

# Electronic word-of-mouth in hospitality and tourism management

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## Abstract

Interpersonal influence and word-of-mouth (WOM) are ranked the most important information source when a consumer is making a purchase decision. These influences are especially important in the hospitality and tourism industry, whose intangible products are difficult to evaluate prior to their consumption. When WOM becomes digital, the large-scale, anonymous, ephemeral nature of the Internet induces new ways of capturing, analyzing, interpreting, and managing the influence that one consumer may have on another. This paper describes online interpersonal influence, or eWOM, as a potentially cost-effective means for marketing hospitality and tourism, and discusses some of the nascent technological and ethical issues facing marketers as they seek to harness emerging eWOM technologies.

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## 1. Introduction

Cyberspace has presented marketers with new avenues to improve the efficiency and effectiveness of communication, and new approaches for the acquisition and retention of customers (e.g., Osenton, 2002; Wind, Mahajan, & Gunther, 2002). One aspect of cyberspace is the phenomenon of *online interpersonal influence* (Senecal & Nantel, 2004). Because a fundamental principle of consumer behavior is that consumers have the ability to exert powerful influences upon each other, it is only natural that marketers seek to manage interpersonal influence (Dichter, 1966; Haywood, 1989), and with the spread of electronic technologies, it is not surprising that virtual interactions among consumers have proliferated (Goldsmith, 2006). A good example of consumers sharing their hospitality and tourism opinions is the website *tripadvisor.com*—touted (by the company) as “the largest site for **unbiased travel reviews** (which) gives you the real story about hotels, attractions, and restaurants around the

world. It boasts more than 1,926,031 unbiased reviews and is updated every minute and every day by real travelers; it contains ‘been there, done that’ inside information; and ‘the best deals for your travel dates’” (*tripadvisor.com*, 2005).

Marketers, who have long sought to harness and manage interactions such as these to their own advantage, have recently begun to consider and devise strategies to manage online interpersonal influence. Hospitality and tourism marketers find the issue of critical importance for the following reasons: hospitality and tourism product offerings, as intangible goods, cannot be evaluated before their consumption, thus elevating the importance of interpersonal influence (Lewis & Chambers, 2000); many hospitality and tourism products are seen as high-risk purchases, for which the emotional risk of reference group evaluation is an important aspect of the decision-making process (Lewis & Chambers, 2000); hospitality and tourism products are both seasonal and perishable, raising marketing stress levels for providers (Rao & Singhapakdi, 1997); the hospitality and tourism industry is intensely competitive, suggesting that the use of online interpersonal influence may provide important competitive advantages for early

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adopters; and finally, considering the dearth of hospitality and tourism industry-specific literature related to the issue, it would appear that the industry lags behind others in the development and discussion of strategies for managing interpersonal influence in an electronic environment.

This paper first reviews related studies on interpersonal influence and word-of-mouth (WOM). It then provides a conceptual model including sources, mediating variables, and motivations for contributing and seeking WOM, with a discussion of how eWOM differs from the traditional WOM. The paper then outlines challenges and opportunities for the tourism industry and suggests relevant marketing strategies to manage and enhance interpersonal influence online. Finally, the paper touches upon ethical issues related to the industry's use of current communication technologies and suggests directions for future research.

## 2. Interpersonal influence and word-of-mouth

Consumers imitate each other following a social or vicarious learning paradigm (Hawkins, Best, & Coney, 2004), but perhaps more importantly, they also talk to each other. Described as WOM communication (WOM), the process allows consumers to share information and opinions that direct buyers towards and away from specific products, brands, and services (Hawkins et al., 2004). Marketing research on WOM dates to the 1960s (Arndt, 1967; Dichter, 1966; Engel, Kegerreis, & Blackwell, 1969), and over time WOM definitions have evolved (Carl, 2006). In the early years, WOM was defined as face-to-face communication about products or companies between those people who were not commercial entities (Arndt, 1967; Carl, 2006). Later, Westbrook (1987, p. 261) described WOM more broadly, to include “all informal communications directed at other consumers about the ownership, usage, or characteristics of particular goods and services or their sellers.” While Westbrook did not specifically define what constitute “informal communications”, his writing clearly indicated that these are the communications of interpersonal relationships, as opposed to those through mass-media channels that pass product knowledge from producers/providers to consumers. Recently, Buttle (1998) argued that WOM can be mediated by electronic means. He also noted that “informal communications” might not be all inclusive; arguing the fact that more and more companies had adopted viral marketing practices which blurred the boundary between commercial messages and WOM (Lindgreen & Vanhamme, 2005). Thus, the key defining characteristic of WOM is the perceived independence of the source of the message. This definitional evolution indicates, with information technology today ubiquitous, that WOM is becoming both more pervasive and amorphous. In this paper, the authors accept the broadest of definitions: WOM is the communication between consumers about a product, service, or a company

in which the sources are considered independent of commercial influence.

