# THE EFFECTS OF TRADITIONAL AND ELECTRONIC WORD-OF-MOUTH ON DESTINATION IMAGE OF VACATION TOURISTS: A CASE OF BRANSON, MISSOURI

By

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iii

### TABLE OF CONTENTS

Chapter Page
I. INTRODUCTION1
Problem Statement
Purpose of the Study
Research Questions
Significance of the Study
Definition of Terms7
II. LITERATURE REVIEW
Introduction
Destination Image
The Nature of Tourism Products8
Effects of Destination Image
Formation Agents of Destination Image12
Effects of Traditional Word-of-Mouth
Word-of-Mouth-Seeking Behavior15
Tie Strength16
Word-of-Mouth Expertise17
Positive and Negative Word-of-Mouth
Effects of Electronic Word-of-Mouth
Characteristics of Electronic Word-of-Mouth
Types of Electronic Word-of-Mouth
Electronic Word-of-Mouth-Seeking Behavior
Social Ties and Personal and Commercial Word-of-Mouth
Positive and Negative Electronic Word-of-Mouth
Summary
Definition of Terms

III.	METHODS	S	

# Chapter

Introduction	30
Sample	30
Research Design	31
Survey Instrument	31
Questionnaire Development and Measurement	32
Human Subjects in Research	34
Pilot Test	34
Data Collection	34
Data Analysis	35
IV. RESULTS	38
Introduction	38
Demographic Characteristics of Respondents	38
Factor and Reliability Analysis4	42
Word-of-Mouth Dimensions4	42
Positive and Negative Dimensions of Word-of-Mouth4	43
Frequency Distribution of Traditional and Electronic	
Word-of-Mouth Credibility Perceptions4	45
Hypothesis Testing	46
Hypothesis 1	46
Hypothesis 2	47
Hypothesis 34	49
	57
V. DISCUSSION AND INIT LICATIONS	2
Discussion	52
Managerial Implications	57
Limitations and Recommendations for Future Research	50
	. ,
REFERENCES6	52
APPENDICES	70

# Page

#### LIST OF TABLES

Page

Table

### 7 Regression Analysis Results: The effects of Traditional and eWOM Perceptions on Perceived Destination Image ......47 8 Comparison of Personal and Commercial eWOM Effects on Destination Image......48 9 Comparison of Traditional WOM and Commercial eWOM 11 Regression Analysis Results: The Effects of Positive and

## LIST OF FIGURES

Figure		Page
1 Integrated M	lodel of Effects of Traditional and Electronic Word-of-Mouth on Destination Image	

#### CHAPTER I

#### **INTRODUCTION**

The global economic downturn led to the worst year in 2009 for the U.S. travel and tourism industry since the tragedy of September 11. The U.S. travel and tourism industry generates nearly \$1.3 trillion in economic output for the U.S. economy each year; however, in 2009, the industry generated \$100 billion less than it did in 2008 (U.S. Department of commerce International Trade Administration, 2009). This means that the competition between travel destinations is getting stiff and, for travel marketers, attracting tourists to their destinations is more and more critical for success.

Destination image is a major factor influencing tourists' choice of destination (Gartner, 1993; Hanlan & Kelly, 2004). Destination image is a term widely accepted by marketing researchers and practitioners, and it plays an important role in travel decisionmaking processes (Tapachai & Waryszak, 2000). Since destination image has been commonly recognized as a critical aspect of successful tourism development and destination marketing, it is often explored in tourism research (Pike, 2002). The development of the destination image has a multi-dimensional nature and formation (Martin & Rodriguez del Bosque, 2007). In that regard, tourists develop their destination image through exposure to information sources.

Word-of-mouth communication has been shown as the most influential and predominant resource of information in regards to developing destination image (Baloglu & McCleary,

1999; Beerli & Martin, 2004; Hanlan & Kelly, 2004). The power of word-of-mouth (WOM) has been researched for several decades in the marketing field. However, despite the importance of WOM in tourism destination choice, existing research in tourism is limited. Recent tendencies of electronic WOM (eWOM) have significantly increased researchers' attention to online travel WOM, including online travel review, travel blogs, or travel information searches. eWOM utilizes large scale, anonymous, ephemeral nature of the Internet and introduces a new way of capturing, analyzing, interpreting, and managing the influence of communication in hospitality and tourism marketing (Litvin, Goldsmith, & Pan, 2008).

Tourism promotion as part of the destination image-formation process does not stand-alone. It is interdependent with many available information sources in addition to traditional WOM and eWOM promotion. These sources of information are often perceived as biased and influenced by projected and perceived decision-making (Govers, Go, & Kumar, 2007). Thus, these integrated traditional WOM and eWOM effects on destination image should be identified. However, no studies have compared the effects of traditional WOM and eWOM on destination image simultaneously. It is important to conduct such studies, because its results may help marketers develop favorable destination images and promotional strategies, leading to positive outcomes such as increased sales and larger profits.

Compared to other retail products, hospitality and tourism products are intangible and carry a high degree of uncertainty because these products cannot be evaluated before consumption (Murray & Schlacter, 1990). In addition, these products are usually considered as high involvement products due to high costs and riskiness. Hence, WOM

becomes an important aspect of the decision-making process (Murray & Schlacter, 1991). Bone (1995) suggested that traditional WOM influences are stronger when the consumer faces an ambiguous situation. Due to the nature of hospitality and tourism products, WOM affects tourist destination choice more than it does other industry products.

While traditional WOM is defined as personal communication between people who were not commercial entities, eWOM includes two phases of communication, personal WOM and commercial WOM. These two eWOM typologies have different online information platform providers, non-commercial or commercial, respectively. Previous literature has revealed that information from strong-tie (personal) referral sources is perceived as more influential on the receiver's decision-making than is the information obtained from weak-tie (commercial) referral sources (Brown & Reingen, 1987). Therefore, this study needs to compare the effects of personal WOM and commercial WOM on destination image in terms of tie strength effects. Furthermore, general marketing literature indicates that negative WOM exerts stronger influence on consumers' brand evaluation (Arndt, 1967) and purchase intention (Brown & Reingen, 1987) compared to positive WOM. It is also one of the critical factors in the tourist destination choice process. However, very few studies have been concerned with whether or not consumers seek positive or negative direction from traditional WOM and eWOM in the context of travel destination choice.

Thus, the primary objective of this study is to examine the effects of traditional WOM and eWOM on the way tourists perceive destination images and destination choice in addition to investigating whether travelers seek personal WOM or commercial WOM and whether they seek positive WOM or negative WOM.

#### **Problem Statement**

Although commercial sources of information, such as brochures and magazines, may be important for developing awareness, WOM communication sources strongly influence actual adoption of innovations (Katz & Lazarsfeld, 1955) and destination image formation (Baloglu & McCleary, 1999; Beerli & Martin, 2004). eWOM has two dimensions, consisting of personal and commercial communication setting. Because the power of WOM communication has been studied for over 40 years, the importance of eWOM for marketers is obvious, as researchers have shifted the focus of their studies from traditional WOM to eWOM. Many studies have examined each dimension of traditional WOM and eWOM's effects on non-service products; however, only few of these studies focused on tourism and hospitality products. So far, no studies have examined integrated effects of traditional WOM and eWOM on tourist destination image.

It is generally suggested to examine the attitudes towards tourism information seeking processes in a natural setting and environment, because laboratory study does not allow researchers to determine many typologies of eWOM and WOM effects simultaneously. In the process of travel information seeking, travel consumers may exhibit specific search patterns. By identifying whether consumers prefer traditional WOM or eWOM, whether they consider personal WOM communication or commercial WOM as more credible source of information, and whether they seek, or are influenced by, positive WOM or negative WOM, tourism marketers may establish useful marketing strategies to enhance the number of tourists in the target destination. The most sought after type of eWOM information source also needs to be identified to determine the practical implications.

#### **Purpose of the Study**

This study aims to investigate the effects of traditional and electronic WOM on the formation of destination image. Specifically, the purpose of this study is to examine how traditional and electronic WOMs influence perceived destination image and to identify what type of WOM (personal or commercial) are considered as the most credible sources. Additionally, this study seeks to compare positive and negative WOM in terms of their effect on tourist destination image.

#### **Research Questions**

This study attempts to answer three major questions:

- 1. What is the difference between traditional WOM and electronic WOM effects on tourist destination image?
- 2. What key WOM sources, ranging from personal to commercial WOM, influence destination image most?
- 3. Are the differences in the effects of positive or negative WOMs on destination image in the context of traditional WOM and electronic WOM?

#### Significance of the Study

WOM communication can encourage new consumers to try goods or services; however, businesses generally struggle in developing effective WOM behavioral strategies (Gremler, Gwinner, & Brown, 2001). Although it is difficult to control WOM directly, the process of ensuring customer satisfaction and equitable treatment may provide favorable WOM effects (Swan & Oliver, 1989). Wangenheim and Bayon (2004) state that while the relevance of WOM is widely accepted, the strength of WOM effects is not well understood. Furthermore, Park and Lee (2009) claim that in order to build an effective Internet marketing strategy, marketers should understand the eWOM effect. However, little research has addressed the effects of eWOM information configurations on eWOM. They have also suggested that WOM source credibility and direction (positive or negative) are critical antecedents of WOM's effects. Because of the nature of eWOM information, source credibility may be related to social ties between the sender and receiver. This study tested the credibility of WOM in terms of tie strength differences by making the distinction between personal WOM and commercial WOM.

Therefore, this study is unique and important because of the way in which it considers the attitudes of travel consumers seeking traditional and electronic WOM information. The study tested how much weight travel consumers attribute to information from personal WOM or commercial WOM and how much weight they attribute to positive or negative WOM information. Those WOM effects that influence tourist destination image can help tourism marketers decide how much effort they should invest in terms of their marketing strategies on traditional WOM and electronic WOM.

#### **Definition of Terms**

<u>Traditional Word-of-Mouth (traditional WOM)</u>: face-to-face communication about products or companies between parties who are not commercial entities (Arndt, 1967). <u>Electronic Word-of-Mouth (eWOM)</u>: any positive and negative statement made by potential, actual, or former customers about a product or company, which is made available to a multitude of people and institutions via the Internet (Hennig-Thurau, Gwinner, Walsh, & Gremler, 2004).

Image: all of the associated impressions, knowledge, emotions, values, and benefits (Jenkins, 1999).

<u>Destination image</u>: the expression of all objective knowledge, impressions, prejudice, imaginations, and emotional thoughts an individual or group might have of a particular place (Lawson & Baud-Bovy, 1977).

#### CHAPTER II

#### LITERATURE REVIEW

#### Introduction

The purpose of this chapter is to examine the dimensions of traditional WOM and eWOM communication that influence travelers' destination image and contribute to destination choice. The first section will describe the nature of tourism products, destination image effects, and destination image formation agents. The second section will discuss traditional WOM effects influenced by such factors as WOM seeking behavior, tie strength, expertise, and positive and negative WOM. The final section will describe eWOM effects, explain eWOM characteristics and typology, and then will state hypotheses for traditional and eWOM effects, personal and commercial WOM, and positive and negative WOM.

#### **Destination Image**

#### **The Nature of Tourism Products**

The tourism industry is generally classified as a service industry. Service is often differentiated from goods because of its intangibility (Lewis, Chambers, & Chacko, 1995). Tourism industry provides mostly intangible experiences that are individualized, personal, and non-repeatable. Tourists judge the product on the basis of personal experience, and there is often no cure or second chance (Lewis et al., 1995).

