

ELECTRONIC WORD-OF-MOUTH: DETERMINANTS OF SELECTION OF ONLINE REVIEWS BY SLOVAK CONSUMERS

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Abstract

Because of its variety and interactivity, Web 2.0 has significantly changed user habits and interests and has brought new factors into consumer decision-making and behavior. It has recently been largely influenced by User Generated Content pages, through which a new electronic form of WOM is developing and expanding. The fact that it is used and trusted by a large number of Slovak consumers was also confirmed by the realized survey (67.1% of respondents). As the number of reviews increases greatly, the user is obliged to select from their countless amount. The submitted work answers the following question: by which criteria the consumer chooses reviews in which he has confidence. In our work we distinguish the determinants that relate to the author of the review and the determinants which relate to the text. By using the questionnaire we find that among the auctorial factors, the credibility and expertise in the greatest extent affects the perception of the user reviews. From the text factors it is the text division and argumentation. The influence of the tie strength on the selection of the reviews was in case of our respondents negligible.

Keywords: Consumer Purchase Decision, eWOM, Electronic Word of Mouth, User Generated Content

JEL Classification: D 91, M 31

1 Introduction

Consumer decision-making has recently been greatly influenced by User Generated Content pages. The commercial form of advertising and family recommendations are not the only known sources of information about products or services. What used to be recently valid: „consumers have learned to rely on advertising and its forms with respect for information that could be used in their purchase decisions“ (Kretter & Kádeková, 2011, p. 71), nowadays the consumers are losing their trust in paid advertisement and they prefer more the WOM. Due to the interactivity and variety of Web 2.0, the WOM assumed the new electronical form.

From the moment the web ceased to be a static text, but became an open communication space, and the user was pulled into the creation of its content, useful pages were gained with User Generated Content (UGC). The boundaries between the terms *user - semiprofessional - professional* have spread on the web. Unlike oral dissemination of information, e-WOM in its mostly written form is characterized by the absence of social ties between communicators, a faster rate of spreading the information, as well as a higher number of potential addressees. By contrast to WOM, e-WOM is a public indirect and, in many cases, anonymous communication, resulting in a significantly higher amount of information. These are available to the user at any time in any location.

E-WOM plays an increasingly important role for consumers, has changed work for the marketer, but also for many reviewers. For the consumer it gives access to the current, ideally non-distorted and unmarked information by commercial advertising, the number of which is constantly growing. Many e-WOM marketers have begun to deal with web monitoring. They have gained new space for authentic feedback from the customer, and have begun to respond promptly, especially in the case of negative reviews. For authors who engage intensively with e-WOM - whether through review portals, on their own blog pages or as youtubers - and are perceived as influencers, the internet becomes a place of self-fulfillment, visibility, and potential financial income. There is also a desire to help and be useful, the desire to share the joy of good bargains, to warn of negative experiences, but it can be assumed that these motivational factors are more typical for occasional contributors.

When dealing with e-WOM through the prism of marketing we will discover its great advertising potential. In the survey of 2017 (Statista, 2017), the respondents selected from 19 answers to the question: In which of these forms of advertising do you trust? Up to 55 per cent of respondents said they believed in Internet consumer ratings, making e-WOM the third most credible. In the first place, there were recommendations from relatives, i.e. the traditional WOM, with

78 percent. E-WOM influences the consumer's decision to buy the product or service in any area, but according to Hinterholz & Jooss (2013) it is crucial especially in the context of tourism. Before the actual purchase, most customers read mainly hotel ratings. As the number of user reviews on the Internet is growing every day, the consumer has to select them. The question of what criteria is being done is dealt with in the submitted work.

1.1 Theoretical background

The fact of how much a user review affects the consumer himself and how he perceives it depends on a number of factors. A significant part of them concerns the author of the review as a source of information. Their definition is based on models applied to the traditional WOM, such as the **Source-Credibility-Model** (Hovland, Janis & Kelley, 1953), which focuses on the credibility of the author, which is reflected in the objectivity and sincerity and the author's expertise. Furthermore, it is a **Source-Attractiveness-Model** according to McGuire (1985), which extends the perception of the originator of information about another aspect: its attractiveness according to him resides in mutual similarity with the recipient of the information. The synthesis of both models is found in Ohanian (1990), which understands all three determinants - trustworthiness, expertise and attractiveness – as important when defining the basic characteristics of the mind-forming reviews.

