

# **Determinants of travelers' adoption of information from online reviews**

Track: Consumer Behavior

## **Abstract**

The purpose of this paper is to analyze what factors affect information adoption from online reviews by users in Chile. Hypotheses were tested using a sample of 378 participants and hierarchical regression analyses. It was found that information understandability, information relevance, information value-added, information quantity, product ranking and reviewer credibility were all found to have a positive effect on information adoption from online reviews. Additionally, nine factors were found to have no relationship with information adoption. This study also includes an analysis of three different websites to see if these factors have the same effects across varying platforms.

*Keywords:* information adoption; online reviews; type of website.

## **1. Introduction**

In today's technological era, people are increasingly using the Internet as a means of stating their opinions. These statements can be transmitted through numerous channels, including social media networks, blogs and online reviews (ORs). Electronic word-of-mouth (eWOM) is any positive or negative statement made by potential, actual or former customers about a product or company, that is made available to a multitude of people and institutions via Internet (Chu and Kim 2011; Hennig-Thurau et al., 2004). One aspect of eWOM that is greatly affecting the travel and tourism industry is the use of ORs. The use of ORs sites such as TripAdvisor and Booking is rising. ORs are allowing travelers to comment on many aspects of their trips including restaurants, destinations, accommodations, etc. It is important for businesses to understand the factors that influence information adoption, so that they can better utilize ORs to support their activities. It has been found that 71% of travel booking are online along with 36% of package tours (Schuckert et al 2015). With this much business coming from online sources, it is clear that ORs could play an important role.

Filieri and McLeay (2014) identify what influences travelers to adopt information from ORs in their decision making in Italy. Filieri and McLeay's (2014) work provided insight into this structure, but it is possible that cultural factors will vary the potency of impact. The purpose of this paper is to analyze what factors affect information adoption from ORs by users in Chile by drawing upon previous factors by Filieri and McLeay (2014), as well as adding in seven new factors. A Latin American sample is a response to the need to widen the geographic and cultural scope of eWOM research, as most

existing studies have been conducted in the United States and in European and Asian countries (Chan and Ngai 2011; Purnawirawan et al., 2015). According to Hofstede (2001), Chile is less individualistic, more feminine, has higher levels of indulgence and has a shorter term orientation than Italy. These differences could very well affect the factors that influence information adoption. Chile offers an ideal context in which to understand what influences travelers to adopt information from ORs in their decision making in Latin America because Chile has Hofstede's scores close to the average for Latin America (Hofstede 2001).

Since these factors may also have different impact across websites, an analysis by website is necessary in order to check for differential effects among ORs sites. Consequently, this study also includes an analysis of three different websites: TripAdvisor, Despegar and Booking, to see if these factors have the same effects on information adoption across varying platforms.

## **2. Conceptual framework**

Filieri and McLeay (2014) use the elaboration likelihood model (ELM; Petty and Cacioppo 1986) to identify what influences travelers to adopt information from ORs in their decision making. ELM states that there are two routes to persuasion: central and peripheral (Petty and Cacioppo 1986). Although the ELM has been utilized to better understand the communication route of destination websites (Tang et al. 2012), Filieri and McLeay (2014) is the first study which has drawn upon ELM theory to explore the factors that influence travelers' adoption of information from ORs. Using an Italian sample, Filieri and McLeay (2014) reveal that product ranking, information accuracy, information value-added, information relevance, and information timeliness are strong predictors of travelers' adoption of information from ORs on accommodations.

Other possible contributing factors may influence travelers' adoption of information from ORs on accommodations. Review positiveness, review variance, reviewer credibility, reviewer expertise, homophily, management response, and ease of use may be peripheral route factors that lead to travelers' adoption of information from ORs on accommodations. In this section, the conceptual model is developed to explicate the potential relationships among the hypothesized variables in Chile.

