User-generated content: tourists’ profiles on TripAdvisor

Francisco Amaral¹, Teresa Tiago¹, Flávio Tiago¹

¹Business and Economics Department, University of the Azores, Ponta Delgada, Portugal

Abstract: Recent studies have called into question the credibility and relevance of travel-related user-generated content (UGC). Regardless these matters, tourists not only read and use information from the Internet during their pre-travel choice process, but also post information on the Internet during and post-travel stages. And, these contents are use and meaning to others travelers decision process, but in different degrees. So, what makes a UCG relevant and for whom? To better understand these questions, data was gathered from TripAdvisor regarding customer opinions concerning their restaurant experiences in top 10 restaurants, from two island destinations (USA versus Europe). Results validate the existence of different travelers expertise profile in what concerns UCG restaurant related. Also, the results further reinforce the literature relative to the importance online social media in the buyer decision-making process and to the restaurant experience as a whole.

Keywords: User-generated content, TripAdvisor, Tourist, Europe, USA

1. Introduction

The rapid development of modern communication technology, attached with the increasingly high penetration rate of Internet, wireless systems and mobile communication, is promoting a technological emphasis in both enterprises and consumers. Further, technology tends to bring up regularly new behavioral tendencies.

From a customer perspective the reality can be describe as: people search online; live virtually; shop online and execute commonplace actions; posts tweets, likes and become fans; and, explore hundreds of mobile apps. The benefits of using ICT such as efficiency, convenience, richer information, wider spectrum, broader selections, competitive pricing, cost reduction, and diversity are well known [1, 2].

Social networks have been present on the Internet for more than 15 years, with different formats and applications, and in the last five years has become a trend. There is a consensus among business and academia that social media has great impacts on firms-customers relationship development. Simultaneously, social networking sites (SNS) and online social networking (OSN) are shifting the methods of social communication and interaction. Firms are been challenge to explore and adopted a virtual presence in order to keep up with their present and potential clients
The advantages of using Internet and different SNS for business-to-consumer transactions are evident; however firms’ behavior intention on OSN remains questionable.

In general, tourism literature reports that tourists follow a funnel-like procedure of narrowing down choices among alternate destinations. Since late nineties, the preferred source of information for travels changed and Internet become one of the main credible sources of info. After 2006, social networks sites became the ultimate source; where info could be gathered, comments could be post; and complains can be heard. These changes impact the travelers buying behavior.

As reported on the study carry out by Lu and Stepchenkova [4] social media platforms contain huge volumes of UGC and these contents are widely used by consumers of hospitality and tourism services for information retrieving in decision process and sharing during and post experience.

Thus, the intention of this study is twofold: to identify different customer patterns of behavior on SNS; and to apply and verify theories of customers’ online assessment of service quality in restaurants. To meet these objectives, data was collected from TripAdvisor from the top 10 restaurants in Hawaii and the Azores archipelagos.

This article is structured as follows. In the first two sections we review the literature and formulate the research questions. The third section describes the sample and the measures, and presents the major findings. The presentation of findings is followed by a discussion of their implications for theory and practice.

2. Background

The number of tourists who use the Internet to search for information about destinations and to make reservations online has increased. In response to this trend, marketers need to (re)think their online dynamics. It appears that customers prefer to collect information about their destinations through social networks and search engines, instead of traditional resources [4, 5]. Social network marketing has thus become a popular method among network marketers looking to promote their businesses online.

2.1. From tourism 1.0 to 3.0

In seeking to understand contemporary tourism we are therefore seeking to understand the new trends in traveler behavior and in tourism models. Therefore, when looking at the evolution of tourism, we need to look beyond the product’ debate, and seems more useful to clarify the evolution of the digital platforms as communication vehicles and the effects of social media and Web 2.0 on tourism consumers and producers interrelationship.

Cooper and Hall [6] note that tourism has embraced technology for over three decades, beginning with developments of computer reservation systems, followed by communication with clients, interactivity, tools for research, massive data storage and support to interrelationship management.

