Similarities and Differences Between Word-of-Mouth and Electronic Word-of-Mouth

10

María Dolores Sánchez-Fernández

https://orcid.org/0000-0001-9065-1699 Universidade da Coruña, Spain

Daniel Álvarez-Bassi

Catholic University of Uruguay, Uruguay

José Ramón Cardona

University of the Balearic Islands, Spain

INTRODUCTION

One of the most common behaviours after enjoying a product, especially if it is a tourist service (Woodside & Moore, 1987), is comment the experience. Habitually, this behaviour is called Word-Of-Mouth (WOM). With the appearance of Internet, this behaviour began to occur through the new media (Gruen, Osmonbekov & Czaplewski, 2006, Hennig-Thurau, Gwinner, Walsh & Gremler, 2004) and is called electronic Word-Of-Mouth (eWOM). Both concepts have been considered the same but it is necessary to perform analyses and comparisons to verify this fact. To compare both concepts, the causative variables of recommendations generation will be analysed in one of the most important economic activities, the tourism sector. Tourism literature recognizes the importance of emotions, satisfaction and post-purchase behaviour (Bigné, Andreu, & Gnoth, 2005), and diverse studies show emotions as antecedent of satisfaction and behavioural intentions (e.g., Grappi & Montanari, 2011; Han & Jeong, 2013; Yuksel & Yuksel, 2007). Some studies have found a positive relationship between satisfaction and the intention to recommend (Lii & Lee, 2012; Prayag, Hosany, Muskat, & Del Chiappa, 2017), but other authors raise doubts about the existence of this relationship (Dolnicar, Coltman, & Sharma, 2015; Yang, 2017).

At present, consumers are looking for a lot of information on Internet before making any decision. Among the multiple information available, the comments and opinions of other consumers are the most valued. Consumer-to-consumer (C2C) communication in social media has become a critical element for companies, especially for service companies. The importance of C2C communication has made fundamental to analyse the causes of eWOM generation and the effects that eWOM has on the potential consumers (Serra & Salvi, 2014). eWOM has overshadowed the traditional WOM and created a new line of research. As noted in previous studies (e.g., Filieri & McLeay, 2013; Litvin, Goldsmith, & Pan, 2008) there is a need for more research that explores eWOM and tourist behaviour.

Although some authors have identified emotions as precursors of positive word-of-mouth, but eWOM in comparison to traditional WOM (recommendations to relatives and friends) requires a plus to be generated. WOM are made through an 'unplanned' process when there is a chance to do it in casual meetings or somebody ask. However, eWOM requires a conscious, planned action with slightly more effort involved in uploading comments to Internet. The purpose of this chapter is to examine the

DOI: 10.4018/978-1-7998-3473-1.ch111

differences and similarities between traditional WOM and electronic WOM, based on empirical data, to see if they are the same thing in different supports or different things. To achieve this objective, it will be examined the role of six variables (Service Quality, Perceived Value, Customer Satisfaction, Brand Reputation, Customer Loyalty and Emotional Experience) in WOM and eWOM generation, in the context of lodging services. Moreover, it will be analysed the relationship between the two types of recommendations. A statistical analysis is performed based on the use of Structural Equation Models (SEM), specifically by Partial Least Squares (PLS) technique. The main conclusion is that the two types of recommendation are not exactly the same. In both cases, Emotional Experience is very important but Customer Satisfaction is a differential element.

BACKGROUND

First, must briefly comment on a set of concepts that intervene in the behaviour of the customer and that may have an effect on the client's intention to comment on their experience. Due to the nature of the services (intangibility, simultaneity and heterogeneity), the quality assessment carried out by clients has a global focus, taking into account what happens before, during and after provision of the service. This implies that everything from the request for information, prior to the purchase decision, to the buyer-seller relations, very subsequent to the provision of the service, is important for the client. Clients perceive the Service Quality as a set of attributes that are taken into account to perform the overall evaluation of the service (Choi & Chu, 2001).