Considering that the consumer does not explicitly focus on the author himself but also effects social influences such as the view of the environment and the effort to engage him, some e-WOM credibility studies also rely on a psychological study of social influences on individual decision-making by Deutsch and Gerrard from 1955. They include Lis' research (2013), which understands the assessment of other users' reviews as a normative social impact on the perception of an internet review. This aggregate rating affects the consumer before he can read the review, and as he tends to be inclined to majority opinion, he will be less critically accountable to the highly rated review.

In addition to the aggregate rating, Lis also examines the factors relating to the author (expertise, trustworthiness, social homophily) and identifies them as information determinants. We also deal with these factors in the presented work, we extend them by adding the fourth determinant - the tie strength - and we consider them as auctorial determinants.

Auctorial determinants are directly related to the reviewer as to the source of information, his/her competence to express himself/herself about the product, and the perception of his/her credibility. Besides this, the interpersonal dimension of communication belongs to this category. The recipient of the information

often perceives the relationship between him and the sender of the information indirectly, only at a subconscious level, yet this session has a significant impact on the reception of the communication. From this assumption we also postulate the hypotheses of our research, by contrasting the perceived perception of the reviewer as an expert and perceiving his similarity with the consumer. In particular, we examine the following determinants within the auctorial level:

Expertise of the author is considered as a basic prerequisite for the ability to formulate valid claims, to evaluate the quality and properties of the products. In the literature, it is therefore perceived as a central factor in the impact of user review on the recipient. Traditional WOM research (Gilly, Graham & Wolfinbarger, 1998) has shown that Word-of-Mouth spread by experts will have a greater impact on consumer decision-making. This is certainly true in many areas, in the assessment of electronics or cars. Further expert studies (Bansal & Voyer, 2000) confirmed this finding also in the area of services. The presented work deals with the perception of user internet reviews from the tourism sector. We can argue with this belief in the area of tourism. For this reason, our research also focuses on the important role the consumers attribute to author's expertise in choosing holidays.

It should be added that we do not usually find any direct data about the reviewer's competencies. However, the consumer may perceive implicit information in the text about his or her vocation, education, experience, or time horizon in which he tested the product.

The image of **trustworthiness** as the second auctorial determinant is created by several factors. First of all, it is the simplicity, validity and authenticity of the testimony, and also the credibility of the author's social status, his intentions. Publishing your own photo will also give you the impression of honesty. This determinant directly points to the authenticity and objectivity of the review, which is one of the main priorities of review platforms. They are therefore introducing different ranking systems.

Another determinant is the analogy between the reviewer and the consumer. In professional literature (Miller & Hope, 1973; McGuire, 1985) this analogy is referred to as **social homophily**. The reciprocal similarity between the sender and the recipient of the information may lie in a similar age, gender, education, and social status. The relevance of this aspect is documented in a number of sources: "Different studies confirm that the effect of the message on the recipient is greater when he perceives the communicator as similar to the recipient (see Brown / Reingen, 1987, Price et al., 1989; Gilly et al., 1998 Wangenheim / Bayon, 2004). As a consequence of the perceived greater similarity, the recipient, among other things, feels more socially attractive and confident [...]. That is why customers in

the review text look for values and experiences that match their own character and ideas. When the review contains such information and the reader perceives them as analogous to its demographics and ideas, it leads to a greater effect of review." (Wiedmann, Langner & Friedlandt, 2011, p. 5) The relevance of the similarity of the range of values, is particularly evident in e-WOM. In online user reviews, we often do not find the demographic data about the author, which was the basis of social homophily in the traditional WOM. Therefore, the consumer perceives between the lines the implicit information regarding author's preferences, values, and attitudes.

The last but equally relevant determinant at the auctorial level is the **tie strength** between the author of the information and the addressee. This relational aspect is based on the interpersonal nature of e-WOM. Strong bonding intensifies the impact of information acquired on the consumer's behavior and is typical for traditional WOM in the family and among friends. Poor linking increases the flow of information and is characteristic of WOM in the Internet environment.

According to Wiedmann, Langer, and Friedland (2011), we define a second category of determinants that form the reception of reviews, namely **textual determinants**. These determinants are especially important because, e-WOM, unlike classic WOM, is in most cases carried out in a written form. Therefore, the text can be perceived more thoroughly with all its nuances.

