

***CHAPTER I***  
***INTRODUCTION***

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# CHAPTER 1

## INTRODUCTION

### 1.1. Introduction to the Study

Word of mouth (WOM) is one of the earliest forms of interpersonal communication (Dellarocas, 2003). For a long time, WOM has been studied in marketing literature as an antecedent, mediator, or consequence of consumer behavior. WOM refers to "the exchange of marketing information among consumers in such a way that it significantly influences consumers' behaviour and attitude" (Katz & Lazarsfeld, 1955). Consumers' purchasing decisions are found to be heavily influenced by WOM, though it has varying effects depending on the products or services involved (Park & Lee, 2009). WOM has grown in relevance over the last three decades, owing primarily to the internet's widespread availability and accessibility, allowing people to share their opinions online. Social media has given a global platform to consumers to share information, reviews and opinions with a larger number of other consumers online (Xiang & Gretzel, 2010). With facilities to give, receive, and pass along opinions through social media and other opinion-sharing platforms, WOM has given way to eWOM (electronic Word of Mouth) today (Darban & Li, 2012). Literature shows that in many instances, eWOM is more effective than traditional WOM and firm-generated information and promotional messages. Businesses today are not just competing in the marketplace, but also in the market space (Rayport & Sviokla, 1994) as web 2.0 enables one-to-one, one-to-many and many-to-many types of communications between consumers and between marketers and consumers (Spolter et al., 2014).

Information exchanges through eWOM have been found to have a significant impact on the tourism industry (Litvin et al., 2008). From a consumption point of view, tourism covers all products and services consumed by tourists directly or indirectly to meet their travel-related needs, including transportation, accommodation, destinations, food, activities etc. One of the largest service sectors of the country, tourism is vast, vibrant and growing significantly. Because information is the primary source of help for the travel industry, effective use of information technology is critical. It may be observed that a comprehensive information technology system is rapidly spreading throughout the

tourism industry, and no player will be immune to its effects. Intangible tourism services, unlike tangible goods, are purchased prior to their intended use and away from the point of consumption. As a result, travellers rely solely on the representations and descriptions provided by travel companies and other travellers through various online platforms. Timely and accurate information relevant to the needs of consumers is frequently the key to satisfying tourist demand. As a result, information technology serves as the information backbone that enables tourism (Buhalis, 1998). Travel websites, online communities, and social media-enabled communications have begun to shape the information-searching and planning behavior of travellers worldwide (Kiralova & Pavlicecka, 2015).

## **1.2. Global Tourism Industry**

Individuals, who travel to other geographic regions for leisure, social, or business reasons, either locally or globally, form the market for the tourism or travel industry. Tourism involves the activities of travellers who take short-term vacations away from their usual environment that lasts less than a year (Jus & Misrahi, 2021). In tourism, people travel and stay in places that are different from their usual environment for leisure, business, health, or other reasons. The industry is inextricably linked to the hotel, hospitality, and transportation industries, with a focus on keeping visitors entertained, happy, and well-equipped during their stay. The tourism industry is distinct from other industries in that it does not have a single product. It includes a diverse range of industries such as lodging, transportation, attractions, and travel agencies. Global tourism is possibly the most massive movement of goods, services, and people. The global tourism market has changed dramatically in the last decade. Countries with an established tourism market, such as the United States, France, and other European countries, are traditionally well-known tourist destinations around the world. However, in recent years, a number of lesser-known Asian and African countries have emerged as destinations of interest to foreign tourists. As a result, global tourism service providers are realigning their offerings to capitalize on the economic benefits of this shift. Global tourism today is a significant driver of economic development and socio-political change (Lyon & Wells, 2012). It has a direct economic impact, as well as significant indirect and induced effects (UNO, 2021).

Increasing per capita income is propelling the global tourism market forward, resulting in continuous growth in international tourism. Tourism in emerging economies, particularly in South America and Asia, has driven the global tourism market over the last few years. Emerging economies now have a larger market share than developed economies. The sectors with the highest exponential growth in Asia, Africa, and South America are cultural and pilgrimage tourism, while adventure and ecological tourism are the fastest-growing sectors in North America and Europe. Tourism is promoted by government bodies and organizations such as the World Tourism Organization (UNWTO) in order to attract a diverse range of tourists from around the world. These initiatives are causing the global tourism market to expand. Adventure tourism is also a new concept in the tourism industry that is propelling the overall tourism market. Furthermore, medical tourism is a new trend in the global tourism market. The significant price difference between medical procedures in different countries is driving the global trend of medical tourism. As a result, government agencies have increased their involvement in healthcare-related tourism through travel and tourism websites. Another driving factor for the global tourism market is global sports and game events. People travel to attend sporting events such as the FIFA World Cup, Olympics, ICC World Cup and the like. Unfortunately, disease outbreaks such as Ebola, SARS, and COVID, as well as geopolitical tensions, pose significant challenges to the global tourism market opportunities.

The global travel and tourism industry grew at a rate of 5.5% annually, contributing a record 272 million jobs to global employment in 2021. International tourist arrivals worldwide increased by 58% in July-September 2021 to reach 1.5 billion, and it is expected to reach 30.5 billion by 2028 (UNWTO, 2021). The World Travel and Tourism Council estimated that tourism contributed 1,417 billion USD to the global GDP. Tourism in India contributes 121.9 billion USD to global GDP growth. India's domestic visitor spending in 2021 was \$97.1 billion USD, while international visitor spending was \$12.0 billion USD (Jus & Misrahi, 2021). The Indian nationals' departure, which was 1.94 million in 1991, rose to 26.92 million in 2019, with a CAGR of 9.84 % (GoI, 2020). About 32 per cent of the international departures were found to be for touring purposes. Travelling both internationally and domestically is an increasing trend all over the world. Both leisure and business travel spending has increased over the last

five years. Travellers are found to be increasingly booking their trips, but there are still those who use travel agencies to do so. With the growing digitalization of the travel industry, many travellers are booking their trips through online travel agencies and sites. Booking Holdings and the Expedia Group are two of the most prominent online travel companies. In an analysis of the revenue of the world's leading online travel agencies (OTAs), they showcased revenues of 10.95 billion USD and 8.59 billion USD respectively in 2021 (Sapun, 2022).

