

eWOM as an Effective Means to Assess Business Administration in Tourism Destination

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Abstract—Social network sites (SNSs) have highlighted as an imperative information source for experience sharing, particularly on the subject of electronic word-of-mouth (eWOM). In existing tourism literature, several studies have pointed that eWOM is a trustable source of information among friends, relatives, families and co-workers. This paper examines eWOM in SNSs as a means for sharing tourism experience and travel information, and in turn discusses its importance in assessing business administration and marketing in tourism destination. This conceptual paper contributes to the literature by presenting the decisive role of eWOM, in tourism business, from administration aspect.

Index Terms—social network sites, electronic word-of-mouth, information source, tourism business administration

I. INTRODUCTION

In modern era, using SNSs to communicate with others have drawn attention academics and practitioner mainly in tourism business and marketing. In fact, SNSs in different forms such as Facebook, and My Space have become as decisive tools to create as well as share the travel information. In order to highlights the crucial role of SNS in communication environment, Chung and Koo [1, p. 215] assert that “social media sites are currently accessed by 4.2 billion people via their mobile device. Facebook users check their account more than 5 times a day and 74% of marketers believe that social media including Facebook, Google+, Twitter, etc. are vitally important for their corporate and product strategy”. In 2015, Tudu and Pathak [2] point to Facebook as one of the most popular social networking sites. Prominently, the significance of SNSs on the subject of eWOM has been well recognized in marketing literature [3], [4], [5], [6], [7], [8].

Chun and Kim [9] in their paper entitled “*Determinants of consumer engagement in electronic word-of-mouth (eWOM) in social networking sites*” cite Vollmer and Precourt [10, p.49] stating that “SNSs represent an ideal tool for eWOM, as consumers freely create and disseminate brand-related information in their established social networks composed of friends, classmates, and other acquaintances”. Throughout the tourism literature, many researchers have emphasized that recommendation from friends, relatives, families and co-

workers are trustworthy source of information affecting individuals’ image, feeling and in turn their intention to visit a tourism destination [8], [11], [12], [13]. Recently, with rising the popularity of SNSs that provide the ground for friendly communication very easy, the impact of eWOM on customer decision making as well as destination managers to understand the needs of their target market have underlined by many scholars [5], [14], [15], [16] but little is known about the effectiveness of eWOM in assessing basic element that makeup a tourism destination.

This paper first reviews the previous tourism studies concerning the SNSs and eWOM. It then discusses how eWOM in SNSs can be considered as a tool to assess the effectiveness of the tourism business and marketing.

II. THEORETICAL BACKGROUND

A. SNS and eWOM

In tourism context, SNSs as an international form of social media is recognized as an important information source for travelers providing the ground for having relationship with others to share information, touristic experiences and recommendations very easy and quickly.

Boyd and Ellison [17, p.211] depict SNS as “web-based services that allow individuals to (1) construct a public or semi-public profile within a bounded system, (2) articulate a list of other users with whom they share a connection, and (3) view and traverse their list of connections and those made by others within the system”. A review of tourism marketing literature reveals that one of the key aspects of SNSs is eWOM and its impact on destination choice, revisit and recommendation. Litvin, Goldsmith and Pam [18, p. 461] defined eWOM as “all informal communication directed at consumers through Internet-based technology relate to the usage or characteristics of particular good and services, or their sellers”. Concerning virtual communication, prior studies have shown that eWOM via internet take place and disseminate in SNSs from variety of channels such as Face book [19], [20], [21]. Besides the informational source of eWOM, several studies have pointed to the importance of its credibility and influence for making a purchase decision [13], [16], [18]. This paper focuses on eWOM as a critical factor that typically individuals rely on for travel planning.

B. Influence of eWOM on Travel Planning

SNSs provide a reach source of informal information via eWOM. Nowadays, it is generally agreed that eWOM has an imperative role in travel planning for potential travelers. In addressing the importance of eWOM, Varlow et al. [16, p.33] state that “personal recommendation is the underlying new value in social networks and UGC [user generated content]. It is the customers’ first and favored source of information”. According to Mostafavi Shirazi [22], as long as global methods of sending information is expanded via SNSs, assessment of tourists’ experiences is of utmost important for potential travelers in searching information phase and decision making. Varlow, Nijhuis, and Carter [16, p.5] underscored that “travelers are increasingly turning to their peers as a valued source of information, guidance and recommendation”. From marketing perspective, Kladou and Mavragani [23] cited in Fothis, Buhalis and Rossides [24, p.187] claim that “social media content is very often perceived to be more trustworthy than official tourism websites or mass-media advertising”. Similarly, Varlow, et al. (2008) [16, p. 34] point that, “a survey has found that travelers may trust user-generated reviews more than they trust travel agents’ content: 20% of respondents said websites like Trip Advisor were the most reliable source of information. Only 12% said travel agents’ websites were the most reliable, followed by 11% who chose search engines”.

