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Consumer Generated Media in Hospitality and Tourism: Travellers' Likes and their Concerns about the Latest Innovation in Hospitality Marketing

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Abstract
This paper explores the influence of consumer-generated media (CGM) on hospitality consumers based on the results of a large online survey. Consumers surveyed like CGM information when booking travel for a number of reasons primarily as it is developed by 'real travellers'; presents a range of different traveller' opinions; and is relevant to the user. At the same time, there were concerns raised about relying on CGM when booking travel, particularly related to the option for hospitality businesses to post 'fake' content and for the opinions presented on these sites to be extremely biased.

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Introduction and Literature Review

The integration of Consumer Generated Media (CGM) into the marketing strategy of businesses is one of the most innovative approaches used recently to encourage guests to purchase hospitality and travel services. This paper explores the use of, and trust in, CGM by hospitality consumers.

There is no doubt that the adoption of CGM by travellers is increasing (Gretzel, 2006; Pan, MacLaurin & Crotts, 2007; Gretzel, Kang & Lee, 2008; Xiang & Gretzel, 2010). A recent report by Cornell University has referred to the rise of social media as a 'janus-like development for the operators of hotels, restaurants and other travel industry businesses' (McCarthy, Stock & Verma, 2010, p.5). In response to this, a number of studies have emerged which focus on how consumers are using CGM as part of their holiday decision making processes (Gretzel et al, 2008; Jeong & Jeon, 2008). CGM has been shown to be of benefit to hospitality consumers as an information source (Vermeulen & Seegers, 2009; Xiang & Gretzel, 2010) and also to businesses as a source of market research information (Carson, 2008: Wenger, 2008). There is speculation, however, about the extent to which hospitality guests like and trust this form of online word of mouth (Mack, Blose & Pan, 2008).

In marketing terms, CGM sites are effectively a form of 'consumer to consumer marketing' (Buhler, 2006). Essentially they provide a form of word-of-mouth marketing, whereby somebody who has an opinion about a product or service shares their views, beliefs and experiences with other people via the Internet (Ahuja, Michels, Walker & Weissbuch, 2007). Fernando (2007) also refers to CGM or 'social media' asbeing the polar opposite to traditional forms of media and marketing, whereby content is generated by the 'consumer' rather than by the 'marketer'.

One of the most contentious issues currently surrounding the impact of CGM on consumer behaviour is the extent to which consumers actually trust the information about products and services that is posted on these sites. Traditional word-of-mouth has been found to be highly trusted by consumers due to the credibility of the source and the strength of the relationship ties between receiver and sender who typically know each other in some way (Brown & Reingen, 1987; de Matos & Rossi, 2008). There are several differences with CGM as a form of E-WOM, however, including that the user does not know the identity of the person who has posted information on CGM sites nor whether this person has similar service experiences and expectations as themselves. This suggests that the potential for CGM sites to have a strong and credible influence on consumers' decision making behaviour has not been fully established, and will ultimately depend on how consumers feel about these sites and any concerns they have about the information contained within them. The extent to which consumers of CGM trust the information that is provided via these online sites is a significant area of interest.

This research aims to assess how consumers use the various forms of CGM as part of their information search process when selecting hospitality services. In particular it reports on (i) How consumers find CGM sites during their information search process; (ii) How important various types of CGM are to their information search in comparison to traditional online marketing strategies; (iii) Which CGM sites are most trusted by hospitality consumers; (iii)

What consumers of different demographics like about CGM content and; (iv) What concerns they have about using CGM as a reliable information source

Method

An online survey of hospitality and travel consumers was conducted through one of Australia's key State Tourism Organisations (STO). The survey was distributed via an email which was sent to the STOs existing database of 110,000 members who had signed up to receive e-communications about tourism attractions and hospitality services. As such, members of this database were known to be users of the Internet when planning and booking travel. The survey was administered over a two week period.

The survey was designed based on a review of existing literature on travel information search; consumer generated media and consumer trust factors. Respondents were asked to indicate the extent to which they used and trusted various forms of CGM as part of their holiday decision making process. Given the limited research to date on the reasons why consumers like or dislike CGM information, two open ended questions were included in the survey in addition to likert-scale questions about the level of trust placed in CGM. The first question asked respondents 'What do you like about sites that contain consumer-generated content related to travel? Respondents were then asked to indicate whether or not there was anything about CGM that concerned them and, where a person indicated 'yes', they were then asked 'what is it about CGM that concerns you?' The two open-ended questions were analysed using qualitative techniques via coding carried out in Microsoft Excel and a specialist qualitative software system, XSight. This enabled comments to be classified under key headings reflecting certain likes and concerns of CGM users. Once the themes were coded, the data was then transferred into SPSS where it was cross-tabulated against the survey respondents' demographics to explore whether there was any variation in responses based on age, gender or income grouping.

