Tourists’ Recommendations: WOM Becomes Digital

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Abstract

Tourism is a sector in which consumers – tourists widely share their opinions, experiences and recommendations. Due to the fact that tourist services cannot be evaluated before the purchase, word-of-mouth has been recognized as an influential factor and a significant resource of information transmission in the tourism market. Word-of-mouth has an important role in tourists’ decision-making processes, in which consumers – tourists rely on the suggestions from those who have experienced the service. With the increasing use of the Internet, a large number of consumers – tourists have begun to share their recommendations online. Electronic word-of-mouth refers to any positive or negative statement made by a consumer - tourist about a tourist service, which is available on the Internet. The digitalization of word-of-mouth has created numerous possibilities and challenges for hospitality and tourism marketers. This paper aims to examine the influence of traditional word-of-mouth and electronic word-of-mouth on tourists’ decision-making processes. Specifically, the purpose of this study is to investigate the effects of virtual interactions among consumers – tourists as a part of tourism promotion. This paper has provided a theoretical framework of word-of-mouth (WOM) and electronic word-of-mouth (eWOM) showing that electronic word-of-mouth plays an important role in the tourists’ decision-making process.

Keywords: tourist market, consumers, recommendations, word-of-mouth (WOM), electronic word-of-mouth (eWOM)

JEL classification: M31, Z33

Introduction

Tourism is a sector in which consumers widely share their travel experiences and recommendations, both offline and online. In this sector, interpersonal, word-of-mouth communication is important because of its intangible nature and the fact that products/services cannot be experienced and evaluated before the purchase (Litvin et al., 2008; Philips et al., 2013).

In such circumstances, word-of-mouth becomes an important part of tourists’ decision-making processes, as it reduces uncertainty (Ishida et al., 2016). Due to the spread of information and communication technologies, tourists increasingly rely on eWOM as a more available and accessible form of communication.

This paper aims to examine the influence of traditional word-of-mouth and electronic word-of-mouth on tourists’ decision-making processes. Specifically, the purpose of this study is to investigate the effects of virtual interactions among consumers – tourists and to identify different types of eWOM. There are five research
questions that authors will try to answer in this paper: 1) What is the role of word-of-mouth in tourism?; 2) What are implications of positive – negative word-of-mouth in tourism?; 3) Which are the most common information sources used by tourists before the travel decision has been made?; 4) What are the differences between word-of-mouth and electronic word-of-mouth? and 5) Which types of word-of-mouth and electronic word-of-mouth are existing? These questions will be answered through literature review as the main methodology used in this paper.

Besides Introduction and Conclusion this paper consists of three parts. In first part, authors are going to explain the role of word-of-mouth in specific business sector – tourism. Second part will explain electronic word-of-mouth and its impact on tourist behavior while third part includes classification of word-of-mouth and electronic word-of-mouth.

**WOM – a form of interpersonal influence in tourism**

Word-of-mouth (WOM) represents a form of communication among consumers who share their own stories and evaluations of products, services, brands or consumption experiences, in which the sources are considered independent of commercial influence (Oliver, 2010; Litvin et al., 2008). It plays a primary role in consumer behaviour as it includes sharing opinions and different reactions among consumers (Ka Wai Lai et al., 2018). In this way, the main dimension which differentiates word-of-mouth from other forms of marketing communication is interpersonality (Fili & Kržaj, 2016). According to WOMMA (Word of Mouth Marketing Association) and AMA (American Marketing Association), 64% of marketing executives believe that word-of-mouth is the most effective form of marketing communication (Whitler, 2014). On the other hand, according to Nielsen study, 92% of surveyed consumers claimed they trust word-of-mouth and recommendations from friends and family above all other forms of advertising and communication (Grimes, 2012).

Although tourism marketers and managers are attempting to develop and offer a favourable destination image, there are other factors which influence tourists' decision-making. Tourists talk to each other. Information from others plays an important role in the decision-making process in the tourism industry. As a form of interpersonal communication among tourists, word-of-mouth affects the behavioural intentions and influences decision-making procedures of tourists. That is the reason why interpersonal communication has long been recognized as an influential factor in tourism (Lo, 2012).

In marketing and tourism literature it is accepted that satisfaction leads to loyalty, while loyalty leads to various forms of consumer behaviour, such as word-of-mouth and repurchase. In other words, word-of-mouth can be the output when satisfaction has been met. O’Neill, Palmer and Charters (2002), who studied wine tourism, concluded that tourists' positive word-of-mouth boosts wine sales. Similarly, in their study, Philips et al. (2013) concluded that positive word-of-mouth creates a positive image and increases awareness of a destination among those unfamiliar with it. Positive and vivid memories about the destination also influence future behaviour, such as recommendations and word-of-mouth (Manthiou et al., 2014). In contrast, Morgan et al. (2003) noted that dissatisfied tourists spread negative word-of-mouth related to their experience, which has a negative impact on the destination image. Sánchez-García & Currás-Pérez (2011) also stated that dissatisfaction directly causes negative word-of-mouth in order to warn others.

