

**OPTIMIZING eWOM (ELECTRONIC WORD OF MOUTH) IN HOTEL
INDUSTRY AND EXAMINING THE RELATIVE IMPORTANCE OF
POSITIVE EMOTIONAL EXPERIENCES, QUALITY AND
SATISFACTION: A LITERATURE REVIEW**

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ABSTRACT

Electronic word of mouth (eWOM) is a crucial marketing technique for improving business performance and guest satisfaction. eWOM management is not widely understood, nevertheless. This study investigates how hotels manage eWOM for optimal business performance. Customer reviews that are readily available on websites, blogs, and other platforms are the first thing that any business takes into account. This influences how consumers feel about selecting a particular location or hotel chain. This clearly shows how eWOM influences consumer purchase decisions in the travel and tourism sector, which is advantageous to them. To look at how word of mouth marketing through electronic media affects consumers. Additionally, it emphasizes how important eWOM is for marketing hotels and increasing consumer knowledge of eWOM as a tool of purchase decisions. The objective of this study is to evaluate earlier research in order to better understand how eWOM affects hotel and its guests and discussions and suggestions for future research.

KEYWORDS: eWOM, reviews, purchase decisions, hotels, communication

INTRODUCTION

Consumer behaviour has changed significantly as a result of new communication channels and information technology advancements. Particularly in the hotel industry, these adjustments have resulted in a reorientation of enterprises marketing plans and business management practices. Any favourable or negative remarks a consumer makes about a product, brand or business online are referred to as electronic word of mouth (Hennig T.T. et al., 2004). Hotels can benefit from eWOM in their service delivery strategy. Consumer's perspective of justice, in particular the hotel which evaluates interaction during and after service failure and recovery in terms of the organization's courtesy, respect, explanation, careful listening, empathy and apologies are influential when services fail (Kim et al., 2009).

Selecting a hotel to stay at is a crucial step in the trip preparation process. Various elements were revealed in earlier studies to influence consumer's decision-making process for products and services. In the hotel industry, factors such as amenities, brand name, pricing and quality of service affects the purchasing intention of a guest (Liu 2006) (Cantalops and Salvi 2014). Travelers browse internet forums, blogs and review sites to see what other travellers have to say. According to Cantalops and Salvi (2014) the most affected industry by eWOM in tourism sector is the hotel industry. Cheng and Zhou (2010) and Tian (2013), claim that when a traveller is making travel plans, eWOM has a big influence on the type of lodging they choose.

Fundamentally, marketing managers can enhance customer service by learning about consumer's experiences and perspectives through electronic word-of-mouth (eWOM) (Litvin and Hoffman 2012). Businesses must react to eWOM strategically, but a lot of study has concentrated on tactical procedures like how quickly and frequently to reply or which reviews to address. Potential customers review service providers' replies to online evaluations offering a special chance for service recovery. Customer feedback has been utilized to adjust prices to match those of competitors and enhance service delivery (Aureli & Supiono 2017). Hotel managers can evaluate experiences and address problems with the help of negative reviews (Slevitch and Haemoun, 2010). Furthermore, because they can step in when there is a service failure, service provider might affect the valence of negative reviews (Yen & Tang, 2015). Although Baka (2016) emphasizes that hotel managers should exercise caution when replying online customer reviews can be interpreted by prospective clients as an indication of the quality of service provided, allowing businesses to gain a competitive edge through enhanced service performance (Liu et al., 2017; K.L. Xie et al., 2014).