Findings & Discussion

The survey yielded 12,544 useable responses. The demographic profile of respondents reflected the profile of the database through which the survey was distributed with 51% of people in the 30-49 year age group and a further 23% between 50-59 years. Over 60% of participants were female and the majority (97%) were Australian residents. Forty-six percent of respondents had actually visited a site containing CGM when booking hospitality and travel services, with a further 32 percent not being sure if they had or not and the remainder (22%) not having used these sites.

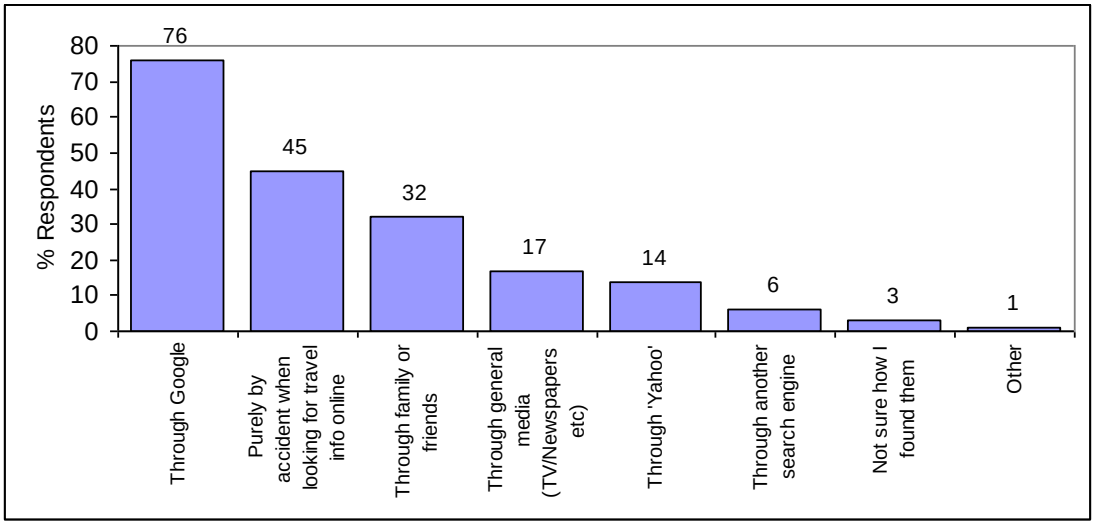
The prominent reasons for visiting CGM sites for travel related purposes were to search for information about travel destinations and accommodation as shown in Table 1. Almost 80% of CGM users had visited these sites when looking for information about travel destinations or accommodation options.

Table 1: Reasons for visiting travel-related sites containing CGM

Searching for Information About:	% of existingCGM users
Travel destinations	78
Accommodation options	77
Other travel related services	46

To understand how CGM users had accessed these sites, the survey asked respondents how they had typically found out about them. The results illustrated in Figure 1 show that the search engine 'Google' was the main way people found out about CGM sites (76%). Many found them 'purely by accident' while looking for travel information online (45%) or were referred to them via family and friends (32 percent).

Figure 1: How CGM travel sites were found



The importance of the various types of content contained within travel and tourism websites was gauged by asking survey respondents how important the components listed in Table 2 were to them when searching online to plan a trip. The overall results are provided in terms of the percentage of respondents who indicated that each component was important to them. Information provided by State tourism websites was considered the most important type of content (89% rating it as important*). Interestingly, this was followed by 'online street directories' (81% important) and information provided by tourism operators (78%).

In terms of CGM content,interactive trip planners and independent traveller review postings were rated equal most important (73%) followed by photos posted of places by travellers (70%) and maps from sources such as Google Earth (63%). Social networking sites such as YouTube and MySpace were only considered important by 22% of respondents.

Interesting results were found about the extent to which people trusted the information provided on CGM travel sites. Respondents were asked to indicate how much trust they placed in particular CGM sites they had used. They were asked to name a site that they had previously visited when making travel plans. This was followed by asking them to indicate how strongly they agreed with the statement 'This site is honest and trustful' on a 7-point scale where 1 = strongly disagree, 4= not sure, 7 = strongly agree. Table 3 shows the results reported for the sites which were most commonly listed. The sites are listed in order based on the most commonly named sites, with Trip Advisor, Lonely Planet and Expedia being the top three. The percentages reported in the table reflect the proportion of respondents who indicated they trusted the site. Lonely Planet was the most trusted (83% agreement). Trip Advisor was also high in terms of trust as was Travelocity. Respondents were far less trusting of the social networking sites Facebook, MySpace and YouTube (only approximately 40% agreed they trusted these sites).

