

Electronic Word of Mouth and Its Credibility in Tourism: The Case of Tripadvisor

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Introduction

Electronic Word of Mouth (eWOM) is a form of marketing that can become or is becoming viral, as long as the message or review is sufficiently convincing, funny, or original. It is considered to be one of the oldest methods of marketing, and it is focusing on personal contact, which is established through the Internet. When communicating by Word of Mouth (WOM), we essentially exchange information regarding a product, service, brand and other factors. It is defined as informal communication, which is directed to the consumers regarding services, ownership and the characteristics of certain goods (Vanhamme & Derbaix, 2003). Tripadvisor is an American travel website company providing reviews of travel-related content. The website services are free to users, who provide most of the content, and the website is supported by an advertising business model. Tripadvisor claims to be the largest travel site in the world, with more than 60 million members and over 320 million reviews and opinions for hotels, restaurants, attractions and other travel-related businesses. The site increasingly appears to play the role of trusted intermediary for the independent traveller that spurns the services of the traditional travel agent in favour of making their own holiday arrangements (Jeacle & Carter, 2011).

There have been many negative stories connected to Tripadvisor, especially regarding fake reviews. As Filieri, Alguezaui, and McLeay (2015) said, the proliferation of fake and paid online reviews means that building and maintaining consumer trust is a challenging task for websites hosting consumer-generated

content (CGM). Trust towards a CGM website influences travel consumers' intentions to follow other users' recommendations and promotes positive WOM. Information quality predicts source credibility, customer satisfaction, and website quality (Filieri et al. 2015).

The purpose of this paper, based on a graduate thesis (Fili, 2016), was to research Electronic Word of Mouth and the travel website Tripadvisor with a focus on reviewing tourism companies. Furthermore, we researched problems of Tripadvisor with a focus on the issue of credibility of the reviews and we offered ways to analyse and overcome this in tourism. For this purpose, the marketing background and WOM are discussed together with Tripadvisor's purpose and its role in it. Negative cases about Tripadvisor's reviews are presented. Consequently, further practitioners' handling and academic research steps are suggested to interpret and handle the value of the user reviews in the tourism industry.

Word of Mouth

Bone (1992) defined Word of Mouth (WOM) as a group phenomenon, in which you can exchange thoughts, ideas and comments between one, two or more consumers, of which no one is a professional marketing source. Arndt (1967) defined it almost half a century ago as verbal and interpersonal communication, which refers to a product, service or brand and which is occurring between messenger and receiver. Buttle (1998) said that WOM is not always interpersonal and verbal because, especially in recent times, it often takes

place also in a virtual world, on various websites and forums. WOM is a process that allows the exchange of opinions or views between users and at the same time be directed towards or away from the purchase of a specific product, brand or service (Hawkins, Best, & Coney, 2004). Vanhamme and Derbaix (2003) described WOM as informal communication, which is directed to consumers regarding ownership, services, their sales representatives, and the characteristics of certain goods. WOM is a natural phenomenon of consumers' behavior, because they exchange information with others (strangers) for their need to share their own experiences. Marketers can or cannot affect that (Nyilasy, 2006).

A unique aspect of WOM, which differentiates it from more traditional marketing effects, is the mechanism of positive response between WOM and selling a product, service or brand. This means that positive WOM leads to more sales of products, services or brands, which consequently creates even more positive WOM and then more sales of products, services or brands, etc. (Godes & Mayzilin, 2004).

In the world of ubiquitous communication and extreme competition, WOM is becoming an increasingly important factor. Consumers are extensively employing various websites, forums, etc., with which they can search for reviews about products and services. The main dimension, which differs WOM from other forms of marketing communication, is interpersonality. Communication, therefore, takes place between many persons individually and not through mass channels. As Kotler (2004) said, people often question others (friends, relatives, professionals, etc.) about recommendations of various services, products, etc. If we trust the person who gave us information, then in the majority of cases we will do as they say. Kirby and Marsden (2006) discuss a study from the UK in which 76% of consumers positively declared WOM as the main influence on the purchase decision. The impact of traditional advertising was mentioned by only 15% of respondents. Goldenberg (2001) claims that more than 40% of consumers in the USA seek advice for choosing the services of lawyers, mechanics, and doctors from friends or relatives. Kotler (2003) refers to Kiely's survey in which 60% of 7000 con-

sumers from seven European countries indicated that relatives and friends had an impact on their choice when buying a new product.

Electronic Word of Mouth

With the increasing availability and use of the Internet, more and more people began to share and exchange opinions and information about products and services through the Internet (Cheung & Thadani, 2010). The Internet has drastically changed our way of communication, distribution, and access to information, related to consumer decisions. One of the most powerful and prominent examples of this is shown in a huge number of free and publicly accessible reviews of products and services on various websites, better known as electronic Word of Mouth (eWOM). This method is unique, direct and globally comprehensive. Compared with WOM, it is less limited in ways of geographical, social and time factors. We can parallel eWOM with WOM, only that eWOM uses the Internet to communicate with others, so that information is transmitted in text and graphic or even in video format; in addition, eWOM can reach a huge crowd of people at the same time, which WOM cannot. Global nature of the Internet has created medium for eWOM among users of particular products, services, etc., which have never met and do not know each other (Gruen, Osmonbekov, & Czapski, 2005).

