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From Hashtags to Shopping Bags: Measuring the Rise of eWOM through Social Media and its Impact on Travelers' Shopping Patterns

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From Hashtags to Shopping Bags: Measuring the Rise of eWOM through Social Media and its Impact on Travelers' Shopping Patterns

Introduction

The rise of the Internet and the proliferation of social media has amplified the importance of understanding the consumer decision-making process. Not surprisingly, travel industry marketers are devoting greater portions of their marketing budgets towards harnessing the power of social media and electronic word-of-mouth (eWOM) as a tool to influence consumer preferences. Yet, to accomplish this goal, marketers need to understand that people differ in their motivation to spread eWOM through social media, and there exists a crucial distinction between organic (consumer-initiated) versus incentivized (company-promoted) eWOM.

Understanding the impact of social media is crucial as it directly relates to customer purchase intentions and influences a brand's equity more than any other method of modern communication (Coursaris, van Osch, & Balogh, 2016). In fact, the use of social media to make shopping decisions among travelers has seen recent exponential growth, as technologies become more readily available and consumers take up the roles of information creators, editors, and distributors (J. J. Kim & Fesenmaier, 2015). According to data from Destination Canada (2014), the biggest uses of social networking sites for North American cross-border travelers are to stay in touch with family, to get promotions, and to share their experiences. Similarly, a majority of travelers (77%) go online tools to plan trips and seek out travel deals. The impact of social media touches upon all three stages of the customer journey (pre-purchase, purchase, and post-purchase) as people express and examine accounts of travel experience on various social networking sites (SNS).

Despite recent research on social media and tourism, much of the current analysis takes place in hypothetical scenarios (J. J. Kim & Fesenmaier, 2015) which only examine potential tourist reaction to social media-based patterns. Thus, there is a demand for studies in which tourism and social media are studied using real-world situations. Lemon and Verhoef (2016, p. 78) specifically call for social media studies involving shopping behavior, admitting that "social media effects of customer experience have not been widely reported". Therefore, the objective of this study is to draw insights from the nascent eWOM literature and interviews with cross-border travellers to investigate heterogeneity in social media use and the differential impact on travel-related intentions and behaviours.

Literature Review

Social media is a broad term that applies to the entire realm of SNS that allow both consumer-initiated and company-promoted entities to share real-time information, thus effectively transcending borders and other spatial limitations. Yet company-promoted SNS involve barriers including issues of privacy (Huang, Basu, & Hsu, 2010) and credibility (Bronner & de Hoog, 2010). That is, we tend to trust peers more than strangers when it comes to our travel shopping decisions. This has strong implications for destination brands, who seek to instil an image of their destination into travelers, but are at the mercy of those in the travelers' own network who may more impactfully affect a potential travel opportunity.

Just as cross-border shopping occasions themselves tend to vary (Lever, 2014; Timothy & Butler, 1995), social media has a major impact on the variance seen in travel shopping behavior. How one

effectively uses social media in their travels will similarly be prone to degrees of variation. Consider the role of technology (especially self-service technologies) in changing the structure of service interactions, thereby creating new opportunities for thinking about value creation and brand positioning strategy (Padgett & Mulvey, 2007). Inherent in the nature of technology is its accessibility across nations and even among various generations within the same geographical regions (H. Kim, Xiang, & Fesenmaier, 2015). Yet despite this variability, social media continues to play a significant role in traveler behaviour (J. J. Kim & Fesenmaier, 2015), even being strengthened by more traditional forms of communication such as television and radio (Onishi & Manchanda, 2012).

Nyaupane, Paris, and Teye (2011) found that a student's attitude toward a planned trip increased as a result of prior positive social media exposure. Searching for this relationship within a travelers' shopping patterns would be a natural next step. This increase can now be strengthened during a trip as well as prior to it, thanks to advances in smartphone applications. In a more recent study by Wang, Xiang, and Fesenmaier (2016), SNS ranked among the highest applications of modern smartphones along with communication, entertainment, and information searching. The authors also state that SNS were one of the first activities that smartphone users engage in upon first waking up and that users would often take photos of their food while traveling solo in order to offset any feelings of loneliness, enjoying the instant feedback of approval from friends (Wang et al., 2016). Clearly, phones have become as central to ones' traveling arsenal as a passport or a map, and thus a natural next step is to recognize their role from a social media shopping perspective.

Proposed Methodology

This study will be grounded in an inductive and qualitative theory-based approach (Miles & Huberman, 1994) in order to extract as much pertinent information as possible from a sample of 400 one-on-one traveler shopping interviews conducted between 2013-2016. The methodology for this study will involve the application of conceptual mapping (Davies, 2011). This approach is rationalized through our adoption of the epistemology contained within the paper by Lemon and Verhoef (2016) in which the authors posit that "customer journey analysis should understand and map the journey from the customer perspective and, therefore, requires customer input." (p. 79). In *Figure 1* below, based on the paper by Khazaei (2015), we have begun the process of coding the various themes found through our data analysis:

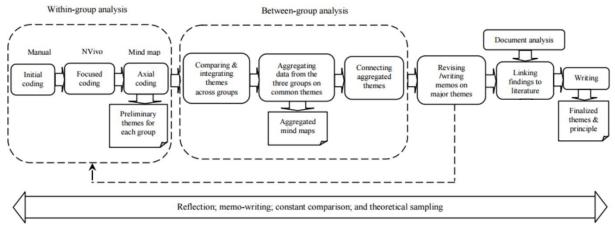


Figure 1. Data analysis process (Khazaei, 2015)

Expected Results

Preliminary insights into the rise of eWOM through social media have already begun to take form through this research. Referring to *Appendix A*, three preliminary broad themes that have been identified through the aforementioned coding process include social, opinion forming, and trip planning aspects.

