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EWOM IN TOURISM: SELECTION OF PRIVATE ACCOMMODATION FOR HOLIDAYS

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Abstract

Electronic word of mouth is a more recent form of word of mouth used by internet users who share and benefit from worldwide information. Online reviews are a very important source of information for tourists. They represent a more modern and a more reliable source of information in decision making process when compared with the content published by the foreign travel agencies. Previous research has shown that the online reviews on websites specialized for hotel ratings made a significant impact on the total number of hotel reservations. The majority of tourists find online reviews very useful and more than half of them will not make a hotel reservation if a hotel has no reviews. Since the private accommodation is quantitatively the most significant accommodation type in Croatia, the goal of this paper is to analyze the impact of electronic word of mouth on the tourist selection of private accommodation for holidays.

Keywords: eWOM, private accommodation, review

1. INTRODUCTION

The foundation of any successful marketing strategy is the initial consumer research and a continuous monitoring of their needs, attitudes and satisfaction. In addition, research is being conducted on which factors motivate consumers to buy, how a purchase decision is made, and how that decision can be influenced.

The exchange of experiences, attitudes, opinions and ideas has always been important for further behavior in the consumption of goods or the use of services. Thus, when buying certain products or services, consumers often ask for information from family, friends, colleagues, acquaintances and others that they perceive as the best source. Electronic WOM is defined as communication that is generated by potential, existing or former consumers, through messages about products or companies, which are available to a large number of people and institutions via the Internet (Hennig Thurau et al. 2004). eWOM is considered a compelling medium because of its great perceived credibility and reliability. It can also be defined as: any positive and negative statements of potential, actual or former customers about a product or company, which are

available to several people and institutions over the internet. Through this type of marketing, anyone can share their thoughts with millions of Internet users and thus influence the decision of others. The communication network in eWOM is much larger than in the traditional form, and also the component of time and location restriction is eliminated. Users can thus read and compare archived opinions / reviews of products / services they are interested in. On the other hand, what is difficult to discern is the credibility of the reviews of a product since the consumer does not know the author of the review at all. However, nowadays the amount of available eWOM data is large and is increasing every day. Therefore, the consumer can find opinions about a product / service in several different places, which makes the recommendation seem much more credible. Word-of-mouth (WOM) marketing has an important impact on consumer behavior (Litvin et al., 2018; Wilson et al., 2017; Yoon et al., 2017).

A significant feature of eWOM refers to the large amount of available information, which covers various topics, products and services, industries (Mitić 2020). When information cannot be obtained through traditional WOM communication, it is very likely that the requested information can be found as a comment by a consumer on the Internet. Most authors who have dealt with the phenomenon of word-of-mouth communication in a marketing-communication context agree on one thing - it is one of the strongest marketing weapons of today.

In the era of the Internet, the performance and distribution of eWOM has been further enhanced. Through this type of marketing, anyone can share their thoughts with millions of Internet users and thus influence the decisions of others. Consumers prefer eWOM messages because they provide complete and credible information that is not generally provided by brands on public platforms (Verma & Dewani, 2020). So today, consumers are increasingly making "offline" decisions based on online information (e.g., which movie to watch, which book to read, which product to choose from among the many offered, which restaurant to visit, etc.). The communication network of the electronic word of mouth is much larger than in the traditional form, but what is difficult to distinguish is the credibility of the reviews of a product, since the consumer does not know the author of the review at all. Research by Chevalier and Mayzlin (2003) has shown that positive online oral transmission is more common than negative, but its effects on consumer decisions are weaker than the effects of negative transmission. Both positive and negative eWOM for a large number of products and services has become readily available globally, making this informal form of communication a desirable source of market information. Most eWOM research gives high credibility to negative oral submission. The negative EWOM spreads faster than the positive one which makes it a frightening phenomenon and a double-edged sword. Lang (2011) states that satisfied customers will share their experience with 5 people, while dissatisfied consumers will do so with 15. Also, research by Doha and Hwang (2009) and Stead (2012) shows that negative comments can contribute to greater consumer confidence in reviews or strengthen the credibility of reviews.