Before considering WOM for hospitality and tourism management, there are a few general questions that should be answered to add to our foundation of understanding:

- (1) *Why do consumers spread WOM?* Westbrook (1987) indicated, in a study that examined usage and post-purchase behavior of automobile, and cable television purchasers, that positive and negative feelings associated with a product experience created inner tension and called for a discharge in the form of WOM. Other authors added to these emotions, and noted that a consumer's affective elements of satisfaction, pleasure, and sadness all motivated consumers to wish to share experiences with others (Dichter, 1966; Neelamegham & Jain, 1999; Nyer, 1997). Dellarocas, Fan, and Wood (2004) studied more than 50,000 rare coin auctions from eBay and found that eBay users, both buyers and sellers, exhibited reciprocity toward those other users who had rated them previously, and that they were more likely to rate their trading partners in order to increase chances of their being reciprocally rated. Further, many people simply enjoy sharing their travel experiences and expertise, with post-trip sharing often one of the joys of travel.
- (2) *Where does WOM originate?* The key WOM player is the opinion leader, an active user who interprets the meaning of media message content for others, i.e. opinion seekers. In past studies, opinion leadership has been found to be domain specific (Goldsmith & Flynn, 1993). Opinion leaders are interested in particular product fields, make an effort to expose themselves to mass media sources, and are trusted by opinion seekers to provide knowledgeable advice (Piirto, 1992; Walker, 1995; Weimann, 1994). Numerous such relationships have been reported across a range of fields and products. From politics, Lazarsfeld, Berelson, and Gaudet (1944) noted a two-step communication flow in which political views were more profoundly influenced by communication between voters themselves than they were by the initial influence of the mass media. Research also has found that early adopters (not always, but often opinion leaders) who had satisfactory experience with automobile diagnostic centers led to positive WOM (Engel et al., 1969). Duhan, Johnson, Wilcox, and Harrell (1997) conducted a study on the selection of a provider of obstetric services by women of child-bearing age. Their results showed that while the originators of WOM can be close friends, family, or relatives (i.e. strong ties), that they can be acquaintances or strangers (weak ties) as well.
- (3) *What are some variables that mediate WOM?* The literature suggests two types of mediating variables: those which influence the message originator and those which influence the listener. There are numerous examples of each in the literature.

Gremler, Gwinner, and Brown (2001) studied the behavior of bank customers and dental patients and noted that a positive personal relationship between the company’s employees and their customers resulted in a higher likelihood that customers would spread positive WOM about the firm. Dichter (1966), who researched the purchase decisions of more than 10,000 consumers, suggested that consumers with higher product involvement generated increased WOM. Derbaix and Vanhamme (2003) surveyed 100 consumers identified as middle- to upper-middle class on their most recent purchase experience and found that the intensity of ‘surprise’ in the consumption process was positively correlated with WOM volume. From the listener’s perspective, Sundaram and Webster (1999), who conducted a study on air conditioner purchase decisions by undergraduate students, demonstrated that the students’ evaluation of an unfamiliar brand was more susceptible to change from WOM than was their attitude toward a familiar brand. Earlier research by Arndt (1967) on the purchase behavior of discounted food products by married students showed that the degree of sociometric integration (i.e. the consumer’s degree of integration into their community) was directly related to their willingness to receive WOM. An experiment by Laczniak, DeCarlo, and Ramaswami (2001) focused on the influence of negative WOM on purchase decisions for personal computers. Their results indicated that consumers considered the source of information, particularly negative information, before having a change of opinion about a product or service. Thus, there are myriad variables that can affect the effectiveness of WOM as a means of influencing consumer behavior. It seems that the more we study the phenomenon, the more mediating variables emerge from the research.

(4) *What are the expected outcomes from the dissemination of WOM?* Unsurprisingly, the overarching conclusion

is that favorable WOM increases the probability of purchase, while negative WOM has the opposite effect. Such a finding has remained largely unchanged since shared by Arndt in 1967. A study by Mahajan, Muller, and Bass (1990) extended the earlier work of Arndt (1967) and found that WOM could influence product evaluations. Recently, Gruen, Osmonbekov, and Czaplewski (2005) studied one specific form of WOM, the online “know-how forum” and determined that online WOM impacted not only the receiver’s perceived value of a company’s products, but also their loyalty intentions. Thus, the exchange of product information through WOM empowers consumers and lessens producer/consumer information asymmetries (Ozcan & Ramaswamy, 2004; Price, Feick, & Guskey, 1995; Whyte, 1954), ultimately resulting in an acceleration or deceleration of product acceptance (Bass, 1969).

The above discussion of the literature has been consolidated into a model of WOM, as reflected in Fig. 1.