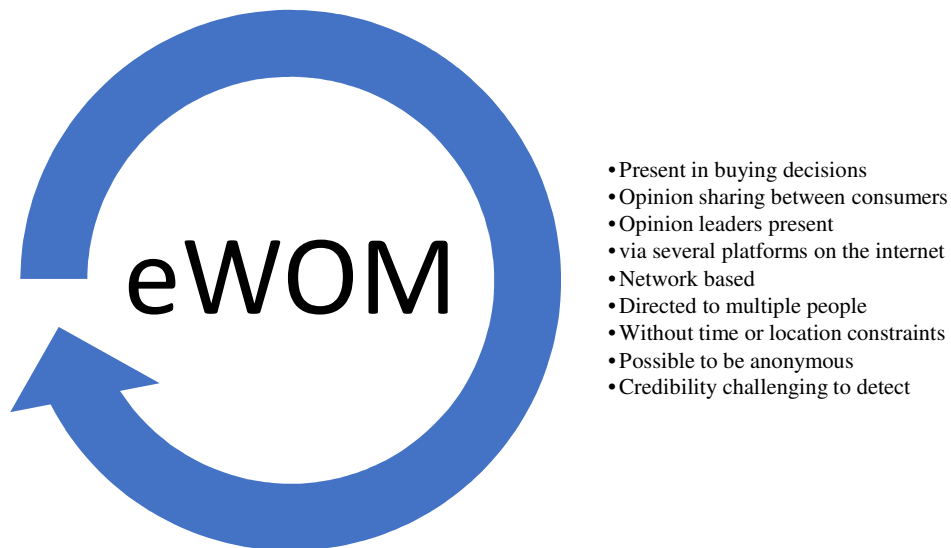
To implement initiatives linked to managing eWOM, hotels need to set aside funds and build capabilities. Market-or-customer driven firms like hotels (Day, 1994), require capabilities which are described as sets of activities that the organization leverages to be competitive. These organizations must be dynamic and adaptable to the market in which they operate Mathews et al., (2021). Hotels need to build capabilities to deal with complex semantic elements of customer generated content (Zhang et al., 2010), such as their perception towards positive or negative reviews. Because these reviews are not static, hotels need to allocate resources and adaptive routines in accordance with dealing with the dynamics of rating system (Baka, 2016). Allocating resources and developing capabilities can be used to develop competitive advantage.

LITERATURE REVIEW

ELEMENTS DEFINING ELECTRONIC WORD OF MOUTH

According to Goldsmith and Horowitz (2006), the eWOM investigation is valuable as an extension of traditional face to face communication. Breazeale (2009) takes one step further and notes how word of mouth as a notion has completely changed as a result of the internet. Using a sample of journal articles, the definition of electronic word of mouth is investigated. This literature study for an instance, uses Breazeale's sample collection method (2009) as an example.

This analysis can be used to identify nine essential elements of eWOM communication. (1) through electronic word of mouth, consumers share their experiences, and opinion leaders are important players in the content sharing process. (2) The interaction is through a network (3) Occurs online on multiple platforms. (4) it is directed at multiple people. (5) takes place online. (6) eWOM can be anonymous and isn't restricted by time or location. (7) The internet age may cause people to see issues with credibility. (8) However, the impact of eWOM on consumer preferences is increasing. (9) The more in-depth examination of these nine eWOM components is in next stage. The diagrammatic representation of the several eWOM components is shown below:



ROLE OF EWOM IN CONSUMER PURCHASE DECISION– eWOM is particularly significant in the hospitality and tourism industries (Litvin et al., 2018). eWOM through customer generated content is democratization of opinion where the customer now holds power, as fellow consumers trust and rely on current customer opinions for their purchase decisions (Law et al., 2014). Earlier research found that various factors influence consumers' decision to publish e-WOM. The majority of the examined studies highlight elements like "service quality and satisfaction," "failure and recovery," "customer dissatisfaction," and "sense of community belonging" as consumers' primary motivation for writing reviews in relation to review generating factors or the factors that lead to electronic word of mouth (Nusair et al., 2011; Sun and Qu, 2011, Swanson and Hsu, 2009). Customer impression of electronic

word of mouth are significantly influenced by service providers like hotels. Response time and frequency have been demonstrated to improve favourability of prospective customers' evaluations (Sparks et al., 2016) and customer satisfaction (Min et al., 2015). A prompt response to reviews increases the forgiveness that customers have for the service provider (Ghosh 2017). According to Sparks et al. (2016), hotels that reply to reviews are perceived as more favourable than those that do not, and those that reply frequently are perceived as more favourable than those that reply to reviews only sometimes. It has been demonstrated that potential customers' perception of hotels is influenced by the promptness and regularity of responses within 30 days to unfavourable evaluations (Sparks et al., 2016).