Zeithaml (1981) first proposed that service has unique characteristics of intangibility, non-standardization, and inseparability. These characteristics make services more difficult to evaluate compared to tangible goods. Murray and Schlacter (1990) empirically determined that service consumers perceive services to be more risky and more variable in nature compared to tangible goods. Murray (1991) argued that the intangible, ephemeral, and experimental nature of services tends to deter consumers from purchasing service products. Consumers engage in an extended decision process in the face of the greater uncertainty and potential loss of service products. Consumers prefer personal sources of information when they purchase service products rather than when they purchase goods (Murray, 1991), and they respond to information about service differently than they do to information about goods (Young, 1981). Moreover, personal, independent sources are more effective for purchasing services than for purchasing goods. In short, the purchase of service rather than goods products requires more riskreduction information and a more extended consumer decision process are needed (Murray, 1991).

#### **Effects of Destination Image**

While the tourism product's characteristics of complexity and multidimensionality influence tourism destination image, more importantly, the intangibility of tourism services hinders image assessment due to the uncertainty of pre-visited selection (Gallarza, Saura, & Garcia, 2002). Gallarza et al. (2002) indicated that images are more important than tangible products in marketing materials for intangible products because perceptions rather than reality motivate consumers to purchase.

Destination image is commonly recognized as an important aspect of successful tourism development and destination marketing due to its effect on both push and pull factors (Tasci & Gartner, 2007). Push factors are supply-side aspects of motivations for travel and pull factors are demand-side aspects of desirable features or attributes of destination attractions (Gartner, 1993; Tasci & Gartner, 2007). Push factors are explored later in this chapter. At this point, pull factors, such as tourist behavior, especially as described in the decision–making and choice-related literature, will be examined.

From the marketers' point of view, the ultimate goal of destination marketing is to attract tourists by influencing their travel decision-making. Destination image plays crucial role in travel purchase-related decision-making and is one of the central themes of destination image studies (Pike, 2002).

Consumers may be motivated to travel whenever they realize that life at home is not fulfilling certain needs (Gartner, 1993). One of the widely accepted models for how people make decisions when confronted with a choice from a wide range of destinations is the notion of choice sets (Crompton & Ankomah, 1993). This concept consists of three primary stages: development of an initial set of destinations, discarding those destinations that form a smaller late consideration, and a final destination selected from those considered in the second stage. The notion of choice sets is applicable when consumers seek information and evaluate alternatives and when consumers' purchases entail some degree of perceived risk and imply a reasonably high level of involvement (Crompton & Ankomah, 1993). This concept has been established as a central tenet of tourism choice behavior models (Um & Crompton, 1990). Within the three stages, the destination image affects the status and position of the destination. As increasingly more destinations are

eliminated through the evaluation process, only those destinations with a strong image judged as important to the decision-making remain viable for selection (Gartner, 1993).

Image is a valuable concept in understanding the process of tourists' destination selection (Baloglu & McCleary, 1999; Crompton, 1979; Hunt, 1975). Hunt (1975) argued that images and perceptions, which travelers have about a destination, might strongly influence tourist's decisions about the more tangible tourism resources. He noted that this occurs because travelers who have very limited personal experience with destinations make decisions on the basis of images and perceptions of the destination rather than objective reality. However, in Hunt's (1975) study on destination image based on image attribute component, the conceptualization of destination image could be considered in terms of both an attribute-based component and a holistic component (Echtner & Ritchie, 1991). Considering the holistic component of the destination image, Tapachai and Waryszak (2000) used a category-based approach to examine the usefulness of a beneficial image in influencing the decision of potential tourists to visit Thailand and the United States as vacation destinations. They concluded that the beneficial image model provides more specific and useful characteristics that potential tourists can take into account in their decision to visit a destination compared to models that have attempted to capture the general characteristics of the destination image. While images of a travel destination are a mixture of both positive and negative perceptions, tourists choose one destination over another when its positive image aspects exceed its negative image aspects (Chen & Kerstetter, 1999). Travel consumers are more likely to select destinations with positive images (Woodside & Lysonski, 1989). With an unlimited

number of destinations available to travelers, a positive image is the key to selection (Litvin & Ling, 2001).

To conclude, it should be noted that so far, destination image has been examined as a pull factor, because understanding how images are formed is critical to developing the pull potential of a destination (Gartner, 1993).

#### **Formation Agents of Destination Image**

Push factors that affect supply-side aspects of a destination image are comprised of information sources and personal factors (Beerli & Martin, 2004). These information sources include primary source of previous travel experience and intensity of visits, as well as secondary sources of induced, organic, and autonomous agent. Personal factors include motivations, travel experience, and socio-demographic characteristics (Beerli & Martin, 2004). Beerli and Martin (2004) also considered destination image as a concept formed by the consumer's reasoned and emotional interpretation formed as the consequence of two interrelated components: cognitive and affective. Cognitive evaluations refer to the individual's own knowledge and beliefs about travel, while affective appraisals relate to an individual's feelings towards travel. In addition, the combination of these two factors produces an overall image related to positive or negative evaluation of travel. These cognitive and affective evaluations have a direct influence on the overall image, while cognitive image has significant influence on affective image (Baloglu & McCleary, 1999). Tourists will use these image dimensions to form their impressions and evaluate the considered destinations in their choice processes.

Beerli and Martin's (2004) destination image formation model was based on Gartner's (1993) model and Baloglu and McCleary's (1999) model; however, they developed the model in a way that differentiates between first-time and repeat tourists. These two groups may be different in terms of image perception, level of knowledge, and motivation regarding the destination that has an effect on the results. The result of Beerli and Martin's (2004) study showed that organic and autonomous sources significantly influence some of the factors determining the cognitive image of the destination.

Furthermore, first-time tourists' experience expressed as the number of places of interest they visited significantly influences the cognitive dimension of the image of natural and cultural resources. While the number of past visits also exerts a significant influence on the destination image of repeaters, it may negatively influence the cognitive dimension of the image of the social and natural environment due to the excessive increase in tourist visits.

While developing a conceptual model of the determinants of destination image, Baloglu and McCleary (1999) found that a destination image is formed by both personal and stimulus factors. Personal factors are the social and psychological characteristics of the perceiver while stimulus factors stem from the external stimulus and physical object as well as previous experience. Their study revealed that variety of information sources, type of information sources, age, and education influence cognitive evaluations while sociopsychological motivations influence only affect. However, the effects of cognitive evaluation on affect were much stronger than the effects of travel motivations.

Gartner (1993) formed the destination image comprising three components: cognitive, affective, and conative. These three components are distinctly different but hierarchically interrelated. Gartner viewed the cognitive component as "the sum of beliefs and attitudes of an object leading to some internally accepted picture of its attribute" (Gartner, 1993. P. 193). The affective component is referred to "the motives one has for destination selection" (Gartner, 1993. P. 196). The conative component is "analogous to behavior and depends on the images developed during the cognitive stage and evaluated during the affective stage" (Gartner, 1993. P. 196). If different image formation agents affect the formation of destination images differently, the selection of an appropriate image formation mix can direct the final outcome (Gartner, 1993). One of the most important aspects in predicting image formation of a tourist destination is to determine the most important variables tourists consider while evaluating a destination (Govers & Go, 2003).

Gunn (1972) first developed a theory to explain the way in which cognitive images are formed through induced and organic image formation agents. Gartner (1993) elaborated on the typology of eight image formation agents with different degrees of control dependent upon their credibility of information, level of market penetration, and destination promotion or cost. These are overt induced I and II, covert induced I and II, autonomous, unsolicited organic, solicited organic, and organic. He postulated that autonomous agents, especially news reports, have a significant effect on image formation because they have higher credibility and greater ability to reach the masses than does the destination-originated information. Govers et al. (2007) provided evidence that autonomous agents are the most important source of information. However, at the same time, organic agents, as primary sources of information, are also essential (Beerli &Martin, 2004; Govers et al., 2007). Moreover, the second most relevant source of information is travelers' own experience or the experience of others, that is, solicited and unsolicited agents, including word-of-mouth (WOM). Conversely, the relative importance of overt induced agents, such as tourism promotion, is unsupported (Govers et al., 2007).

Baloglu and McCleary (1999) stated that word-of-mouth recommendations from friends and relatives were the most important source in forming touristic images. Beerli and Martin (2004) concurred that word-of mouth was considered the most believable and truthful communication channel, which also significantly influenced the cognitive image of the destination. Due to the intangibility of the tourism product, consumers may prefer to seek credible information sources like news reports as autonomous agents or word-ofmouth information as solicited and unsolicited agents.

#### **Effects of Traditional Word-of-Mouth**

#### Word-of-Mouth-Seeking Behavior

Service products or tourism products are perceived as high risk; therefore, consumers may require distinctive information about such services (Murray, 1991). Due to the intangibility and uncertainty of tourism services, tourists can be expected to search for valid information from different sources in order to reduce perceived risk (Maser & Weiermair, 1998). Thus, interpersonal influence and WOM are ranked the most important information sources when a consumer is making a service or tourism purchase decision (Litvin et al., 2008; Murray, 1991). Although service providers need to be involved in the WOM process to satisfy various type of customers (Haywood, 1989), WOM is far more likely to be initiated by an information receiver's need than by an information sender's satisfaction level (Mangold, Miller, & Brockway, 1999). Mangold et al. (1999) suggested that in the effort to exploit WOM communication, marketers should focus much of their attention on prospects' information-seeking behavior rather than relying on proof from satisfied consumers.

Bansal and Voyer (2000) demonstrate that when a customer actively seeks WOM information, WOM has greater influence on an information seeker's purchase decision than if the customer did not actively seek WOM information. Selective exposure to the WOM message is associated with the process of actively seeking WOM information, which results in the information seeker being more predisposed to the WOM message (Arndt, 1968). The accessible-diagnosticity model developed by Herr, Kardes, and Kim (1991) explains which information is actively sought or has a greater influence on product judgment or choice. The researchers found that WOM communications have a greater influence on product judgments relative to less vivid printed communications. Their finding suggests that vividly presented information, such as face-to-face WOM communication, is more accessible from memory and is weighed more heavily in the process of judging or choosing the product. Vividness refers to the degree to which information is "emotionally interesting, concrete and imagery-provoking, and proximate in a sensory, temporal, or spatial way" (Nisbett & Ross, 1980).

#### **Tie Strength**

How actively WOM information is sought is directly related to the strength of the tie between the information sender and receiver (Bansal & Voyer, 2000). In their network analysis, Brown and Reingen (1987) stated that the tie strength concept addresses properties of social relations from which WOM behavior arises. Since WOM is a social phenomenon, properties of social relations are likely to play a crucial role in WOM

behavior. It is found that when both strong and weak ties are available as sources of information, strong ties are more likely to be activated than weak ties because the flow of information and strong-tie referral sources would be perceived as more influential on information receivers' decision-making compared to weak-tie referral sources (Bansal & Voyer, 2000; Brown & Reingen, 1987). In a study of Swiss tourists, Beiger and Laesser (2004) found that WOM communication from friends and relatives was the most commonly used information source for travelers before the travel decision-making. Friends and relatives have been identified as organic image-formation agents and their information has been identified as one of the most reliable sources for destination selection (Murphy, Mascardo, & Benckendorff, 2007).

#### Word-of-Mouth Expertise

From the information receiver's perspective, a sender of a WOM message can be said to possess a high degree of expertise. The sender and receiver's expertise as a noninterpersonal variable is also influences information-seeking behavior. Bansal and Voyer (2000) examined how a WOM sender and receiver's expertise affects the receiver's information-seeking behavior and purchase decision and found that the sender's expertise greatly influences the sender's WOM communication on the receiver's purchase decision. When a sender is perceived to possess a high level of expertise, the WOM receiver is likely to connect closely to the information and actively seek information. However, the relationship between the receiver's expertise and search intensity tends to take an inverted U-shape, meaning that active search for information is greater when the receiver's expertise is moderate and lower when expertise is either high or low.