The concept of value can be applied to various fields of knowledge (Nasution & Mavondo, 2008). Normally, definitions of value include aspects related to price, quality and customer perception (Slater & Narver, 2000). In addition, customers' expectations regarding the product should be considered (Fornell, Johnson, Anderson, Cha, & Bryant, 1996). Value is a process of interpretation of the consumer in relation to the product (good or service) consumed, measuring the benefits and sacrifices including both monetary and non-monetary (Nasution & Mavondo, 2008). Mittal & Sheth (2001) emphasize that providing positive value (more benefits than sacrifices) to customers is an important factor for the success of companies. Nasution & Mavondo (2008) indicate that the value provided to the client is associated with the generation of positive WOM.

Customer Satisfaction is a comparison between the service expectation and the perceived service (Parasuraman, 1997; Ravald & Grönroos, 1996). There is a logical and important positive relationship between Service Quality and Customer Satisfaction and it is widely contrasted in the literature (Da Silva & Alwi, 2008). In fact, the Service Quality is usually considered as the satisfaction of the client, that is to say, meet the requirements that the consumer expects to find before the provision of the service.

Keller (1993) defines brand image as the perception in consumer memory and adds that brands are an intangible asset of companies that are difficult to imitate. It is considered that brands are a sum of elements that represent an organization (Da Silva & Alwi, 2008), and is the company vision from customer perspective (Grönroos, 1990). In this sense, it is considered that the brand image or reputation is generated through an accumulation of consumer reactions to the experiences lived (Davies & Chun, 2002). In this chapter, reputation (Loureiro & Kastenholz, 2011) and image (Da Silva & Alwi, 2008) will be considered as synonyms. A strong and positive corporate Brand Reputation not only helps a company achieve a competitive advantage, it also stimulates repeat purchases (Da Silva & Alwi, 2008).

Customer Loyalty has been defined in many different ways. Although the costumer's intention to repeat purchase selection is central to all definitions, as Kabiraj and Shanmugan (2011) points out, loyalty

11 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage:

www.igi-global.com/chapter/similarities-and-differences-between-word-of-mouth-and-electronic-word-of-mouth/263641

Related Content

Quality Management Systems in Sub-Sahara Africa Business Schools

Isaac Okoth Randa (2020). Quality Management Implementation in Higher Education: Practices, Models, and Case Studies (pp. 24-47).

www.irma-international.org/chapter/quality-management-systems-in-sub-sahara-africa-business-schools/236027

A DSS User is a Happy Negotiator: The Impact of Decision Support on Emotional Behaviors in Text-Based Online Negotiations

Patrick Hippmann (2016). Leadership and Personnel Management: Concepts, Methodologies, Tools, and Applications (pp. 590-611).

www.irma-international.org/chapter/a-dss-user-is-a-happy-negotiator/146410

Integrating Quality Literature With Instruction Based in the Science of Reading

Tiffany Watson, Nicole Maxwell, M. Alyssa Barnesand Brian Berry (2024). Supporting Students' Intellectual Freedom in Schools: The Right to Read (pp. 84-106).

www.irma-international.org/chapter/integrating-quality-literature-with-instruction-based-in-the-science-of-reading/335791

Elevator Energy Storage Systems

Thomas Fong (2019). *Intergenerational Governance and Leadership in the Corporate World: Emerging Research and Opportunities (pp. 97-106).*

www.irma-international.org/chapter/elevator-energy-storage-systems/229123

Teachers' Professional Development in the Digitized World: A Sample Blended Learning Environment for Educational Technology Training

Emsal Ates Ozdemirand Kenan Dikilita (2017). Educational Leadership and Administration: Concepts, Methodologies, Tools, and Applications (pp. 681-691).

 $\underline{www.irma-international.org/chapter/teachers-professional-development-in-the-digitized-world/169032}$