Before the advent of the Internet, tourism was seen as mass tourism or version 0.0. The expression of “mass tourism” is usually associate with packages tours, middle and low class tourists from urban areas, undifferentiated products, and organize by international tourism operators and sold by traditional travels agencies [7]. In this context, travel agency staff proved to have string influence on tourist decision process and information access.
With the development of a digital information society, a more flexible and more customer-centric model developed, moving to the so-called Tourism 1.0.

In the early years of Internet, Web 1.0 linked documents and made them electronically available. This allowed tourists to search and read about tourism offerings. However, the communication took place in one direction [8]. The strategy was centered on companies and presented as web pages and microsites, based on the premise of owning content. In 2000, Tierney [9] stated that almost all tourism firms worldwide were present online. To access to these pages, users had to find them through search engines [10].

Following the evolution of Web 2.0 came Tourism 2.0, defined by William and Perez [11] as a business revolution for the tourism industry spurred by the adoption of a new platform - the social Web. This led to the construction of business and destinations using the network effect to improve productivity, as more companies and individuals become active creators [11].

Social media are acknowledged as a more trustworthy source of holiday's information than other resources available [2]. Chatterjee and Wang [12] referred to a 2008's study, where is suggested that 46.5% of tourists search and select hotels and travel destinations via internet, 39.7% use web to explore and learn about is holiday destination, 34.4% search in internet attractions on is holidays place, 33.2% to decide which air company to choose and 31.8% use internet to know about culture, events and respective heritage.

The last path - Web 3.0 - refers to usage of interaction men machine [3, 4] with the objective of deal with large quantity of information that was generate by web 2.0 technology [11], so the digital content can be processed by users and by advanced applications, too. Web 3.0 has three distinct characteristics: (i) intelligent because any computer can automatically search network information and give to users the content in according the consumer preferences; (ii) more compatible search platform where each different computer server will be part of a great distributed database and answer or ask a standard query in other computer; and, (iii) availability aggregation of information integrating traveler's comment and make them more clear and convenient to search [13]. Lu and Stepchenkova [4] argued that the amount of digital data accumulated doubles every 1.2 years.

With both Web 2.0 and Web 3.0, communication flows in bidirectional, because web allows users to interact and share information with each other, creating virtual communities of users and social networks [14]. So, social networks can be seen as alternative or complementary sources of information diffusion, changing search engines properties [10].

From a marketing perspective, social networks can be used to: (i) improve product and brand awareness and reputation management; (ii) increase customer loyalty; (iii) facilitate market research, idea generation, and launch of new products or services [3, 15]; (iv) amplify word-of-mouth marketing and other general marketing functions [16]; and (v) facilitate employee communications and public relations [17].

Currently, there are several types of SNS divided according to their primary purpose [18]. As notice by Minguén et al. [19], within the social network thematic category exist online social travel networks. These social network sites allow users to interact and perform reviews, as well as plan their own trips. The most widely used site is TripAdvisor, founded in 2000 and still growing.
According to Munar & Ooi [5], TripAdvisor aims to promote social interaction in the tourism industry, encouraging users to share their experiences with the various hospitality fields. This network has created a voting utility system regarding opinions already expressed. It can be seen as a merit- and skill-based recognition of users and reference to other travelers concerning the expressed opinions.

So, marketers can explore the great potential of social networks, especially online interpersonal influence phenomenon, using dual communication and interactivity to enhance their customer relationships [20]. The ability to influence the purchasing decisions of consumers by passing information via word of mouth (WOM) is well known by researchers [20]. With the growth of online social network sites and customers interactions, traditional WOM was enhanced with electronic WOM (e-WOM). E-WOM is defined as any positive or negative comments made by a potential, current or former customer regarding a brand, product or service that is available to other clients and or organizations via the Internet [21].

Litvin et al. [22] concluded that if a tourist is recognized by his on-line peers as experienced and reliable, his opinions can have a significant influence on purchase decisions made by other tourist destinations travelers. Thus, these comments become valuable business assets, i.e. e-WOM valued by peers.

Recent thinking regarding the relationships marketing paradigm reinforces the importance of the virtual world presence. If relationship establishment occurs when customers and firms work together, the strengthening of the relationship increases as interactions and co-creation occur. Therefore, hospitality agents must learn to interact and enter in the co-creation process, and not be merely controlled by this new and powerful tool.