#### **Positive and Negative Word-of-Mouth**

WOM direction, positive or negative, is one of the critical antecedents of WOM effects. In his examination of a direct relation between negative WOM messages and post-exposure brand evaluations, in the context of the diffusion of a new food product in a married students' apartment complex, Arndt (1967) found evidence that negative WOM communication has a stronger influence on consumers' brand evaluations compared to positive WOM communication. In an attribution model of information processing, Mizerski (1982) experimentally tested the disproportionate weighing of negative WOM communication with a sample of university students who were testing a new automobile and previewing a new movie. The study revealed that negative WOM messages about a product tend to produce more extreme effects toward the product compared to positive WOM messages. Although most marketers believe negative WOM communication is more common than positive WOM communication, the effects of negative WOM communication on product judgments produced decline when vivid WOM communication is available (Herr et al., 1991; Laczniak, DeCarlo, & Ramaswami, 2001). In their study of a causal attribution model, Laczniak et al. (2001) identified that the transmission of negative WOM messages involves interpersonal and informal processes. In the context of personal computer brand evaluation, brand attributions mediate the relation between negative WOM messages and brand evaluations for certain information configurations. Specifically, negative WOM messages include information such as low consensus of other's views of the brand, low distinctiveness of the sender's opinion of the brand versus other brands, high consistency of the sender's experience with the brand, as well as low consensus, high distinctiveness, and low consistency (Laczniak et al., 2001). Several studies have pointed out that negative WOM communications may not

necessarily have a negative influence on receivers' brand evaluation due to nongeneralizability of the studies supporting such proposition.

In one of the few service-product-related WOM direction attribution studies, Kim (2009) tested customers lodging experiences using a scenario-based survey. The author concluded that a negative message of high consensus, high distinctiveness, and high consistency is most likely to lead customers to attribute negative WOM communication to the service product. When customers attribute negative WOM communication to the product as opposed to the information sender, their intention to engage in positive WOM of the product decreases more.

#### **Effects of Electronic Word-of-Mouth**

#### **Characteristics of Electronic Word-of-Mouth**

The Internet not only allows organizations to reach audiences of unprecedented scale at a low cost, but it also allows individuals to make their personal thoughts, reactions, and opinions easily accessible to the global community of Internet users (Dellarocas, 2003). There are several shared as well as distinctive characteristics of traditional WOM and eWOM communication. First, because consumers engage in both traditional WOM and eWOM communication occur between consumers, not between the consumers and marketers of the product, these communication channels are perceived as more believable. However, eWOM communication is distinctive in that it shares characteristics with marketer-generated communications, such as advertising. As with traditional WOM messages, an information receiver establishes a sender's credibility by inferring the sender's reputation, experiences, and knowledge, as well as establishing how much the sender can be trusted in a given situation. On the other hand, in the case of

eWOM messages, the receiver may not trust the sender's reliability and may need to estimate it within the message and its environment. Specifically, when the eWOM message was viewed on a website that sells the products, the positive source credibility effect will be diminished (Sen, 2008). Second, it is difficult to directly observe traditional WOM communication because the information is exchanged in private conversation and is ephemeral. However, eWOM conversation may offer an easy and cost-effective opportunity to measure and trace WOM communication because the messages about a product or service may be posted on the website accumulating within a planned term (Godes & Mayzlin, 2004). Third, eWOM activity has allowed consumers to overcome most of the information asymmetries that characterize the traditional consumer market and thus, consumers can obtain high levels of market transparency (Rezabakhah, Bornemann, Hansen, & Schreder, 2006). Fourth, while traditional WOM messages generally are processed between small groups of two or more interested parties, eWOM communication allows consumers to obtain information related to goods or services from a vast, geographically dispersed group of people (Dellarocas, 2003). In addition, the anonymity of eWOM communication may lead to inaccurate posting and can result in serious harm to a marketer because consumer opinion is not always right (Levy & Weitz, 2009).

#### **Types of Electronic Word-of-Mouth**

eWOM communication can be generated in a variety of ways, such as emails, instant messages, websites, blogs, online community, newsgroups, chatrooms, hate sites, review sites, and social networking sites (Litvin et al., 2007). Each type of eWOM communication can be distinct from personal and commercial eWOM based on these

online information platform providers. While email messages between and among Internet users who know each other personally resemble traditional WOM, email is forwarded easily with little time and cost compared to traditional WOM (Kiecker & Cowles, 2001). Web-based consumer opinion platforms (online communities, review sites) are the most widely used eWOM formations (Chatterjee, 2001; Henning-Thurau et al., 2004) that allow consumers to read other consumers' opinions and experiences as well as write own contributions. Unlike news groups, web-based consumer-opinion platforms provide information on almost every area of consumption, are relatively easy to operate, and require less Internet-related knowledge. Furthermore, they are also perceived as more credible than information provided by marketers (Smith, Menon, & Sivakumar, 2005). Thus, web-based opinion platforms can be expected to exert a stronger effect on consumers (Henning-Thurau et al., 2004).

#### **Electronic Word-of-Mouth-Seeking Behavior**

Consumers give and seek opinions online in much the same way as they do offline, thereby affecting the choice of many goods and services. Goldsmith and Horowitz (2006) noted that it is important to analyze the motives for seeking eWOM opinions because they provide insights about consumer behavior. Goldsmith and Horowitz revealed eight reasons why consumers seek online opinions of others and they are "to reduce risk, because others do it, to secure lower price, to get information easily, by accident, because it is cool, because they are stimulated by offline inputs such as TV, and to get prepurchase information" (Goldsmith & Horowitz, 2006. P.1). Goldsmith and Horowitz suggested that consumers who are more highly motivated to seek opinions online consider this type of information more important compared to advertising, meaning that

highly motivated consumers are more likely to be influenced by eWOM communication than by message from traditional advertising media (radio, TV, and newspaper). In their study of social networking analysis in online communities, Brown, Broderick, and Lee (2007) stated that eWOM exchanges affect subsequent consumer behavior by means of three key influences: source credibility, tie strength, and homophily. They noted that to determine the flow and nature of eWOM interaction, it is critical to explore whether and how the constructs of source credibility, tie strength, and homophily differ from traditional WOM exchanges. Consumers believe that consumer-generated website contents have higher credibility, relevance, and empathy than do marketer-generated contents (Bickart & Schindler, 2001). However, online community users appear to spend at least some effort to evaluate the credibility of information, as well as the online community itself (Brown et al., 2007). The results of Brown et al.'s study (2007) showed that online communities or review websites could generate some kind of "authority". which would give any information on that site more weight. This website authoritativeness may influence eWOM differently compared to effects on traditional WOM.

Traditional view suggests that face-to-face WOM communication plays a major role in consumer buying decisions by influencing consumer choice (Arndt, 1967). Due to the intangible nature of the products or service of tourism, the availability of trustworthy WOM information becomes critically important for consumers seeking to minimize risk in service products consumption (Murray, 1991). In order to obtain credible WOM information, consumers may rely increasingly on eWOM communication as more available and accessible. However, consumers may use both traditional WOM and

eWOM communication at different stages in the travel decision-making or destination image formation process. Gretzel and Yoo (2008) revealed that online travel reviews are used to generate ideas and to narrow down choice in the decisive stages of travel planning; however, they are underused for en route decision-making that eWOM receivers involve reviews during a travel. Instead of eWOM information, traditional WOM information may have a stronger influence on the decision-making stage. Based on the above, the first hypothesis can be stated as following:

H1. Traditional WOM has a greater effect on perceived destination image compared to electronic WOM in the context of vacation travel.

#### Social Ties and Personal and Commercial Word-of-Mouth

Tie strength is one of the key determinants of the effects of WOM exchanges on subsequent consumer behavior (Brown et al., 2007). Tie strength is defined as the properties of the linkage between pairs of communicators that exist independently of specific contents, and it is critical for understanding the process of WOM communication (Brown & Reingen, 1987). Offline traditional WOM research indicates that information obtained from sources with strong tie connections is more influential in decision-making than weak tie information (Brown & Reingen, 1987). In spite of its importance, eWOM tie strength has not been studied extensively. By comparing college students' traditional WOM (friends or academic advisor) and college professor rating website, Steffes and Burgee (2009) investigated the value of traditional WOM and eWOM communication in the students' course decision-making process. The study results indicated that eWOM emanating from online strangers could be equally or more preferred than information from strong tie (friends), which opposes the existing traditional WOM literature that

highlights the fact that WOM communication is effective due to the strong tie between sender and receiver. Steffes and Burgee (2009) did not offer a reason for why this happens.

Brown et al. (2007) who focused on the concept of the consumer brand relationship claim that brands can develop personalities and that consumers can have some kind of relationship with brands. They point out that this idea may also be applicable to websites as well. If websites had personalities, consumers would trust them as they would people. As a result, consumers could develop relationships with websites (Brown et al., 2007). Brown et al. (2007) conclude that the idea of individual-to-individual social ties is less relevant in an eWOM environment than in a traditional WOM one. Interview subjects appeared to use websites as proxies for individuals and thus, developing tie strength between an information seeker and a website as the individual information source (Brown et al., 2007).

Based on the results of the two studies discussed above, it should be determined whether tie strength is relevant in the context of destination image formation or the decision-making process in online discussion environment. Consumer perception of the credibility of eWOM information is important due to the lack of personal knowledge about the motivation of unknown strangers offering recommendations and the possibility of commercial interests being involved with a website or online forum (Chatterjee, 2001). In this study, personal WOM communication includes traditional WOM exchanges and emails or instant messages obtained from known people, while commercial WOM exchanges include virtual communities, blogs, websites, review sites, chatrooms, news

groups, social networking sites, and email obtained from unknown people. Comparing tie strength with personal and commercial WOM, we hypothesize:

H2. Personal WOM has greater effect on vacation travel consumers' perceived destination image compared to commercial eWOM.

#### **Positive and Negative Electronic Word-of-Mouth**

As stated previously, in the context of traditional WOM, negative WOM influences consumers' brand evaluations more than positive WOM does (Arndt, 1967; Mizerski, 1982). However, vivid WOM communication or brand attributions mediate the relation between negative WOM messages and evaluation of products (Herr et al., 1991; Laczniak et al., 2001). It is likely that the information contained in negative WOM messages is more complex than information that includes only positive WOM messages.

Because of the relative newness of eWOM communication as a phenomenon, little research exists on consumer perceptions of positive and negative eWOM. Park and Lee (2009) found that the effect of eWOM on products purchasing decision is greater for negative eWOM than for positive eWOM. Furthermore, the product type associated with eWOM messages moderated negative eWOM effects. Specifically, a negative eWOM effect appears to be more significant when eWOM communication is used for experience goods rather than for search goods (Park & Lee, 2009). In this case, search goods are products about which complete information can be acquired prior to purchase while experience goods are products that cannot be known until the purchase. Experience goods can sustain greater damage from the eWOM due to negative eWOM information that magnifies consumers' prevailing uncertainty and fear initiated by poor cognitive

knowledge of experience goods (Park & Lee, 2009). Because tourism services can be categorized as experience products with a large uncertainty component, the negative eWOM effect may be more significant than for search products.

Conversely, in a study using attribution theory, Chatterjee (2001) investigated the effect of negative online reviews on consumers' evaluation and patronage intentions. The study revealed that the consumer's familiarity with the product provider mitigated the harmful effect of negative consumer eWOM on perceived reliability of product provider and purchase intention (Chatterjee, 2001). Consumers who decided to patronize a product provider based on familiarity were more likely to attribute the cause of negative eWOM information to situational or temporary factors, not to recurring or stable causes; hence, they were less likely to change their purchase intention (Chatterjee, 2001). As familiarity is one of the most important trust-signals through which consumers reduce risk and build trust when they purchase products online (Einwiller, Geissler, & Will, 2000), it may be easier to build a strong bond between consumers and product providers in online forum rather than in face-to-face traditional WOM communication.

