember Samsung with troubles than innovativeness or trustworthiness.Such kind of awareness may hurt the image of the brand.
Impact on Perceived Quality
　　　Bad comments and negative reviews lower the opinion of Samsung in the eyes of the consumers concerning product quality.Even potential customers who have no personal experience might think of poor performance or reliability, which would reduce perceived value
.

DATA ANALYSIS AND INTERPRETATION

　　　Data collected through Google Forms were analyzed using Simple percentage analyses, Average score, and Chi-Square to study consumer perception toward imapct of negative word of mouth on samsung brand equity

Table No: 4.1 Personal profile of the respondents (percentage analysis)

Personal profile	Particulars	No of respondents	Percentage
Gender	Male	34	57
	Female	26	43
Age	18-25	47	78
	26-35	7	12
	Above 35	6	10
Education qualification	Student	4	7
	Undergraduate	48	80
	postgraduate	5	8
	diploma	3	5
Area	Rural	17	28
	Urban	35	58
	semi-Urban	8	13
Income level	15001-25000	37	62
	25001-50000	18	30
	50001-100000	5	8

Source : Primary data

Interpretation:

Demographic analysis reveals a highly balanced gender proportion with 56.6 percent of the respondents being males and 43.3 percent being females. Most of the respondents (78.3) were aged 1825 years, implying that the research is mostly a reflection of the views of the young consumers. Majority of the respondents were undergraduates (80%), which implies that they were well trained and could analyze information about the brand. In terms of area, 58.3 percent of the respondents were in urban areas, and there were rural (28.3 percent) and semi-urban (13.3 percent) areas. With regards to earnings, most (61.6) were in the ₹15,001-25,000 income range, which is the middle-income group of consumers who is a significant market in Samsung products and highly sensitive to bad word of mouth

Table 4.2 Frequency of using effects of negative word of mouth

Particulars	Average score	Interpretation
How frequently do you come across negative word of mouth about Samsung brands	1.97	Rarely

Do you pay attention to negative comments about samsung brands	1.54	Never
How often do you purchase branded products	4.32	Always
After hearing negative word-of-mouth, how does your perception of the brand's value change	3.25	Sometimes

Chart 4.1(Mean Score of Frequency of using effects of negative word of mouth

Distribution of Average Scores for Consumer Perception Metrics
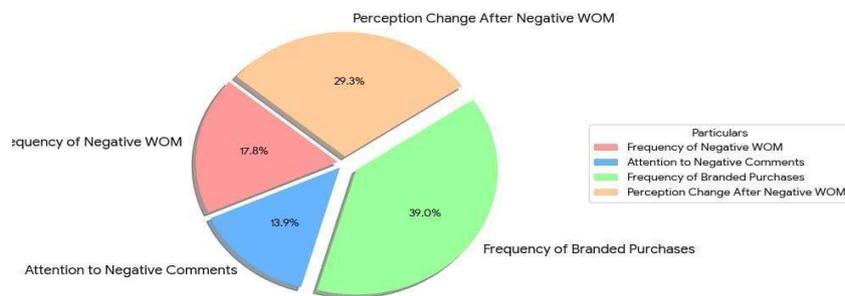
Interpretation

The table demonstrates the attitude of respondents towards negative word of mouth concerning Samsung. The mean of 1.97 and 1.54 respectively demonstrates that the respondents do not often encounter negative word of mouth and mostly do not even notice negative remarks, respectively. This depicts a firm and good view of Samsung brand. The average score of 4.32 is very high, and it demonstrates that the respondents will always buy branded products, and their brand loyalty is high. Nevertheless, the mean of 3.25 indicates that negative word of mouth occasionally affects the attitude of the consumer towards brand value. All in all, word of mouth is not a strong negative contributor to the brand equity of Samsung, even though it sometimes interferes with consumer attitudes as well.

Table 4.3 Chi-square Analysis – Age and overall Impact of negative word of mouth on Samsung brand equity
Null hypothesis(Ho):

It indicates that there is no significant relationship between the personal factors of respondents and overall impact of negative word of mouth on Samsung brand equity.

Alternative Hypothesis(H1):

It shows there is significant relationship between the personal factors of respondents and overall impact of negative word of mouth on Samsung brand equity.