The most recent factor that has significantly impacted global tourism was the COVID-19 pandemic. Due to the pandemic, domestic visitor spending fell by less than 45 per cent in several Asia-Pacific countries (IBEF, 2022). Foreign tourist arrivals during 2020 were 6.33 million down from about 18 million in 2019. In 2020, there were 7.29 million international tourists from India. There was a fall (-84.0%) in foreign tourist arrivals due to COVID-19 between January and April 2021. In 2020, the global revenue of the travel and tourism industry fell by 42%. The United States experienced the greatest drop in revenue; followed by the Asia Pacific region (Sapun, 2022). With the surge in oil prices, increase in inflation, a potential rise in interest rates, high debt volumes, and continued disruption in supply chains, a challenging economic environment could put additional pressure on the effective recovery of international tourism. However, the ongoing tourism recovery in many markets, primarily in Europe and the Americas, combined with widespread vaccination rollout and a significant coordinated lifting of travel restrictions, has helped to restore consumer confidence and accelerate international tourism recovery in 2022. The government played an important role in the fight against COVID-19 for economic recovery, including for the tourism industry. Though the pandemic led to a fall in inbound and outbound tourism, with a growing economy, young population, growing middle class, increasing wealth, and disposable income, it is expected to go beyond the previous levels, with outbound tourism projected at 28.5 million by 2025 and inbound tourism projected at 30.5 billion by 2028 (IBEF, 2021).

Over the next ten years, the global tourism market is expected to grow at a CAGR (compound annual growth rate) of 5%. Analysts predict that the tourism market will be worth US\$ 17.1 trillion by the end of 2032. Domestic tourists are also driving the industry's growth following the pandemic. International hotel chains are increasing their presence in the country, and their contribution, which was around 47% of the tourism and

hospitality sector of India in 2020, is expected to reach 50% by 2022 (IBEF, 2022). While international tourism is rebounding, domestic tourism is also driving recovery in an increasing number of destinations, particularly those with large domestic markets. Domestic tourism and travel close to home, as well as open-air activities, nature-based products, and rural tourism, are among the major travel trends that will continue to shape tourism in 2022 (UNWTO, 2022).

### **1.3. Tourism Industry in India**

Travel and tourism is a massive service industry in India (IBEF, 2022). The primary goal of this industry is to develop and promote tourism, maintain India's competitiveness as a tourist destination, and increase the availability of better and larger tourism products to ensure job creation and economic growth. The industry showcases India's rich history, culture and diversity, reaping significant economic benefits. Even during the period of economic stagnation, tourism investment was found to be successful (Aratuo & Etienne, 2019). However, with the emergence of the COVID-19 pandemic followed by lockdown and travel restrictions, the travel and tourism industry suffered the most than any other. The employment stability of millions of people engaged in tourism was negatively impacted. After the second and third quarters of 2020, when the restrictions were gradually lifted, the travel and tourism industry of the country slowly started attracting customers and regaining revenue. The players agreed that it would take approximately two years to return to pre-pandemic levels. Following the pandemic, travellers were found to be visiting eco-friendly locations rather than congested cities. Statistics show that 1.64 % of all tourists worldwide come from India. More than 1.8 crores of Indians travelled to other countries in 2022, as compared to 77.2 Lakhs in 2021 (GoI, 2022). Most of the bookings for domestic and international travel by Indian travellers are done through online travel agencies (OTAs) such as Agoda, Sky Scanner, Booking.com, and Trip Advisor (Ward, 2021).

Today, India is one of the world's fastest-growing tourism destinations. Domestic tourists account for a larger share of tourism numbers and revenue in the country. Some government schemes, such as 'DekhoApnaDesh,' were carried on even during the pandemic, with a series of webinars on domestic tourist destinations. Even though the Western world was imposing some restrictions on international travel, it was the

domestic tourists who got the travel and tourism industry back on track. One of the major challenges faced by the industry is on account of poor infrastructure facilities. While the growth of the industry is encouraging, alleviation of the challenges is of paramount importance for the industry to realize its fullest potential (EXIM, 2019). Currently ranked 34 among 140 countries in the Travel and Tourism Competitiveness Index, multiple initiatives are adopted to enhance its position of India in the index in the coming years. Development of tourism infrastructure, easing of visa regime, adoption and maintenance of service quality, promotion of sustainable tourism etc are the major areas of policy implementation taken up by the Ministry of Tourism to develop the scope and revenue of tourism in the country (GoI, 2022).

#### **1.4. Concept of Word of Mouth**

The process of transferring information from one person to another via oral communication is referred to as word of mouth. The concept of word of mouth has become an important element of various organizations' marketing activities (Lo, 2012). WOM is the oral, person-to-person communication about a brand, product, or service between a receiver and a communicator whom the receiver perceives as non-commercial (Arndt, 1967). For many years, word of mouth (WOM) has been recognized to have a major influence on people's decision-making process (Gheorghe, 2012). WOM is considered to influence a wide range of consumption-related aspects, including awareness, expectations, perceptions, attitudes, intentions, and behaviour (Buttle, 1998). The WOM shared by people is their opinions related to a product or service consumed before. WOM has a strong influence on a person's psychology. The influence of WOM can be both positive and negative. Research shows that positive word of mouth increases the likelihood of consumers choosing the product, whereas negative word of mouth does the opposite (Lo, 2012). This influence is especially significant for intangible products that are difficult to evaluate before consumption such as tourism, hospitality and entertainment.