In the context of travelers' adoption of information from ORs, the central route to persuasion consists of thoughtful consideration of the arguments of the OR. When a traveler is partaking in central processing, he or she is being an active participant in the process of persuasion. Central processing has two prerequisites: It can only occur when the traveler has both the motivation and the ability to think about the OR. If the traveler does not care about the topic of the OR, he or she

will almost certainly lack the motivation to do central processing. On the other hand, if the traveler is distracted or has trouble understanding the OR, he or she will lack the ability to do central processing.

The peripheral route to persuasion occurs when the traveler decides whether to agree with the OR based on other cues besides the strength of the arguments or ideas in the OR. For example, a traveler may decide to agree with an OR because the reviewer appears to be an expert (reviewer expertise). The peripheral route also occurs when a traveler is persuaded because he or she notices that an accommodation has many reviews (information quantity), but lacks the ability or motivation to think about them individually. In other words, peripheral cues, like reviewer expertise and information quantity, are a short-cut. This route occurs when the traveler is unable or unwilling to engage in much thought on the OR. Travelers engaged in peripheral processing are more passive than those doing central processing. Travelers do not always have the motivation and ability to think about the ORs. Consequently, managers need to understand both of these processes of persuasion because both of them occur in travelers.

## *2.1. Central route factors*

### *2.1.1. Information timeliness*

Information timeliness refers to information that is up to date, current, and represents the state of the art of a product/service (Nelson et al 2005). This means that travelers can obtain fresh and current ORs on accommodations, and distinguishes ORs from printed travel guides, which need more time to be updated and distributed to travelers. In Italy, Filieri and McLeay (2014) demonstrate that information timeliness has a positive effect on information adoption. Italy's high score of 61 on long-term orientation shows that Italian culture is pragmatic. In societies with a pragmatic orientation, people believe that truth depends very much on situation, context and time. With a low score of 31 on this dimension, Chile is said to have a normative culture. People in these types of societies prefer to maintain time-honored traditions and norms while viewing societal change with suspicion (Hofstede, 2001). Consequently, the effects of information timeliness on information adoption could be weaker in cultures with a low score on long-term orientation. Hence:

**H1.** Information timeliness will not affect information adoption in Chile.

### *2.1.2. Information understandability*

Information understandability refers to the ability to interpret content written by reviewers given that there may be language barriers or specific expressions included in the reviews (Filieri and McLeay 2014). In Italy, information understandability was not found to affect information adoption from ORs. Italy scores higher on long-term orientation than Chile. With a low

score of 31, Chile is said to have a normative culture. People in such societies have a strong concern with establishing the absolute truth. In contrast, Italy with a score of 61 is a more pragmatic culture, and does not place as high of value of absolute truth (Hofstede 2001). This cultural difference could lead to information understandability being relevant to information adoption in Chile, as normative cultures have a higher concern with establishing the absolute truth. Therefore:

**H2.** Information understandability positively influences information adoption in Chile.

### *2.1.3. Information relevance*

Information relevance may play a role in information adoption from ORs when users are searching for a specific service or product. Filiery and McLeay (2014) give the example that honeymooners will be searching for romantic options, in contrast vacationers may be looking for the cheapest accommodations. Filiery and McLeay (2014) found that information relevance had a positive effect on information adoption. This result could be linked to the cultural norm of uncertainty avoidance. Users in high uncertainty avoidance countries seek information that is relevant to their needs so as to quell any concerns and avoid indecision. Italy and Chile both have high scores of uncertainty avoidance, 75 and 86 respectively. Because Chile and Italy are similar in this cultural aspect, it is expected that information relevance will also have a positive effect in Chile. Hence:

**H3.** Information relevance will have a positive effect on information adoption in Chile.

### *2.1.4. Information accuracy*

Information accuracy hinges on users' perceptions that content is reliable, and was strongly correlated to information adoption from ORs in Italy (Filiery and McLeay 2014). Italy, with a score of 76 on individualism has a much higher score than Chile, who scores a 23. Individualistic cultures (e.g. Italy) are generally more low-context than collectivistic cultures (e.g. Chile) (Würitz 2005). Low-context cultures tend to use explicit, direct information (Würitz 2005) and, therefore may not adopt information from an OR if it is not perceived as accurate. On the contrary, high-context cultures (e.g. Chile) tend to present information in a circular nature, leaving out details as they believe that some information is implicit. This cultural norm could lead to information accuracy not being as important in Chile as they are accustomed to more indirect messages than in Italy. Hence:

**H4.** Information accuracy will not affect information adoption in Chile.

### *2.1.5. Value-added information*

ORs provide the opportunity for users to comment on positive and negative aspects of their experience. Information can be seen as value-added if gains are made from the findings (Wang and Strong 1996). When searching reviews, individuals are trying to gain more information in order to have a more comprehensive view of the service or product. In Italy, Filieri and McLeay (2014) found that this factor was found to strongly correlate with information adoption by users. Countries with higher levels of uncertainty avoidance will seek to squash uncertainty in order to enter the situation with a clearer picture, leaving less room for surprise. Because Chile and Italy both score high on uncertainty avoidance (Hofstede 2001), it is expected that a result similar to Filieri and McLeay's will be found in Chile. Hence:

**H5.** Information that is perceived as value-added will positively impact information adoption in Chile.

### *2.1.6. Information completeness*

This factor measures the scope and depth of the information for which one is looking for (Filieri and McLeay 2014). Upon first glance, it may be assumed that this factor would influence information adoption in Italy and Chile, as their high uncertainty avoidance scores on Hofstede's (2001) scale shows that both are highly uncertainty averse; however, this was not found to be the case in Italy (Filieri and McLeay 2014). It could be that these cultures avoidance of the unknown makes citizens focus more on questions or concerns they deem important, rather than the picture as a whole. If an individual believes that their questions have been answered, then they no longer perceive the situation as ambiguous. Therefore, they would not place as much value on information completeness as they would on making sure they have answers to their personal questions. Hence:

**H6.** Information completeness does not impact information adoption in Chile.

## *2.2. Peripheral route factors*

### *2.2.1. Information quantity*

The significance of the number of reviews on online behavior is a point of contention among experts. This factor was not found to be significant on information adoption in Italy (Filieri and McLeay 2014), but has the power to affect adoption in Chile. Park and Lee (2008) state that the role of the number of reviews is to provide a signal of product popularity, and to increase the total amount of review information. Italy scores much higher on individualism than Chile, with scores of 76 and

23 respectively. Collectivist societies (e.g. Chile) perceive a greater difference between their in-groups (e.g. family, close friends) and out-groups (Triandis 1995). This could lead to Chileans needing a high quantity of reviews in order to use the information, as they may be less likely to trust and respect someone from their out-groups (e.g. online reviewers). Therefore:

**H7.** Information quantity will positively affect information adoption in Chile.

### *2.2.2. Product ranking*

Product ranking facilitates users' information search as rankings make information easier to understand than needing to sift through an entire review. The ranking or numbers of stars represents the average customer's evaluation of accommodation, and summarizes the proportion of positive, neutral, and negative reviews. By summarizing review information, the overall ranking of accommodations in a destination might enable the adoption of information from ORs (Fileri and McLeay 2014). In Italy, product ranking was found to have a positive relationship with information adoption from ORs. It is expected that a similar result will be found in Chile. Although Chile and Italy both have high levels of uncertainty avoidance and, therefore, may be more cautious of using overall reviews, it is thought that they may use product ranking as an easy way to capture all the information they are looking for. Therefore:

**H8.** Product ranking will positively affect information adoption in Chile.

### *2.2.3. Review positiveness*

Review positiveness looks at the effect of the type of content of the review on the user's information adoption. When reviewers are allowed to give their own input, it is likely that both negative and positive comments will be present. Negativity bias is the idea that individuals perceive others as more intelligent when negative comments are given, and more incompetent with positive comments, which leads to people being more susceptible to negative input than positive (Wu et al 2011). To support this theory previous studies have shown that positive comments are generally overshadowed by negative input. Cui et al (2012), based on this theory, stated the notion that negative information is held in higher esteem by users, and is used more when making decisions than positive attributes. This idea was found to be supported by their research study. Because of this, one can deduce that even a multitude of positive reviews can be underscored by a few negative ones. Therefore, review positiveness is not impactful to information adoption, as it can so easily be negated by negative commentary and an individual's susceptibility to negativity bias. Hence:

**H9.** Review positiveness is not related to information adoption in Chile.

#### *2.2.4. Review variance*

This factor measures if information adoption will be affected by whether the ORs seem to contradict each other, or are consistent across the board. Park and Park (2013) found that reviews containing both negative and positive comments, those with high variance, were more likely to influence consumers than those with a lower variance. This finding would lead to the idea that information adoption would be linked with review variance, as variance was linked with favorability of consumer judgements; however, that study was conducted in South Korea. Chile and South Korea differ greatly in long-term orientation with scores of 31 and 100 respectively (Hofstede 2001). Differing levels of variance may not affect consumer judgements and, therefore, information adoption in Chile, as it is less pragmatic than South Korea. People from more normative cultures (e.g. Chile) may only worry about if their questions are getting answered, not caring about the differing opinions. Because of this, the following hypothesis is given:

**H10.** Review variance will not affect information adoption in Chile.

#### *2.2.5. Reviewer credibility*

The way that an individual reading ORs perceives the author of the review could have a direct correlation between whether or not the user will trust the reviewer enough to adopt their information. Contrasting results exist about whether there exists a relationship between information adoption and reviewer credibility. One study found that reviewer credibility was linked to information adoption (Wei and Watts 2008) while another found that reviewer credibility has a very weak influence on how information will be received (Filiari 2015). Cultural differences could be the cause of these variations. Filiari's (2015) study, conducted in Ireland and England, depicts a more individualistic consumer standpoint, while Zhang and Watt's (2008) show the side of a more collectivist culture with China. Using Hofstede's individualism scale, it is seen that Chile, with a low score of 23, ranks closer to China than Ireland and England, which have scores of 20, 70 and 89 respectively. Collectivist societies (e.g. China, Chile) perceive a greater difference between their in-groups and out-groups (Triandis 1995). This cultural norm could lead to collectivist society members needing more credibility in order to trust someone from their out-group. Someone with a more individualistic outreach may not care as much about the source, as they generally do not distinguish between in-groups and out-groups. Additionally, Chile's high uncertainty avoidance (Hofstede 2001) could

cause Chileans' information adoption to be more susceptible to reviewer credibility as they are more skeptical and need to be convinced. Therefore, it is expected that in Chile:

**H11.** Reviewer credibility will positively affect information adoption in Chile.

#### *2.2.6. Reviewer expertise*

The degree that a user perceives another user to be knowledgeable in their field, or the perceived reviewer expertise, could have an effect on information adoption by users in ORs depending on the culture. Chile scores high on Hofstede's (2001) power distance index. This finding suggests that Chileans pay more attention to individuals labeled as experts by society and, therefore, could lead to reviewer expertise being an important factor for information adoption. Additionally, Chilean's high level of uncertainty avoidance causes members to be more cautious of unknown situations (Hofstede 2001) and could lead reviewer expertise to being an important factor so as to make them feel at ease. Goodrich and de Moji (2014) demonstrated in their study that high uncertainty avoidance countries (e.g. Chile) are more likely to trust experts. If a user puts more trust in a reviewer because they are seen as an expert, then they will be more likely to adopt the information. Hence:

**H12.** Reviewer expertise will positively affect information adoption in Chile.

#### *2.2.7. Homophily*

Homophily measures the degree to which individuals who interact with one another are congruent or similar in certain attributes (Rogers and Bhowmik 1970). Chu and Kim (2011) in a study in the U.S. found that homophily had a negative relationship with online interactions between users. Power distance is the level at which members of a country accept that power is distributed unequally; Chile has a high score of 63, while the U.S. has a score of 40 (Hofstede 2001). So, while Chu and Kim (2011) found that homophily was negatively related to online interactions in the U.S., it is expected that a positive correlation will exist between homophily and information adoption in Chile. Hence:

**H13.** Homophily will positively affect information adoption in Chile

### *2.2.8. Management response*

When a comment is given about a company, positive or negative, managers have the opportunity to support the comment or mitigate the negative repercussions from it. This trend is becoming increasingly common on ORs. A study by Xie et al (2014) conducted in the U.S. found that management response was negatively associated with consumer response. This result was linked to the notion that managers usually respond to negative comments and, therefore, manager responses may be solely associated with negative comments in the mind of the consumer. If this idea is true, then a higher number of management responses would portray an overall negative picture which would then affect information adoption. A similar result may not be found in Chile, as Chile scores a high 86 on uncertainty avoidance, while the U.S. only scores a 46 (Hofstede 2001). As people in cultures with high uncertainty avoidance deeply appreciate knowledge so as to avoid unknown situations, they may see manager responses to both negative and positive comments solely as further sources of information. Therefore, they would not associate managers' responses with a negative product or service, but would rather accept it as more additional helpful content. Additionally, uncertainty avoidance may cause Chileans to be more wary of manager responses and, thus, responses would not be used as a source of information adoption. Hence:

**H14.** Management response will not affect information adoption in Chile.

### *2.2.9. Ease of use*

This concept looks at the ability of utilizing a website with little effort. Dickinger and Stangl (2013) found that ease of use of a website influenced its performance. It is easy to conclude that ease of use would influence information adoption, but this view is too narrow. Dickinger and Stangl's (2013) study was conducted in Austria, which scores a 79 on masculinity, as opposed to Chile with a score of 28 (Hofstede 2001). Masculine cultures (e.g. Austria) are centered on achievement and success; therefore, if a website is not easy to use, an Austrian may abandon it in order to better use their time. Conversely, Chileans, who come from a more feminine culture, are less concerned about getting ahead. Therefore, they may not weigh ease of use as a factor for information adoption. Hence:

**H15.** Ease of use of a source will not affect information adoption in Chile.

### *2.3. Type of website*

Since central and peripheral route factors may have different impact on information adoption across websites, an analysis by website is necessary in order to check for differential effects on information adoption from ORs among websites in Chile.

Managers need to understand these differences in order to produce effective marketing strategies for each website. In fact, results may differ for two typologies of Internet consumer opinion websites: independent websites (e.g., TripAdvisor) and e-merchants (e.g., Booking, Despegar). E-merchants publish online reviews written only by travelers who have previously purchased a product; while in an independent website, travelers only need a valid email address to publish a review. Websites most frequently visited by Chilean travelers are Despegar, Booking, and TripAdvisor.

Despegar operates an online business-to-consumer travel agency that focuses on the Portuguese and Spanish speaking market. It operates in Argentina, Brazil, Chile, Colombia, Mexico, Uruguay, Venezuela, Spain, and the United States.

Booking provide online hotels and accommodations reservation for businesses and travelers around the world. It claims to have over 700,000 properties globally under contract and that it deals with more than 900,000 room nights reservations per day. Booking is available in more than 41 languages.

TripAdvisor is an American travel website company providing reviews of travel-related content. TripAdvisor claims to be the largest travel site in the world, with more than 60 million members and over 170 million reviews and opinions of hotels, restaurants, attractions and other travel-related businesses.