2.1. *Applications of word-of-mouth*

Interpersonal influence not only flows from opinion leaders to followers, but also spreads as a result of relationships among followers. Marketers hoping to harness these relationships seek to create ‘buzz’, defined by Thomas (2004, p. 64) as the “amplification of initial marketing efforts by third parties through their passive or active influence.” This can be accomplished through *stimulation*—advertising and other promotion techniques that get consumers talking about brands; and *simulation*—strategies such as a store creating a ‘teen fashion panel’ or simply the depiction in ads of consumers discussing brands or seeking information from opinion leaders (Hawkins et al., 2004).

Several recent well-documented examples of product proliferation through the power of ‘buzz’ have included, in

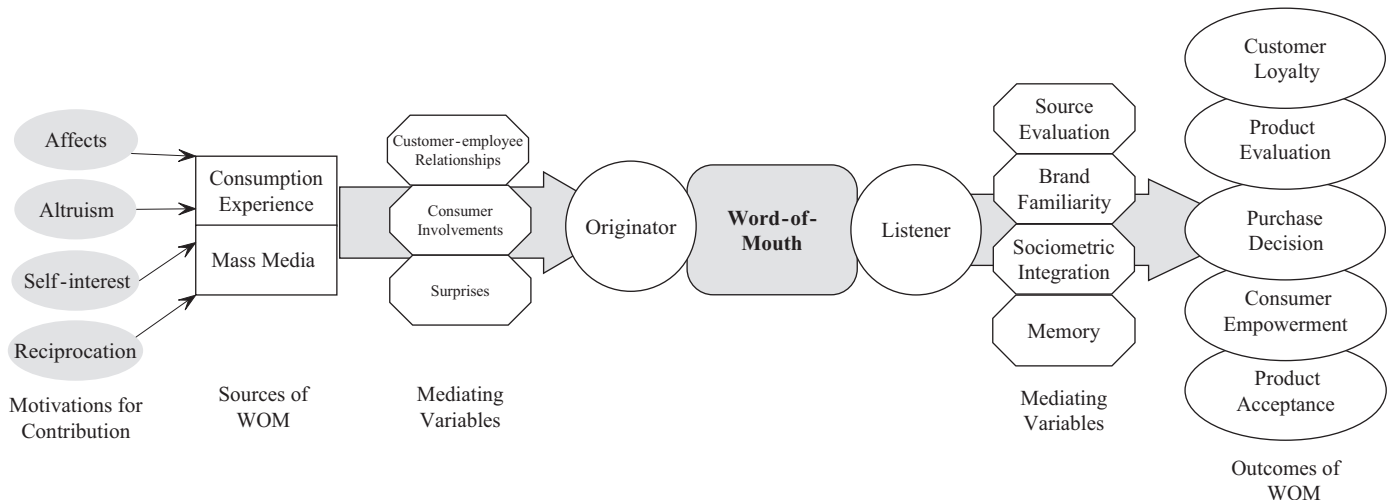


Fig. 1. A conceptual model of word-of-mouth.

the USA, the box office success of *The Blair Witch Project* (Streisand, 1999), the meteoric diffusion of BOTOX (Ries & Ries, 2002), and the pre-low-carb cult-like status of Krispy Kreme Doughnuts (Serwer, 2003). In Germany, the release of the Harry Potter books was accomplished by relying solely upon reviews to create awareness and demand (Fuchs, 2003). An interesting application of ‘buzz’ in Asia was orchestrated by Adidas. Looking to overcome the marketing disadvantage of not being an official sponsor of the Japanese Olympic Federation, the company ran a series of unofficial offbeat events, such as the World Bus Pulling Championship and vertical 100 m sprints up the staircases of buildings in Osaka and Hong Kong (Media Asia, 2005). For each of these examples, success was attributed not to the product’s traditional advertising or public relations campaign, but rather to their promoter’s creation of ‘buzz’ through their use of non-traditional WOM promotional strategies.

## 2.2. Word-of-mouth in hospitality and tourism industry

Interpersonal communications have long been recognized as influential in the tourism industry. In fact, seminal travel and tourism theories such as Cohen’s (1972) ‘drifter, explorer, mass tourist’ typology, Plog’s (1974) ‘theory of allocentricity and psychocentricity’, and Butler’s (1980) ‘tourist area life cycle model’ are each based upon the observation that it is the innovative and adventurous tourists that discover new destinations or tourism products, who then, acting as opinion leaders, share their experiences with their “less intrepid cousins” (Dearden & Harron, 1992, p. 102), thus creating diffusion and marketing momentum for new destinations and innovative travel products.