Sno	Personal factors	Chi-square value	Significant value	S/NS

1	Age	9.876	0.021	S
2	Gender	2.134	0.344	NS
3	Area	2.987	0.394	NS
4	Education level	3.452	0.327	NS
5	Income level	4.218	0.239	NS

Interpretation:

The chi-square test was implemented to investigate the association between personal factors of the respondents and the influence of negative word of mouth on the Samsung brand equity in general. The findings indicate that age is strongly linked to the effect of negative word of mouth and the chi-square is 9.876 with the significance value of 0.021 that is lower than 0.05. The alternative hypothesis is therefore accepted on the age value, meaning that various age brackets do not perceive and react towards negative word of mouth the same.

Findings:
- **Gender composition of respondents -** The study found that a majority of the respondents were male (57%)
- **Age profile of respondents -** Most of the respondents (78%) belonged to the age group of 18–25 years
- **Educational qualification** - The majority of respondents were undergraduates (80%)
- **Area of residence** - A significant proportion of respondents resided in urban areas (58%)
- **Income level of respondents** - Most respondents (61.6%) belonged to the income group of ₹15,001–₹25,000,
- **Frequency of purchasing branded products** - The high average score of 4.32 shows that respondents always prefer purchasing branded products.
- **Alternative hypothesis** - In the study, it is found that age is the sole individual variable that significantly influences the effect of negative word of mouth on Samsung brand equity where gender, area, education level and income level have no noticeable effect.

SUGGESSTION

Based on the findings of the study on the effects of negative word of communication on Samsung brand equity, several suggestions are proposed. Samsung should actively monitor online platforms and social media to identify negative word of communication at an early stage and respond promptly to customer concerns. Strengthening after-sales service and customer support can help reduce dissatisfaction and prevent the spread of negative opinions. The company should focus on age-specific communication strategies, as age has a significant influence on how consumers perceive negative information. Samsung may also encourage positive word of communication by promoting customer reviews, testimonials, and influencer advocacy to counterbalance negative feedback. Regular product quality improvements and timely software updates can minimize product-related complaints. Additionally, transparent communication during product issues or service failures can help maintain consumer trust. By addressing customer grievances effectively and reinforcing positive brand associations, Samsung can reduce the impact of negative word of communication and further strengthen its brand equity in the competitive market.

CONCLUSION

The research on the impact of negative word of communication on Samsung brand equity finds that negative communication has a small though significant impact on the perceptions of the consumers regarding the brand. The results suggest that the majority of consumers hardly face the negative word of communication and tend not to pay much attention to the negative statements because of the high level of trust and loyalty to the Samsung brand. The established brand image, the perceived quality and the strong brand associations contribute to the fact that Samsung cannot fall victim to the negative opinions. The study however also indicates that sometimes negative word of communication can influence the brand value perception especially to some age groups thus necessitating

careful management. The impact of negative communication is not considerably affected by such demographic variations as gender, education, income, and area. In general,n.

REFERENCES

- Journal of Organizational Behavior, 38, 1260–1279. https://doi.org/10.1002/job.2201.
- Blau, G. (1990). Exploring the mediating mechanisms affecting the relationship of   recruitment source to employee performance. Journal of Vocational Behavior, 37.
- Aaker, D. A. (1991). Managing brand equity. New York, NY: The Free Press.
- Baumeister,R.F.,Bratslavsky,E.,Finkenauer,C.,&Vohs,K.D.(2001).Badisstrongerthangood.Review   of General Psychology, 5,323–370 . https://doi.org/10.1037//1089-2680.5.4323.
- Bambauer-Sachse, S., & Mangold, S. (2011). Brandequity dilutionthrough negative online word-of-mouth communication. Journal of Retailing and Consumer Services,18, 38–45. https://doi.org/10.1016/j.jretconser.2010.09.003.
- Ashforth, B. E., Kreiner, G. E., Clark, M. A., & Fugate, M. (2017). Congruence work in   stigmatized occupations: A managerial lens on employee fit with dirty work.
- Research Methodology - C R Kothari ISBN (13)- 978-81224-2488-1,New Age International Publishers.