Table 2: Importance of types of online travel content

Type of online content	% Important*
Information provided by State tourism websites	89
Online street directories aimed at assisting tourists	81
Information provided by tourism operators	78
Travel reviews written by professional travel writers	77
Interactive trip planners that allow me to plan my own itinerary	73
Independent travellers reviews on travel websites	73
Photos of places posted by real travellers	70
Aerial photos or maps (e.g. Google Earth)	63
Live 'webcams' of particular destinations or attractions	58
Online video footage of places posted by real travellers	57
Independent traveller blogs (weblogs)	46
Social networking sites (e.g. MySpace, YouTube)	22

* This includes respondents who answered 5-7 on the scale

Table 3: How honest and truthful is the information on various CGM Travel Sites?

Site Name	% who trust the site	Site Name	% who trust the site
1. Trip Advisor	78	9. LastMinute.com	79
2. Lonely Planet	83	10. YouTube	38
3. Expedia	71	11. Lonely Planet – BlueList	82
4. Yahoo Travel	62	12. Travelocity	80
5. Lonely Planet – Thorn Tree	80	13. MySpace	42
6. Stayz.com	66	14. AsiaRooms.com	72
7. Virtual Tourist	77	15. Facebook	43
8. Facebook	43		

* This includes respondents who answered 5-7 on the scale

Having established the extent to which some of these CGM sites were trusted by consumers, an indication of what they liked about CGM travel sites is presented in Table 4. Ten key themes emerged from the analysis, with the strongest theme being 'trust in the source' associated with information being provided by consumers. Other key likes were that the information reflected the opinions of different types of travellers and that the content was relevant to the respondents own information needs. Tips and recommendations were also valued as was the general ease of use of CGM sites.

Cross tabulations were used to explore if there was any noticeable variations in what consumers liked about travel CGM based on their gender, age or income levels. Age groups were categorised into four groups generally reflecting the following generations – Generation Y (18-29 years); Generation X (30-44 years); Baby Boomers (45-59 years); and pre-Boomers (60 years plus). Income levels were based on annual gross household income (Australia dollars) grouped into the 4 categories shown in Table 4. The percentages reported in the

table show the proportion of respondents in each category that liked CGM for the reason indicated. Chi-square results showed a significant difference (χ^2 prob. = 0.019) between females and males. The shaded cells in Table 4 indicate noticeable differences between the demographic categories. In terms of gender, the key difference was that a larger proportion of females (44%) liked the trustworthiness of CGM data than males (41%).

The age group of the respondent was shown to have a significant influence (χ^2 prob. = 0.000) on the themes respondents liked about CGM. Interestingly, it was the oldest age group that liked CGM because of its ease of use more than other age groups (8%). There also appears to be a positive relationship between the age group of the user and how much they liked CGM because of the general comments it provides; the recommendations and tips it presents; and its relevance to the user. The extent to which the groups liked CGM because of its trust as a source of information varied considerably, with the younger age groups being more likely to list this as a reason for liking it than the older generations.

Income level also revealed some significant differences (χ^2 prob. = 0.000) with the higher income groups showing a stronger liking of CGM because it can be trusted. Clearly the lower income groups were less trusting, assumedly because they were more concerned about making a bad purchase decision as they faced tighter economic constraints. Lower income users did, however, show a stronger liking for the fact that CGM is relevant to them as a user and that it is easy to use than did the higher income groups.

The same approach was used to analyse the issues related to user concerns about travel-related CGM. When asked if they had concerns, 45% of respondents indicated 'yes'. There was no significant difference on the proportion of respondents who had concerns in general based on gender. According to the more detailed data provided in Table 5, which shows the causes of concern for respondents, there was a difference across the types of issues that concerned men and woman, with the main difference being that females were more concerned than males about CGM being posted by people who may have very different hotel or travel preferences to their own. Overall, a comparison across age groups showed that it was actually the younger generations that were significantly more concerned about CGM then the older generations (χ^2 prob. = 0.002). While no significant differences were detected across the generations about how much these sites could be trusted, there was a stronger level of concern held by the youngest Gen Y group about the information provided on CGM sites potentially being posted by consumers with very different travel preferences to their own. The issues that the older generations seemed to be more concerned about than the younger users were related to the anonymity of the information posted on these sites and also issues related to the security or spam potential of CGM.

