



Hotel Experience and Positive Electronic Word of Mouth (eWOM)

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ABSTRACT

The tourism industry, specially, hotel industry is dramatically influenced by e-WOM. This study aimed to test which hotel experiences motivate customers to engage in positive electronic word-of-mouth (e-WOM), where the benefits, convenience, and environment are the antecedent of e-WOM communication. The results of this study suggest that (1) perceived convenience positively triggers customers to spread positive e-WOM, motivated by their desire to help the other travelers and helping the hotel company; (2) environment affected positive WOM, motivated by the need to help the other travelers; (3) intensives did not drive hotel customers toward e-WOM. The findings emphasize the importance of e-WOM in hotel industry and provide practical implications for the marketers to promote online marketing.

Keywords: e-WOM , Hotel experience, e-WOM motivators

1. Introduction

Advances in information technology have led to changes in communication methods. These changes have affected the customer behavior and their purchasing decision dramatically. Hotel industry is one of the mature industries has been affected by the advent of Internet and information technology.

Within trip planning process deciding about which hotel to stay is an essential component. Previous studies found different factors affecting consumer decision making process for different products and services. In hotel industry variables such as facilities, brand name, price, and service quality affect purchase intention (Liu, 2006; Serra Cantallops & Salvi, 2014). To evaluate hotel alternatives, travelers seek information from sources such as travel agents, families and friends which are known as WOM (Serra Cantallops & Salvi, 2014).

By the advent of the Internet the concept of e-WOM (electronic word of mouth) has emerged. Travelers review the advice from other travelers from online sources such as blogs, forums and review sites (Zhang, Craciun, & Shin, 2010). Cantallops and Salvi (2014) revealed hotel industry is the most affected sector by e-WOM within tourism industry. According to Cheng and Zhou (2010) and Tian (2013) e-WOM has significant effect on travelers' choice of accommodation when planning a trip.

Now increasing numbers of industries are aware of the importance of customer experience (Xu & Chan, 2010). Successful hotel brands try to provide unique and multidimensional experience for their guests to affect their behavioral intentions (Xu & Chan, 2009). One of the favorable behavioral intentions of customers for company is positive e-WOM. There is no study which analyzed the role of hotel experience as motivator for publishing positive e-WOM. Based on the dramatic effect of e-WOM on hotel purchase intention this study aims to test which hotel experiences motivate customers to publish positive e-WOM about hotels.

2- Review of the Literature

2.1. e-WOM and e-WOM Motivators

Litvin et al. (2008) Litvin et al. defined e-WOM as “all informal communications directed at consumers through Internet-based technology related to the usage or characteristics of particular goods and services, or their sellers.” The oldest definition by Hennig-Thurau et al. (2004) is more focused. These authors defined e-WOM as “any positive or negative statement made by potential, actual, or former customers about a product or company which is made available to multitude of the people and institutes via the Internet.”

Previous studies identified different factors motivate customers to publish e-WOM. In relation to review-generating factors, or the factors that lead to electronic word-of-mouth (e-WOM), most of the analyzed studies highlight aspects such as “Service Quality and Satisfaction”, “Failure and Recovery”, “Customer Dissatisfaction” and “Sense of Community Belonging” as consumers’ main motivations for writing reviews (Kim, Kim, & Kim, 2009; Nusair, Parsa, & Cobanoglu, 2011; Sun & Qu, 2011; Swanson & Hsu, 2009). Other researchers relate themes regarding “commitment”, “social identity”, “pre-purchase expectations” and “customer delighted” as important aspects in generating eWOM (Bronner & de Hoog, 2010; Casalo, Flavián, & Guinalú, 2010; Crotts, Mason, & Davis, 2009). In their study Bronner and Hoog (2011) divided the review generator factors to five main categories including: (1) self-directed, (2) helping other vacationers, (3) social benefits, (4) consumer empowerment, and (5) helping companies. Cntallops and Salvi (2014) by reviewing the e-WOM studies within tourism industries categorized the review generating factors to nine major categories of service quality, failure and recovery, helping company, helping other vacationers, pre-purchase expectations, social identity, sence of community belonging, and customer dissatisfaction. Tian (2013) found in hotel industry travelers write hotel reviews because of social interaction, self-enhancement, and exerting collective power. Jeong and Jang (2011) found the positive relationship between service experience and positive e-WOM in restaurant industry. Jeong and Jang (2011) revealed concern for others, expressing positive feelings, and helping restaurant company as the primary factors leading to positive e-WOM about restaurant experience.