According to Zamil (2011), word-of-mouth received from family and friends has greater impact on the decision-making process compared to other sources, such as company and staff. In their study, Beiger and Leasser (2004) found out that word-of-
mouth from friends and relatives was the most common information source used by tourists before the travel decision was made. A similar study was conducted by Murphy et al. (2007). They segmented their tourist sample according to whether or not they listed friends/relatives only, other tourists only, both friends/relatives and other tourists, or neither of these word-of-mouth sources among their three most important information sources when making a travel decision. Overall, the results showed that respondents were more likely to use both friends/relatives and other tourists’ opinions and experiences when travelling for longer periods and in cases they had less of their own experience of the destination. Ka Wai Lai et al. (2018) point out that in cases when tourists experience good tourism services at a destination, they recommend it to their friends and relatives. That is the reason why positive word-of-mouth is such an important marketing tool which can be used by tourism and hospitality marketers.

**Moving from face-to-face to cyberspace**

Due to the rapid development of the Internet and its technology, consumers can nowadays explore the Internet whenever and wherever they want. Thus, they can post comments online and share their opinions about products and services. At the same time, other consumers can take their online recommendations as references. In other words, physical place in which communication takes place has changed from face-to-face to cyberspace (Jeong & Jang, 2011). According to Senecal & Nantel (2004), one aspect of cyberspace is the phenomenon of online interpersonal influence known as electronic word-of-mouth (eWOM).

Electronic word-of-mouth refers to any positive or negative statement made by a consumer about a product/service or company which is available online, on the Internet (Hennig-Thurau et al., 2004). It is often referred to as online reviews, online recommendations, online user-generated content and online opinions (Serra Cantallops & Salvi, 2014). Thus, electronic word-of-mouth allows consumers to obtain information from a vast, geographically dispersed group of other consumers who have experienced a particular product/service. It offers non-commercial, detailed, experience-based and up-to-date information via the Internet (Yoo & Gretzel, 2008).

Electronic word-of-mouth differs from traditional word-of-mouth in several aspects. It is seen as more influential and convenient due to its speed, one-to-many reach and the absence of face-to-face human pressure (Sun et al., 2006).

Using an online sample of 2000 web-based opinion platform consumers, Hennig-Thurau et al. (2004) identified eight motives for electronic word-of-mouth behavior. According to them these motives are: 1) platform assistance, 2) venting negative feelings, 3) concern for others, 4) positive self-enhancement, 5) social benefits, 6) economic incentives, 7) support for company and 8) advice seeking. Furthermore, Nonnecke & Preece (2001) identified three types of consumers based on their involvement in online information. The first type is lurkers, who browse and use electronic word-of-mouth, but do not contribute. Unlike them, the second type takes part in electronic word-of-mouth by asking specific questions in order to fulfill their information needs. Finally, the third type is known as electronic word-of-mouth posters. They actively participate in information sharing and readily respond to other consumers’ questions about their experiences.

With the advancement of the Internet, an increasing number of tourists use this network in order to seek information about destinations (Jalilvand & Samiei, 2012). Tourists use the Internet to obtain travel information, share their experience, purchase products/services and make connections with consumers from all over the world. In this way, the Internet supports the pre-travel phase (in this phase all the research and purchase can be done online), during the travel phase (tourists can use different...
interactive platforms while travelling) and the post-travel phase (in this phase tourists share their opinions and experiences).

According to Torres et al. (2015), electronic word-of-mouth has introduced a new way of capturing, analyzing, interpreting and managing interpersonal influence and communication among tourists. As Jeong & Jang (2011) stated, the potential impact of electronic word-of-mouth on consumers’- tourists’ decision-making can be more powerful in comparison with the impact of traditional word-of-mouth. Thus, the primary source of information that is used to plan a holiday is electronic word-of-mouth (Marine-Roig, 2017). In this sense, hospitality and tourism marketers should be aware of the fact that, in future, almost all tourists’ decision-making processes will be strongly affected by online reviews.

**WOM and eWOM typology**

The influence of word-of-mouth has increased due to the rapid growth of the Internet and different social media platforms. This kind of development has connected consumers in new ways, for example through social networking sites, blogs, recommendation sites, and online communities (Hennig-Thurau et al., 2010). According to Chen et al. (2018), the development of communication technology has enabled all-around consumer-to-consumer communication.

Travelling takes an important place in consumers’ lives. Before starting a journey, consumers nowadays use the Internet in order to seek information about the destination and make online reservations. In addition, the Internet facilitates sharing travel experiences (Bilgihan et al., 2016).