As revealed in the literature, some scholars point to the role of eWOM on travelers’ decision making [25], [26], [27]. The abovementioned subjects reveal that several studies provide valuable insights concerning the significant of eWOM in SNSs on the subject of tourism business and marketing as a trustable source of information affecting prospective travelers, but less studies deal with the imperative role of it for destination management and marketers in assessing the effectiveness of business activities. Based on these considerations, the following section forms the basis for further studies.

C. eWOM as a Means to Assess Tourism Business Administration

From an informational point of view, eWOM in SNS enable destination managers and marketers to have tourists’ idea, experiences and feeling regarding the tourism destination. In fact, it can be a good source of information for understanding tourists’ satisfaction or dissatisfaction about destination attributes as well as business activities. Moreover, tourism providers can use eWOM recommendation (positive or negative) to consider effective strategies for marketing tourism destination on variety of subjects such as improvement the products and services, accessibility, amenities, price, loyalty program and the like. By evaluating eWOM, it would be suggested that destination management can assess tourism business in various elements that make up destination such as marketing and pricing. Importantly, eWOM can portray a feedback of tourism business and its activities in competitive market. In this regard, Hennig-Thurau, Thorsten, Walsh and Dwyer [19, p. 39] make the

point that eWOM as “any positive or negative statement made by potential, actual, or former customers about a product or company, which is made available to a multitude of people and institutions via the Internet”. This paper points the importance of assessing eWOM from two important aspects:

- 1) Marketing prospective travelers
- 2) Improvement and development of elements in tourism destination

In short, it is suggested that eWOM in SNSs can provide the ground for assessing the activities that are done to run tourism business.

D. Compelling Evidence

Mostafavi Shirazi [28, p.299], citing Pechlaner et al. [29] stress that “to gain and maintain competitiveness, business unites must be offer new products continuously. They accentuate the key role of DMO in destination quality and improvement”. She conducted a survey in Penang, one of the most important Islands in Malaysia, in 2011. This paper presents relevant issues of the case of Penang’s study that assumed to be important for the aforementioned subjects.

Out of 500 questionnaires distributed among international tourists who visited Penang, a total of 445 usable questionnaire were collected. Findings of study showed that “friends and relatives recommendation” (WOM & eWOM) was the top source of information for choosing Penang as tourist destination. Moreover, in one part of the questionnaire, international tourists were asked about the six basic elements of Penang (attraction, price, image, amenities, accessibility, and people working in tourism) that they dislike. Accessibility was the second elements that respondents pointed they disliked.

In this regard, several studies underlined “accessibility” as one of the important issue should be considered. Hence, assessing eWOM with analytic insight on how to improve and develop the accessibility to Penang have done by destination managers as well as tourism administrators [30]. Notably, the first bridge was opened in 1985, the second in 2014 and the Penang undersea tunnel will completed on 2025. Accordingly, assessing eWOM allow business administrators to realize weakness, strengths as well as opportunities and threatens in all elements that make up tourism destination.

III. CONCLUSION

This paper has sought to review the subject of SNSs and eWOM to gain a better understating of global communication in digit era and its key role in tourism business running and marketing. Taking the above discussion into account, for developing market share, assessing eWOM via SNSs is imperative from different aspects including attracting potential tourists as well as improving and developing tourism business administration. In the first instance, it is vital to consider eWOM as a credible source of information for choosing a tourism destination. In the next instance, assessing eWOM via different channels in SNSs such as Trip Advisor is critical for developing and improving products

and services in all basic elements such as attraction and accessibility in tourism destination. As this discussion suggests, assessing eWOM allow tourism administrators to realize weakness, strengths as well as opportunities and threatens in all elements that make up tourism destination. It is important to note that words that are spread in SNSs such as Facebook or Trip Advisor make it possible to measure satisfaction or dissatisfaction of tourists from various aspects of basic elements in tourism destination. This is precisely what destination management is for.

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