A recent work evaluating the marketing of regional tourism organizations outlines a set of dimensions that can be worked on at a digital level, to enhance destination value proposition and the requirements of supply to the tourist profile [23]. Mutual perceptions are conceived with these interaction experiences and these elements can foster a positive e-WOM [21, 23] - one that is not easily copied and that can create appreciation and value for the Destination Marketing Organization in a global context.

2.2. Who Posts, and Where, and What?

There’s no doubt: Internet has redefined the tourism industry [1, 24, 25]. The web evolved not only because of technological development, but also because digital literacy increased and social behavior changed. Nowadays, consumers adopt a more proactive communication posture, valuing peers’ opinions sometimes more than firms’ promotions, which reflects a shift in the locus of power [15]. Therefore, the challenge that firms are facing is how to establish digital bounds with current and potential consumers, in the dynamic context of web 2.0 and web 3.0, where contents are no longer owned by them.

In the case of the tourists, they are not only reading and using information from the Internet during their decision process, but also posting information on the Internet during and afterwards. Therefore, the use of social media networks by tourists can be divided in three different temporal stages: (i) Pre-trip where the search information is to get ideas about destinations and to see if is a good choice which means a pre-destination choice, and a post destination choice where de user seek for ideas and information about the destination; (ii) During Trip the Social Networks are used to
seek additional information about the place, events in the tourist local and also to contact friends and comment the holiday experience; (iii) in Post Trip the social media is used with two proposes, one is a called dreaming stage where the user beginning planning future holidays and also to comment his past experience, the other phase called sharing him shared photos with friends [8].

There are some many possibilities that a question pops-up: What motivates tourists to share their experiences and expectations’ on social networks? Despite empirical and theoretical difficulties in categorizing tourist motivations to post regarding the experiences, self-enhancement appears for most tourists as the driver for sharing consumption experiences and assessing such experiences from others. However, it seems limit to the displaying altruism [26]; initiating personal growth [26]; or displaying superior knowledge/opinion leadership [27] and to construct and express their identity [28]. This work will focus on these two last motivations, tightly linked to e-wom and to the personality of those who post online.

The immersion in a technology-rich culture influences the skills, habits and interests, dividing tourists in two distinctive groups: those who are born digital and those who are digital immigrants. Since the work of Tapscott (1998) regarding net generation [29], a considerable number of works have been published about this group, its habits, competencies and behaviors and more recently about their behavior as tourists. The common ground is the importance and significance of new information and communication technologies in these younger generations’ lives. More, it’s the ability to think and process the information differently from their predecessors, which comes from the fact that they are native speakers of a digital language [29, 30]. However there are differences in the use of technology among natives from different countries, suggesting that sociocultural issues may contribute to this difference, which is why some authors propose digital and non-digital natives tribes [31]. So, the question is how much different are the digital natives from the digital immigrants regarding e-wom?

Litvin et al. [22] show that if a tourist is recognized by his on-line peers as experienced and reliable, no matter is generation, his opinions can have a significant influence on purchase decisions made by other travelers. Thus, these comments become valuable business assets, i.e. e-WOM valued by peers. More, recent studies show user generated content popularity in tourism sector [2, 24-26].

User generated content sites, like TripAdvisor, become so important that 60% of responders of a study told that use UGC sites to checked online reviews before buying a new product or a service, and 80% of them are influenced by this reviews or electronic word of mouth [32].

TripAdvisor is a popular travel web with more than 100 million travel reviews and opinions from tourists around the world, where 1 100 000 are about restaurants. In each reviewer profile have information about total of reviews made, number of restaurants reviews, number of cities reviews and total of helpful votes that his comments had from other tourists [13].

With the increment on number of visitors in TripAdvisor it’s clear that reviews are consulted by others tourists [32]. If a traveler is recognized by his pairs as experienced and reliable, then his opinions can have a significant influence on purchase decisions in other tourist destinations travelers [22].

While trustworthiness is considered an important issue in online consumer’s behavior isn’t yet clear his importance compared with others sources. Although it’s considered that reviewers don’t have nothing to lose during the process of sharing personal experiences, which can be considered a better level of perceived trustworthiness and reliability than traditional information’s sources. The increased number of visits to
sites like TripAdvisor also is considered a credible source of travel information [25]. With these concepts in mind one hypothesis was set:

H1: Tourists engagement with TripAdvisor reflects on their number of UCG post.