As stated above, word-of-mouth can be classified by the format of information communicated into traditional word-of-mouth and electronic word-of-mouth. Traditional word-of-mouth refers to interpersonal influence and communication between consumers who are not commercial entities, while electronic word-of-mouth includes two types of communication – personal and commercial (Cox et al., 2009). Furthermore, in terms of how and why word-of-mouth is created and communicated, it can be classified into one-to-one word-of-mouth, one-to-many word-of-mouth, and many-to-many word of mouth (Litvin et al., 2008).

One-to-one word of mouth is a type of communication generated by one consumer and communicated to another consumer or a small group in private (Chen et al., 2018; Chen et al., 2014; Litvin et al., 2008). This type of communication occurs when consumers are familiar with the identity of other consumers.

One-to-many word-of-mouth is a type of word-of-mouth that does not necessarily include face-to-face communication. It is generated on blogs, social networks, and websites and therefore does not target a specific audience. According to Chen et al. (2015), it is more content-oriented than audience-oriented. This type of word-of-mouth mostly takes place on social media channels (Facebook, Twitter, Instagram), which ensures that it is increasingly available and influential. Murphy et al. (2010) defined social media as “the third place” between home and work. In the tourism context, social media is widely used by tourists in order to search for information that will help them make decisions as well as share their travel experiences and opinions.

Many-to-many word of mouth is a type of communication based on websites that may influence a tourist’s opinion and choice. On these websites tourists share their comments and opinions about a specific destination. Nowadays, more and more potential tourists choose to consult these websites while making their travel decisions. Participants usually do not reveal their real identities in these online communities. Thus, according to Chen et al. (2018), this type of communication is even more content-oriented because the profiles of either the sender or the recipient are unknown and
do not matter. These websites (review sites) are considered to be the most widely used electronic word-of-mouth forms that allow consumers to read others’ experiences as well as write their own opinions (Park & Allen, 2013).

User-generated content has become a reliable information source about destinations, which helps website visitors plan their travel (Ye et al., 2011). According to Chen & Xie (2008), an online user-generated review is an emerging market phenomenon that plays an important role in tourists’ decision-making. Making a travel-related purchase decision requires intensive search for online reviews (Papathanassis & Knolle, 2011) and for this reason online user-generated reviews are considered to have a significant input into tourism.

An online platform such as TripAdvisor contains useful information about destinations and helps tourists with their travel-related decision-making. This site represents a great platform for reviews, pictures, and blogs of experienced tourists who have visited different destinations (Chen et al., 2015). It is the largest site for equitable tourist reviews that is constantly updated by real travelers (Litvin et al., 2008). Online reviews and websites like TripAdvisor play an important role in helping consumers make their purchase decisions, especially in tourism (Yan et al., 2018). These platforms offer tourists an opportunity to make their personal comments while at the same time helping tourism marketers to improve their work and bringing a competitive advantage for a destination.

Conclusion

This paper has provided a theoretical framework of word-of-mouth and electronic word-of-mouth showing that electronic word-of-mouth plays an important role in tourists’ decision making process. The influence of word-of-mouth has increased through the rapid growth of the Internet and has changed tourists’ behaviour in important ways. The intangible nature of tourism products is the main reason why it has long been recognized that word-of-mouth is the most important information source among tourists. A digital version of word-of-mouth provides new opportunities and possibilities, particularly in reaching market segments that would have been hard to reach otherwise.

Due to the physical and cultural distance, tourist destinations and tourism marketers encounter a problem in creating a unique destination brand. Tourists, on the other hand, can act as destination brand ambassadors. According to Bickart & Schindler (2001), word-of-mouth from experienced consumers may have higher credibility to other consumers in comparison with messages created by marketers. In tourism, experienced consumers are both those who have already travelled to the destination and its residents (Chen et al., 2018). EWOM in different channels has different power. Nowadays, online platforms and user-generated content have more effect than the traditional media. Therefore, they have to be effectively utilized by hospitality and tourism marketers in order to manage their destinations (Pike & Page, 2014). In other words, tourism marketers and destination managers need to learn how to control, and not be controlled, by this powerful force (Litvin et al., 2008). At the same time, tourism marketers need to find strategies to prevent tourists from publishing negative word-of-mouth and encourage them to spread positive word-of-mouth (Yan et al., 2018).

Tourism marketers must be aware that their consumers are going online and that they are exposed to huge number of other consumers that are spreading positive or negative impressions and experiences about places they had visited. In this manner, marketers must find the way not only to encourage consumers – tourists to spread and publish positive word-of-mouth but also to use strategies to prevent them from spreading negative word-of-mouth.
A limitation of this study is that it has provided only a theoretical framework of word-of-mouth and electronic word-of-mouth. Further research into this topic should provide some practical answers to the question why and how tourists spread word-of-mouth about a particular destination through private communication channels, online platforms and within the themed online communities.

References


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