EFFECT OF EWOM ON SERVICE QUALITY AND HOTEL PERFORMANCE – it is widely acknowledged that consumers find it challenging to assess the quality of travel and hospitality items before making a purchase due to their ephemeral and intangible character. The occurrence highlights how consumers perceive ambiguity in their travel related decision making, which strengthens the essential necessity to gather trustworthy and helpful information when assessing travel options (Liu & Park, 2015). Scholars studying tourism and hospitality have paid close attention to correlation between online customer reviews and hotel performance (Schukert, Liu & Law, 2015). Hotel efforts should be directed towards the following, according to the management framework – 1. Establishing a positive guest experience 2. Promoting online reviews 3. Keeping an eye on online reviews 4. Reacting to online reviews 5. Acting upon information gleaned from online reviews (which then reinforces the initial stage of establishing a satisfying guest experience). Management responses support customer relationship management when handle guest reviews as a means of two-way communication (K. L. Xie et al., 2014). Additionally, management response is linked to rises in following eWOM and an average increase in star ratings, according to K. L. Xie et al. (2014). Since higher online popularity ratings correlate with higher reservation rates, review management is crucial (Baka, 2016). Negative reviews, or those that are unjust and occasionally false are difficult for managers to handle. To boost conversion and booking rates, hotel management should integrate TripAdvisor and social media into their daily marketing campaigns as a dynamic, continuing process. As a result, lodging establishments must set aside funds to keep an eye on these evaluations and build capacities (modifying and figuring out how and when to react) (Liu et al., 2018).

EFFECTIVENESS OF EWOM COMMUNICATION:

One crucial information source for consumers making purchase decisions is eWOM (electronic word of mouth). Product evaluations, feedback from customers through online word of mouth can effectively offset information asymmetries and consumer perception of risk. When making decisions on where to stay, more and more consumers and travellers are turning to network communication for information search (Robert V. Kozinets, 2017). Studies have indicated that eWOM content, like that seen in online customer forums, may be more relevant and empathetic than web content created by marketers. Additionally, eWOM has been demonstrated by Huabl G. and Murray K.B. (2006) to be more reliable than any other type of online commercial information. In Hovland and Kelly's "theory of communication to persuade," factors influencing communication effectiveness are categorized into three groups (1) information source, (2) the information itself and (3) the Receiver.

(1) Information Source –

The qualities of the information source have a significant role in determining how persuasive word of mouth marketing is. The attribution hypothesis states that the degree and persuasiveness of eWOM communication depend on how the information source is perceived. The majority of the existing literature concentrates on the knowledge and reliability of information sources. Additionally, some academics gauge the knowledge and reliability of information sources using the reputation of the source. Source expertise was found to be more significant in predicting the influence of word of mouth by Gilly et al (1998). Furthermore, Bansal and Voyer (2001) discovered that larger the impact on receivers, greater the likelihood that sources with a higher professional level will be consulted by receivers.

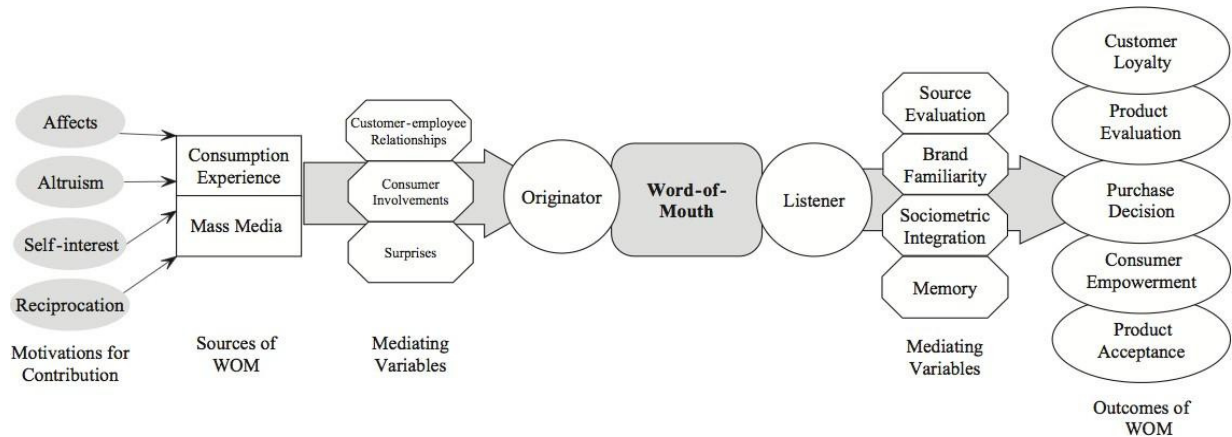
(2) Receiver –

The impact of eWOM (electronic word of mouth) will also be influenced by receiver characteristics, including their pre-existing knowledge and trustworthiness among other things. According to Wood (1982), consumers who are highly specialized have a relatively low perceived risk, making them less susceptible to the influence of outside information and more likely to stick to their convictions than non-specialist consumers. Gilly et al., (1998) discovered a direct inverse relationship between word of mouth and receiver expertise. Furthermore, Bansal and Voyer (2000) discovered that word of mouth was negatively impacted by the recipient's knowledge. Moreover, a number of additional variables, including the recipients' self-efficacy, demography and level of internet dependence will mitigate the impact of eWOM.