The impact of electronic word of mouth is directly applicable to tourism and hospitality management. The behavior of travelers when searching for information in tourism has been in the interest of researchers for some time, but scientists have only recently begun to study consumers and travelers who use data on the Internet in planning their trip. According to (Mauri and Minazzi 2013) online consumer reviews have become relevant sources of information for travelers and play an important role in social sciences and the purchase of travel services. Research such as Dellaert's (1999) examined the importance of online communities in tourism marketing, while Wang, Yu, and Fesenmaier (2002) in their study examined the needs of members of online travel communities and the reasons for their contribution to online travel communities. Sidali, Schulze, and Spiller (2009) found that individuals relied more on online reviews when choosing tourist accommodation than on other sources of information, such as travel guides. Several studies have examined the motivation to publish eWOM (e.g., Hennig-Thurau, Gwinner, Walsh, & Gremler, 2004; Sundaram, Mitra, & Webster, 1998; Wetzler, Zeelenberg, & Pieters, 2007). Numerous travel agencies have

established online comment systems on websites to encourage consumers to spread information via their personal social media (Yan et al., 2018).

Previous findings and scientific articles largely include eWOM research on the example of hotels (Touminen 2011). Manes and Tchetchik (2018) discovered that WOM can reduce the uncertainty caused by information asymmetry and thus increase hotel reservations. References on hotel selection and previous reviews on the subject of Chu i Choi (2000); Dolnicar and Otter (2003) reveal a number of primary attributes that are consistently identified - cleanliness, position, reputation, price, value, service quality (e.g., courtesy and helpfulness of staff), room comfort, and safety. Given the specific structure of tourist accommodation capacities in Croatia, which is dominated by increasingly growing family accommodation, this research deals with the preferences of tourists in terms of choosing private accommodation for vacation. This type of accommodation provides guests the opportunity to experience domestic, local, indigenous experience, and this is the greatest need for tourists nowadays.

The aim of this paper is to explore the attitudes and habits of tourists in the Makarska Riviera in terms of electronic word of mouth in the context of selection of private holiday accommodation

The introduction to the paper brought a review of the electronic word of mouth with special reference to tourism. The methodology describes a sample, a research instrument and a method of processing empirical data. The following are the results of the research followed by a discussion, and the paper concludes with a conclusion which, among other things, provides guidelines for further research.

2. METHODOLOGY

For the purposes of this paper, an empirical research was conducted. The online survey was conducted during June and July 2018. The link with the created questionnaire was sent by e-mail to several addresses, including all offices of tourist boards in the Republic of Croatia, and posted on dozens of Facebook pages advertising accommodation in Croatia. The questionnaire was completed by 214 respondents.

A survey questionnaire created on the basis of findings from the literature was used in the research. The questionnaire is divided into two parts. The first part of the questionnaire contained general questions about the respondents (age, gender, education, vacation, children, etc.), and the second questions focused on the research topic - consumption of reviews, their importance and review activity of respondents.

Microsoft Excel (Office version 2016, Microsoft Corporation, Redmont, WA, USA) were used for statistical data analysis. The results are expressed as absolute and relative frequencies, mean and standard deviation are calculated.

3. RESULTS

- Characteristics of the respondents

After the control of the collected data, 155 of them were accepted for further analysis. The sample is dominated by women, persons under the age of 40, higher educated, without children. Detailed demographic characteristics of the respondents are shown in Table 1.