Recent research in the tourism area has demonstrated the influence of both positive and negative WOM upon tourism products in studies across a broad range of nations. Among these, Morgan, Pritchard, and Piggott’s (2003) New Zealand based research noted that negative WOM can have an overwhelming impact upon a destination’s image, as dissatisfied visitors spread unflattering comments related to their experiences. Crick’s (2003) Caribbean study similarly warned that when locals display hostile feelings towards tourists, the result is negative WOM and a likely downturn in the industry. O’Neill, Palmer, and Charters (2002) studied wine tourism in Australia, and found that visitors’ WOM recommendations boost wine sales when vacationing opinion leaders return home and tell others of their experiences; Shanka, Ali-Knight, and Pope’s (2002) study of destination selection methods found that a majority of Western Australia travel decisions were based upon WOM communications; and Diaz-Martín, Iglesias, Vázquez, and Ruiz (2000) found, in their study of Spanish tourists, that while positive WOM increases expectations, it also makes it that much more difficult to satisfy these expectations; an interesting dichotomy.

Morgan, Pritchard, and Pride (2002) studied Wales tourism marketing, and noted the potential of WOM as an effective tool for spreading the ‘visit Wales’ message through the Welsh diaspora. In a USA-based study, Litvin, Blose, and Laird (2004) noted that tourists’ restaurant selections were predominantly influenced by the WOM recommendations of opinion leaders, with surprisingly few decisions based on the influences of more formal media. These authors suggested that restaurant marketers seeking the tourist trade shift their emphasis from traditional marketing channels (advertising and public relations) to non-traditional interpersonal marketing strategies. In a cross-cultural study that employed a sample comprised of travelers from the UK, Germany, Japan, Brazil, and Taiwan, authors Crotts and Erdmann (2000) noted that Hofstede’s dimension of masculinity–femininity helped to explain the likelihood that those of different cultures would employ WOM to pass along travel complaints via WOM. An interesting hospitality example relates to *Yours is a Very Bad Hotel*, by Farmer and Atchison (2001), a PowerPoint presentation that discussed what its creators considered to have been a poor lodging experience at a Houston DoubleTree hotel property. Per Shea, Enghagen, and Khullar (2004), Farmer, and Atchison never intended their presentation to be made public, but through the power of electronic communications, the presentation was passed along in rapid fashion until it had spread among business travelers and academics worldwide, generated in excess of 4000 email responses to Farmer and Atchison, and created an untold amount of negative ‘buzz’ for both the property and the chain.

## 3. Electronic word-of-mouth and tourism

With the advancements of Internet technologies, increasing numbers of travelers are using the Internet to seek destination information and to conduct transactions online. According to the Travel Industry Association of America (TIA 2005), 67 percent of US travelers have used the Internet to search for information on destinations or check prices or schedules. Even more impressively, 41 percent of US travelers have booked at least some aspects of their trips via the medium. Germane to this paper, the Internet has enabled new forms of communication platforms that further empower both providers and consumers, allowing a vehicle for the sharing of information and opinions both from Business to Consumer, and from Consumer to Consumer. It is within these contexts that we consider the concept of eWOM.

### 3.1. Defining electronic word-of-mouth (eWOM)

Based on the definition of WOM by Westbrook (1987), electronic word-of-mouth (eWOM) can be defined 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.

This includes communication between producers and consumers as well as those between consumers themselves—both integral parts of the WOM flow, and both distinctly differentiated from communications through mass media (Goldsmith, 2006; Lazarsfeld et al., 1944).

3.2. *A typology of eWOM media*

Several types of electronic media have an impact upon interpersonal relationships. Each possesses different characteristics. Some are synchronous, such as Instant Messaging; while others are asynchronous, such as email and blogs [Blog is a shortened version of the term ‘web log’—commonly a publicly accessible web-based journal (tech-dictionary.com, 2006)]. Some communications link one consumer with another, such as email, while others connect a single consumer with many others (web pages). Still others flow within a new marketing paradigm, the ‘many-to-many communications’ of Internet chatrooms (Hoffman and Novak, 1996). Fig. 2 reflects this new typology.

3.3. *Challenges and opportunities of eWOM*

The digitalization of WOM has created both new possibilities and challenges for marketers. Per Dellarocas (2003): (1) with the low cost of access and information exchange, eWOM can appear in an unprecedented large scale, potentially creating new dynamics in the market; (2) though broader in scope, the technology allows for greater control over format and communication types; and (3) new problems may arise given the anonymity of communicators, potentially leading to intentionally misleading and out-of-context messages. In light of the media’s low cost, broader scope, and increased anonymity, it seems likely, as time progresses, that consumers in increasingly larger numbers will either seek or simply be exposed to the

advice of online opinion leaders (Hennig-Thurau, Gwinner, Walsh, & Gremler, 2004).