(3) Relationship between information source and receiver –

Every word-of-mouth exchange occurs in the context of a social relationship. Which can be divided into different categories based on how close the receiver and source are to one another. Due to the regularity and perceived value of social contact among strong ties, information from these is typically viewed as trustworthy, impartial and useful. This has been confirmed in an offline setting by earlier researches. This was not accepted in the online setting, though Vilpponen's research for instance, showed no correlation between tie strength and adoption behaviour. This was an intriguing finding that suggested all relationships in technological settings have the same persuasive power and efficacy. The concept of homophily, which refers to the similarity between two individuals, is also significant in the influence of another person as a source of knowledge. The degree to which people are similar in terms of age, gender, education or lifestyle is known as homophily.

POSITIVE AND NEGATIVE IMPACT OF WORD OF MOUTH ON HOSPITALITY INDUSTRY:



Source: *electronic word of mouth marketing in E-Commerce based on online product review, International Journal of u- and e- Service, Science and Technology*

One of the most well-known instances of electronic word of mouth is tripadvisor.com, the largest platform for objective travel evaluations that offers you the honest feedback about accommodations, restaurants and activities worldwide. The objective reviews are regularly updated by actual guests. The excerpts described above amply illustrate the value of eWOM as a marketing tool for the hotel industry, as well as for travellers and consumers making purchasing decisions. The study is centred around the following goals:

- To look into how hotel industry is impacted by eWOM.
- To investigate the ways in which electronic media, such as eWOM impact consumers.
- To understand how important eWOM is for marketing hotel amenities and services.
- To find out if consumers are aware that eWOM can be used to make stay related decisions.

CONCLUSION

Electronic word-of-mouth has significantly transformed the concept of word of mouth, particularly in the hospitality and tourism sector. eWOM, influenced by customer generated content, empowers consumers to trust and rely on their opinions for purchase decisions. Factors such as service quality, satisfaction, failure, dissatisfaction and community belonging influence consumer's decision to publish eWOM. To boost conversion and booking rates, hotel management should integrate Tripadvisor and social media into their daily marketing campaigns. eWOM content such as those found in online customer forums, is more relevant and empathetic than web content created by marketers. Discussions suggesting that hotels should think about tactical answers, such as how quickly and frequently they respond, how long their responses are and who should respond to customer generated eWOM predominate the literature. The results from this study suggests that a lot of hotels don't handle these important aspects of their marketing efforts in a consistent manner. But those who adhere to standards, this strategy works well for procedures that prioritize customer loyalty and sincerity when replying to online reviews. The findings support the idea that hotels with better standards for promptly answering inquiries and asking frequently improve the customer's impression of the hotel. What is more intriguing is that hotels who include personalized elements in their comments are able to connect with guests and demonstrate that they take customer feedback seriously. While monitoring and aggregation can be outsourced, the hotel must provide the real voice. Electronic word of mouth (eWOM) is an important aspect of communication in the hospitality and tourism industries, where customer-generated content is democratized and influenced by various factors such as service quality, satisfaction, failure, customer dissatisfaction, and sense of community belonging.

DISCUSSIONS AND SUGGESTIONS FOR FUTURE RESEARCH

Social networks are the medium via which eWOM communication occurs, and the communication structure of the network has an impact on eWOM communication. Nevertheless, the majority of research to date has been conducted to micro level, with little focus on how social structure affects the spread the effect of eWOM. However, a comprehension of the eWOM communication process depends on the properties of the network structure, which exists regardless of the contents of eWOM. Thus, in order to investigate how network designs impact the transmission speed and transmission range of eWOM, it is imperative to use network analysis theory and system dynamics theory. eWOM is a social phenomenon that exists within a particular cultural context. The majority of recent research has been conducted in a western context. Hotel management should focus on establishing a positive guest experience, promoting online reviews, monitoring online reviews, reacting to reviews, and acting upon information gleaned from online reviews. Management responses support customer relationship management and are linked to increased following eWOM and an average increase in star ratings. To boost conversion and booking rates, hotel management should integrate TripAdvisor and social media into their daily marketing campaigns as a dynamic, continuous process. By incorporating these elements into their marketing strategies, hotels can enhance their online presence and improve their overall customer experience.

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