In another study utilizing observation and laboratory experiments, Sen and Lerman (2007) examined the existence of a negative effect of eWOM consumer reviews for utilitarian versus hedonic products. The results showed that readers of negative hedonic product reviews were more likely to attribute the negative opinions to the reviewers' internal reasons, meaning that they were less likely to find negative reviews useful. However, in the case of utilitarian product reviews, readers were more likely to attribute the reviewer's negative opinions to external reasons.

Generally, negative reviews are more useful compared to positive reviews; however, each product category has a different magnitude of negative eWOM impact (Sen & Lerman, 2007). Consumers feel that reviewers' negative comments about utilitarian products are motivated by a desire to accurately inform other buyers and that these comments are more likely to be based on reviewers' true experience or feelings. However, in the case of negative hedonic reviews, consumers feel that the negative reviews are not related to product quality and that they are guided by internal reasons (Sen & Lerman, 2007). As the products of tourism can be categorized as hedonic products, consumers may not rely on negative eWOM about their tourism destination expressed in online reviews. These arguments lead to the following hypotheses.

- H3a. In the process of destination image formation, vacation travel consumers are more affected by negative WOM compared to positive WOM.
- H3b. In the process of destination image formation, vacation travel consumers are less affected by negative eWOM compared to negative traditional WOM.
- A hypothesized integrated model is developed in Figure 1.

#### **Summary**

The fundamental image formation agents of traditional WOM and eWOM communication may affect consumers' purchase decision-making in different ways. To hypothesize the effects of traditional and eWOM communication on tourist destination image, this literature review has provided the essential evidence of the strong relationships among WOM senders and receivers and WOM direction (positive and negative) as well as product characteristics (tangible or intangible) when consumers need to make a decision about purchasing goods and services. Both traditional WOM and eWOM have a greater effect on product judgments than do traditional marketing sources. In general, strong-tie WOM is more effective in decision-making compared to weak-tie WOM, and negative WOM has a stronger influence on purchase intention compared to positive WOM. Intangible products revealed different degrees and directions of effect on decision-making via these moderators. From the travel marketers' point of view, further investigation of tourism is needed as more and more consumers rely on online opinion rather than face-to-face offline WOM communication.



Figure 1. Integrated Model of Effects of Traditional and Electronic Word-of-Mouth on Destination Image

#### **Definition of Terms**

Overt induced agent: (I) traditional forms of advertising generated by the marketing entity, (II) information generated from sources with a vested interest in the marketing outcome, such as agents or intermediaries (Gartner, 1993).

<u>Covert induced agent</u>: (I) information provided by a paid sponsor endorsed by a known identity or expert with the aim of increasing the credibility of an advertising claim, (II) information influenced by marketing organization, which appears to the recipient to be an independent and unbiased source (Gartner, 1993).

Autonomous agent: genuinely independent information sources such as news reports and documents (Gartner, 1993).

<u>Solicited agent</u>: WOM information sought by the traveler from a credible source (Gartner, 1993)

<u>Unsolicited agent</u>: WOM information generated by individuals who have either visited the destination or who claim an understanding of the destination's attributes (Gartner, 1993).

Organic agent: information gained from actual experience with the destination.
### CHAPTER III

#### **METHODS**

### Introduction

This chapter discusses the study procedures and describes the sample population, research design, instrument, development, data collection method, and data analysis employed.

#### Sample

The sample of this study consisted of travelers who have visited Branson, Missouri, and have registered in the Branson tourists' database in Branson Chamber of Commerce. Additionally, tourists who had visited Branson Welcome Center during the survey period and agreed to participate in the study were included.

Branson area was selected for several reasons. The city of Branson serves approximately 7.2 million visitors annually, including the lake area, and up to 65,000 visitors daily. In addition, Branson is number three on the list of the top ten destinations in the United States because of its family-oriented atmosphere (Branson Tourism Center, 2010). This suggests that Branson represents a diverse population. A convenience sampling method was used to recruit visitors who have registered in the Branson tourists' database. A simple random sampling method was employed to recruit the actual tourists who had visited Branson Welcome Center during the survey period. To determine the sample size, a confidence interval approach and the following formula was used (Burns & Bush, 2005):

$$n = \frac{z^{2}(pq)}{e^{2}} = \frac{1.96^{2}(0.5)(1-0.5)}{0.05^{2}} = 385$$

where z is standard error associated with a 95% level of confidence (1.96); p is the estimated variability in the population (50% is widely used in social science research); q = (1-p); and e is the acceptable error  $\pm 5\%$  confidence interval in this study.

### **Research Design**

Litvin et al. (2008) suggested that research on eWOM communication should focus on practical strategies designed to measure the cognitive, affective, and behavioral implications of traveler behavior. Park and Lee (2009) claimed that the marketer should understand message configuration in order to build an effective online marketing strategy. Therefore, this study utilizes a descriptive research design using a crosssectional sample survey to project the results of the sample to the overall population in online and actual face-to-face survey setting.

#### **Survey Instrument**

The survey questionnaire consisted of six sections: a screening question to identify qualified respondents who visited Branson, personal and commercial WOM and other traditional marketing information sought by tourists, differences between traditional and electronic WOM information effects (credibility, information perceptions, and personal view of information), positive and negative WOM information perception, destination image, and participants' demographic information gathering. Appendix A lists the constructs of the survey instrument.

### **Questionnaire Development and Measurement**

Following the screening questions and the question inquiring the number of times tourists visited Branson, the first section of the survey evaluated travelers' perceptions toward traditional or electronic WOM as well as toward personal or commercial WOM. Although traditional WOM is generally personal information, the types of eWOM information can be both personal and commercial. This study classified personal WOM information as a non-commercial source with strong tie between WOM information sender and receiver. On the other hand, commercial WOM information has a weak tie regarding the closeness of a social relationship between information sender and receiver (Money, Gilly, & Graham, 1998). Such WOM information classification was examined in the second section of the survey (traditional and electronic WOM effects).

The second section of the survey included questions measuring the level of WOM effects, both traditional and electronic, on the participants' perception of travel behaviors. The questions were adopted from Mack, Blose, and Pan's (2007) study. The eWOM, specifically information from travel blogs, comprised of three dimensions: information credibility, information perceptions, and personal view of information. This eWOM measurement model used the scale of eWOM credibility adopted from Freeman and Spyridakis (2004) measuring the readers' perceived credibility of online health information on a 5-points nominal scale, including such descriptors as accuracy, expertise, bias, trustworthiness, and credibility.

To measure information perceptions, Flynn, Goldsmith, and Eastman's (1996) opinion-seeking scale was used. Flynn et al.'s measure was modified in this study to identify the level of participants' agreement with description of traditional and electronic

WOM when making destination choice. A 7-point Likert-type scale ranging from 1 to 7 (strongly disagree to strongly agree) was used. Finally, Zaichkowsky's (1985) revised Personal Involvement Inventory scale was used to measure personal interest, enthusiasm, and involvement with a product. This study modified original 10 bipolar adjective pairs of Zaichkowsky's PII to 10 adjective measured on a 7-point Likert-type scale, where "1" represents "strongly disagree," and "7" represents "strongly agree."

The third section of the survey evaluated participants' positive and negative WOM information perceptions to examine the WOM direction that influences destination images the most. While most of the previous research on WOM direction manipulated WOM direction by positive, negative, or mixed and controlled moderator variables, this study was conducted in a natural setting that allowed us to obtain a more realistic empirical result due to multidimensional nature of information. To measure the effect of positive and negative WOM information, both traditional and electronic, on destination choice, this study utilized information perception measure modified by researcher. Respondents were asked directly whether positive or negative WOM influenced their destination decision. Three questions assessed traditional WOM, personal eWOM, and commercial eWOM information in terms of their positive and negative effects, measured on a 7-point Likert-type scale ranging from 1 (very negative) to 7 (very positive) with 4 representing neutral response.

The fourth section of the research instrument examined overall destination image. The image component question was measured on a 7-point Likert-type scale ranging from 1 (strongly disagree) to 7 (strongly agree). Finally, the survey included questions assessing participants' general demographic information. The entire survey instrument is

## presented in Appendix B.

## Human Subjects in Research

The Institutional Review Board (IRB) of Oklahoma State University approved the research protocol and instrument. The IRB examined the study procedures to ensure that the rights and welfare of human subjects were protected. The IRB approval to conduct human subjects research was obtained prior to data collection (see Appendix C).

### **Pilot Test**

The researcher conducted a pilot test between September 18 and September 21, 2010 at Branson Welcome Center using a simple random sampling approach. Printed survey questionnaires were distributed to and collected from the respondents who had visited the Center during the pre-test period. Overall 29 respondents were asked to answer and critique the questionnaire to capture whether the respondents understood all questions, to compute the preliminary reliability of the questionnaire's items, and to estimate the amount of time necessary to complete the questionnaire. Based on the results of the pilot test and respondents' suggestions, positive and negative WOM perception questions were revised and reduced. As a result, the amount of time to complete the questionnaire was reduced from the average of 15 minutes to 10 minutes.

#### **Data Collection**

Overall, 100,000 visitors who have visited Branson in the past and registered in the Branson tourists' database received an e-mail invitation on October 6. The data were collected until October 20, 2010. After respondents read the informed consent letter and agreed to participate, they were directed to the survey website to fill out the questionnaire

by clicking the link in the cover letter. First two questions inquired whether they were over 18 years old and whether they visited Branson in the past. The respondents who answered "yes" to both questions continued to the next question by clicking the "next" tab. If they answered "no" on one of the screening questions, the questionnaire jumped to the last section assessing socio-demographic characteristics. The last section on demographic characteristics, asked about the location of the participant's primary residence. When the residence was less than 100 miles away from Branson, this questionnaire's data was not used. Face-to-face survey at Branson Welcome Center was conducted from September 27 to October 8, 2010, asking visitors to complete the research survey questionnaire administrated by the researcher. Face-to-face data collection yielded very low response rate. Consequently, on-line approach was applied to obtain the required number of responses.

### **Data Analysis**

The data was analyzed using PASW 18.0 (SPSS) for Windows. Most scales utilized in this study were measured on 7-point Likert-type scales (summated rating scale), which allowed respondents to express different levels of intensity of their feelings (Churchill et al., 2008). Only the respondent's perception of WOM credibility was measured on a five-point nominal scale in order to reduce the respondent's difficulty in answering the questions.

Descriptive statistics was used to analyze respondents' demographic characteristics. To assess the measure components, principal component factor analysis and reliability analysis were used, and to examine the hypotheses, multiple linear regression, one-way analysis of variance (ANOVA), and descriptive statistics were used. Prior to performing regression analysis, the components of independent variables, information perceptions and personal view of information were tested with Varimax-rotated principal components factor analysis to examine internal consistency of the measurement items. The reliability of the scales was evaluated by Cronbach's alpha, which should be greater than 0.7 to assure that the measure assessing the same construct consistently.

To examine hypothesis 1 (effects of traditional WOM and eWOM on destination image), information credibility perceptions were observed using frequency distribution. WOM information perception was tested by multiple linear regression. With the multiple linear regression, the significance of F-statistic was assessed at the .05 probability level. R-square was then examined to evaluate the degree of variance explained in the dependent variable by the independent variables. Finally, standardized beta coefficients were evaluated to determine the relative influence of each of the independent variables. In addition, a multicollinearity test was conducted.

To test hypothesis 2, personal and commercial WOM information effect on destination image was assessed by multiple regression analysis with personal WOM and commercial WOM aggregate variables that emerged from the abovementioned factor analysis.