To the textual determinants we link:

- **simplicity** - at the level of the sentence construction, but also in the choice of words, it contributes to the clarity of the text,
- **text division** - in the optimal case, the text is characterized by the logical continuity of information, which is also reflected in the external text structure,
- **conciseness** - we perceive the text as terse in a reasonable length with a reasonable amount of information,
- **stimulation** - is manifested for example, in the form of rhetoric questions, using examples,
- **visual appearance** - when selecting from a large number of reviews, the consumer also considers micro typographical elements (font size, line spacing, etc.) and macro typographical elements (punctuation marks, capitalization, etc.),
- **language** - as a distinctive feature that greatly contributes to the uniqueness of the review, the author's own style affects the reader emotionally and contributes to the creation of lively imagination, linguistic correctness is also noteworthy, reviews with grammatical errors create bad impression for the consumer,

- **argumentation** - The listing of relevant arguments does not only increase the usefulness of the review but also its credibility, especially in the case of bilateral argumentation which describes both the beneficial properties of the product and the deficiencies,
- **informativeness** - the value of the review is directly proportional to the amount and details of the information,
- **novelty** - thanks to this feature, eWOM can make a significant contribution to the recipient, especially if the information provided meets two aspects: novelty and uniqueness,
- **usefulness** - as a key factor in evaluating reviews, is based on the assessment of the information obtained and the purchase interest.

The practical part of the presented work is based on the above categorization. It focuses on the realization of a survey of relevant factors influencing the perception of user reviews by Slovak consumers in the field of tourism.

2 Data and methodology

The factors described in the previous part of the thesis formed the basis for the creation of the main research method which was done by a questionnaire. The questionnaire was preceded by the setting of a practical part and the formulation of research questions. The purpose of the survey was to find out which factors influenced the perception of user reviews; to find out what the consumer has selected and on the basis of which he has chosen the selected reviews from an extraordinary amount. As the source we utilized two main categories: auctorial determinants and textual determinants.

To meet the above mentioned goal, we have identified the following research question:

RQ: Which auctorial and textual factors affect the perception of user reviews in the field of tourism most significantly?

Concerning the sample size, it was comprised of 126 respondents aged 19 to 62. For the purpose of our survey, a quantitative method of the questionnaire was selected for data collection. The questionnaire method was particularly suitable because personal contact with each respondent was not necessary and the sufficient amount of data was obtained. This form met the intent of bulk data collection.

To obtain the data, an online questionnaire was used at <http://www.kee.fpv.ukf.sk/dotaznik/>. Respondents were contacted via e-mail and by two social networks (Facebook, Twitter). Using the online form of the questionnaire helped

to bridge distance and share the questionnaire faster. Respondents filled out an electronic form of the questionnaire anonymously.

The questionnaire consisted of 16 questions that were divided into three sections. The first four questions in the first section served to obtain identification data such as: gender, age, education, Internet experience. In this section, we included the item about holiday planning in which we offered five options, the respondents were then asked to choose only one answer. If they selected the option: searching for information over the Internet, they could continue to the second section.

The second section was comprised of one item, whether they prefer official sites of the travels agencies or UGC. The third section consisted of 14 questions. The first one was a dichotomous choice of answer and it verified whether the respondents were using travel reviews and whether they searched for these reviews on the Internet before choosing a particular hotel / destination. Subsequently, we focused in four other items on all four auctorial determinants. Each determinant was transformed into one of the closed questionnaire items with a simple answer. Subsequent closed items of the third section were focused on textual determinants. For three entries, we used a numerical scale (from 1 to 5) to answer, where one item consisted of a dichotomous selection of answer and 5 items with a simple selection of answer.

3 Results and discussions

From the first section of the questionnaire we found the respondents' gender which represented: 72.2% women and 27.8% men. The age scope ranged from 19 to 62 years.

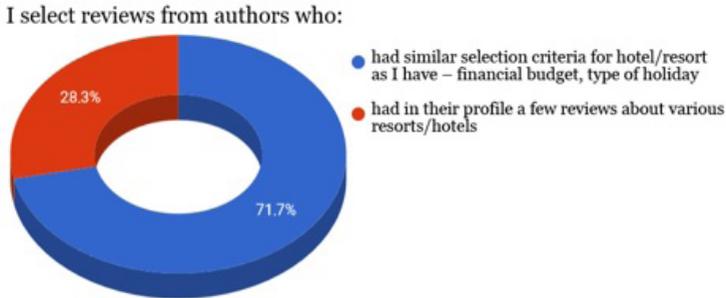
With regard to completed education, a secondary school with a school-leaving examination was represented by 54.8%, on the second place was university education - the second stage with 28.6%, on the third place – PhD-graduates with 11.1% and on the last place remained the first grade with 5.6%.