Considering that currently UGC is now one of the primary sources of useful content on the Web, is quite relevant to acknowledge the quality of these per-generated contents. Back in 2010, Mudambi and Schuff [33] questioned what makes a review post on a website reliable. Min and Park [34] proposed a metric, “mentions about experiences”, as a way of assessing the quality of reviews with respect to the author’s credibility.

Like many others SNS, TripAdvisor hosts user-generated content and assess the quality of such reviews. Helpful review, in TripAdvisor, can be considered one source of credibility of online reviews. Traditionally author’s credibility was extracted from the meta-data, which may become biased by a large number of reviews or a particularly dominant and popular review [30]. In the tourism domain, and in accordance to Lee et al [1], helpful reviewers tend to travel to many destinations, post reviews actively, don’t give higher ratings compared to others reviewers, the gender and age didn’t are distinguish factor.

In this case the author’s credibility, reflects his/her expertise and is determined by the review content itself, implying that the more experts reviewers have a relatively consistent outcome of their posts. Hence, the foregoing discussion suggests that:

H2: Tourists engagement with TripAdvisor reflects on their expertise levels.

Hotel occupancy rate increases significantly: (i) with the number of hotel's reviews; (ii) the rating average given to hotel; (iii) the percentage of user reviews to the hotel.

Surprisingly the TripAdvisor ranking, which defines the popularity of tourism business, hadn’t influence in hotel occupancy rate [35]. The exposure to online reviews improves the probability of news bookings, when the travel didn’t have any familiarity with the hotel, while frequent clients are more resilient to reviews' nature [16]. This led us to question if this also applies to restaurants and to the third hypothesis:

H3: TripAdvisor engagement influences tourists' choice of tourism service providers.

3. Methodology and Results

Following the conceptual framework, two regions with similar conditions were chosen, albeit they have very distinct tourist experiences: the Azores and Hawaii. We analyzed the top-ranked restaurants according to TripAdvisor in one city-each during the period of April 24-30, 2013. This selection was deemed appropriate given the exploratory nature of the study. In order to investigate how tourist–restaurants encounters are reported we undertook a content analysis.

TripAdvisor was selected as the main information source for Customer Generated Content. The idea was to first collect all possible review-related data from TripAdvisor, including: (i) the content and amount of reviews written per restaurant; (ii) the average of ratings given to the restaurant; (iii) percentage of recommendations; (iv) the TripAdvisor popularity index of the restaurant; (v) the content of the most popular/credible comments on those restaurants.

It was chosen all the restaurants that were in the top 10 of each of the cities, were selected the last 50 reviews, if there otherwise we used the maximum possible comments. Considering above conditions we get data from 20 restaurants and 813 reviews from 686 customers.

Firstly, a syntactic index was created based in number of reviews, number of restaurants reviews, number of cities’ reviewed a helpful votes. The Cronbach Alpha obtained supports the procedure (0,877).
Afterwards, some variables were categorized. With new variables (Expertise Level, Group of Number of Reviews, Group of Helpful Votes) a Multiple Correspondence Analysis (MCA) was performed which gave as output two variables that were used to perform a hierarchical clustering of the clients. As result three clusters were obtained. The first cluster (n=159) evidence less experience in TripAdvisor and therefore reviewers in this group were called Newbie. The second cluster (n=337) was denominated Specialist, due to their historical path in TripAdvisor and their high rate of helpful votes. The last cluster was named of Beginner (n= 317), since the tourists show evidences of a higher interaction than the newbies, but still are in a medium level of engagement in TripAdvisor (see, Figure 1).

Figure 1 plots the various categories permitting identify the clusters’ characteristics. One of the categories is the number of reviews that have different level for each cluster which suggests that clusters obtained are well separate according to the number of reviews performed, as proposed in H1 (The customers’ engagement with TripAdvisor reflects on their number of UCG post).

The Index created during this work allows identifying the level of engagement and credibility of the reviewer, which is different between and characterized the clusters, and supports H2 (The customers’ engagement with TripAdvisor reflects on their expertise levels).