To test hypothesis 3, positive and negative WOM information effects on destination image were tested using positive and negative WOM factors derived from the factor analysis. The mean differences between positive WOM information and negative WOM information on destination image were assessed by one-way ANOVA. The means were then compared with descriptive statistics. Finally, multiple regression analysis was

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utilized to examine the influence of each positive and negative WOM on destination image by examining standardized beta coefficients.

### CHAPTER IV

### RESULTS

### Introduction

This chapter presents the findings of the study in three sections. First section includes respondents' demographic characteristics, personal travel experience, and obtained travel information about Branson. Second section explains factor solutions and reliability tests. Third section reports the results of hypotheses testing.

### **Demographic Characteristics of Respondents**

A total of 976 usable questionnaires were obtained after the screening test. Demographic characteristics of respondents are presented in Table 1. The majority of respondents, 64.7%, were females. Such gender distribution may have affected the destination image perception because females are more likely to emphasize such dimensions as infrastructure and natural environment when assessing destination image (Chen & Kerstetter, 1999).

The majority of respondents, 31.0%, were over 61 years of age. Such result was expected considering that Branson attracts that type of demographic population. The second largest group of respondents (29.9%) were 36 to 50 years. The third group, 27.3%, were between 51 to 60 years old. The youngest group of respondents (under 35 years of age) comprised only 11.7%.

Education level was somewhat equally distributed among high school (31.9%), 2year college (25.9%), and 4-year college (28.2%). Most participants' household income, 32.6%, ranged from \$50,000 to \$74,999 while 24.3% of respondents indicated annual household income in the range from \$25,000 to \$49,999.

Most of the respondents, 41.9%, were empty nesters. Such trend could most likely be attributed to the fact that the majority of respondents were retirees. Moreover, 14.3% of the respondents were living alone.

Gender (N=976)	N	%
Female	631	64.7
Mak	345	35.3
Age (N=976)	N	%
Over 61 years	303	31.0
51 - 60 years	266	27.3
36 - 50 years	292	29.9
22 - 35 years	100	10.2
Under 21 years	15	1.5
Education (N=976)	N	%
Elementary & Junior	2	.2
High school	311	31.9
2year college	253	25.9
4year college	275	28.2
Master's degree	115	11.8
Doctorate degree	20	2.0
Income (N=976)	N	%
Under \$24,999	59	6.0
\$25,000-49,999	237	24.3
\$50,000-74,999	318	32.6
\$75,000-99,999	199	20.4
\$100,000 and above	163	16.7

Table 1. Demographic Characteristics of Respondents

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Table 1. (Continued)

Occupation (N=976)	Rank	N	%
Retired/not in the workforce	1	246	25.2
Professional & related	2	150	15.4
Administrative support	3	137	14.0
Management	4	95	9.7
Housewife	5	64	6.6
Others	6	56	5.7
Self-employed	7	49	5.0
Sales & related	8	38	3.9
Student	9	38	3.9
Government/self-defense	10	35	3.6
Production	11	18	1.6
Transportation	12	16	1.6
Service	13	14	1.4
Installation/maintenance/repair	14	11	1.1
Farming/Fishing/Forestry	15	6	.6
Construction & related	15	5	.5
Household member (N=976)			

Under 18 years old	18 years old and older	N	%
0	1	140	14.3
0	2	409	41.9
0	3	74	7.6
0	4	29	3.0
1	1	26	2.7
1	2	69	7.1
1	3	37	3.8
2	1	26	2.7
2	2	76	7.8
3	2	32	3.3
4	2	6	0.6

Table 2 summarizes respondents' past experience and travel budget while visiting Branson. On average, the respondents visited Branson 12.4 times. The budget varied significantly with some visitors spending \$101 - \$200 and some spending more than

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\$501.

How many times visited (N=976) Mean=12.38 % Ν 1-10 695 71.2 11-50 257 26.3 51-200 24 2.5 **Budget per person** (N=976) % Ν 29 \$50 and below 3.0 99 \$51 - 100 10.1 \$101 - 200 207 21.2 \$201 - 300 230 23.6 \$301 - 500 225 23.1 \$501 and above 186 19.1

Table 2. Branson Tourists Travel Experience and Budget

Table 3 summarizes the sources of information the respondents used prior to visiting Branson. The most frequent source was websites (20.0%) while the second most common information sources were friends (15.5%) and family (13.9%). Electronic WOM information sources comprised 33.7% of the total indicated sources of information (Commercial eWOM 32.1% + Personal eWOM 1.6%) while traditional WOM information sources accounted for 43.5% of responses.

Information Source (N=2,800*)		Rank	N	%	Cumulative %
······································	Friend	2	434	15.5	
	Family	3	390	13.9	
Traditional WOM	Relative	7	178	6.4	
	Acquaintance	8	130	4.6	
	Spouse	10	86	3.1	43.5
Personal eWOM	Email personal	12	44	1.6	1.6
	Magazine	4	272	9.7	
Traditional Ad.	TV ad	5	203	7.3	
	Traval Agent	13	38	1.4	18.3

**Table 3. Branson Tourists Information Sources** 

### Table 3. (Continued)

Information Source (N=2,800*)		Rank	N	%	Cumulative %
	Website	1	559	20.0	
	Review Site	6	179	6.4	
	Email	11	82	2.9	
Commercial eWOM	Virtual	14	33	1.2	
	Online Agent	15	17	0.6	
	Blog	16	15	0.5	
	News Group	17	12	0.4	
	Chatroom	18	3	0.1	32.1
·····	Other	9	125	4.5	4.5

\* The total sample (N = 2,800) is greater than the number of respondents 976, because the respondents obtained information from multiple sources.

### **Factor and Reliability Analysis**

### **Word-of-Mouth Dimensions**

Items measuring WOM perceptions (9 out of 13 items excluding four screening items) were factor analyzed to test for internal consistency of underlying dimensions. The varimax rotation method was used for that purpose. To test factor loadings, an exploratory factor analysis was employed. The results are summarized in Table 4.

The dimensions were split as planned into traditional WOM, personal eWOM, and commercial eWOM. The Kaiser-Mayer-Olkin Measure of Sampling Adequacy (KMO) was .830, which was well above recommended .50 and Bartlett's Test of Sphericity value was significant (6,288, p = .000), which indicated an appropriate validation of the factor model.

The factor loadings were all greater than .70, indicating high internal consistency within the proposed dimensions. High communalities of all items, ranging from .722 to .856, demonstrated that the common factors explained the variance in WOM

#### perceptions fairly well.

Code	Items		Loadings			
		1	2	3	Communality	
	Traditional WOM Perception					
<b>S</b> 2	I feel more comfortable traveling when I have gotten opinions from people I know face-to-face.	0.889			0.825	
<b>S</b> 1	When I consider traveling, I ask other people face-to-face for opinions and advice.	0.861			0.790	
\$3	Face-to-face communication with people I know influences my choice of travel.	0.808			0.752	
	Pearsonal eWOM Perception					
S5	I feel more comfortable traveling when I have gotten opinions from people I know electronically.		0.870		0.856	
<b>S6</b>	Electronic communication with people I know influences my choice of travel.		0.810		0.814	
S4	When I consider traveling, I ask people I know to give me advice via electronic tools such as e-mails, instant messaging, etc.		0.803		0.762	
	Commercial eWOM perception					
<b>S</b> 8	I feel more comfortable traveling when I have gotten other people's online travel opinions.			0.857	0.834	
<b>S</b> 7	When I consider traveling, I seek opinions and advice online from commercial and independent sources.			0.843	0.722	
<b>S</b> 9	Online opinions influence my choice of travel.			0.834	0.787	
					Total	
	Cronbach's Alpha	0.860	0.880	0.853	0.869	
	KMO	0.830				
	Bartlett	6287.937				
	Significance	0.000				

## Table 4. Factor Analysis of Three Factors Solution for WOM Perception

Additionally, to assess the reliability of each factor, Cronbach's alpha was performed to ensure internal consistency of the items. Cronbach's alphas for all three factors were higher than recommended .70 (Hair, 2006, p.137). Therefore, all tested items passed reliability test and all three factors were considered relevant in this study.

### **Positive and Negative Dimensions of Word-of-Mouth**

Factor analysis was used to identify positive and negative dimensions of the respondents' perceptions toward different types of WOM. The descriptors included such items as important, boring, relevant, exciting, means nothing, appealing, fascinating, worthless, involving, and not needed. The results are presented in Table 5. Descriptor "important" was excluded in the traditional WOM category due to the relatively low factor loading (.444). All other factor loadings ranged from .508 to .861 and consistently split items into positive and negative WOM dimensions, as expected. In both traditional

and electronic WOM, one of the factors included positive descriptors, such as relevant, exciting, appealing, fascinating, and involving, while other factor consisted of negatively worded items, such as boring, means nothing, worthless, and not needed. Consequently, due to high internal consistency, positive dimension items were averaged to comprise positive traditional and electronic WOM variables. Similarly, negative dimension items were used to comprise negative traditional and electronic WOM variables. Similarly, negative dimension items used later to test Hypothesis 3.

The KMO sampling adequacy indicators were .906 for both traditional and eWOM. Bartlett's Test of Sphericity values were significant (p = .000) for both traditional WOM and eWOM. Cronbach's alphas were all above .80, which indicated the acceptable reliability.

Code	Items	Load	lings		
		1	2		Communality
	Negative Traditional WOM				
P5	Means Nothing	0.861			0.773
P8	Worthless	0.850			0.738
P10	Not Needed	0.806			0.726
P2	Boring	0.715			0.584
	Positive Traditional WOM				
P7	Fascinating		0.827		0.740
P4	Exciting		0.805		0.722
P6	Appealing		0.776		0.737
P9	Involving		0.712		0.516
P3	Relevant		0.508		0.564
P1	Important		0.444 <sup>a</sup>		0.618
				Total	
	Cronbach's Alpha	0.872	0.850	0.212	
	KMO	0.906			
	Bartlett	4522.53			
	Significance	0.000			

**Table 5. Directional Dimensions of Traditional WOM and eWOM**Personal View of Traditional WOM factors

<sup>a</sup>Cut off value for factor loading .50

## Table 5. (Continued)

Code	Items	Load	Loadings			
		1	2		Communality	
	Negative eWOM		~			
P5	Means Nothing	0.888			0.829	
P8	Worthless	0.880			0.813	
P10	Not Needed	0.825			0.753	
P2	Boring	0.782			0.654	
	Positive eWOM					
P7	Fascinating		0.854		0.763	
P4	Exciting		0.806		0.731	
P6	Appealing		0.802		0.767	
P9	Involving		0.799		0.643	
P3	Relevant		0.607		0.592	
<b>P</b> 1	Important		0.565		0.660	
				<u>Total</u>		
	Cronbach's Alpha	0.902	0.894	0.347		
	КМО	0.906				
	Bartlett	5499.566				
	Significance	0.000				

Personal View of Electronic WOM Factors

# Frequency Distribution of Traditional and Electronic Word-of-Mouth Credibility

# Perceptions

In the part II of the questionnaire, the respondents evaluated traditional WOM, personal eWOM, and commercial eWOM in terms of perceived credibility. Five categories were used to identify different levels of credibility: accurate, biased, credible, expert, and trustworthy. The results are summarized in Table 6.

**Table 6. Frequency Distribution of Credibility Perception for WOM** 

Minimute-concentration (1997)	%					
(N=976)	Accurate	Biased	Credible	Expert	Trustworthy	
Traditional WOM information	31.3	7.2	35.2	1.9	24.3	
Personal eWOM information	25.4	11.6	42.6	3.1	17.0	
Commercial eWOM information	18.6	33.9	39.2	2.9	4.7	

The results indicated that 42.6% of respondents viewed personal eWOM as credible while 39.2% of respondents viewed commercial eWOM as credible. Surprisingly, only 35.2% of respondents viewed traditional WOM information as credible. However, traditional WOM were viewed as more accurate and trustworthy compared to electronic types of WOM. At the same time, the higher percentage of the respondents viewed commercial eWOM as biased (33.9%), as compared to personal eWOM information (11.6%) and traditional WOM information (7.2%). Such distributions indicate that, overall, traditional WOM information is viewed as accurate, credible, trustworthy, and less biased compared to personal eWOM information and commercial eWOM information. Though approximately 40% of respondents viewed commercial eWOM as credible, it was also viewed as strongly biased. Another interesting finding is that personal eWOM was perceived as less biased than was commercial eWOM.