Table 1 Demographic characteristics of the respondents

	Number of respondents	%
Gender		
Male	48	31.0
Female	107	69.0
Age		
- 30	59	38.1
31-40	49	31.6
41-50	26	16.8
51 +	21	13.5
Professional qualification		
Completed secondary education	62	40.0
University degree	93	60.0
Arrival country		
Central European countries	81	52.3
Countries of the former Yugoslavia	74	47.7
Traveler type		
individual traveler	25	16.1
young couple	45	29.0
a group of friends	26	16.8
family with children	40	25.8
other	19	12.3
Children		
No	108	69.7
Yes	47	30.3

Source: author's calculations

- Internet habits

86.5% of respondents practice shopping online, and more than 80% of respondents also book private holiday accommodation online (84.5% yes vs 14.2% no).

The majority of respondents make reservations of private accommodation through specialized websites (47.1%), and 34.2% do so through the websites of accommodation facilities. Among the specialized websites, the Booking.com page stands out, which was chosen by 64.4% of respondents who book private accommodation in this way. In second place is the page AirBnB.com, which was chosen by 13.7% of respondents, while a much smaller percentage also mention TripAdvisor.com, Adriatic.hr and Apartmanija.com

- The importance of reviews when choosing private holiday accommodation

When planning a vacation, 96.1% of respondents use / read reviews of private accommodation that are on the pages of online travel agencies or similar sites. Most do it continuously or very often (42.3% + 37.6%) while 20.1% do it only occasionally.

More than 90% of respondents, more precisely 92.9% of them, believe that it is important for private accommodation facilities to have reviews of previous guests on a particular website. Slightly more than half of the respondents, more precisely 58.7% of them, state that when looking for private accommodation, they prefer facilities with online reviews, with special emphasis on facilities with a larger number of reviews. 21.9% of respondents deny this, while the rest are undecided. Almost two thirds of the respondents (63.8%) state that they do not take into account the facilities without a review when choosing private accommodation.

Most respondents consult up to 5 reviews on average before making a decision (43.9% of respondents), 21.3% read between 6 and 10 reviews, while 9.7% pay even more attention to the above by consulting more than 11 reviews.

How respondents perceive objects that, on the websites that advertise them, do not have online user reviews is shown in Table 2.

Table 2 Perception of objects that do not have customer reviews

	Number of respondents	%
not enough attention is paid to the accommodation facility in terms of promotion and care for visitors / guests	29	18.7
the accommodation facility is generally less visited	19	12.3
The facility does not leave a significant impression on visitors who then accordingly do not even write online reviews	32	20.6
accommodation and service in such a facility can be just as good as in reviewed facilities	71	45.8
other	4	2.6

Source: author's calculations

Most respondents are not sure that reviews of private accommodation are a reliable source of information. 13.5% of respondents gave a completely negative answer to the question about reliability, 56.8% are not sure, while 29.7% of respondents consider them reliable.

Respondents also believe that credible reviews are argumentative, regardless of whether they are positive or negative (58.1%), objective, without emotions (13.5%), more recent (12.9%) and signed with full name (9.7%). Only 5.8% of respondents state that the number of reviews is important in the analysis of the object through reviews, regardless of their content.

Detailed answers of the respondents to the questions about the influence of other people's reviews on their decisions and attitudes when choosing private tourist accommodation are shown in Table 3.

Table 3 The influence of other people's reviews on respondents

	Number of respondents	%
What reviews have more of an impact on you? (n = 153)		
positive	98	64.1
negative	55	35.9
Influence of other people's reviews on the attitude about private accommodation (n = 154)		
of all the reviews I read I take some average and make my own judgment based on it	89	57.8
a negative review can dissuade me from booking accommodation	29	18.8
if my impression of the accommodation is already positive, negative reviews can't get me to change my mind	33	21.4
I pay no attention at all to user reviews	3	1.9

Source: author's calculations

When reading / reviewing, the respondents pay the most attention to the contents related to the cleanliness of the accommodation, its comfort and tidiness, and the kindness and helpfulness of the owner / host. Table 4 shows how important certain content characteristics are expressed in the reviews to the respondents.