### *2.3.1. Information understandability on different types of websites*

The key difference between TripAdvisor versus Despegar and Booking is that TripAdvisor is an independent website while Despegar and Booking are e-merchant websites. E-merchant websites require that the reviewer is someone that has purchased the accommodation or service in the past, while TripAdvisor solely requires a valid email address. Because users cannot automatically trust reviews on this sort of site, it could be that information understandability is utilized as a tool to determine the legitimacy of and build trust for the review, and that comments whose information cannot be understood are not adopted because of a lack of belief in the content. Hence:

**H16.** The effect of information understandability on information adoption is stronger for TripAdvisor than Booking and Despegar.

### *2.3.2. Reviewer credibility on different websites*

As aforementioned, Booking and Despegar as e-merchant websites, require that a user has purchased accommodations on the website prior to writing a review. Conversely, TripAdvisor only requires that a reviewer has a valid email address. This difference would lead to reviewer credibility being stronger on Booking and Despegar than on TripAdvisor, as it is known

that a reviewer has used the service. This key difference between e-merchant (e.g. Booking and Despegar) and independent websites (e.g. TripAdvisor) assures users that the comments are not purely generated by the company or fake, but rather are true experiences from previous customers. In fact, according to CNBC (2014), TripAdvisor was fined US \$600,000 by Italy's antitrust authorities for fake reviews, and as this event was in the media, it may have affected individuals' perspectives of TripAdvisor. This type of fake review is not uncommon; Amazon sued 1,114 users in 2015 for writing illegitimate comments (BBC 2015). It may be that users that weigh author credibility as an important factor when assessing accommodations may be more drawn to using Booking and Despegar, as they know the difference between e-merchant and independent websites or saw the negative media about TripAdvisor or similar independent websites. Therefore:

**H17.** The effect of reviewer credibility on information adoption is stronger for Booking and Despegar than TripAdvisor.

### *2.3.3. Homophily on different websites*

Booking and TripAdvisor are both highly global websites. In contrast, Despegar focuses on the Spanish and Portuguese speaking markets, meaning that its scope is more limited. As Booking and TripAdvisor are more international than Despegar, it may be that individuals using them are more drawn to comments from a wide range of people from different backgrounds. This preference would lead to Booking and TripAdvisor's users being negatively associated with impact from homophily as they are looking for diversity. Contrarily, Despegar users who can deduct from the website that it is less international, may utilize it because they prefer comments from people perceived as more similar to them (e.g. Latin Americans). Therefore, it is expected that the two e-merchant websites will vary greatly with their relation to homophily:

**H18.** In the cases of Booking versus Despegar, the impact of homophily differs in terms of directionality.

## **3. Research design**

### *3.1. Sample*

A self-administered online survey was conducted to test the hypothesized relationships among the variables included in the proposed model. An online questionnaire was created using Qualtrics and a link to the questionnaire was sent by email to a convenience sample. A total number of 378 respondents completed the survey. The sample consisted of 43.4% females. Participants' ages ranged from 18 to 64 ( $M = 26$ ). Thus, the sample was deemed to be representative of the Internet users in Chile.

### 3.2. Measures

At the beginning of the survey, respondents were first asked to indicate the website that they visit most frequently from a list (Chu and Kim 2011). Then, measures included key constructs in the proposed model that investigate the determinants of travelers' adoption of information from ORs. Table 1 shows the constructs and reliability statistics. The reliability of all of the constructs is high: the Cronbach alphas are above the acceptable levels of .70 (Nunally and Bernstein 1994). The items used to measure the constructs included in this study are displayed in Appendix.