WOM has been a popular area of research in the field of marketing over the last few decades. The concept has been linked by researchers to personal recommendations, interpersonal relationships and communication and even to informal forms of advertising. Previous research indicates that consumers consider WOM as a much more reliable

source of information than traditional media. Consumers trust other consumers over sellers and advertisers (Dwayne D.Gremler, 2001). Hence WOM communication plays an important role and has a large impact on consumers' attitude-shaping process and their behaviour (Gheorghe, 2012). The influence of WOM is 20 to 50% of all purchasing decisions and it generates more than twice much as revenue as paid advertising (Berger, 2014). Since the senders of WOM are independent of the marketing activities of firms, WOM has emerged as the most credible and prominent channel of marketing communication (Brown & Broderick, 2007). People prefer to share their negative experiences over their positive ones, so negative word of mouth predominates over positive word of mouth. The prevalence of negative word of mouth is frequently a major issue for marketers (Lo, 2012). Marketers are especially interested in better understanding WOM communication because traditional forms of communication appear to be losing effectiveness (Trusov et al., 2008).

Consumers engage in WOM conversations to gain more information that will eventually reduce risk and help them understand the product or service before consuming it (Gheorghe, 2012). WOM marketing is the result of a company's promotion, encouragement, or other influence (Ioannis E. Chaniotakis, 2009). It is possible to be optimistic about word-of-mouth marketing by participating in various business publicity activities or by providing opportunities for consumers and marketers to communicate with one another (Derbaix & Vanhamme, 2003). WOM enables attracting new customers which is highly critical for a firm's long-term financial growth and success (Thureau et al., 2002). WOM also assists in reducing cognitive dissonance experienced by customers after their purchase. By providing recommendations, opinions and reassurance based on experience, the senders of WOM support decision-making and reduce consumer anxiety and dilemmas associated with cognitive dissonance (Festinger, 1957). With the emergence of the internet and related advanced technologies, consumer behaviour has changed drastically. Consumers today seek information more via internet-enabled platforms. As a result, electronic WOM emerged, similar to offline WOM, but uses electronic communication methods for the exchange of information (Gheorghe, 2012).



### **1.5. The emergence of the Internet and Social Media**

The internet and the web are still not similar; they are two distinct but related concepts. The Internet is simply a network of networks, with millions of computers globally linked to form a network in which any computer can communicate with any other computer. The World Wide Web is a method of accessing information via the internet by displaying web pages on a browser. The term "informational web" refers to the first generation of the internet (also known as Web 1.0). Web 2.0 brought in the social networking platform that allows users to interact with one another (Nath et al., 2014).

Darci DiN ucci coined the phrase "Web 2.0" in response to the first appearance of the term "Web 1.0". During this time, there was a significant transformation of the internet. During the late 1990s and early 2000s, interactive website sorting redefined a web browser's capabilities by allowing users to interact with it (Maria Woerndl, 2008). Web 2.0 offers the ability to integrate and distribute information and knowledge in newer ways through the engagement of consumers via the internet (O' Reilly, 2005).

With the rise of social media platforms, companies are adapting themselves to meet the demands of customers for new and engaging content. Throughout the years, many networks have been slow to adopt changes or were incapable of adapting their platforms to changing customer needs (Appel et al., 2020). Social media enables online recommendation or buzz marketing that has the potential to go viral if the message is convincing enough. The emergence of social media sites such as Facebook, LinkedIn, and My Space marks the beginning of a shift in internet user behaviour away from interactive online games and toward social networking sites. All informal communications on social media platforms are directed by consumers (Buhalis & Law, 2008). The goal of social media is to connect with the audience and build relationships. It is more than just a broadcast channel or a tool for sales and marketing. Social media will not only allow people to listen to what others have to say, but it also allows them to respond. It is a new communication landscape within internet marketing communication. Unlike traditional media channels, social media represents a unique way of transmitting information in all directions. As a result, people create and share their own content, which is critical for tourism marketing.

Tourism reviewers are professionals in the tourism industry who work with a variety of collaborative media for sales, marketing, public relations, and promotion.

Perhaps the most well-known and effective social media networks for marketing in the tourism and hospitality industries are Facebook, Instagram, Twitter and YouTube. Sharing and promoting tourism- related information via social media is a part of their mission (Kiralova & Pavlicecka, 2015).

Businesses soon realized the value of having a social media account for e-commerce and information dissemination and started creating their accounts on major networking sites. In the years that followed, customers' positive attitudes toward social media marketing gradually shifted corporate marketing preferences from extremely assertive marketing communication to more reactive inbound marketing. Over 90% of marketing professionals now use social media marketing, and established organizations use it for marketing, lead generation, customer satisfaction, research, and e-commerce. Social media has not only reduced marketing costs and the amount of time required to promote goods and services, but it has also improved marketing efficiency and overall consumer engagement (Appel et al., 2020). Travellers face difficulties when making travel-related decisions. Tourism is a data-driven and information- intensive industry. The rise of Web 2.0 has significantly altered the information-seeking behaviour of tourists.

Social networks have evolved from mere information exchange platforms to virtual gathering spaces and indispensable marketing tools with the advancements in digital media technologies (Edosomwan et al., 2011). The Internet allows for the establishment of connections and the transmission of information. When communicating with sellers and researching products, people can plan and buy by evaluating the various alternatives that are available online. People can also make purchasing decisions online by communicating with sellers and searching for products online (Rathonyi, 2013). Social networking sites (SNSs) serve as an important medium of information gathering by consumers for several products and services, including tourism. A social networking site is a platform where users can share personal information with others and connect with others who share their interests (Kacatl & Klimova, 2019). For any business organization to successfully perform its functions properly and continuously, marketing is considered to be the foundation. Its significance has grown in recent years as a result of contemporary aspects of the modern world such as fierce competition, global trade freedom, and the revolution in the field of information and communication.

Facebook, Twitter, Instagram, YouTube and other social networking sites are platforms on which users can register as members; they can then create a profile and build a personal network that connects them to other users with whom they can share their content (Rathonyi, 2013). When one uses social media platforms, one can increase the number of social or business contacts by building connections with other people regularly (Al- Hazmi, 2008). Social networking sites allow individuals to post their content, video, audio, images, opinions etc for others to see and respond to. Such content they submit, review, pass along or respond to refers to electronic Word of Mouth (eWOM), also referred to as User Generated Content (UGC). With the increasing use of social media platforms and websites that feature the content of consumers, especially related to travel and tourism, how consumers seek, evaluate and use such information has changed significantly.