2.2. Hotel Experience

Now increasing numbers of industries are aware of the importance of customer experience (Xu & Chan, 2010). Pine and Glimmore (1999) suggested the concept of “experience economy” instead of “service economy”. There are several explanations for service experience. For instance, Gupta and Vajic (2000), defined service experience as any knowledge or feeling acquisition resulting from interaction with the different dimensions of a context created by a service provider. Experience is an individualized concept. For example, within hotel industry two people attending the same hotel but they may judge the experience totally different. Customers in hotel industry are looking for unique, personalized, and value-added experience (Mcintosh & Siggs, 2005). Successful hotel brands try to provide unique and multidimensional experience for their guests to affect their behavioral intentions (Xu & Chan, 2009).

Zeithaml, Berry, and Parasuraman (1996) suggest that favorable behavioral intentions are associated with a service provider’s ability to get its customers to 1) say positive things about them, 2) recommend them to other consumers, 3) remain loyal to them (i.e., repurchase from them), 4) spend more with the company, and 5) pay price premiums.

There are many studies have been discussed the relationship between the constructs of experience, and satisfaction as one of the major predictors of customer behavior (Knutson, Beck, Kim, & Cha, 2009). Numerous studies have shown the relationships between satisfaction and consequences customer loyalty, positive word of mouth, and repurchase intentions (Bolton & Drew, 1991; Cronin Jr, Brady, & Hult, 2000; Fornell, Johnson, Anderson, Cha, & Bryant, 1996; Oliver, 1996). Satisfaction is described as “an evaluation of an emotion” (Hunt, 1977, pp. 459–460), suggesting that it reflects the degree to which a consumer believes that ‘the possession and/or use of a service evokes positive feelings (Rust & Oliver, 1993). Berry et al., (2002) suggested companies must provide satisfactory service experience for the customers in order to create customer value. Zins (1998) found the positive relationship between guests’ experience and level of satisfaction in middle and upper class hotels in Australia. Within service industry, scholars suggested customers’ satisfaction could affect behavioral intentions (Brady & Cronin Jr, 2001; González, Comesaña, & Brea, 2007; Olorunniwo, Hsu, & Udo, 2006; Woodside, Frey, & Daly, 1989).

Knutson et al., (2009) identified four dimensions of environment, convenience, driving benefit, and incentive for measuring guest’s hotel experience. Among these factors we selected three factors of environment, convenience, and intensive as the attendances of hotel experience. Environment as one of

the attributes of service experience has considerable effect on customer satisfaction and motivate customers to write positive e-WOM within service industry (Jeong and Jang ,2011). Another attribute, convenience is one of the attendances of service quality. Many studies investigated service quality as one of the predictors of customers' behavior intentions such as, e-WOM (Jeong and Jang ,2011; Litvin et al., 2008). In this study convenience is related to availability of services, ease of check in and checkout, etc. Finally incentives which are offered by organizations affect their level of satisfaction and can result in favorable word of mouth (Mangold et al., 1999; Writz, 2002). In this study incentive is related to marketing price factors such as bundling or upgrading the room.