**Table 1.** Measures

Variable	Number of items	Cronbach's alpha	Relevant literature
Information adoption	2	.795	Filieri and McLeay (2014)
<b>Central route factors</b>			
Information timeliness	3	.895	Filieri and McLeay (2014)
Information understandability	3	.811	Filieri and McLeay (2014)
Information relevance	2	.722	Filieri and McLeay (2014)
Information accuracy	3	.720	Filieri and McLeay (2014)
Information value-added	2	.771	Filieri and McLeay (2014)
Information completeness	2	.801	Filieri and McLeay (2014)
<b>Peripheral route factors</b>			
Information quantity	2	.856	Filieri and McLeay (2014)
Product ranking	2	.754	Filieri and McLeay (2014)
Review positiveness	2	.791	Park and Kim (2009)
Review variance	2	.746	Park and Park (2013)
Reviewer credibility	2	.807	Filieri (2015)
Reviewer expertise	2	.936	Filieri (2015)
Homophily	2	.821	Chu and Kim (2011)
Management response	2	.870	Xie et al. (2014)
Ease of use	1	N.A.	Dickinger and Stangl (2013)

## 4. Results

The data (mean scores) was employed in a series of hierarchical regression analyses to estimate the path coefficients for the hypothesized relationships. The results of the hypotheses tests are shown in Tables 2 and 3. To begin, the variance inflation factors (VIFs) for each regression coefficient range from a low of 1.006 to a high of 2.590, suggesting that the variance

inflation factors in each regression are at acceptable levels (Hair et al., 2010). Thus, this result implies that no multicollinearity existed among the constructs that were used. The Durbin-Watson check for the independence of error terms is not significant in the regression models. Additionally, this study executed the Levene test for homoscedasticity for the dependent variable's uniform variance across values for each variable. The results were not significant ( $p > .10$ ).

As Table 2 summarizes, the Model 1 regression analysis results indicate that the variables proposed by Filieri and McLeay (2014) explain 28.1% of the variance in travelers' adoption of information from ORs. Consistent with Filieri and McLeay's (2014) findings in Italy, information relevance (H3), information value-added (H5) and product ranking (H8) have a positive effect on information adoption in Chile. Additionally, information understandability (H2) and information quantity (H7) have a positive effect on information adoption in Chile.

Contrary to Filieri and McLeay's (2014) findings in Italy, information timeliness (H1) and information accuracy (H4) have no effect on information adoption in Chile. Consistent with Filieri and McLeay's (2014) findings in Italy, information completeness (H6) has no effect on information adoption in Chile.

Adding the seven peripheral route factors proposed in this paper in Model 2 increases the adjusted  $R^2$  value by only 0.4%. Then, the results suggest that in Chile review positiveness (H9), review variance (H10), reviewer expertise (H12), homophily (H13), management response (H14), and ease of use (H15) have no effect on travelers' adoption of information from ORs in Chile. In contrast, the results show that reviewer credibility (H11) has a positive effect on information adoption from ORs in Chile.

#### *4.1. Analyses for each website*

Since central and peripheral route factors may have different impacts on information adoption across websites, an analysis by website is necessary in order to check for differential effects among websites in Chile. Consequently, the analysis includes three separate hierarchical regression analyses for TripAdvisor, Booking and Despegar. Table 3 summarizes the results of the analysis by website. Overall, the models 1 and 2 have a reasonable fit for the three websites, and the signs of the coefficients are similar to the total sample analysis.

The reader may find interesting differences by comparing the different estimates. For example, information understandability influences differently in terms of strength. In particular, in the case of TripAdvisor, the effect of information understandability is positive and significant. In contrast, in the cases of Booking and Despegar information understandability has no effect on information adoption. Consequently, H16 is supported.

Reviewer credibility influences differently in term of strength. Specifically, in the cases of Booking and Despegar the effect of reviewer credibility is positive and significant. In contrast, reviewer credibility has no effect on information adoption in regard to TripAdvisor. Consequently, H17 is supported.

The impact of homophily on information adoption differs in terms of directionality in the cases of Booking and Despegar. In the case of Despegar, the effect of homophily is positive and significant. In contrast, in the case of Booking, the effect of homophily is negative and significant. Consequently, H18 is supported.

