

Hotel Experience and Positive Electronic Word of Mouth (e-WOM)

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Abstract: The tourism industry, specially, hotel industry is dramatically influenced by electronic Word-of-Mouth (e-WOM). This study aimed to test which hotel experiences motivate customers to engage in positive (e-WOM) where the benefits, convenience and environment are the antecedent of e-WOM communication. A questionnaire was designed to collect data. A total of 150 questionnaires were obtained and the proposed hypothesis were tested by using the Lisrel technique. The results of this study suggest that perceived convenience positively triggers customers to spread positive e-WOM, motivated by their desire to help the other travelers and helping the hotel company; environment affected positive WOM, motivated by the need to help the other travelers; incentives 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.

Key words: E-WOM, hotel experience, e-WOM motivators, hotel, industry

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 the 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 the hotel industry, variables such as facilities, brand name, price and service quality affect purchase intention (Liu, 2006; Cantalops and Salvi, 2014). To evaluate hotel alternatives, travelers seek information from sources such as travel agents, families and friends which are known as Word-of Mouth (WOM) (Cantalops and Salvi, 2014).

By the advent of the internet the concept of e-WOM (electronic Word of Mouth) has emerged. Since, e-WOM spread faster and wider it has more powerful impact on customers' decision making process (Litwin *et al.*, 2008). Hospitality industry has been affected by e-WOM significantly (Cantalops and Salvi, 2014; Ong, 2012). Travelers review the advice from other travelers from online sources such as blogs, forums and review sites (2010). Cantalops and Salvi (2014) revealed that hotel industry is the most affected sector by e-WOM within the 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. By increasing the importance of e-WOM, it is necessary for researchers to study the specifics of e-WOM. According to Jeong and Jang (2011), there are few studies about customers' motivations for publishing e-WOM. Understanding the motivations of e-WOM help marketers to know how to encourage e-WOM. So, this study sets out to explore what motivate customers to write e-WOM.

There are an increasing numbers of industries which are aware of the importance of customer experience (Nasution *et al.*, 2014; Xu and Chan, 2010). According to Westbrook consumption experience is one the important source of human motivations. Sundaram revealed that there is a positive relationship between consumption experiences and motivation for publishing e-WOM. Within the hotel industry, successful hotel brands try to provide unique and multidimensional experience for their guests to affect their behavioral intentions (Xu and Chan, 2010). In spite of the important motivating role of hotel experience in publishing e-WOM, there is no study which analyzed which hotel experiences motivate customers to publish positive e-WOM. Positive e-WOM is one of the major factors leads to increase customer purchase intention. Based on the dramatic effect of e-WOM on hotel purchase intention, recognizing the motivators of e-WOM can help hotel managers to direct their promotional efforts more effectively. The main objective of this study is to test which hotel experiences motivate customers to publish positive e-WOM about hotels.

Review of the literature

E-WOM and e-WOM motivators: Litvin *et al.* (2008) 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 researchers 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 (Nusair *et al.*, 2011; Sun and Qu, 2011; Swanson and Hsu, 2009). Other researchers relate themes regarding “commitment,” “social identity,” “pre-purchase expectations” and “customer delighted” as important aspects in generating e-WOM (Casalo *et al.*, 2010; Crotts *et al.*, 2009). Cntalops 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. Hennig-Thurau *et al.* (2004) identified eight motivators for e-WOM including: platform assistance, helping the company, expressing positive feeling, venting negative feelings, economic intensives, concern for other customers, social benefits and seeking advices. Yoo and Gretzel studied travelers’ motivations for writing online travels reviews. Based on their results, helping the travel companies, helping other customers and enjoyment are the major factors leading to online travel reviews. 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. Based on the above review of literature concern for others and helping the company are two primary factors motivate customers to publish e-WOM.

Hotel experience: Customer experience is increasingly been noticed as an important element by numerous industries (Xu and Chan, 2010). There are several explanations for service experience. For instance, Gupta and Vajic (1999), defined service experience as any knowledge or feeling acquisition resulting from interaction with the different dimensions of a context created by a service provider. Similarly, customers’ hotel includes their observation or knowledge of hotel attributes perceiving through their staying at hotel. 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 and Siggs, 2005). Successful hotel brands try to provide unique and multidimensional experience for their guests to affect their behavioral intentions (Xu and Chan, 2010).

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 incentive as the attendances of hotel experience. Previous research confirmed the effect of environment component on customers’ purchase behavior. 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; Wirtz and Chew, 2002). In this study, incentive is related to marketing price factors such as bundling or upgrading the room.