In the context of tourism, 84 per cent of leisure travellers use the Internet to plan their trips (Alikilic, 2008). In the current context, many travellers consider the web to be very important not only for travel research and planning but also as the source of inspiration for new travel. A long-standing argument has been made that one of the most significant issues in tourism is the lack of direct experience with a tourism product (quality) and that the benefits of tourism and hospitality products can only be evaluated after the product has been consumed (Xiang & Gretzel, 2010). When it comes to providing information, promoting products and services, and responding to inquiries, Facebook is considered to be an excellent web-based tool for tourism businesses to consider. Some businesses are unsure whether their social media marketing investment will pay off, or how much money they will need to invest in social media marketing in the first place. Tourists can benefit from user-generated content on social media that provides them with information that is unprecedentedly up-to-date and diverse, (Kacatl & Klimova, 2019). Travellers have widely used social media to search for, organise, share, and annotate their travel stories and experiences via blogs and microblogs (for example, Blogger and Twitter), online communities (for example, Facebook and Trip Advisor), as well as media sharing websites (for instance, Flickr and YouTube), social knowledge sharing sites (for example, Wikitravel), and other tools a cooperative manner, (Leung et al., 2013).

## **1.6. Emergence of Electronic Word of Mouth**

The term "electronic word-of-mouth" (eWOM) was coined in the mid-1990s, as the Internet was changing the way people interacted. WOM is distributed via the web to an unspecified number of people via online review platforms, or to specific people via e-mail, short message service (SMS), or social networking sites (SNS). This involves online positive and negative comments about a brand, product, or organization made by social media users, (Buhalis & Law, 2008). Consumers sharing and exchanging information about a product or company via the Internet, social media, and mobile communication are examples of eWOM. Because it is simple for consumers to start conversations online, eWOM is found to increase retransmission intentions (Ana Babic Rosario, 2019). eWOM is a positive or negative statement about a product, service, experience, company, or institution by potential, actual, or former customers, made available to a large number of people via social media and web-based platforms (Rahim et al., 2016). It also allows for the rapid and global dissemination of information. Because of the impact of eWOM on consumer behaviour, academic research on eWOM has been documented in disciplines such as advertising, marketing, communication, management, and electronic commerce. Over the last few decades, research has shown that eWOM has a significant impact on sales, product evaluations, purchase decisions, customer satisfaction, loyalty and brand relationships (Kuo & Nakhata, 2019).

eWOM refers to "any positive or negative statement made by potential, actual or former customers about a product or a company, which is made available to a multitude of people and institutions via the internet" (Thurau et al., 2004). eWOM can be viewed as a communication process that involves, the sender, the message and the receiver, spread through a medium. eWOM may not necessarily be positive or negative, it may also be neutral. Hence, eWOM can be emotion-oriented or information-oriented (Kietzmann & Canhoto, 2013). The Internet enables the swift diffusion of eWOM to a large community, facilitating dynamic and continuous information exchange between interested parties on the subject of interest. The antecedents and motivations of eWOM have also been investigated widely in the literature. The desire for social interaction, economic incentives, concern for other consumers, and potential approval utility have all been identified as important motivators that drive consumers' eWOM behaviour. Furthermore, eWOM behaviour is influenced by individuals' social relationship factors (e.g., social

capital), as well as message source and characteristics. There are three stages to the eWOM process: eWOM creation, eWOM exposure, and eWOM evaluation. eWOM has remained a constant source of interest and investigation for research (Ana Babic Rosario, 2019). Today, eWOM is available through various media and platforms, such as product review sites, emails, discussion boards, social media, and online communities (Chu, 2021).

eWOM enables non-commercial web-based interpersonal communication between strangers to deliver information about a product, service, or company. According to Rahim et.al, (2016), since its inception, the Internet has been regarded as a very powerful marketing tool in online transactions. Personal blogs, e-mail, chat rooms, instant messaging, social media sites, and online customer reviews have served 2.9 billion consumers worldwide. Everyone can use eWOM to share their thoughts and experiences with people who are socially and geographically separated from them. Because of the internet's unprecedented scalability and speed, eWOM influences consumer product evaluations, making eWOM a dominant avenue for exchanging information between consumers in an asynchronous mode. Because eWOM generates information in the form of reviews, the impact of the information received by an individual may vary from person to person. Reviews are a great way to solicit feedback from others. They have the power to impact the perception of receivers about the products or services that influence their final decisions (Rahim et al., 2016).

More consumers benefit from the advancement of the internet because it allows them to use it as a tool for obtaining a lot of useful information. The evolution of the internet, the appeal of e-commerce, and the widespread availability of social media applications all contributed to the emergence of eWOM. Despite being similar to traditional WOM, eWOM is considered more influential because it has a wider reach and is more widely available (Thurau et al., 2004). eWOM enables consumers to make better decisions. eWOM has traditionally been thought of as an ad-hoc and unstructured source of sentiment. When it is properly analyzed, eWOM is found to be a relatively accurate predictor of the market source. eWOM acts as a source of recommendations and a major information contributor in the digital marketplace, empowering consumers and increasing sales value. eWOM has the potential to become a reliable source of consumer

recommendations as well as a feedback mechanism for marketers. eWOM generated on social media platforms can be a reliable predictor of sales (Sharma et al., 2012).

The rapidly growing reputation of eWOM in tourism has piqued the interest of researchers in related fields (Litvin et al., 2008). Initially, eWOM tourism research used to mostly revolve around how eWOM has evolved into the primary source of information for travellers planning trips. eWOM has grown in popularity in recent years as a result of an increasing number of contributors and the proliferation of mobile platforms for social media apps. One of the most significant consequences of the Internet's development in the context of tourism information provision is the widespread appeal of eWOM, which is fueled by the popularity of social network websites and mobile applications. The travel industry has been greatly influenced by eWOM. It is regarded as a valuable source of information that influences tourist travel plans and destination selection. (Chong et al., 2018). According to Wu (2013), tourism products and services necessitate more interpersonal interaction from customers, and eWOM has a greater impact on tourism than in other industries. Travellers are using the internet to find lodging and travel information for upcoming trips more than ever before. People use the internet to find travel information because it is more convenient and provides more up-to-date information. Because of eWOM, travellers can now access a wealth of travel information online, regardless of time or location. When consumers obtain information and diverse opinions on their future travel via eWOM, their overall perceived risk toward products or services gets reduced.