Table 4: Reasons Hospitality Consumers Liked CGM Content

Theme	% Total	Gender		Age Generation				Gross Annual Household Income			
		Female	Male	Gen Y	Gen X	Baby Boomers	Pre-Boomers	Up to $51,999	$52,000-$103,999	$104,000-$149,999	$150,000 or more
Trust in the source	43	44	41	54	48	38	22	35	41	49	48
Different traveller opinions	14	14	15	14	14	14	15	15	13	13	15
Relevance to user	9	9	10	6	10	9	12	10	11	6	8
Recommendations/Tips provided	6	7	6	5	5	7	8	5	7	6	5
Amount of information	5	5	6	6	5	5	8	6	6	4	6
General comments made	5	5	6	3	4	6	9	7	5	4	5
Ease of use	5	5	5	4	4	4	8	7	5	4	3
Specific comments made	4	5	3	2	4	5	5	4	4	5	3
Currency of information	3	3	2	2	3	3	1	2	2	3	3
Sharing of experiences	1	1	1	1	1	1	0	0	0	1	0

Table 5: Consumer Concerns about Travel CGM Content

Theme	% Total	Gender		Age Generation				Gross Annual Household Income			
		Female	Male	Gen Y	Gen X	Baby Boomers	Pre-Boomers	Up to $51,999	$52,000-$103,999	$104,000-$149,999	$150,000 or more
Companies posing as travellers	29	29	29	29	30	28	31	25	26	29	36
Biased (-/+) or complaint forums	14	13	14	16	17	9	13	13	14	17	11
Different traveller preferences to mine	11	13	9	15	11	11	11	9	13	10	13
Trustworthiness/Credibility	10	10	9	8	9	13	7	8	12	11	8
Subjective/personal opinions only	6	7	5	5	6	7	5	4	8	7	5
Reliability & Accuracy of information	4	3	5	6	4	5	2	3	4	4	6
Authenticity	4	4	3	4	4	3	3	5	4	3	4
Anonymity/Privacy/Confidentiality	3	3	3	1	3	3	6	4	3	3	1
Security/Spam issues	2	2	2	1	2	2	5	4	1	1	2
Competing business posting false info.	2	2	2	3	1	2	1	3	2	1	1
Recency of the information	2	1	2	1	2	2	1	2	1	2	2
One-off travel experiences only	2	1	2	3	2	1	2	1	1	2	3
Moderation of site (lack of)	2	2	2	2	2	2	0	2	1	2	2

People in the higher income groups were more likely to report that they had concerns with CGM than did lower income groups (χ^2 prob. = 0.000). According to Table 5, this was predominantly in relation to concerns about companies posing as hospitality consumers. The only area that the lower income groups seem more concerned about was the issue of how confidential/anonymous the information was on CGM sites.

There are a number of important implications from this study for hospitality and travel industry members. Firstly, the fact that most travel consumers who had used CGM sites to plan their travel had found these via Google reinforces the power of these sites in search engine rankings. CGM content is known to elevate the search engine rankings of websites suggesting that incorporating CGM into businesses online marketing strategies is important (Xiang & Gretzel, 2010). Given that this study has demonstrated that the most popular travel sites, Trip Advisor, Expedia and Lonely Planet are also those that travel consumers tend to trust the most, it would seem most strategic for businesses to include links to one or more of these sites to showcase consumer reviews and other CGM content about their business on their own website.

The analysis of consumers' likes about CGM highlights the reasons why travel consumers are flocking to these sites, primarily because they contain information from real travellers that can be trusted as opposed to commercial businesses. Travellers also appreciate the diverse array of information these sites provide from different types of travellers and find much of the information highly relevant to their travel planning needs. At the same time, however, one of the biggest concerns users have about these sites is the possibility for businesses to add false postings to review sites pretending to be real travellers. Comments made by respondents who listed this as a concern suggest that they often see through these attempts, noting that it is rare that any hospitality of tourism provider can receive glowing reviews all the time. Respondents also appeared to be very aware that often the postings made on CGM sites are at polar extremes – either all being too positive or representing consumers that merely want to vent complaints in the most public way possible. Industry operators should be aware that having a balanced range of reviews signals to the reader that the content is likely to be 'real' rather than 'faked' by operators trying to promote themselves.

The different demographic findings relating to what people like about and are concerned about CGM suggests that, like any marketing strategy, knowing the typical demographic of the user helps a business to understand what is drawing their consumers to these sites. It also highlights what areas businesses must be aware of that potentially detract from the credibility of CGM information for different demographics. Females, for example, appear to be more trusting of these sites, however they are more aware that the person posting information may be quite different to themselves and that information via CGM is rather subjective. Businesses which target females may therefore be wise to integrate CGM sites that do as much as they can to indicate the profile of people posting travel related information to these sites so the user can make an informed decision about how similar the poster is to themselves. Age wise, no business should assume that older consumers are any less engaged with CGM than the younger markets, although the older generations do seem to be less trusting of the information provided.

Conclusion

This paper demonstrates the power that CGM sites have on the travel and hospitality market. It highlights that while CGM is very popular, it raises a range of trust related issues not typically encountered with traditional word of mouth. While the survey results presented are based primarily on an Australian consumer group, it is likely that travel consumers in other countries would raise similar likes and concerns about CGM. Further research to investigate the attitudes of other cultural groups is, however, recommended. With knowledge of how important CGM is to the hospitality consumer, future research is also warranted to assess how industry operators have responded to CGM and what strategies are most effective in engaging with this innovative new source of travel information.

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