### **Hypothesis Testing**

### Hypothesis 1

To test Hypothesis 1, a single item measure of overall image was used as a dependent variable of destination image. A multiple linear regression analysis was utilized to assess the effects of different types of WOM on destination image. Aggregate averaged measures of traditional WOM, personal eWOM, and commercial eWOM perceptions were used as independent variables while overall destination image was categorized as dependent variable. Tolerance and VIF diagnostic tests indicated that multicollinearity was not an issue in the tested regression equation with Tolerance > .1, and VIF < 5.0.

The results presented in Table 7 revealed that only one of the three factors,

traditional WOM, emerged as significant predictor of overall destination image (F = 5.43, p = .001). Both personal eWOM and commercial eWOM did not make a statistically significant contribution (p > .05) to the prediction of destination image.

Table 7	. Regression	Analysis Resu	lts: The effe	cts of T	raditional	and	eWOM
	Perceptions	on Perceived	<b>Destination</b>	Image			

R	R <sup>2</sup>	F	p-value	Beta	T-value	p-value
0.118	0.014	5.428	0.001			
				0.106	3.121	0.002*
				-0.022	-0.578	0.563
				0.055	1.603	0.109
	R 0.118	R R <sup>2</sup> 0.118 0.014	R         R <sup>2</sup> F           0.118         0.014         5.428	R         R <sup>2</sup> F         p-value           0.118         0.014         5.428         0.001	R         R <sup>2</sup> F         p-value         Beta           0.118         0.014         5.428         0.001         0.106           -0.022         0.055	R         R <sup>2</sup> F         p-value         Beta         T-value           0.118         0.014         5.428         0.001         0.106         3.121           -0.022         -0.578         0.055         1.603

\*p < .05

Because standardized beta was statistically significant only for traditional WOM, it can be concluded that in comparison with personal and commercial eWOM, it has a stronger effect. Thus, Hypothesis 1 was supported. However, it should be noted that the magnitude of the effects could not be compared because both types of eWOM yielded insignificant effects. In addition, it is important to mention that R<sup>2</sup> of the tested regression model was quite small, .014, which means that WOM explains only 1.4% of variability in the dependent variable. Such finding corresponds with previous academic reports indicating that other variables, such as price, distance, and attraction, among others, play a significant role in destination choice (Crompton, 1979; Heung et al., 2001; Hunt, 1975).

### Hypothesis 2

To examine whether personal WOM has a greater effect on perceived destination image compared to commercial WOM, a linear regression test was performed. Because personal WOM included traditional WOM and personal eWOM, two sets of regression tests were performed. First, independent variables comprised personal eWOM and commercial eWOM while the dependent variable measured overall destination image. Second, independent variables included traditional WOM and commercial eWOM while the dependent variable stayed the same, overall destination image.

The results of the first regression test are summarized in Table 8. Though the results indicated a significant relationship between the independent variables and the despondent variable (F = 3.28, p < .05), standardized betas for both personal and commercial eWOM were not statistically significant, showing that both factors were weak in terms of their influence on destination image (p > .05).

Table 8. Comparison of Personal and Commercial eWOM Effects on Destination Image

Independent variable	R	R <sup>2</sup>	F	p-value	Beta	T-value	p-value
	0.075	0.006	3.279	0.038			
Personal eWOM Perception					0.030	0.874	0.382
Commercial eWOM Perception					0.055	1.603	0.109

The results of the second regression test are presented in Table 9.

# Table 9. Comparison of Traditional WOM and Commercial eWOM Effects on Destination Image

Independent variable	R	R <sup>2</sup>	F	p-value	Beta	T-value	p-value
	0.116	0.014	7.973	0.000			
Traditinal WOM Perception					0.099	3.275	0.001*
Commercial eWOM Perception					0.042	1.409	0.159
4							

\*p < .05

The results showed that traditional WOM perception was a significant predictor of destination image (F = 7.97, p < .001) in this model. Beta coefficient of .099 (p < .05) was relatively high when compared to beta for commercial eWOM perception ( $\beta$  = .042).

Therefore, Hypothesis 2 was supported. However, commercial eWOM perception did not significantly predict destination image and its beta coefficient was not statistically significant (p > .05). Therefore, although it can be concluded that traditional WOM had more pronounced effect on destination image when compared to commercial WOM, no inferences about the magnitude of the effect of personal eWOM (the other type of personal WOM) can be made as both predictors did not significantly influence the outcome variable in the first regression test.

## Hypothesis 3

A one-way ANOVA test was conducted to assess the differences in the effects among the four variables of positive and negative traditional and electronic WOM. The results of that test are summarized in Table 10.

Source	Mean	Std. Dev.	df	MS	F	р
Positive Traditional WOM	4.74	0.84	4	6.36	9.32	0.000*
Positive eWOM	4.42	0.93	5	4.09	4.76	0.000*
Negative Traditional WOM	2.82	1.05	5	4.39	4.01	0.001*
Negative eWOM	3.06	1.14	5	6.96	5.52	0.000*
** p < .001. * p < .05						

#### **Table 10. ANOVA Results**

Statistically significant differences were found for all four WOM items (positive traditional WOM- F = 9.32, p < .001; positive eWOM- F = 4.76, p < .001; negative traditional WOM- F = 4.01, p < .05; negative eWOM- F = 5.52, p < .001).

Analysis of the means for four WOM variables showed that positive WOM both traditional and electronic had greater influence on destination choice compared to the negative traditional and eWOM, while negative traditional WOM had less pronounced influence compared to negative eWOM. The mean of positive WOM information was higher than the mean of negative WOM, both traditional and eWOM.

In addition, a multiple linear regression analysis was used to examine if these four WOM variables had different magnitude of effects on destination image in terms of WOM directions. Tolerance and VIF diagnostic tests showed acceptable levels with Tolerance > .1, and VIF < 5.0, which means that multicollinearity was not an issue.

The results reported in Table 11 indicate that only positive traditional WOM was a significant predictor of destination image (F = 6.74, p < .001) with the beta coefficient of .125 (p < .05). The other three factors of WOM items were not statistically significant (p > .05). These four WOM items accounted 2.9 percent of the variance in destination image ( $R^2 = .029$ ).

 Table 11. Regression Analysis Results: The effects of Positive and Negative WOM on Destination Image

R	R²	F	p-vahie	Beta	T-value	p-value
0.17	0.029	6.739	0.000			
				0.125	2.62	0.009*
				-0.005	-0.11	0.913
				0.013	0.24	0.808
		· · · · ·		-0.088	-1.68	0.094
	R 0.17	R R <sup>2</sup>	R R <sup>2</sup> F 0.17 0.029 6.739	R         R <sup>2</sup> F         p-value           0.17         0.029         6.739         0.000	R         R <sup>2</sup> F         p-value         Beta           0.17         0.029         6.739         0.000         0.125           -0.005         0.013         -0.088	$\begin{array}{c ccccccccccccccccccccccccccccccccccc$

\*p < .05

Combining ANOVA mean differences and regression analysis together, we can conclude that positive traditional WOM is more influential on destination image than negative traditional WOM, which is contrary to Hypothesis 3a. However, the differences in the magnitudes of the effects between positive and negative eWOM and between negative traditional WOM and negative eWOM could not be compared because of statistically insignificant regression coefficients. Regarding these three positive and negative WOM variables, it could only be concluded that their effects on the outcome variable were different.

Thus, the results of Hypothesis 3a that negative WOM influences destination image more than positive WOM was not supported. Opposite result emerged. Concerning Hypothesis 3b, the results indicated significant differences between negative traditional WOM and negative eWOM in that the mean of negative eWOM was higher compared to the mean of negative traditional WOM.

Such outcomes can be interpreted as an indication that while deciding on a destination, the respondents had more positive perceptions of traditional WOM compared to eWOM. Additionally, the respondents had less negative perceptions of traditional WOM when compared to eWOM.

# CHAPTER V

#### **DISCUSSION AND IMPLICATIONS**

### Discussion

Destination image is an important for travel marketers and researchers to consider because it relates to decision-making and reflects the amount of tourist products and services sold. WOM communication often affects the perception of destination. However, the integrated effects of traditional WOM and electronic WOM on destination image are yet to be evident. This study addressed this gap and examined principal aspects of WOM effects on tourists' perception of destination in terms of traditional or electronic WOM, personal or commercial WOM, and positive or negative WOM.

The results of the study support that traditional WOM has greater influence on destination image compared to eWOM, including personal and commercial eWOM. In the category of personal WOM, traditional WOM has a greater effect on destination image compared to commercial eWOM; however, personal eWOM appears to have smaller effect on destination image compared to commercial eWOM. Additionally, negative traditional WOM has smaller effect on destination image compared to positive traditional WOM. Tourists also seemed to pay less attention to negative eWOM than compared to positive eWOM. At the same time, negative eWOM seems to grab more of their attention than did negative traditional WOM while considering a travel destination. In addition, it is important to report that overall influence of WOM, both traditional and electronic, on destination image and choice was weak. Though traditional WOM had a greater effect on destination image relative to eWOM, as a variable it explained only a small portion of variance in the destination image variable. Such outcome is a sign of existence of other variables that play a more pronounced role in destination choice.

The results also indicate that tourists view eWOM, specifically, commercial eWOM as more biased. Interestingly, commercial eWOM is more often viewed as more credible than traditional WOM. Such results can be viewed as controversial and need further investigation. Table 12 summarizes the hypotheses testing results.

<b>Research Hypotheses</b>	Results	
H1: Traditional WOM has a greater effect on perceived destination image compared to electronic WOM in the context of vacation travel.	Supported	
H2: Personal WOM has greater effect on vacation travel consumers' perceived destination image compared to commercial eWOM.	Supported	
H3a: In the process of destination image formation, vacation travel consumers are more affected by negative WOM compared to positive WOM.	Not supported	
H3b: In the process of destination image formation, vacation travel consumers are less affected by negative eWOM compared to negative traditional WOM.	Not supported	

**Table 12. Hypothesis Test Results** 

A previous study indicated that WOM emanating from friends and relatives is the most powerful factor in forming tourists' destination image (Baloglu & McCleary, 1999). The results of Hypothesis 1 supported that notion, including that tourists' perception of WOM credibility was not much different between traditional WOM and eWOM. Such result corresponds with the idea by Brown et al. (2007) that eWOM generates some kind of "authority" and as a result, eWOM receivers perceive it credible. However, at the same time, they also view eWOM as more biased. Accurate and trustworthy assessments of eWOM were less frequent in the context of this study. In other words, tourists tend to be somewhat skeptical about eWOM. They refer to eWOM as some kind of supplemental information source.

Personal WOM, including traditional WOM and personal eWOM, tend to be more influential than commercial WOM on information receivers' decision-making (Bansal & Voyer, 2000; Brown & Reingen, 1987). The results of this study yielded similar results. Traditional WOM (personal WOM) had a greater influence on destination image than commercial eWOM. However, personal eWOM (another personal WOM) had less influence on destination image and choice than did commercial eWOM.

If commercial eWOM, such as websites and review sites, which were found to be more sought-after compared to other commercial eWOM in this study, were vividly presented to information receivers, they could have had a stronger effect on destination image compared to dully present personal eWOM (Herr et al., 1991). In reality, Branson as a tourist destination, has well organized official website including tourist reviews. Such website may have stronger effect on tourists than personal eWOM.