Travel websites such as tripadvisor.com have grown in popularity as a result of the rise of eWOM in the travel and hospitality industries. As third-party opinion platforms, they have amassed a wealth of travel information and have established themselves as important avenues for eWOM by allowing users to interact and provide reviews on restaurants, hotels, and/ or local tourist attractions. eWOM or User-Generated Content (UGC) on social media appears to be a major source of information that travellers are considering as part of their information search process, and social media appears to be ubiquitously present in online travel information search (Xiang & Gretzel, 2010).

Several aspects of eWOM distinguish it from other forms of content that influence consumers' intentions to use social media or eWOM on social media platforms.

In other people's reviews, consumers recognize themselves, and they gain an understanding of the products based on the perception of their "contacts." Because word-of-mouth recommendations are free of commercial self-interest, travellers regard them as trustworthy and are more influenced by the type of information they receive than they are by information obtained from commercial sources (Litvin et al., 2008).

### **1.7. eWOM and UGC**

Another term interchangeably used to refer to consumer-to-consumer communications through social media and opinion-sharing platforms is „User Generated Content“ (UGC). While some believe that UGC is a form of eWOM, others consider it to be broader than eWOM. The term started gaining popularity since 2005 (Bruns, 2016). UGC is referred to as „media content created by users to share information and/or opinions with other users' (Tang et al., 2014). UGC is made available through publically accessible media, created or co-created by the users outside their professional routines and practices (Naab & Sehl, 2017). On comparison, one may find that both eWOM and UGC involve information dissemination; both are shared across Web 2.0 platforms, mostly between parties who are not related to each other and made available to a large audience through the scope offered by the internet (Tham et al., 2013). UGC is mostly the creative work of the user. While in eWOM, apart from generating the content, passing along content pertaining to commercial entities is also considered (Smith et al., 2012). While UGC has no boundaries in terms of the scope of the content, eWOM is mostly associated with products, services, brands or companies. Further, UGC is often generated outside an institutional or commercial market context, while eWOM is not impacted by such criterion.

### **1.8. Platforms of eWOM**

Individuals prefer sharing their recent travel experiences with others. When they return, they also enjoy discussing their future travel plans and reminiscing. A social media review or recommendation from a peer piques their interest and influences their decision. It easily prompts them to consider how they can follow in the footsteps of their friend and have the same enriching experience. People nowadays have little faith in advertisements. When it comes to trusted adventure, relaxation, rest, or excitement, they

can use social media to get right to the point. Social media tourism marketing appears to be non-advertising or non-promotional. Rather, it allows people to share written statements about their brand's amazing and distinguishing characteristics. People who share photos and videos of their experiences capture the imaginations and interests of their networks in ways that no other form of advertising does. Tourism and social media marketing are inextricably linked. However, as with many other things, reaping the benefits necessitates perseverance. As social media has become an increasingly important part of society, using it effectively can enable the marketing of travel experiences or business (Krishnareddy, 2019).

eWOM platforms are websites and mobile applications that allow consumers to share their thoughts or experiences with a product (for example, social media, e-commerce websites, third-party review websites, and company official websites). The source of eWOM is much more diverse than it was years ago. Furthermore, researchers discovered that consumers exposed to a review posted on personal blogs were more likely to attribute a review to circumstances and were less likely to recommend the product to friends than those exposed to a review posted on an independent review website or the brand's website, (Yan et al., 2018).

Users can sign up, create a profile, and build a personal network that connects them to other users with whom they share content on social networking sites (Thurau et al., 2004). As a result, the consumer must identify, sort, and filter a massive amount of information, requiring them to decide, consciously or subconsciously, which elements to focus on and which to ignore. There are many major social media platforms where travellers can post and share their travel experiences, comments, and opinions in order to serve as a resource for other users. There are numerous platforms where Internet users can connect and share information with one another. Blogs, forums, wikis, video and photo sharing, social networks, virtual communities, chat rooms, and podcasts are all examples of online communities (Rathonyi, 2013). As evidenced by increased purchases and proposals to other users, social media is an important tool for analyzing tourist attitudes. In order to build a successful service-based brand in tourism, each individual must provide a unique value proposition that is supported by the customer experience. To develop management relationships with customers, the tourism system is primarily concerned with information and communication technologies. When a tourist makes a



final decision on a destination, online interpersonal influence provides the most important information (Živković et al., 2014).

Although the rise (and fall) of various types of social media platforms has been important for understanding the social media landscape, understanding the current state of social media, from a marketing standpoint lies more in what users do on these platforms than in the technologies or services provided by these platforms (Appel et al., 2020). Statistics show that every minute, about 510000 comments, 293000 status updates and 136000 photo uploads happen on Facebook (Schultz, 2019); every minute 300 hours of video was uploaded on YouTube in 2017 (Smith K. , 2019); about 730 million user reviews and opinions were generated on TripAdvisor in 2018 (Lock, 2019). These figures only indicate the extensive usage of social media and other opinion-sharing platforms for sharing information by consumers, relating to various fields of interest. With the paradigm shift in communication enabled by the internet significantly influencing consumer habits, online travel agencies and platforms have become the dominant channels for booking relating to travel and tourism nowadays. Some of the major platforms of eWOM and players in the industry are listed below:

- **Bookings.com**

Booking.com, founded in 1996, is available in over 40 languages and has 940,759 active properties in 223 countries and territories (Bookings.com, 2016). Booking.com is a travel intermediary site considered to be one of the most popular online sources of hotel and accommodation-related information (Sun et al., 2015). It is used by people of all ages and serves as a good communication platform for businesses. As one of the world's largest travel marketplaces for both established brands and small and medium-sized businesses, Booking.com enables properties all over the world to reach a global audience and grow their businesses (Bookings.com, 2016).