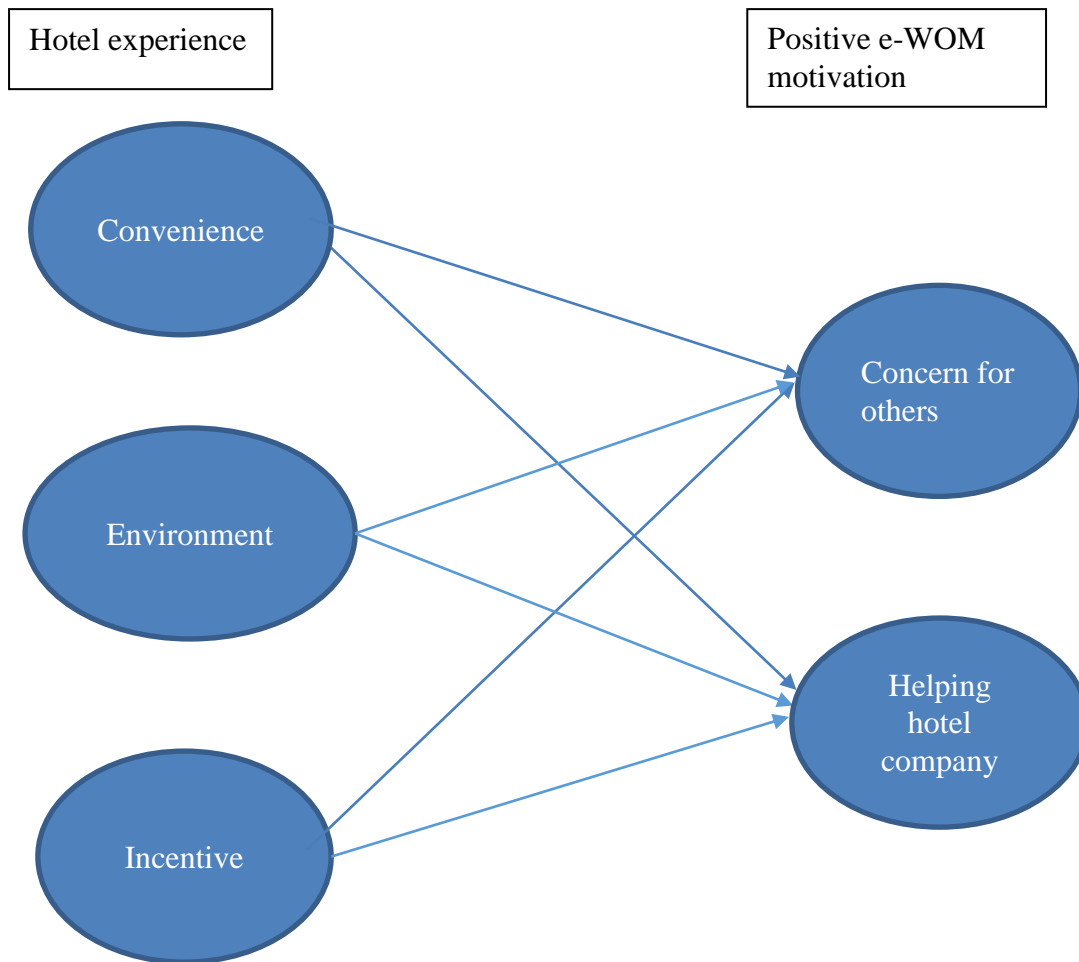


Figure-1. shows the conceptual model of this study. The model examines the influence of hotel experience on perceived value and satisfaction which may influences e-WOM.

3. Methodology

A self-administered survey was considered the appropriate method for this study. 150 guests of 5 hotels in Kula Lumpur were asked to participate in this survey. Each participant received RM 20 voucher to spend at the coffee shop of the hotel. In this study the instrument of survey which was questionnaire was used to collect the data. This study adapted previous established questionnaire (the construct measurement were adapted from previous literature) (see Table 1). All items were measured using the 7-point Likert scales.

4. Data Analyziz

Coronbach's alpha calculated to test the scale's reliability. The results showed good reliability (for the all factors Alpha coefficients exceeded 0.80). Based on Table 1 the factor loading for all factors were higher than 0.50. The model was tested with SEM (Structural equation modeling). The result were chi-squared= 534, d.f.=178, p=0.000, chi-squared/df= 3, CFI=0.91, GFI=0.90, AGFI=0.86, RMC=0,05. The results showed good fit of model for both subsamples (chi-squared/df< 5).

Table-1. Reliability and factor loading of constructs

Measure/Scale Item (Reference)	Loading	Alpha
Perceived convenience (Bonnie et al., 2009)		0.81
Hotel is laid out so that I can find what I want.	0.61	
Product/service information is readily available to me.	0.60	
Products/services always are readily available.	0.50	
Hotel products (web-based or otherwise) are clutter free.	0.69	
The process of buying and using the hotel's products/services is simple.	0.62	
The products/services are easy for me to acquire.	0.60	
Hotel environment (Bonnie et al., 2009)		0.89
The surroundings is entertaining to me.	0.82	
Music enhances my interaction with the hotel's products/services.	0.66	
The hotel's environment provides sensory stimulation.	0.82	
The hotel environment is fun.	0.82	
Incentive (Bonnie et al., 2009)		0.85
I was more likely to buy this hotel's product/service since incentives were offered.	0.77	
Price promotions that accompany hotel's product/service are like bonus.	0.81	
Concern for others (Hennig-Thurau et al., 2004)		0.89
I want to help others with my own positive hotel experience	0.75	
I want to give others the opportunity to have a good hotel experience	0.82	
Help company (Hennig-Thurau et al., 2004)		0.89
I am so satisfied with the hotel experience that I want to help the restaurant to be successful.	0.82	
In my opinion, this good hotel company should be supported.	0.84	

The analysis of SEM on the proposed model has generated results that are illustrated in Figure 2 and Table 2 below.