Furthermore, commercial eWOM may be seen as a credible information source

because of preciously developed consumer-brand relationships. Strong tie strength between WOM receivers and websites may resemble relationships between traditional WOM sender and receiver (Brown et al., 2007).

Generally, negative WOM has a larger effect on product evaluation than positive WOM (Arndt, 1967; Mizerski, 1982). However, in the context of electronic WOM, negative eWOM has more influence on destination image than positive eWOM, but less influence than negative traditional WOM due to hedonic nature of tourism products (Park & Lee, 2009; Sen & Lerman, 2007). The results of this study, however, showed a different trend. Our findings revealed that positive traditional WOM had greater influence on destination image compared to negative traditional WOM, and positive eWOM had greater influence on destination image compared to negative eWOM.

The observed tendency might be due to such conditions or configurations as high consensus, high distinctiveness, and high consistency of WOM (Kim, 2009). Because Branson has distinctive characteristics that identify it as a fun place, many tourists visit Branson repeatedly, some of them more than 12 times. That is why the WOM information about Branson is mostly characterized by high consensus, high distinctiveness, and high consistency with positive connotation. This may be the reason why positive WOM rather than negative WOM both traditional and electronic tended to influence the respondents more.

Although previous research emphasized that negative WOM exceeds the effect of positive WOM, this might not hold for destination products, as shown in Kim's (2009) study. Combination of WOM configurations may change travelers' perceptions in a completely different way.

One of the unexpected results in this study was that neither traditional WOM information nor eWOM were the major influencers of destination image formation. There was a very weak influence of WOM on destination image as opposed to findings from previously published research (e.g., Baloglu & McCleary, 1999; Beerli & Martin, 2004). Because of the intangibility and higher associated risk of tourism products, WOM exerts a greater effect when visiting a destination for the first time. Previous research indicates that when information receiver's expertise is moderate, the information receiver searches WOM with greater effort and pays more attention to the obtained information. However, when the receiver's expertise is either low or high, WOM will not be sought with greater effort and will be considered less (Bansal & Voyer, 2000). As noted before, Branson has high percentage of repeat tourists with high expertise about this destination. Hence, WOM is not as important or as influential for them as opposed to someone who visits Branson for the first time.

Other factors that affect destination image and choice more than WOM include sociodemographic variables, such as gender, age, and household structure, among others (Beerli & Martin, 2004; Chen & Kerstetter, 1999). Additionally, traditional information sources such as advertisements and professional advice might also be influential. Moreover, price, access, intervening opportunity, population concentration, physical facilities should be considered (Baloglu & McCleary, 1999; Crompton, 1979; Heung, Qu, & Chu, 2001; Hunt, 1975). In addition, such factors as accessibility and proximity to permanent residence may have an effect on destination image. It was also reported that destinations with frequent events, well designed and managed facilities, and high population concentration tend to be viewed more favorably.

To sum up, traditional WOM affects destination more than eWOM. Nevertheless, commercial eWOM may be as powerful as personal WOM when the WOM receiver develops strong brand relationships with commercial eWOM communicator. Consequently, marketers or researchers should identify WOM dimensions of their target destination and identify different combinations of consensus, distinctiveness, and consistency of WOM. Based on this information, marketers or researchers would be able to test the power of positive and negative WOM effects. The current findings require further research. However, as a pilot study, the present study contributes important knowledge to tourism marketing.

#### **Managerial Implications**

Although marketers cannot directly control WOM, observing WOM can be a proxy for customer satisfaction and equitable treatment for products and services (Swan & Oliver, 1989; Woodside & Lysonski, 1989).

The results of the study indicate that traditional WOM seems to have the most pronounced effect on destination image. However, the power of eWOM should not be overlooked. Since the Internet provides easy access to information with minimum time and costs involved, prospective tourists are likely to take advantage of eWOM information as a supplementary information source. The results of this study also indicate that negative WOM is likely to have a smaller effect on tourists' perceptions of a destination compared to positive WOM. Accordingly, it is good news for marketers because the tourists seem not to consider negative WOM seriously, especially in a situation of repeat visits. Positive image developed by positive WOM dominates in their mind.

It is difficult for practitioners to observe and control traditional WOM communication because traditional WOM communication is usually exchanged in private conversations and is ephemeral. However, eWOM communication is more manageable because the messages about destination are posted online and are easily accessible. For tourism practitioners, observing messages posted on review sites such as *traveladvisor.com* may help monitoring different kinds of destination images in a timely and cost effective way.

It is possible to analyze the review messages by categorizing destination image dimensions like this study did. The review items can be divided into such categories as infrastructure and socioeconomic environment, atmosphere, natural environment, and cultural environment. Satisfaction with those items can be measured on a 5-point ratio scale. Positive and negative reviews can also be measured quantitatively by counting the numbers of positive or negative words reviewers used. The review site may also provide demographic and geographic information that could be utilized.

The basic strategy should include actions reducing negative eWOM messages and utilizing the following steps:

- 1. Conduct inventory of positive and negative WOM messages and categorize them by levels of satisfaction or dissatisfaction.
- 2. Evaluate positive and negative WOM trends by analyzing WOM dimensions such as consensus, distinctiveness, and consistency.
- 3. Evaluate reviewers' travel expertise and sociodemographic characteristics.
- 4. Utilize statistical analysis to examine the overall destination image and factors affecting destination image to the greatest extend.

When specific problematic attribution is found in the destination image, environmental impact assessment should include the following steps:

5. Set goals and objectives to reduce negative destination image.

6. Examine alternatives to reduce negative destination image.

7. Select preferred alternatives.

8. Develop implementation strategy.

9. Implement.

10. Evaluate.

By contentiously working with such destination image assessment, continuous tourism stream can be developed in the destination. Additionally, the fact that negative eWOM reviews match the reality of the destination should be carefully evaluate because review message may include misunderstanding or exaggerating by reviewers.

### Limitations and Recommendations for Future Research

The current study has several limitations. First, this study evaluated WOM communication in a specific destination, Branson region in Missouri, which limits the generalizability of findings. Although Branson region was purposefully chosen, other destinations should be examined to assess transferability of the current findings. By doing so, we could increase our understanding of WOM influence on destination image.

Second, this study did not measure or control for respondents' level of brand attribution or familiarity with online sites to test eWOM effects on destination image. Future research should measure the level of tie-strength between information receivers and online tourism communicators when examining eWOM communication because brand attributions can mediate the relationship between eWOM information and product

evaluation.

Third, dimensions of WOM configuration such as consensus, distinctiveness, and consistency should be categorized and measured to investigate actual relationship between WOM and destination image. Since these WOM configuration combinations may affect positive and negative WOM effects on destination image differently, it is important to determine WOM dimensions utilizing both qualitative and quantitative approaches.

Fourth, the degree of WOM sender and receiver's expertise should be measured when assessing WOM effects on tourism product evaluation because each expertise affects tourism product evaluation differently. In other words, first time tourists and repeat tourists need to be investigated separately.

Fifth, it was found that WOM explained a small percent of the variance in the destination image variable, thus indicating that some other factors affect destination image more than WOM. Therefore, those factors should be identified and examined when evaluating WOM effects on destination image. Additionally, there might be some moderator effects affecting the relationship between WOM and destination image.

Finally, future research needs to identify (1) how WOM information affects destination image based on different characteristics of destination, (2) how tourists' brand attribution of eWOM information affects destination image, (3) what dimensions WOM information has and how these dimensions influence destination image, (4) how WOM information sender and receiver's expertise reflects destination image, and (5) what kind of moderators affect the relationship between different types of WOM and destination image.

Consequently, future studies should integrate different combinations of WOM factors that would produce the greatest effects on multiple dimensions of destination image. Moreover, factors that can possibly moderate WOM effects on destination image, such as tourists' sociodemographic characteristics, advanced online information media source, geographical and infrastructural conditions should also be examined.

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## APPPENDICES

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# Appendix A

# **Questionnaire Constructs**

Personal/commercial WOM measurement

WOM typology components					
WOM	Face-to-face, telephone	Credibility			
Personal eWOM	Email, instant message from people receivers know	Information perception Personal view of information			
Commercial eWOM	Email, instant message from people receivers do not know Virtual community, online travel agents, blogs, websites, travel reviews, chat rooms, news groups				
	Effects measurement				
	Effects components				
Credibility Information	WOM/personal eWOM /commercial eWOM	accuracy/bias/credibility/ /expertise/trustworthiness			
Information perception	wOM/eWOM	$3 \times 3 + 4$ questions			

# Appendix A (Continued)

WOM direction measurement

# Direction effect components

* 0 .*		Televalit/exciting/
information		fascinating/worthless/
	<b>کا</b> الملہ	involving/ not needed

Destination Image

Overall Image	A good destination	
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#### **Appendix B**

#### **Online Survey Questionnaire**

Participant Information Sheet

Dear respondents,

We are conducting a research study "The Effects of Traditional and Electronic Word-of-Mouth on Destination Image of Vacation Tourists", which investigates the effects of word-of-mouth communication on destination image and we need your help. The results of this survey will help tourism stakeholders to understand the mechanics of destination choice and, thus, improve image of tourism destination.

Please give us about 10-15 minutes of your valuable time to fill out this questionnaire. Your participation is strictly voluntary and there are no known risks associated with this survey.

All the information collected will remain anonymous, and all responses will be kept confidential. You may at any time choose not to participate in this survey or refuse to answer specific questions in this survey. There is no penalty for doing so.

You should be at least 18 years of age to participate in this survey. Only aggregate responses will be reported; no individual responses will be reported.

As an incentive for your time and help, we offer you to participate in a drawing for four \$50 Wal-Mart gift certificates. If you decide to participate, please go to the survey website by clicking on the link below.

http://www.surveymonkey.com/s/NPFZ93Y

If you wish to be removed from the list, please send a reply to this email with "Remove" as subject line or fax Attn: "UNSUBSCRIBE-Center" to 405-744-6299.

Your contribution is highly appreciated. Should there be any queries about the questionnaire or study, please feel free to contact Koji Ishida (405-269-1017) or Dr. Lisa Slevitch (405-744-7643). If you have questions about your rights as a research volunteer, you may contact the Oklahoma State University Institutional Review Board (IRB) Chair, Dr. Shelia Kennison, 219 Cordell North, Stillwater, OK 74078, 405-744-3377 or irb@okstate.edu.

By completing and returning the questionnaire, you are giving your consent to participate.

Sincerely,

#### Koji Ishida

Graduate Student Hotel & Restaurant Administration Oklahoma State University 405-269-1017 e-mail: <u>koji.ishida@okstate.edu</u> 210S, Husband APT22, Stillwater, OK 74074 Dr. Lisa Slevitch Hotel & Restaurant Administration Oklahoma State University 405-744-6743 e-mail: lisa.slevitch@okstate.edu HES222 Oklahoma State University **Appendix B (Continued)** 

**Printed Survey Questionnaire** 

# **Branson Tourists Survey**



Thank you for visiting Branson. We are conducting a research survey in conjunction with Oklahoma State University and we need your help. Please give us about 10-15 minutes of your valuable time to fill out this questionnaire.

If you decide to participate, we will donate \$1 to a charitable organization of your choice.

For your convenience, we are also providing a stamped envelope, so you can send it to us at any time.

## Participant Information Sheet

#### Dear visitor,

Thank you for visiting Branson. We are conducting a research study of "The Effects of Traditional and Electronic Word-of-Mouth on Destination Image of Vacation Tourists", which investigates the effects of word-of-mouth communication on destination image and we need your help. The results of this survey will help tourism stakeholders to understand the mechanics of destination choice and, thus, improve the image of Branson. Please give us about 10-15 minutes of your valuable time to fill out this questionnaire. Your participation is strictly voluntary and there are no known risks associated with this survey.