By applying the algorithm modularity, we created a bipartite graph with two types of nodes: i) the involved restaurants and ii) customers who issued the most recent 50 comments about these restaurants (Fig. 2). In the upper right part of the figure are the various communities regarding restaurants in Azores. It is noted that fewer communities have an upper interconnection, suggesting that clients mostly went to the 10 main restaurants. The phenomenon has implications for the e-WOM. In this case, the e-WOM is more limited and does not generate much buzz outside the six identified communities, bringing together several restaurants. In the center and bottom left are the various communities associated with Hawaiian restaurants. We
observe the existence of individual communities per restaurant, although there also tourists who went to other restaurants in the top 10.

From the graph (figure 2) we can infer the existence of tourists who make bridges between the various clusters, since they perform the various restaurants reviews. Thus it is possible to reach any node in the network (Connect component = 1). This feature of the structure of the graph allows comments to be broadcast by all tourists studied and is the basis of the e-WOM.

Figure 3 shows restaurants visited by different kind of clients according the percentage recommendation given by TripAdvisor. According to this, Newbies attend more often restaurants with greater recommendation rate. Specialists went more to restaurants with smallest percentage of recommendations. These results support hypothesis 3 (TripAdvisor engagement influences customers’ choice tourism service providers, in the case of restaurants).

The above results unveil different reviewers’ profiles and preferences, and consequently it influences restaurants e-wom and digital brand awareness, which reflects on newbies buying decisions.
4. Final considerations

The literature review shows that travelers’ buying process has undergone substantial changes. Tourists tend to buy experiences and to minimize their cognitive cost by reading peers’ comments and reviews on digital social networks [3, 36]. Yet evidence of this shift has so far been found mostly in hotels and travel agencies, leaving a knowledge gap concerning restaurants.

The results of the present work enlarge the scope and generated some interesting findings. First, data support in general the conceptual framework presented. Second, we found that some evidences already acknowledge in other hospitality activities are also true in the restaurant context: helpful reviewers post actively and are more parsimonious in rating compared to others reviewers [1]; and peers’ opinions can have a significant influence on restaurant decision choice [22].

Also, looking at data available on TripAdvisor related to two islands with similar natural conditions, but with quite different heritages and tourism aspects, we found a pattern relative to positive versus negative comments. The most valuable comments by peers are related to positive reviews.

The Expertise Index proposed in this work was composed with TripAdvisor indicators and permits to easily calculate trustworthiness and credibility levels of tourists. Beside the trustworthiness of restaurants’ clients, it was possible to determine the engagement level of clients in TripAdvisor and which dimensions influence it. The analysis reveals three different type of reviewers, according to their expertise level: Newbies, Beginners and Specialist. Newbies experiment more restaurants with higher recommendations level; while the other kind of tourist gradually search restaurants with less level of recommendation, indicating the importance of specialists as opinion maker.

The insights gained in this paper have many practical applications. For instance, this conceptualization that different levels of expertise and credibility exist has implications for restaurants management. Restaurants need to invest time and effort to understand how UGC can evoke strong influence among its potential client segments, in the different stages of the trip (pre, during and post-travel). Since, there are different active reviewers type, restaurant should acknowledge this differences and pay attention to the interactions with this particular type of customers. As notice above, customers with a higher level of engagement play an important role in restaurants’ promotion.

The results also, led us to conclude that no matter the international geographic location, UGC is critical to the promotion of a restaurant and reduces uncertainty in the travelers’ decision choice of restaurants to visit in a trip. UGC can have a significant role in services advertising [37]. Firms may further take advantage of the potential of social media [3, 7]. The economic benefits of social media in companies’ strategic marketing decisions, makes the study of social media and the way companies and customers respond to them a necessity so that specific measurements and decisions can take place [8, 37]. Economic issues may well be taken into consideration as is the case with other sectors of the tourism industry [9].

However, these findings should be viewed in light of some limitations. Further work is clearly needed. Therefore, based on the current exploratory research, further research will be conducted in order to unveil more info regarding those customers who are likely to share UCG. Certainly, there is ample scope for further research in this area.
References