Social aspects have been pivotal in conveying travel-based shopping patterns and information. Specifically, the ideas of sharing one's experiences and 'treasures' is a common theme, which often borders on bragging. For instance, one interviewee described her many Instagram followers, and the joy of showing off her fashion for them through it. She even admitted to not showing off all purchases out of fear of being caught wearing the same outfit twice. There were many others who expressed a desire to showcase their purchases through social media posts, may they be on Facebook, Instagram, or a number of other relevant SNS. On the other side of product boasting are those who use SNS to study the purchases of their peers, and then form similar purchase intentions. Finally, those who use social media as a tool to discuss travel ideas, form travel groups, and engage in other socially motivated behavior during all stages of the trip from planning to return.

The opinion forming aspect was also incredibly salient and demonstrated a use of social media which has been less documented in the literature – that is, the confirmation of an itinerary not only based on corporate websites and destination-created content, but based on peers' previous travel activities and intended future destinations. This is a valuable component of the study as this directly contributes to the patterns in which social media users are engaging in based on reference points within their social networks, and suggests that even after a traveler has decided on a shopping pattern, they are still being influenced by organic eWOM.

That is, it is involved with determining where to go ahead of time and how to find the best deals on products and locations. Facebook was commonly cited here as a method of retrieving trip planning information, as Facebook 'friends' would post lucrative travel deals, products available across borders, and other pertinent information in which the interviewee would share, like, or comment on.

Conclusion and Discussion

Just as Twitter uncovered a paradigm shift in modern movements exemplified through the recent protests during the Arab Spring, modern traveler shopping occasions are shifting out of the hands of organizations and into the hands of a travelers' own social networks. Organizations who are aware of this can benefit by increasing awareness of their social media behavior in a way that reflects the opinions of a travelers' peers. One step in the right direction is recent legislature by the Canadian Radio-television and Telecommunications Commission deeming high-speed internet a "necessity" in Canada. Allowing for more connectivity demonstrates to travelers that the government is aware of their changing travel and shopping behaviors.

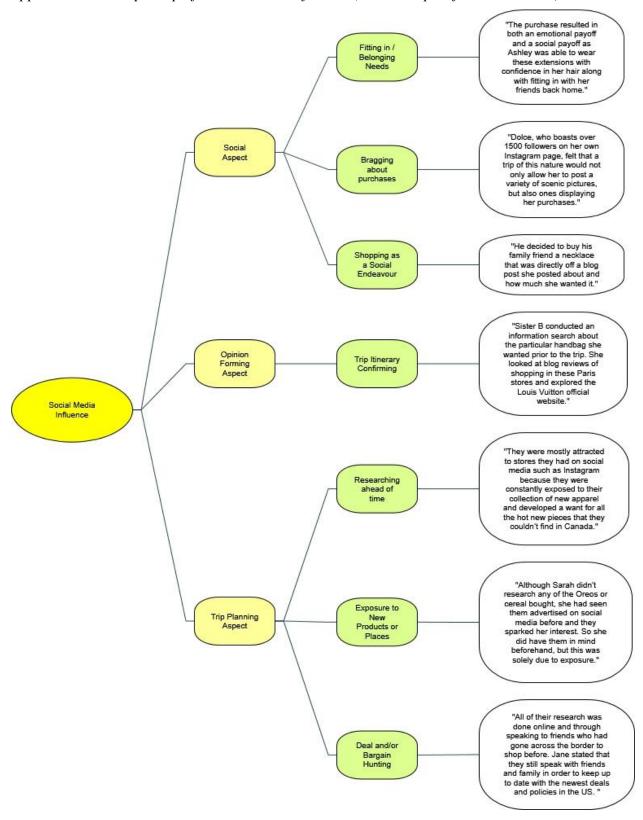
Regardless of whether they are using Facebook to plan their next trip or posting a photo of their meal on Instagram to avoid a lonely lunch in a foreign restaurant, one thing is certain: the variability in travelers' shopping patterns continues to rapidly expand, and understanding their social eWOM throughout this phenomenon will help both marketers and scholars in finding new ways to serve travelers' needs.

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Appendix

Appendix A: Concept Map of Social Media Influence (with examples from interviews)



Appendix B: Description of Ongoing Research

To give context for this proposal, I feel it is prudent to explain how it fits within a larger perspective. This research is intended as the beginning phase of my PhD dissertation research involving social media, consumer behavior, and place branding. Once this research has been well underway, I will be entering Phase 2 of the research process which will involve comparing and contrasting the results of the one-on-one interviews with Destination Canada's Explorer Quotient (EQ) segments. These segments provide an incredibly detailed perspective of the types of travelers visiting Canada and the USA each year, but omits some valuable information regarding the recent proliferation of social media and shopping patterns that my initial research has begun to analyze. By connecting the patterns to the EQ segments, I hope to identify opportunities for tourist shopping in North America.