More importantly, and different from the ephemeral nature of traditional WOM, eWOM exists in online ‘space’ which can be accessed, linked, and searched. Given that travelers are relying more and more on search engines to locate travel information (eMarketer, 2006), eWOM will inevitably change the structure of travel information, the accessibility of travel information, and subsequently travelers’ knowledge and perception of various travel products. For example, the dominant online search engine Google uses the PageRank algorithm that utilizes the link structure of the web space and the content of web pages to rank the most authoritative and relevant web pages (Brin & Page, 1998). ‘Google bombing’ is a practice in which savvy users of Google take advantage of the knowledge of Google’s algorithm to manipulate search results when the user types a Google query (Tatum, 2005). eWOM can actually become a tool that ‘Google bombers’ may use in manipulating the hyperlink structure of the web space so as to influence the returned results in Google. As such, far different from physical WOM, eWOM can create virtual relationships and communities, with influence far beyond the readers and producers of WOM; it actually creates a new type of reality by influencing readers during their online information searches.

4. **Strategies for managing eWOM in hospitality and tourism**

The unique properties and environment of the Internet discussed above necessitate a new view of the dynamics of online eWOM, and new strategies for managing them. These can be classified into two major categories: informational and revenue generating. From an informational perspective, procedures need to be established that allow hospitality and tourism marketers to harvest discussion and feedback created online. Harvested information

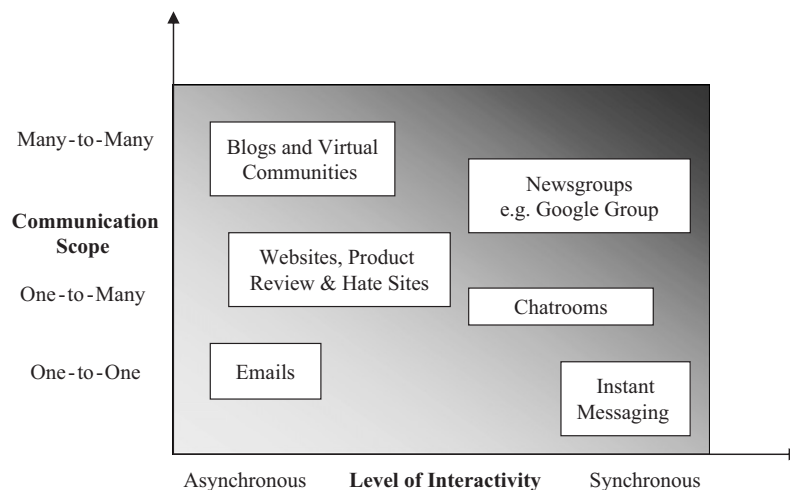


Fig. 2. A typology of electronic word-of-mouth (eWOM) channels.

about the property and destination can then be used to accomplish such tasks as: enhancing visitor satisfaction through product improvement, solving visitor problems, discovering what visitors say—good and bad—about their experiences, analyzing competitive strategies, and monitoring company reputation/image. Of no less importance is the need to manage eWOM for purposes of revenue generation (Kirkpatrick & Roth, 2005). These efforts could be directed toward spreading good WOM about the property and destination—helping potential visitors seeking information by providing reinforcing images and opinions.

Encouraging or stimulating good eWOM should result in enhanced business activity. Below are specific strategy suggestions for hospitality and tourism marketers to accomplish these goals in cyberspace. Ethical issues related to the potential abuse of these practices are then briefly considered.

#### 4.1. *Email (and instant messaging)*

Email is an asynchronous, one-to-one medium for which privacy is a primary concern. An advantage of a marketer utilizing email versus traditional mail is that email list size does not correlate with emailing costs, as the variable expenses of stationery, reproduction, and postage are negated. Once names and email addresses have been obtained, mass emailings that pique interest, or at least do not offend or annoy, become a highly efficient means of communication between a hospitality provider and its past and potential guests. Keeping mailing lists current is both a challenge and a necessity. However, the good news is that ‘bad’ addresses embedded in an emailing list add virtually nothing to distribution costs, other than the minimal time and energy required to process returned email messages.

While lists of names that fit specific geographic or demographic criteria can be purchased, no better prospects exist than past and present clientele. As do airlines and major hotel chains in conjunction with their frequent flyer or guest programs, hotels, and car rental agencies should make the collection of email addresses an integral step in their reservation and check-in process. Restaurants, carriage tour companies, and visitor attractions should provide guests with cards asking for their email addresses, offering as possible incentive a free appetizer or future discount. Regular mass emailings and e-newsletters with links to web sites can then be sent to list members hyping future promotions and events. In a paper-based marketing channel, large distribution lists translate into high printing and mailing costs. For e-newsletters, the marginal cost of sending a thousand versus a million messages is nil, except for the time involved in managing the list. The larger the list size, the greater the potential for reaching potential customers. Email distribution has successfully allowed marketers to sidestep the traditional marketing tradeoff of distribution breadth versus message depth and should be adopted aggressively.