Table 4 The importance of content characteristics in reviews

	Not important	Neutral	Important	M (\pm SD)
cleanliness	0.6%	3.9%	94.8%	4.67 (\pm 0.62)
comfort	3.9%	10.3%	85.2%	4.07 (\pm 0.77)
kindness and courtesy of the householder	3.2%	15.5%	81.3%	4.05 (\pm 0.77)
value for money	3.2%	16.8%	80.0%	4.08 (\pm 0.81)
knowledge of a foreign language of the householder	29.7%	39.4%	30.3%	3.00 (\pm 1.0)
the location	5.8%	19.4%	74.8%	3.93 (\pm 0.84)
appearance, i.e. tidiness of the apartment	4.5%	12.3%	83.2%	4.07 (\pm 0.79)

Notes: M – mean, SD – standard deviation

Source: author's calculations

- Review activity of respondents

The answers to the question about the active writing of reviews after visiting private facilities show almost equal representation of both answers (yes and no) - 48.5% actively write reviews of visited private facilities, while 51.6% of respondents do not. The motives for this are shown in Table 5.

Table 5 The frequency of motives for writing reviews among respondents

	Number of respondents	%
Motives for writing reviews (n=75)		
caring for others (helping others make good decisions)	16	21.3
reward the householders who delighted me	29	38.7
assist renters in improving their accommodation facilities and services	12	16.0
a sense of belonging to a group	9	12.0
publicly published reviews as this only encourages renters to appreciate them and to react appropriately	2	2.7
the possibility of saving because I get discounts by writing reviews on the following reservations	2	2.7
correct the record after an unfair review	2	2.7
fun	3	4.0

Source: author's calculations

4. CONCLUSIONS

References point out the importance of word of mouth marketing especially emphasizing its importance nowadays - the time of digitization. The Internet has enabled everyone to express their own views which, directly or indirectly, affect all future decisions of all of us. Therefore, it is not surprising that eWOM today has a primary place in the hierarchy of sources on which decisions are made, and great attention is paid to it by both providers and consumers.

The results of the conducted research confirm this. Only a small proportion of respondents do not rely on online reviews when making decisions about private vacation accommodation. Most do so continuously relying, on average, on 5 reasoned reviews focusing on reviews about the cleanliness, comfort and kindness of the owners, while emphasizing the greater impact of positive reviews. Although most read reviews, only half of the respondents write reviews for the private facilities they recalled, citing rewarding renters and their concern for future visitors as the main motives for writing. Such results follow world trends in the researched topic. Great attention is paid to online reviews, their number, content and credibility. The existing findings about distrust in online reviews due to ignorance of their authors, and thus its motives for reviewing, are in

accordance with the results of the research. Less than a third of respondents consider online reviews of private tourist accommodation to be credible and fully trust them.

Despite the fact that the research was conducted on a time and space limited sample, the obtained results have very implicit guidelines for renters of private holiday accommodation in the Republic of Croatia. Discovering the frequency of communication of online reviews among tourists and the importance of some of its contents when making decisions about private holiday accommodation, the results can encourage renters to pay more attention to all dimensions of the quality of their service. In this way, they can improve their service, which will very likely result in positive online reviews and significantly contribute to the growth of demand.

Of course, when considering the above results, a limited character of the conducted research should be kept in mind. As already mentioned, the research is limited both spatially and temporally. It was conducted in a relatively small geographical area not covering the entire season. In addition, the structure of respondents is relatively diverse with unequal representation of individual characteristics of respondents (gender, age, type of passengers, children), which may have affected the results obtained. This does not allow generalization, but it is a good starting point for a more detailed theoretical and practical study of this topic, especially in the context of tourism.

Future research should be conducted on a larger sample, including a larger geographical area but a time period. In addition, special attention should be paid to the attitude of respondents with regard to their previously mentioned characteristics, habits of writing online reviews, but also examine the other side, i.e. providers of private holiday accommodation. Only a more comprehensive research can provide a better insight into the topic and take steps that will certainly contribute to the satisfaction of all parties involved.

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