All the information collected will be based on anonymous participation, and all responses will be kept confidential. You may at any time choose not to participate in this survey or refuse to answer specific questions in this survey. There is no penalty for doing so. You must be at least 18 years of age to participate in this survey. Also, only aggregate responses will be reported; no individual responses will be reported.

If you decide to participate, we will donate \$1 to a charitable organization of your choice. You can choose the organization at the end of the attached questionnaire.

Your contribution is highly appreciated. Should there be any queries about the questionnaire or study, please feel free to contact Koji Ishida (405-269-1017) or Dr. Lisa Slevitch (405-744-7643). If you have questions about your rights as a research volunteer, you may contact the Oklahoma State University Institutional Review Board (IRB) Chair, Dr. Shelia Kennison, 219 Cordell North, Stillwater, OK 74078, 405-744-3377 or irb@okstate.edu.

By completing and returning the questionnaire, you are giving your consent to participate.

Sincerely,

#### Koji Ishida

Graduate Student Hotel & Restaurant Administration Oklahoma State University 405-269-1017 e-mail: <u>koji.ishida@okstate.edu</u> 210S, Husband APT22, Stillwater, OK 74074 Dr. Lisa Slevitch 405-744-6743 e-mail: lisa.slevitch@okstate.edu HES222 Oklahoma State University

## **Survey Questionnaire**

Q1. How old are you?

If you are not over 18 years old, please do not take this survey. If you are over 18 years old, please continue.

Q2. Have you ever been to Branson?

x

1. Yes 2. No, this is my first time.

Q3. If yes, how many times have you ever visited Branson for pleasure travel? times

Q4. Approximately, what is your budget per person for this trip to Branson?

1. \$50 and below	2. \$51 - 100	3. \$101 - 200
4. \$201 - 300	5. \$301 - 500	6. \$501 and above

Q5. Before you come to Branson, from what source did you get information about this destination?

## (Check all that apply)

1. Spouse	2. Family	3. Friend	4. Relative
5. Acquaintance	6. Magazine	7. TV advertising	8. Travel agent
9. News group	Email or Instant 10. message from people you know	Email or Instant 11. message from company	12. Virtual community
13. Online travel agent	14. Blog	15. Website	16. Travel review site
17. Chat room	18. Other (please speci	fy)	

Below is a list of words assessing your perceptions of travel information obtained prior to your visit to Branson. Please mark ( $\checkmark$ ) the option that best represents your opinion.

	Accurate	Biased	Credible	Expert	Trust worthy
Q6. Do you think the <b>information</b> obtained face-to-face from people you know is:					
Q8. Do you think the <b>information</b> obtained from <u>online reviews</u> , <u>blogs</u> , <u>newsgroups</u> , and <u>chat</u> <u>rooms</u> is:					

	Accurate	Biased	Credible	Expert	Trust worthy
Q10. Do you think the information					
obtained from <u>emails</u> or <u>instant</u>					
messages from people you are					
familiar with is:					

# Q12. Please circle only **ONE** appropriate number that best represents your agreement with the following statements:

	Agreement						
<i>s</i> "	Low High		•	Mid	_	+	
When I consider traveling, I ask other people face-to- face for opinions and advice.	1	2	3	4	5	6	7
I feel more comfortable traveling when I have gotten opinions from people I know face-to-face.	1 *** *	2	3	4	5	6	7
Face-to-face communication with people I know influences my choice of travel.	1	2	3	4	5	6	7
When I consider traveling, I ask people I know to give me advice via electronic tools such as e-mails, instant messaging, etc.	1	2	3	4	5	6	7
I feel more comfortable traveling when I have gotten opinions from people I know <i>electronically</i> .	1	2	3	4	5	6	7
Electronic communication with people I know influences my choice of travel.	v reșe mi mi	2 <sup>10</sup>	3	<b>4</b> .	5	6	7
When I consider traveling, I seek opinions and advice <i>online</i> from commercial and independent sources.	1	2	3	4	5	6	7
I feel more comfortable traveling when I have gotten other people's <i>online</i> travel opinions.	1	2	3	4	5	6	7
Online opinions influence my choice of travel.	1	2	3	4	5	6	7
I don't need to talk to others before I travel.	1	2	3	4	5	6	7
When choosing travel, talking to other people is NOT important to me.	1	2	3	4	5	6	7
I rarely seek online opinions where to travel.	1	2	3	4	5	6	7
When making travel choices, other people's <i>online</i> opinions are NOT important to me.	1	2	3	4	5	6	7

Please circle only **ONE** appropriate number that best represents your agreement with the following statements:

	Low			Mid	-		High
important	1	2	3	4	5	6	7
boring	1	2	3	4	5	6	7
relevant	1	2	3	4	5	6	7.
exciting	1	2	3	4	5	6	7
means nothing	1	2	3	4 *	5	6	7
appealing	1	2	3	4	5	6	7
fascinating	1	2	3 👘	-4	5	6	7
worthless	1	2	3	4	5	6	7
involving	1	2	3	4 ै . 🛎	5	6	7
not needed	1	2	3	4	5	6	7

Q13. To me other people's travel opinions are:

Q14. To me other people's online travel opinions are:

	Low		<b>→</b>	Mid		<b>→</b>	High
important	1	2	3	4	5	6	7
boring	1	2	3	4	5	6	7
relevant	1	2	3	4	5	6	7
exciting	1	2	3	4	5	6	7
means nothing	1	2	3	4	5	6	7
appealing	1	2	3	4	5	6	7
fascinating	1	2	3	4	5	6	7
worthless	1	2	3	4	5	6	7
involving	1	2	3	4	5	6	7
not needed	1	2	3	4	5	6	7

Q16. Below is a list of statements assessing your perceptions of Branson as a travel destination. Please circle only **ONE** appropriate number that best represents your agreement with the statements:

	Agreement						
	Low		<b>→</b>	Mid	->	Н	ligh
Absolutely good place	1	2	3	4	5	6	7

Q17. Your gender		
1. Male	2. Female	
Q18. Your age group		
1. Under 21 years old	2. 22 – 35 years old	3. 36 – 50 years old
4. $51 - 60$ years old	5. Over 61 years old	
Q19. Your primary residenc	e	
City	State	Country
Q20. Your highest level of e	education	
<ol> <li>Elementary &amp; Junior school</li> </ol>	2. High school/vocational school	3. 2-year college
4. 4-year college	5. Master's degree	6. Doctorate degree
Q21. Your current occupation	on	
1. Management	2. Administrative support	3. Government/self-defense
4. Professional & related	5. Farming/fishing/forestry	6. Student
7. Transportation	8. Sales & related	9. Construction & related
10. Production	11. Service	12.
13.Self-employed	14. Housewife	Installation/maintenance/repair 15. Retired/not in the
16. Others (please specify)		worktorce
Q22. Including you, how ma	any persons are now living in y	your household?
Under 18 years old	18 and older	
Q23. Your total annual hous your best estimate)	schold income before taxes and	d deductions. (Please provide
1. Under \$24,999	2. \$25,000 - \$49,999	3. \$50,000 - \$74,999
4. \$75,000 - \$99,999	5. \$100,000 and above	
Q24. Please choose <b>ONE</b> ch by participating in this	naritable organization that you survey. We are highly respons	would like to donate money to ible with your donation.
1. Red Cross	2. UNICEF	
3. Child Cancer Foundation	4. Child Fun	d International
Please kindly return the	e completed questionnair	e to the front desk and

thank you so much for your help and cooperation!

#### Appendix C

## **IRB** Application

#### **Oklahoma State University Institutional Review Board**

.

Date: IRB Application No:	Friday, Sep HE1053	otember 10, 2	010	Protocol Expires:	8/23/2011
Proposal Title:	The Effects of Traditional and Electronic Word-of-Mouth on the Destination Image of Tourists in the US				
Reviewed and Processed as:	Exempt Modification				
Status Recommended by Reviewer(s) , Approved					
Principal Investigator(s):	,	•• ••		• • -	
Koji Ishida 210 S. Husband Apt. 22 Stillwater, OK 74074	Li 21 S	isa Slevitch 02 HES tillwater, OK	74078		

The requested modification to this IRB protocol has been approved. Please note that the original expiration date of the protocol has not changed. The IRB office MUST be notified in writing when a project is complete. All approved projects are subject to monitoring by the IRB.

The final versions of any printed recruitment, consent and assent documents bearing the IRB approval stamp are attached to this letter. These are the versions that must be used during the study.

The reviewer(s) had these comments:

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The request to modify the research title and change the recruitment procedures is approved.

Signature :

heli M. Kon

Shelia Kennison, Chair, Institutional Review Board

<u>Friday, September 10, 2</u>010 Date . . . . .

#### VITA

#### Koji Ishida

#### Candidate for the Degree of

## Master of Science

## Thesis: THE EFFECTS OF TRADITIONAL AND ELECTRONIC WORD-OF-MOUTH ON DESTINATION IMAGE OF VACATION TOURISTS: A CASE OF BRANSON, MISSOURI

Major Field: Hospitality Administration

Biographical:

Education:

Completed the requirements for the Master of Science in Hospitality Administration at Oklahoma State University, Stillwater, Oklahoma in May, 2011.

Completed the requirements for the Bachelor of Science in Electronics Engineering at Kanazawa Institute of Technology, Nonoich, Ishikawa/Japan in 1982.

Experience:

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Served as project engineer for USEN Cable Broadcasting System Co Ltd., Osaka, Japan, 1982 to 1985; staff at Holiday Inn Kyoto, Kyoto, Japan, 1985 to 1988; manager for ANA (All Nippon Airways) Hotel Kyoto Inc. Kyoto, Japan, 1988 to 2002; senior manager at Daiwa Resort Inc. Osaka, Japan, 2002 to 2008. Name: Koji Ishida

Institution: Oklahoma State University

Location: Stillwater, Oklahoma

## Title of Study: THE EFFECTS OF TRADITIONAL AND ELECTRONIC WORD-OF-MOUTH ON DESTINATION IMAGE OF VACATION TOURISTS: A CASE OF BRANSON, MISSOURI

Pages in Study: 79

Candidate for the Degree of Master of Science

Major Field: Hospitality Administration

Scope and Method of Study:

Word-of-Mouth effect on products decision-making have been studied for over 40 years. However, the effects of integrated word-of-mouth (WOM), both traditional and electronic, on tourism products are yet to be investigated. This study aims to assess the effects of and differences between traditional WOM and electronic WOM, the effects of and differences between personal WOM and commercial WOM, and the effects of and differences between positive and negative WOM in both traditional and electronic WOM on perceived destination image.

Online and face-to-face surveys were used to collect the data from visitors who have visited Branson in the past and have registered with tourists' data base in Branson, Missouri, Chamber of Commerce. Face-to-face survey was also administered to visitors who had visited Branson Welcome Center during the survey period. A descriptive design using a cross-sectional sample survey was used to collect data for the proposed research hypotheses, which were later tested using ANOVA and regression analysis.

#### Findings and Conclusions:

Results of the study indicated that traditional WOM has a greater influence on destination image compared to electronic WOM. Personal WOM has a greater influence on destination image compared to commercial WOM. However, negative WOM exerts less influence on destination image compared to positive WOM while negative electronic WOM has a greater influence on destination image compared to negative traditional WOM. These results support the proposed hypotheses only partially. Tourists' brand relationship with electronic WOM communicator, expertise, and WOM information configuration may act as a moderator in this study. Accordingly, asymmetric dimensions of WOM effects on destination image were found. More integrated future research is needed to reveal the mechanics of WOM effects on destination image for the purpose of marketing strategy.