96.2% of respondents read reviews before selecting a particular resort. 3.8% of the answers were negative.

We found that respondents considered in 41.5% cases whether the review was authentic and without hidden form of advertising. 32.1% of respondents even lost confidence in the hotel they searched for, and started to look for another object when they felt that the review was not authentic. 26.4% of respondents said they did not think about who was the author of the review. From the above we can state that for 73.6% of respondents the author's expertise was important.

For 71.7% of respondents, it was more important that the reviewer had similar hotel / destination choice criteria while 28.3% chose reviews based on the amount of author's reviews (figure 1).

Figure 1 **The survey question centered on the social homophily**



Source: Own processing, 2018.

Trustworthiness as one of the factors of the auctorial dimension was positively evaluated: 62.3% of respondents said they rated the reviewers as honest, 34% of the respondents perceived reviewers as reliable. Only 1.9% of respondents said the authors were perceived as unreliable or embellished the review.

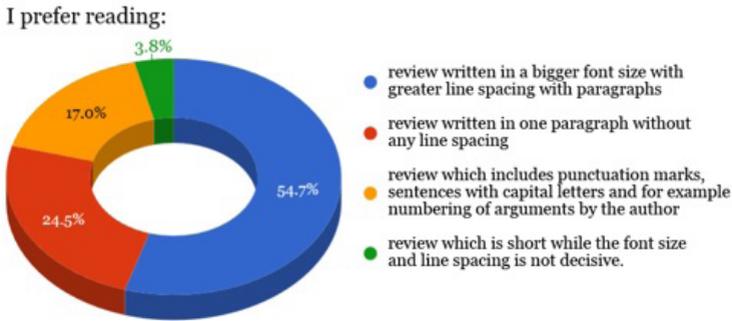
In response to the last question that followed the auctorial dimension, we found that 50.9% of respondents would be able to spend free time with reviewers. 3.8% of respondents could become friends with the authors of the reviews, and 1.9% of the respondents would be able to entrust the secret to the reviewer. We have tracked the tie strength between the author of the information - the reviewer and the addressees. Overall, we can assume that the intensity of the relationship was 56.6% represented in the responses positively.

Each factor of the auctorial dimension was rated more positively by the respondents, making it possible to conclude that auctorial dimension factors played an important role in responding to the selection of hotel / destination reviews.

In the text dimension, we found that 50.9% of respondents did not choose the review with simple words and clearly formulated sentences. This answer confirmed the subsequent question of the questionnaire in which we asked about the simplicity factor. 45.3% of respondents said they preferred shorter reviews, but up to 54.7% of respondents said they preferred detailed reviews (chart 2). It follows that simplicity as a factor did not have such a significant impact on respondents as the amount of information in the review. According to 96.2% of respondents, the

review had to have a clear structure and logically arranged arguments and only then the respondents perceived it positively.

Figure 2 **The Survey question centered on the visual appearance**



Source: Own processing, 2018.

The largest percentage of respondents in the assessment of the factor argumentation was presented by the respondents in the presence of pro-and-con arguments in the reviews. In 94.3% of respondents, this contradictory representation of arguments plays an important role, which is also necessary in terms of credibility - the author who put forward pro-and-con arguments can be perceived more positively than review with positive arguments. The visual presentation of reviews was significant to respondents. 71.7% of respondents said that reviews that were written with punctuation, sentences starting with capital letters, argument numbers, larger font types, and more line spacing had more positive impact on reviews, such as reviews written, for example, in just one paragraph. A review with a clear text about the necessary facts and rational but interesting information preferred 81.2% of respondents to emotional and unique reviews.

Factor novelty was positively evaluated - 54.7% of the respondents chose the option that the review must be up-to-date. The criterion Date was on the first place. On the second place was the evaluation of reviews from other users. The third place was taken by the number of reviews of the author and the last place belonged to visual preview of the reviews.

The factor usefulness received 86.7% positive responses – i.e. the respondents chose reviews that contained useful information or those information which they have not read yet – they were unique.