Relationship between hotel experience and positive e-WOM: Zeithaml *et al.* (1996) suggested that favorable behavioral intentions are associated with a service provider’s ability to get its customers to:

- Say positive things about them
- Recommend them to other consumers
- Remain loyal to them (i.e., repurchase from them)
- Spend more with the company
- Pay price premiums

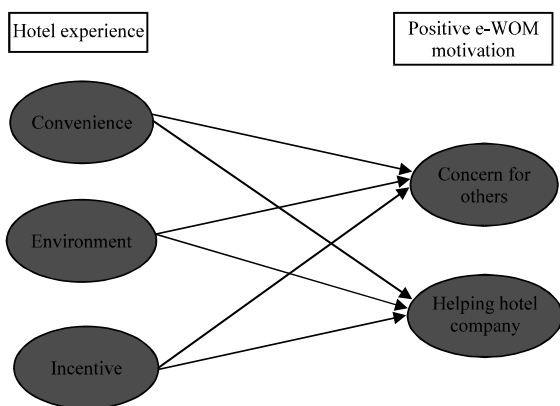


Fig. 1: The conceptual model study of e-WOM

There are many studies have been discussed the relationship between the constructs of experience and satisfactions as one of the major predictors of customer behavior (Knutson *et al.*, 2009). Numerous studies have shown the relationships between satisfaction and consequences customer loyalty, positive word of mouth and repurchase intentions (Bolton and Drew, 1991; Cronin *et al.*, 2000; Fornell *et al.*, 1996; Oliver, 1996). Satisfaction is defined as “an evaluation of an emotion,” suggesting that it reflects the degree to which a consumer believes that ‘the possession and/or use of a service evokes positive feelings (Rust and Oliver, 1993). Nasution *et al.* (2014) 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 and Cronin, 2001; Gonzalez *et al.*, 2007; Olorunniwo *et al.*, 2006; Woodside *et al.*, 1989). According to Sundaram, “it is reasonable to consider that consumption experience and motivation are closely related in the process of WOM transmission.

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.

MATERIALS AND METHODS

A self-administered survey was considered the appropriate method for this study. The 150 guests from 5 hotels in Kuala Lumpur were asked to participate in this survey. Each participant received a RM20 voucher to spend at the coffee shop of the hotel. In this study, the instrument of survey which was questionnaire was used

Table 1: Reliability and factor loading of constructs

Measure/Scale item (Reference)	Loading	Alpha
Perceived convenience (Knutson <i>et al.</i> , 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 <i>et al.</i> , 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 <i>et al.</i> , 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 <i>et al.</i> , 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 <i>et al.</i> , 2004)	0.89	
I am so satisfied with the hotel experience that	0.82	
I want to help the hotel to be successful		
In my opinion, this good hotel company should be supported	0.84	

to collect the data. This study adapted previous established questionnaire (the construct measurement were adapted from previous literature) (Table 1). All items were measured using the 7-point Likert scale.

RESULTS

Cronbach’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 $\chi^2 = 534$, $df = 178$, $p = 0.000$, $\chi^2/df = 3$, CFI = 0.91, GFI = 0.90, AGFI = 0.86, RMC = 0.05. The results showed good fit of model for both subsamples ($\chi^2/df < 5$). The analysis of SEM on the proposed model has generated results that are illustrated in Fig. 2 and Table 2.

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.

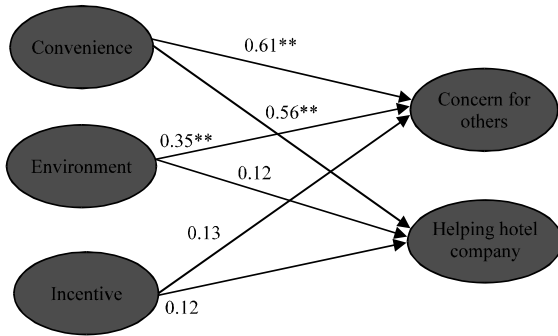


Fig. 2: The analysis of SEM on the proposed model

Table 2: Results of the structural model

Paths	-β	t-values	p-values	Supported
Convenience–Concern for others	0.61	8.44	<0.01	Yes
Convenience–Helping hotel company	0.56	6.39	<0.01	Yes
Environment–Concern for others	0.35	3.93	<0.01	Yes
Environment–Helping hotel company	0.12	1.43	>0.05	No
Incentive–Concern for others	0.13	1.49	>0.05	No
Incentive–Helping hotel company	0.12	1.43	>0.05	No

DISCUSSION

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 motivates 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.

CONCLUSION

Finally, the results showed pleasant environment of a hotel is a motivation for spreading e-WOM due to concern for others. These elements stimulate hotel guests’ emotional state, influencing their post purchase behavior. Incentives such as price promotions were 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 Guillen (2004) which found price does not affect customers satisfaction within service industry after experiencing the service.

LIMITATIONS

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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