Users, however, disdain junk mails and most of them will view email only from trusted sources. Marketers thus need to adopt strategies that provide the receiver a reason to open, perhaps even welcome the provider’s email offerings, and to pass them on to others. Marketers can entice email recipients to forward their communications to others (eWOM) by emotionalizing their communications, including an element of surprise, making them humorous or providing incentives (Lindgreen & Vanhamme, 2005). Email communications should also include links to web pages or bulletin boards to further encourage online interaction. Travel is a product that people enjoy reading about and talking about, and travel opinion leaders are delighted for opportunities to share their experiences with others. Organizations within the hospitality and tourism industry have an excellent opportunity for success by creating ‘buzz’ through their effective use of emails.

#### 4.2. *Websites*

The website is an asynchronous, one-to-many medium. While generally a passive means of communication, websites can be used to create the first step of ‘buzz’ in order to stimulate eWOM among visitors. As does traditional advertising, an effective website should not only share information, but also create a desire to learn more about the product or destination and ideally induce a desire to visit. eWOM can be created online by offering web visitors the ability to access the opinions of satisfied guests. To accomplish this, positive product reviews and the posting of customer comments should be highlighted on the company’s web pages. Further, guests should find links to company sponsored bulletin boards, where they will be invited to take on the role of opinion leader by expressing their own views and sharing their personal experiences about the destination, hotel, restaurant, etc.

Loyal customers should also be encouraged to post links on their personal websites that direct visitors to the tourism provider’s website. The key idea is to nurture a community of interest in which visitors and potential visitors talk about the destination product as part of their shared interest in travel. Making it easy for these folks to post their vacation pictures on both the company’s web site as well as their own web site encourages eWOM. Travelers, food aficionados, and those with other special interests are eager to share their experiences with others. The hospitality and tourism organization’s web page should provide them a ready forum.

#### 4.3. *Blogs and virtual communities, newsgroups, chatrooms, product review sites, etc.*

Each of these communication media has its own level of interactivity and communication mode. Blogs and virtual communities, for example, are asynchronous channels that writers and readers access at different times; though an active message board can provide near synchronous access

by its members. Conversely, newsgroups and chat rooms are synchronous.

Relevant strategies differ for company sponsored or controlled media, versus public media. For company media, the key is to stimulate usage and to make bulletin boards interesting and lively so that users return often to the site. Allowing and encouraging eWOM on the site through posted comments can provide the host company genuine and untainted consumer feedback, while at the same time providing a service recovery mechanism to reply, rebut, or rebuff negative comments. Further, the electronic forum allows management to demonstrate their caring and concern by providing positive reassurance to potential visitors and guests, as well as to their own employees. Even hate sites (e.g. the anti-United Airlines site ‘Untied’ (<http://www.untied.com>)) provide feedback opportunities to learn more about one’s customers (Wolrich, 2005) and should be monitored regularly to provide management with important, timely, feedback. Some of these public media are highly active. Lonely Planet’s (2006) moderated discussion boards, geared to the budget traveler, have registered 350,000 users. At the higher end of the traveler spectrum, Condé Nast Traveler’s (2006) ‘The Perrin Post’ travel blog attracts lively discussion on a wide range of travel topics laced with comments by Wendy Perrin, the magazine’s consumer news editor.

Management, however, must appreciate that postings to bulletin boards, newsgroups and certainly hate sites generally fail to represent anything resembling a random sample of consumers. Research has found that most participants tend to be those with opinions either very favorable or very unfavorable toward the service, with the mid-range majority far less inclined to post their opinions—thus creating a ‘‘U’’-shaped response curve (Bansal & Voyer, 2000). But while not statistically significant, posted comments can certainly convey a sense of customer satisfaction level in a more neutral environment than can the company-sponsored sites. Monitoring allows management to post responses to critical comments, possibly diffusing potential negativity. Importantly, these sites also provide a free and unbiased window through which to glimpse one’s competitors’ customer satisfaction levels. The advancement of information technologies, automated web syndication tools such as really simple syndication (RSS) (Wikipedia, 2006), and forum monitoring have provided travel marketers feasible and cost-effective ways to assess their customer-perceived service quality and satisfaction, while helping to improve their travelers’ overall experiences.

#### 4.4. Blogs and virtual communities

Blogs (weblogs or online diaries) can be used in a similar manner as discussed above (Baker & Green, 2005; Heuvel, 2005). A good example of the use of blogs to spread positive eWOM was reported by Kaikati and Kaikati (2004), who chronicled Dr. Pepper’s use of blogging to

create ‘buzz’ for a new dairy-based soft drink targeted at the youth market. The company invited well-read young bloggers and their parents to their Dallas company headquarters for a product introduction and a week of orientation. In exchange for creating blog diary reports that hyped the new drink, the young recruits were rewarded with promotional materials and free product samples. Similarly, travelers are likely to share their own travel experience and to read of other traveler’s trips. Hospitality and tourism companies might consider identifying popular bloggers that appeal to the demographics they wish to attract and inviting these folks for a destination visit or complementary meal, etc.—similar to the familiarization trips that destinations have long provided travel agents, writers, and journalists whose enhanced first-hand product knowledge have made better sellers and stronger advocates of their products.