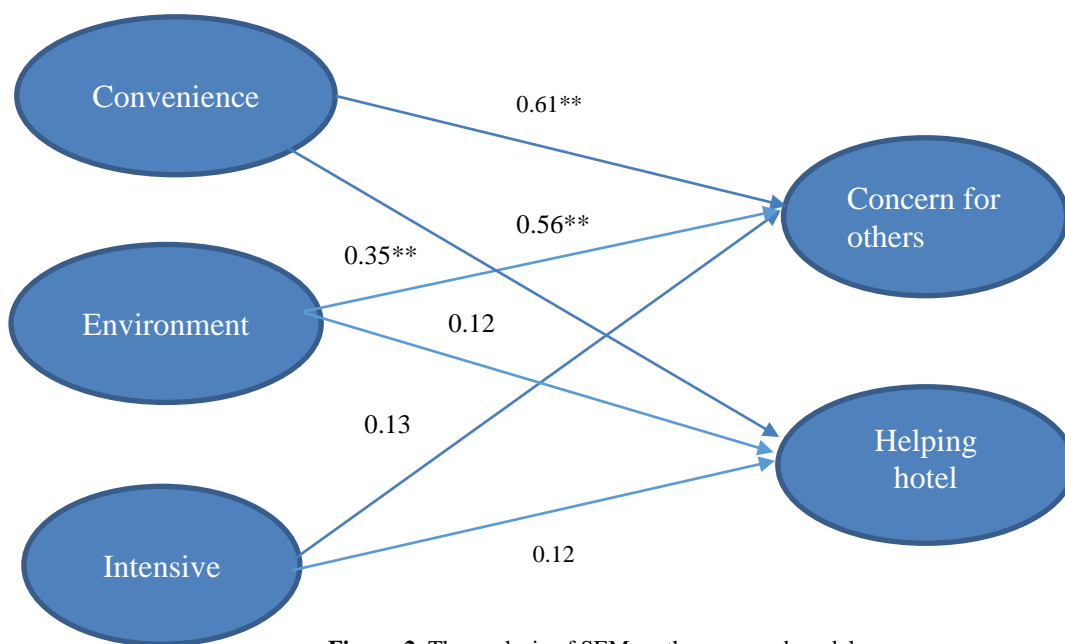


Figure-2. The analysis of SEM on the proposed model

Table-2. Results of the structural model

Path	.β	T value	P	Supported
Convenience → Concern for others	0.61	8.44	p<0.01	Yes
Convenience → Helping hotel company	0.56	6.39	p<0.01	Yes
Environment → Concern for others	0.35	3.93	p<0.01	Yes
Environment → Helping hotel company	0.12	1.43	p>0.05	No
Intensive → Concern for others	0.13	1.49	p>0.05	No
Intensive → Helping hotel company	0.12	1.43	p>0.05	No

Among the six relationships tested, three were found to be significant at the level of 0.01. Convenience had a strong positive relationship with e-WOM, motivated by concern for other customers ($\beta = 0.61$, $t = 8.44$, $p < 0.01$) and the positive motivation of helping the hotel through e-WOM ($\beta = 0.56$, $t = 6.39$, $p < 0.01$). Environment had a significant positive relationship with e-WOM triggered by concern for other customers ($\beta = 0.35$, $t = 3.93$, $p < 0.01$). Based on the results intensives did not have significant effect on positive motivation of helping hotel company and concern for others.

5. Discussion and Conclusion

In hospitality industry e-WOM has a significant effect on customers' decision making. It helps them to reduce the risk along with buying services as intangible products. From the company perspective positive e-WOM helps hotels to create a positive image and increase customers' purchase intention. A Satisfactory hotel experience in terms of attributes such as availability of services and products, and surroundings conditions can lead to generate positive e-WOM. So it is important for hotel managers to understand which types of hotel experiences motivate customers to publish positive e-WOM.

Based on the results, hotels guests are likely to trigger positive e-WOM when they receive fast information and product/services. Availability of information and products, and also entertaining hotel environment motivate customers to disseminate positive e-WOM in effort to help the hotel company and other customers. Providing entertaining hotel area combining with more sensory stimulating items may encourage customers to share their good experiences with others.

An enjoyable lodging experience with fast and excellent service provided by the hotel company motivate customers to publish their positive experience in online environment. Perceived convenience was recognized as the most important attributes of hotel experience. So hotel companies should train their staff and also improve their online services to make the delivery of services and products to customers easy and fast.

Finally, the results showed pleasant environment of a hotel is a motivation for spreading e-WOM due to concern for others. These elements stimulates hotel guests emotional state, influencing their post purchase behavior. Incentives, such as price promotions was not recognized as key motivator for customers to write positive e-WOM. This finding is consistent with the findings of the research by Iglesias and Guilen (2004) which found price does not affect customers satisfaction within service industry after experiencing the service.

One limitation of this study is that we only focused on positive e-WOM. Future studies should focus on motivations for negative e-WOM. Also the results of this study can be repeated within other hospitality sectors.

In hospitality industry e-WOM has a significant effect on customers' decision making. It helps them to reduce the risk along with buying services as intangible products. From the company perspective positive e-WOM helps hotels to create a positive image and increase customers' purchase intention.

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