As revealed in the survey of the US research company YouGov (Gammon, 2014), 78% of Americans read online reviews, opinions, and ratings before purchase decision; of these, 52% read four or more reviews before they think they have enough and sufficient information. Among the main reasons for reading online reviews, 79% of Americans in the first place state that in this way one can provide a quality service or product; 61% of them only verify whether and how the product works and 53% of them wants to ensure that they would not be cheated. Despite the fact that the majority of Americans read online reviews to help them with a purchase decision, they are sceptical about some statements in these reviews. Most of them have an opinion that reviews are trustworthy; 90% have a belief that some people make reviews about product or service without even testing it; 91% also believe

that companies write positive reviews about their own products and 89% believe that companies write negative reviews for competitive products or companies. Among respondents who have already made online reviews of products, 62% said that they wrote a review because of a desire to help others; 35% had an opinion that it is polite to give some feedback.

Based on the work of Hennig-Thurau, Gwinner, Walsh, and Gremler (2004), eWOM relates to a positive, neutral or negative statement by potential, current, or former customers or users of a certain product, service, brand or company, which is accessible to the public through the Internet. Although eWOM does not have such personal contact with other communicators that WOM does, it is as much better known because of sudden and massive reach, credibility and public accessibility (Hennig-Thurau et al., 2004). Kietzmann and Canhoto (2013) conducted research involving 58 respondents, born between 1955 and 1992, most of them born between 1988 and 1990. More than half (57%) frequently read and watch eWOM; however, for providing a negative opinion, they usually use Facebook. Nowadays, it is believed that eWOM influences purchase decisions, from which film you choose to watch, to which stocks you want to purchase on the market (Dellarocas, 2003).

TripAdvisor

TripAdvisor is the world's largest travel site, enabling travellers to plan and book the perfect trip. TripAdvisor offers advice from millions of travellers and a wide variety of travel choices and planning features with seamless links to booking tools that check hundreds of websites to find great hotel prices. TripAdvisor branded sites make up the largest travel community in the world, reaching 350 million unique monthly visitors, and 320 million reviews and opinions covering more than 6.2 million accommodations, restaurants, and attractions. The sites operate in 48 countries worldwide. The company was founded in February 2000 and is headquartered in Newton, Massachusetts (TripAdvisor, 2016).

In recent years, there were quite a few negative cases connected with TripAdvisor. As reported on the website of Radio-Television Slovenia (Sajovic, 2014),

in the years 2011 and 2012, the company was under investigation by the Advertising Standards Authority (ASA), because of complaints from British hoteliers that there are many fake reviews on TripAdvisor. The website later withdrew the slogan 'reviews you can trust' and no longer claimed that 'all the reviews were from real travellers.'

Starmer-Smith (2010) found cases of fictional restaurants and guesthouses with such good and highly rated grades that they managed to be classified amongst the best, though they did not even exist. Smith (2013) presented the fact that an executive director of one of the world's major hotel groups publicly admitted that they violated the rules and posted a lot of good reviews for their hotels and a lot of terrible reviews about their competitors. TripAdvisor was heavily criticized in March 2014 because of suspicious reviewers on their Chinese site. One of their members made 2633 reviews in four years, while someone else made 50 hotel reviews in just one month and at total of 1361 reviews in the whole year (Attwooll, 2014). In December 2014, after seven months of investigation, Italy's antitrust authority fined TripAdvisor half a million euros for publishing misleading information in their reviews (Associated Press, 2014). As reported by Quinn (2014), a hotel in Blackpool charged a couple 100 pounds after they posted a critical review about the hotel on TripAdvisor.

Conclusions for eWOM in Tourism

Despite the listed negative examples, one can hardly imagine organizing travels in recent years without TripAdvisor. It saves a lot of trouble and time and allows a more detailed and authentic description of restaurants, hotels, tourist attractions, etc. It is a source of great ideas and tips. Opinions and reviews of tourists are one of the most influential elements for organizing a potential trip to a tourist destination. However, one must consider the credibility of reviews and subjectivity of each comment, so TripAdvisor is useful for creating a consensus about certain tourist experience. It is easy to use for tourism companies; one can quickly communicate with users (quick response to any criticism of guests) and have positive and negative comments in one place and, most importantly, it provides

a real insight into the operations of quality management.

Tourism companies can decide if they (do not) want to provide TripAdvisor feedback and respond to customers' reviews (both positive and negative). Controlling this information and giving feedback to the guests can be crucial for the tourism company management. By doing this, companies can show guests that they value their opinions and want to give them as comfortable a stay as possible at their premises. Most important are negative reviews, which allow insights into the company's activities and the improvement of their services. When providers of tourism services decide not to take advantage of such activities, they might miss very influential promotion opportunities.

Further research on this subject is needed and should include a very detailed analysis of tourism company reviews (on an individual company level and in the tourism's specific segment), where analysis would have also been made on the other side, with the help from company management. In this way, one could get insights in the company point of view and discover other dimensions and secrets of reviewing on TripAdvisor. To obtain such data, one should thoughtfully approach the companies' staff in charge of dealing with the portal TripAdvisor and TripAdvisor commenters to get both objective aspects of the story.

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