Virtual communities are groups of online individuals who share interests and interact with one another. Because of the ease of linking web sites, Blogs can be a part of virtual communities along with bulletin boards and chat rooms. Virtual communities vary in the scope of their content from fairly simple lists of resources to complex cyber environments offering net-citizens information and the opportunity to socialize with likeminded individuals. Some of these have arisen spontaneously, while others have been sponsored or managed by companies (see Flavian & Guinaliu, 2005). Examples would be communities based on shared interests (such as wine-enthusiasts’ Virtual Vineyards), or communities held together by product or brand loyalties (e.g., [Apple.com/usergroups](http://Apple.com/usergroups)). In any case, these virtual environments represent fertile territory for the dissemination of eWOM and the creation of ‘buzz’.

#### 5. Some brief ethical concerns

Though the above strategies are presented as positive proactive marketing activities, it is not hard to envision marketers easily overstepping their ethical boundaries. For example, even the most benign strategy, email, presents several ethical concerns. Ease of use and the virtual cost-free (on a variable cost basis) nature of emails can lead to abundant abuse—as most can attest from the amount of junk emails received daily. It is thus important that hospitality and tourism organizations treat the medium as a form of ‘permission-granted’ marketing, such that all emailings are requested, respectful, and relevant (Osenton, 2002). Further, when sending emails, one’s source should be clearly designated and never disguised; unnecessary mailings should be avoided, mailing addresses should not be sold without permission, and ‘opt-out’ requests should be handled promptly and courteously.

When considering other electronic media, potential abuses are more ominous. Many of these can be classified under the banner of *stealth marketing*. The practice of stealth marketing is defined as ‘‘employing tactics that engage the prospect without them knowing they are being

marketed” (Neisser, 2004, p. 4). Taylor (2003) traced its use to the early days of British theater, when the theater company would plant people in their audience, paying them a shilling to stand up and shout “Bravo!” (ergo, the source of the term ‘shill’ coming to mean a front-man or decoy). A high-profile example was Sony Ericsson’s picture-phone rollout campaign that relied upon unsuspecting tourists being handed a picture phone by an actor posing as a fellow tourist, and being asked to take a picture of the actor. The tourist was shown how simple the phone was to operate and engaged in a discussion about the new technology. The intent was to expose the product during its early adoption stage in order to initiate WOM, and thus create ‘buzz’. Though treated negatively during a CBS “60 minutes” story, the company defended its efforts as a highly successful public relations campaign (Atkinson, 2004). Following are some other interesting stealth marketing examples, the ethics of which we leave to the reader’s personal judgment.

- Taylor (2003) noted that for years, liquor companies have provided their sales staff ‘walking around funds’ to surreptitiously purchase drinks of their company’s brands for bar patrons.
- Tobacco companies have hired young attractive smokers to offer new brand cigarettes to others in bars (Kaikati & Kaikati, 2004).
- Record companies have employed the tactic of hiring young ‘hip’ music fans to discuss the company’s new releases among themselves in music stores, with the intent of being overheard by shoppers (Kuntz & Weber, 1996).

Though the above descriptions and definitions may or may not raise alarm, they are difficult to reconcile with the American Marketing Association’s Code of Ethics, which specifically prohibits the deliberate misleading of consumers (AMA 2005).

Online ‘stealth marketing’ tactics that could tempt hospitality and tourism marketers to promote eWOM and ‘buzz’ are easily envisioned. The most obvious of these is the use of employees to pose online as consumers in order to post positive comments on behalf of the company. Such postings could be on the company’s website forum or on public bulletin boards and newsgroups. To make effective, employees could be provided with scripted postings to provide a stream of product reviews and comments. As their postings would appear to be from knowledgeable users and not company ‘shills’, the employees would assume the role of e-opinion leaders, generating enhanced visitorship from opinion seekers who rely upon their expertise. It is important to note how easy the new technologies make implementation of such a strategy, and how virtually undetectable such subterfuge would be to net habitués. Taking this just one step further leads to thinner ethical ice. Equally as easy to implement, and just as hard to detect, would be having employees post negative