- **Facebook**

People use Facebook to promote and market their destinations. The site has over 2.936 billion monthly active users as on April 2022. Roughly 37.0% of all the people on the earth use Facebook today (Kemp, 2022). 92% of businesses use Facebook to keep customers up to date on new product developments, product announcements, service enhancements, and promotions. Facebook, as the largest social network and video-sharing website, generates significant amounts of UGC by allowing consumers to express

their experiences. Thus, they are representative sources of social buzz (Tang et al., 2014). Travel photos and posts about famous landmarks in foreign countries are very popular on social media, and many consumers are increasingly posting their travel memories there.

This is often a trigger for other consumers to comment, share it, and start thinking about a vacation they could take with their partners and families. Facebook is assisting many customers in becoming inspired when it comes to vacation trips (Sánchez, 2022).

- **Instagram and other social networking sites**

Instagram and Twitter, for example, have recently raised in popularity as social media platforms where images and videos replace text. According to statistics, 48% of people choose their destination based on what they see on Instagram, and 35% discover new places to visit as a result of what they see on Instagram (Parsi, 2021). The tourism industry has capitalised on this by using Instagram for increased reach by sharing original content and re-posting stories from travellers to show the many faces of the destination. As a tourism business, it should remember that Instagram is a popular platform for promoting your travel destination and services as an alternative to paper guidebooks, leaflets, journals, and so on. By learning how to do this, you can easily influence a large audience and increase sales and visits to your website (Parsi, 2021).

Twitter was founded in 2006 as a microblogging service. It allows users to publish (tweet), reply to, and forward 140-character-long posts. Posts, which may contain hyperlinks to news stories, blogs, or images, appear in the stream of those who follow the poster; the majority of posts are also publicly accessible. Twitter research has focused on a wide range of topics, including norms and behaviours (Boyd et al, 2010); as well as what and why people post (Marwick & Danah, 2011) Tweets frequently request or share information, news, opinions, gripes, or daily activity details. This study is especially relevant to research on brand-related tweets. According to Jansen et al. (2019), 19% of tweets are brand-related, but the brand is not the primary focus of the post in nearly half of those cases. Users express their opinions and seek or provide information about brands in tweets (Boyd et al., 2010).

- **Tripadvisor**

In the tourism sector, the world's largest travel review site is Tripadvisor which serves more than 74 million users per month who seek advice about their travel plans and hosts more than 75 million real travel reviews and opinions. The site is one of the most

influential eWOM sources for tourism and hospitality (Yen & Tang, 2015). This site offers trusted advice from real travellers and a wide variety of travel choices and planning features with seamless links to booking tools. Numerous studies have been conducted using TripAdvisor data (Ayeh et al., 2013), (O'Connor, 2010), (Vermeulen & Seegers, 2009) (Wilson, 2014). TripAdvisor considers all reviews given by previous users; including the oldest when calculating the overall score (TripAdvisor, 2016).

- **Blogs**

Blogs (Web logs) are a type of website or platform formed by entries (“posts”), which are made in an online journal style published on the World Wide Web and usually displayed in reverse chronological order. A typical blog combines text, images, links to other blogs, web pages, and different media related to its topic. Anyone can create a blog by using free software on several websites nowadays. Blogs are becoming a very important information source for international travellers for getting travel advice and suggestions from tourism suppliers. Reviews play an important role in the trip-planning process for those who actively read them. They provide ideas; make decisions easier, add fun to the planning process and increase confidence by reducing risk making it easier to imagine what places will be like (Gretzel & Yoo, 2008).

- **Agoda.com**

Agoda is headquartered in Singapore, with offices in 25 countries and employees representing 90 different nationalities. The Agoda platform makes discounted rates available at approximately 2.9 million hotels and private homes around the globe, ranging from budget options to five-star luxury stays. In 2021, Agoda's inventory will reach 2.9 million hotels and homes in 56,000 cities worldwide, with a website and app in 38 languages and customer service in 16 languages (Agoda.com).

- **MakeMyTrip**

MakeMyTrip Limited is an Indian online travel concern founded in 2000, with headquarters in Gurugram, Haryana. The company offers online travel services, including flight tickets, domestic and international holiday packages, hotel reservations, and rail and bus tickets. MakeMyTrip is popular for its position in the market as a brand for its reliability and transparency. MakeMyTrip has proactively diversified its product offering, adding a spread of online and offline products and services. The company constantly

adapts itself to a rapidly developing global travel market, steadily establishing itself as India's leading online travel company (makemytrip.com, 2016).

According to Chatterjee et.al (2021), Online Travel Modes like MakeMyTrip and Trip Advisor were preferred by 46% of respondents. For convenience, respondents used online booking platforms such as Make My Trip and Trip Advisor. As a result, the findings imply that online booking platforms are primarily associated with convenience (Chatterjee & Dsilva, 2021).

- **EaseMyTrip**

EaseMyTrip commenced its operations in 2008 by focusing on the B2B2C (business to business to customer) distribution channel and providing travel agents access to its website to book domestic travel airline tickets to cater to the offline travel market in India. However, it began operations in the B2C distribution channel in 2011 by primarily focusing on the travel needs of the growing Indian middle-class population. In 2013, EaseMyTrip was able to begin operations in the B2E distribution channel to provide end-to-end corporate travel solutions. In 2014, the company's revenue surpassed USD 150 million. The Android application has been launched successfully. The company was ranked in the top 3 key online travel agencies in India (easemytrip.com, 2022)

- **Cleartrip**

Cleartrip is a global online travel company, headquartered in Bangalore, India. The company operates an online travel aggregator website for booking flights, train tickets, hotel reservations, and activities in India and Middle East countries. It holds offices across India, UAE, Saudi Arabia and Egypt (Cleartrip.com, 2006-2022).

- **Yatra.com**

"Yatra" is India's most well-known tourism brand. Yatra is the most trusted online travel brand, with significant brand equity (Chandra, 2018). In 2012, Yatra acquired Travel B2B, a well-known hotel aggregator in India. They expanded the hotel business as a result of the acquisition by establishing direct hotel relationships in India. They assist customers at every stage of their journey (Gujar et al., 2022).