The last factor we were monitoring was the stimulation. Respondents were asked whether they perceived positively if the author also posted the current

photo of the resort / hotel in the review. 88.7% of the respondents answered positively.

Through a questionnaire survey on a sample of 126 respondents, we obtained data that offer a response to the research question: Which of the auctorial and textual factors do most significantly affect the perception of user reviews in the tourism industry?

Based on these results we can formulate the following statements:

In the context of auctorial determinants, the trustworthiness affected the perception of user reviews in the greatest extent. In the question that followed this determinant, respondents chose the options that represented a credible author - understood as reliable and honest.

Author's expertise was on the second place - this factor had a particular influence on the choice of reviews among respondents, particularly with regard to the use of hidden advertising in reviews. It is possible to conclude that respondents had experience with hidden advertising and became sensitive to it.

On the third place was the social homophily between reviewer and consumers. Respondents picked reviews from authors of similar age and gender, with similar education and social status, and with a similar choice of holidays. Such a selection process is likely to take place at the subconscious level, leading to a higher degree of identification with the content of the selected e-WOM, as well as to building greater confidence. The tie strength between the sender of information and the recipient was the weakest of all auctorial determinates.

The following five factors can be identified as the five most important factors in the category of textual determinants that mostly affect user perception perceptions:

The text division that is visible in reviews at first glance affected the perception of user reviews from all text factors most. The presentation of shortcomings, as well as positive comments in user reviews, influenced the perception of user reviews. The factor argumentation was more important than the factor stimulation in which we assessed the importance of the photo in a hotel / destination review.

The factor usefulness of the information and its utilization in choosing a hotel / destination influenced the perception of user reviews from the fourth position. The relevance of language performance can be interpreted in such a way that respondents prefer a clearly worded text with the facts that they needed to know about the destination / hotel or rationally formulated text without emotional elements. The rating of all the first five determinants exceeded 50%.

Visual appearance achieved the sixth position when perceiving user reviews within textual factors. Respondents also evaluated the nature of the text - whether it had elements that helped to read reviews (font size, line spacing, etc.). Factors

novelty, simplicity and conciseness have proved to be the least appropriate within the text dimension. Similar results also listed Wiedmann, Langer and Friedlandt (2011), in which the factors of simplicity, text division, and conciseness were also not decisive. Recipients centered their attention on more diverse reviews in their search, namely those which included illustrative examples, a private photo of certain product with a comment, or even a humorous commentary.

We also found out from the results of our survey that only 20% respondents with more than 15 years of experience with the Internet are looking for holiday information through forms other than the Internet. 43% respondents with a 10 to 15-years Internet experience and 50% of respondents with 5-10-year Internet experience search for holiday information elsewhere than via the Internet. Internet experience and trust in websites - or, the ability to distinguish the authenticity of the site from advertising - also reflected in the search for hotel / destination information in the great extent. More experienced respondents with the Internet (great number of years) searched for the information over the Internet more than the less experienced (smaller number of years). More experienced respondents knew how to select sites and focused on authentic review content.

User reviews on the Internet accounted for 62.7% of respondents as a source of information on selected travel destinations. 27% of respondents preferred the traditional WOM - in their oral form - e.g. as a recommendation from family, friends. Based on these results, we can say that the credibility of e-WOM is increasing in the case of Slovak consumers in the field of tourism.

4 Conclusion

The survey did not focus exclusively on the credibility of the user review source and the psychological aspect of selecting user reviews. We investigated the impact of all auctorial and textual factors on the perception of user reviews in the field of tourism. The relevance of both types of factors was confirmed. Respondents were willing to read extensive reviews, but with a good text structure. Ideally, reviews should be as up-to-date as possible with good arguments for and against, and should offer useful advice.

Insignificant influence of tie strength on perception and choice of reviews was an interesting finding. When we compare traditional WOM and e-WOM, in traditional one, the tie strength between the author of information and recipient got stronger by personal contact.

The data obtained in the described research can provide a basis for comparing the results of future surveys in this area. E-WOM will not lose importance in the near future, with a sharp increase in online stores growing in every area, potential

customers will choose products based on recommendations - via the Internet. This fact is especially valid for tourism. This is evidenced by the fact that 67.1% of surveyed consumers said they are collecting information about selected hotels or destinations through these channels when planning their holiday.

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