comments regarding the competition. These could be in the form of harsh restaurant, destination, or property reviews on travel review sites, the posting of complaints to a lack of follow-up to non-existent problems on travel Web Boards, the seeding of negatively toned discussion streams within travel chat rooms, or even be the genesis of new hate sites directed at a targeted competitor. It does not take much imagination to come up with a list of potential abuses, and even less imagination to consider the damage that could be done by spreading negative eWOM through these readily accessible media. Abuse of online communities would similarly take little effort or imagination. An employee could be encouraged or specifically charged with infiltrating his/her avatar into an e-community. Once an accepted net citizen, he/she would be in a position to interject or initiate positive comments into conversations regarding his/her employer, and negative comments regarding the competition. If recognized as a knowledgeable traveler and trusted voice within the community, the eWOM disseminated could have significant influence on other members’ hospitality and tourism purchase decisions. The serendipitous use of blogs has similar issues. Nobody licenses blogs and their intellectual freedom is one of the medium’s principal attractions. However, this same lack of control is an open door for abuse. While we certainly hope that our industry would not indulge in the ethically questionable practices discussed above, it is not hard to envision their temptation. Clearly, the issue of ethics and eWOM calls for intense further study in order to demarcate a well-defined boundary between the ethical practice of managing eWOM, and its abuse.

## 6. Final comments

This paper has proposed a conceptual model of WOM and discussed a series of available strategies for harnessing the power of the media for hospitality and tourism providers to stimulate their marketing efforts. The nascent field of eWOM appears to incorporate many of the traditional off-line techniques for managing interpersonal influence (i.e., stimulating and creating opinion leaders), while at the same time creating new techniques enabled by the unique characteristics of cyberspace. Hospitality and tourism marketers must understand that their guests are going online in increasing numbers and that in their electronic universe these consumers are exposed to and are likely influenced by the many sites devoted to the selling or discussion of travel. Tourism marketers should take the lead in understanding and utilizing the emerging technologies, rather than being driven by the adoption of strategies by their competitors.

There has been a significant change in the distribution of travel products over the past decade, and much has been written about the demise of the travel agent. However, while the traditional ‘brick and mortar’ leisure travel agency has found the new electronic environment challenging, a new generation of intermediaries, such as Expedia,



Travelocity, Hotels.com, Cruise Critic, etc. are successfully filling the void. In the past, neighborhood travel agents, selling third-party products, served as trusted opinion leaders to their clients. This relationship led tourism industry providers to work hard to cultivate relationships with travel agent intermediaries, hoping the travel agent would then be influential in moving incremental business in the provider's direction. The new breed of electronic intermediaries, however, does not provide the face-to-face contact of old, and as such have little power as opinion leaders. Instead, they influence traffic primarily through price and placement policies—but neither of these marketing strategies satisfy the potential traveler's affective need for reassurance and guidance, as traditionally provided by travel agents. Perhaps to compensate for the inherent weakness of a lack of personal relationship, virtually all electronic travel agency sites now offer web pages that feature customer reviews of the products they distribute. These sites offer numerous first-hand commentaries and ratings posted by travelers assessing, discussing, and dissecting virtually every ship afloat as well as most hotels and restaurants in any major city or resort worldwide. To the average user, while some posted reviews hold little value, others resonate as on target and useful. Collectively, these reviews can provide a strong sense of the product, add to the consumer's overall image of the hotel or destination, likely reduce pre-purchase doubt, and mitigate post-purchase dissonance. As such, it would seem that these eWOM sources play an increasingly important role in the consumer decision-making process—with the faceless reviewers who add their comments to these web pages rapidly becoming the travel opinion leaders of the electronic age. Marketers need to learn how to control, and not be controlled, by this new and powerful force.

## 7. Directions for future research

This paper has sought to introduce the topic of eWOM to the hospitality and tourism community by providing a conceptual model of eWOM, discussing its management strategies, and touching upon ethical concerns regarding potential abuse. Future research related to the application of eWOM strategies should now move to the practical, with studies designed to measure the cognitive, affective, and behavioral implications upon traveler behavior and the new dynamics created by eWOM. Researchers will have to devise new methods to study online interpersonal influence so that they can test theoretical propositions derived from the existing literature on social influence. The area is likely to provide a rich and interesting stream of exploration. For example, study should be made of what kind of information consumers seek online and how they actually use the information they acquire online from other consumers to make their travel and hospitality decisions. How much weight do they give personal sources versus impersonal sources? When information from personal and impersonal sources is acquired, do consumers maintain these source

distinctions, or do they treat all the information as if it came from one source? Lacking face-to-face contact with opinion givers, what cues do consumers use to assign trust to online social influences? In addition to seeking answers to these and many other questions, the models offered should be further considered and refined. Finally, there is need for much further work to be focused on the potential for misuse of the medium.

Beyond the above macro-oriented questions, on a practical level, managers should initiate their own studies focused on their specific sites to assess the level of current eWOM and test tactics to increase it, with eWOM made part of an overall marketing and promotional strategy.

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