- **Thomas Cook (India) Ltd**

Thomas Cook (India) Ltd. is a top integrated travel and travel-related financial services company in the country. Thomas Cook provides services like Foreign Exchange, Corporate Travel, MICE, Leisure Travel, Insurance, Visa & Passport services and E-Business (thomascook.in, 2022).

- **Balmer Lawrie Travels & Vacations**

Founded by two Scotsmen, Stephen George Balmer and Alexander Lawrie, in Kolkata, Balmer Lawrie & Co. Ltd. started its corporate journey as a Partnership Firm on 1st February 1867. Balmer Lawrie Travel & Vacations, as one of the largest travel & tour operators in the country, offers its clients complete domestic and international travel services, including ticketing, tourism, and MICE-related services. It is one of India's oldest IATA-accredited travel agencies. Balmer Lawrie takes holidaying to an entire new level by planning the itinerary, designing tailor-made packages (group/personal) and travel schedules, and guiding travellers on places to visit, and things to do whether it's an adventure, sports, wellness, or pleasure. Balmer Lawrie operates from more than 88 locations in 19 cities across the country, working around the clock to provide dependable and cost-effective travel solutions to its customers (Lawrie.com, 2021).

- **redBus**

redBus is India's largest online bus ticket platform. This transformed bus travel in the country, providing ease and convenience to millions of Indians. Founded in 2006, redBus is part of MakeMyTrip Limited. They have served 8 million customers to date. The platform is India's top online travel company. At present, redBus runs in six countries – India, Malaysia, Indonesia, Singapore, Peru, and Colombia (redBus.com, 2022). They adopted cloud technology provided by Amazon Web Services (AWS). It enabled redBus developers to concentrate their efforts on the development of IT applications, resulting in overall cost savings, innovative solutions, and increased scalability (Thomas et al., 2014).

redBus has benefited from word-of-mouth advertising (Devlin et al., 2002). To reach the masses, redBus used radio advertising and Google advertising to target internet users. redBus faced a monumental task in making the most of social media, which has become an essential part of the advertising medium for internet users (Thomas et al., 2014).

- **SOTC Travels Ltd**

SOTC India is a dynamic travel and tourism company. It was established in 1949. The company serves its customers in an omni channel strategy by investing in technology and having a strong online presence. SOTC has been a pioneer in organized leisure travel in both the outbound and domestic divisions (sotc.in, 2021).

- **Goibibo Group**

Goibibo is an Indian online travel booking brand that leads the Indian market by offering a wide range of options for all services such as buses, trains, cars, flights, and hotels to travellers. The Ibibio group launched and developed Goibibo in 2009. It is a platform that allows travellers to search, compare, and purchase air tickets, hotels, and bus tickets from a wide range of travel suppliers. Goibibo is accessible via a mobile app, which is available for iOS, Android, and Windows (Bansal et al., 2016).

### **1.9. Influence of eWOM on Consumer Behaviour**

With the advent of mass media, consumers have become extremely exposed to advertisements. Such initiatives provide an excellent opportunity for consumers to learn about the products and services on the market. With the introduction of the internet and, later, Web 2.0, social media networking sites have emerged as the most important medium for disseminating consumer-generated (eWOM) as well as company-related information to a wider audience. Since the 1980s, information and communication technologies (ICTs) have been transforming tourism around the world. Technological advancements have undoubtedly altered business practices and methods, as well as industrial structures. The internet-driven industrial revolution has drastically altered the market conditions for tourism businesses. Because ICTs are rapidly evolving, new tools for tourism marketing and management are being introduced. ICTs influence consumer behaviour in tourism, but Web 2.0 has changed the way consumers design and purchase travel-related products. (Buhalis & Law, 2008). Consumers often rely on different forums of eWOM when planning the purchase of new products and services. eWOM conversations have a greater influence on consumers than traditional forms of advertising. Consumers search for information posted by former customers to make them comfortable before purchasing the product (Ismail Erkan, 2014).

Tourists can reduce the level of insecurity they experience as a result of their travel decisions by gathering more critical information about their trip. Because of the proliferation of social media sites and user-generated content, tourists (consumers) are placing even more trust in the opinions of other travellers than they do in official marketing advice. Many tourists require a confirmation from other users that they have planned the best trip possible before leaving on their journey (Rathonyi, 2013). The influence of eWOM on purchase intention is evident in the literature. Even though eWOM is less personal due to not being face-to-face, it is stronger because it is immediate and accessible to others (Thurau et al., 2004). Social media gives a chance for the consumers to share their consumption experiences which affects the purchase decisions of others (Kozinets et al., 2010).

eWOM through social platforms offers real-time and archival information and opinion and it highlights the growing importance and value of electronic proximity despite the geographical and social distance. eWOM is reflected through the presentation of the message as written words, spoken words, images, ratings, emotional expression (emoji) or combinations of all of these. eWOM allows consumers to use their own filters at their convenience to determine both the specific information they want and the broader information they require to help them make decisions. While this may take place either as a supplement to or in conjunction with other sources, such as advertising or traditional WOM, the role of eWOM is growing (Harris & Prideaux, 2017) Consumers play an active role in creating, generating, and distributing the eWOM, independent of marketers.

Xie et al. (2011) said that the presence of personal identifying information can be clearly recognized by participants; however, its effect on purchase intention is not very strong. Daugherty & Hoffman (2014) found that eWOM is the main influencer of brand reputation, trust, consumer decision-making, and product attitudes. eWOM is informative, and it includes websites that serve as consumer review forums. In such cases, the focus of the reviews is usually on the product's performance. Consumer reviews tend to highlight the last division of eWOM within social networks. These tools are used to create and exchange user-generated content about the product's performance. This is said to be significant because eWOM recipients trust their network peers as well as the opinions of people outside their network. While marketing can introduce and influence messages, the consumer is in charge of the flow and control of information

within the community. Consumers have more power than ever before, both in terms of what they pay attention to and what they bring to the attention of other consumers via eWOM.

eWOM is the simplest method of communication that occurs within the social platform, which serves as a connecting link to the community and the most effective flow of information. It allows consumers to communicate directly with one another without the use of a middleman. When it comes to eWOM communication on social media, consumer attention is a critical variable that should not be overlooked. Consumers read online reviews and explanations to save time and make better purchasing decisions. Their motivations for retrieving online articulations have a strong influence on consumers' behaviour (Thurau et al., 2004).

Interpersonal eWOM over the Internet has the potential to be a low-cost method of marketing hospitality and tourism (Litvin et al., 2008). Marketers intend to take advantage of social networking sites' electronic word-of-mouth (eWOM) capability (Alkharabsheh et al., 2011); (Williamson, 2006)). An in-depth examination of the factors influencing consumer participation in eWOM via social networks is becoming increasingly important, (Chu & Kim, 2009). The quality, credibility, usefulness, and adoption of information, information needs, and information attitude are factors associated with eWOM that influence consumers' purchase intentions. It is also noteworthy that reviews from anonymous people are found to have a greater influence on purchase intentions than recommendations from friends (Ismail Erkan, 2014).

### **1.10. Scope of the Study**

The scope of any research determines the context in which an investigation will be performed and the units of analysis. The academic research on eWOM related consumer behaviour in tourism is abundant, though the field is highly fragmented and largely limited to investigating a small scope of its impact. Previous literature illustrates the cognitive, normative and affective dimensions of eWOM through both conceptual and empirical and evidence-based approaches. The role of eWOM in shaping consumers' perceptions and purchase behaviour is one of the widely accepted themes in consumer behaviour literature (Arndt, 1967). Consumers find eWOM to be an up-to-date and honest representation of their true experiences. eWOM is frequently perceived as a more



efficient and convenient information source. With the emergence of social media and other opinion-sharing platforms, which has today become an integral part of our lives, the dissemination and consumption of WOM online have expanded exponentially (Buhalis & Law, 2008). This has created a larger scope for academic research on the impact of WOM in its electronic form (eWOM), specifically in the context of tourism and hospitality (Litvin et al., 2008).

On deeper analysis, one may infer that the overall impact of eWOM on consumer behaviour is influenced by a variety of other external and internal factors, including consumers' beliefs, values, feelings, emotions, and perceptions (Pourfakhimi et al., 2020). It may also be inferred that the influence may vary between consumer generations, based on their media consumption habits and other relevant factors. The variables relating to eWOM as found in the literature are diverse, largely dependent on the context in which the studies have been conducted and the related objectives. Further, the impact of social factors on consumer behaviour is supported by several classical consumer behaviour theories including the theory of planned behaviour and the theory of reasoned action (Ajzen & Fishbein, 1975). Needless to mention, the revolution of ICT has significantly altered consumer behaviour, specifically in the travel and tourism space.

For the purpose of current research, a thorough examination of the relevant and related dimensions of the topic at hand and the variables of interest has been identified. The present research focuses on the factors influencing eWOM adoption and the travel intentions of international travellers from the study region. The study's scope is restricted to the variables investigated based on the hypothesized model and the major aspects considered in the context of the research. The results of the study will help travel marketers appreciate the influence of eWOM. The need for effective content management in online platforms will emerge as a prominent marketing strategy for travel companies to ensure enough customer attraction and purchase behaviour.

### **1.11. Statement of the Problem**

Because India has the largest millennial population, it has become imperative for travel marketers to understand the attitude of the people towards eWOM, shared on social media over traditional advertising, for fulfilling their informational needs (Anubha & Shome, 2021). Research shows that eWOM has fulfilled its promise to become a major

influence on the tourism industry and will continue to play an essential role in tourism marketing in the foreseeable future (Litvin et al., 2017). eWOM offers both opportunities and challenges to marketers (Dellarocas, 2003). The rapid growth of social media and online review platforms has made it easier for consumers to share their experiences and opinions about tourist destinations, services, and products. This has led to an increase in the importance of eWOM in the decision- making process of potential tourists. With easy access to information at a lower cost, eWOM has achieved an unprecedented scale of usage among consumers, resulting in new market dynamics. It is critical for marketers to understand when and why consumers participate in the development of online content; how and why consumers adopt such content; and to what extent they are influenced by it, specifically in the context of international tourism. The antecedent-consequence linkage in consumers' adoption of eWOM is a key area of research inquiry. The literature is in want of studies addressing this issue and hence the statement of the research problem is „How does eWOM influence the international tour-related decision-making of people from the study region?“

### **1.12. Need for the Study**

In today's context, consumers' search and planning behavior for travel to various destinations is influenced by the information presented on travel websites, social media, and other opinion-sharing platforms. The study is important because it provides insights into how people make decisions about where to travel when to travel and how to travel. In the modern age, people are increasingly turning to the internet and social media to research and plan their travels, and eWOM has become an important source of information for many travellers. Numerous studies have been conducted in the context of other countries to analyze the impact of eWOM on tour-related decision-making, including the intention to travel, destination choices, attitude, trust, revisit intentions, etc. Coimbatore is a growing tourism destination and a popular place for outbound tourism. By examining the role of eWOM in the decision- making process of the travellers in the city, researchers can get a better understanding of the role that online reviews and opinions play in the industry. By understanding how travellers use eWOM to make decisions about where to go and what to do, businesses and organizations can develop

strategies to improve their online presence, and reputations, ultimately attracting more customers.

However, there is a paucity of literature on the theme in the context of India, specifically in the study region - Coimbatore City. Given the contribution of Indian and regional travellers towards global tourism revenue, as evidenced by the rising levels of outbound tourism figures, the need for the study was felt. The study is important because it provides valuable insights into the modern travel behaviour of consumers and the role of online reviews and opinions in the tourism industry. By gaining a better understanding of these factors, researchers, businesses, and organizations can develop strategies and policies to support the growth and development of tourism in the region. A comprehensive approach to measuring the antecedent-consequent linkages of eWOM adoption is hardly found in the literature. Further, the researcher also felt the need to compare the applicability of the research theme based on the internet usage skills of the respondents.

### 1.13. Structure of the Thesis