**Table 2.** Hierarchical regression analyses

Variable	This paper in Chile	Filieri and McLeay (2014) in Italy	Model 1	Model 2
<b>Central route factors</b>				
Information timeliness	H1: 0	+	.047	.037
Information understandability	H2: +	n.s.	.128**	.106**
Information relevance	H3: +	+	.296***	.272***
Information accuracy	H4: 0	+	-.066	-.087
Information value-added	H5: +	+	.131**	.127**
Information completeness	H6: 0	n.s.	-.005	-.013
<b>Peripheral route factors</b>				
Information quantity	H7: +	n.s.	.167***	.160***
Product ranking	H8: +	+	.099**	.072
Review positiveness	H9: 0			-.033
Review variance	H10: 0			-.035
Reviewer credibility	H11: +			.114**
Reviewer expertise	H12: +			-.040
Homophily	H13: +			.034
Management response	H14: 0			-.048
Ease of use	H15: 0			.048
Maximum VIF value			1.643	1.971
Adjusted R <sup>2</sup>			.289	.293
N			378	378

Note: \* p < .10, \*\* p < .05, \*\*\* p < .01

**Table 3.** Hierarchical regression analyses for each website

Variable		Trip advisor		Booking		Despegar	
		Model 1	Model 2	Model 1	Model 2	Model 1	Model 2
<b>Central route factors</b>							
Information timeliness		.088	.096	.115	.164	.005	-.029
Information understandability	H16	.314***	.327***	.126	.050	-.019	-.022
Information relevance		.375***	.381**	.341***	.317***	.340**	.301***
Information accuracy		.001	-.012	-.172	-.192	-.005	-.091
Information value-added		-.145	-.177	.037	.011	.216**	.250***
Information completeness		-.159	-.180	.077	.145	-.016	.004
<b>Peripheral route factors</b>							
Information quantity		.163	.208*	.168	.142	.084	.051
Product ranking		.111	.101	.174*	.198*	.136	.102
Review positiveness			-.147		.047		-.098
Review variance			-.063		-.089		-.046
Reviewer credibility	H17		-.088		.179*		.197**
Reviewer expertise			.057		-.159		-.045
Homophily	H18		.056		-.195*		.162**
Management response			.100		-.019		-.031
Ease of use			.110		.014		-.064
Maximum VIF value		1.728	2.590	1.906	2.188	1.459	1.854
Adjusted R <sup>2</sup>		.254	.226	.282	.329	.222	.246
N		87	87	86	86	151	151

Note: \*  $p < .10$ , \*\*  $p < .05$ , \*\*\*  $p < .01$

## 5. Discussion

With the increased use of websites that allow for user reviews, it is imperative that insight is gained on which factors of a review influence a user's adoption of the information in the review. This paper uses Filieri and McLeay's (2014) central and peripheral route factors to analyze if similar results will be shown on information adoption in Chile. It was found that information relevance, information value-added, information quantity and product ranking all had positive effects on information adoption in Chile as they did in Italy. Information understandability and information quantity were also found to have a positive effect although they were not significant in Italy. Additionally, information completeness was found to have no effect on information adoption in both Chile and Italy. Contrary to Filieri and McLeay's (2014) findings,

information timeliness and information accuracy had no effect on information adoption in this study. Factors added in this study found that review positiveness, review variance, reviewer expertise, homophily, ease of use and management response all had no effect on information adoption, while reviewer credibility was found to have a positive effect.

After these central and peripheral route factors were analyzed to establish what factors are important to information adoption in Chile, three main ORs sites were investigated to see if results differed among them. TripAdvisor is an independent website, meaning that in order to leave a comment or reviewer, the user only need a valid email address while on e-merchant websites (e.g. Booking and Despegar) the user needs to have purchased the service in order to leave a review. Additionally, the three differ in their global reach, with Booking and TripAdvisor covering many nations, while Despegar is limited to nine countries that speak either Spanish or Portuguese as their national language.

### *5.1. Implications for managers and researchers*

This paper furthers our knowledge of information adoption from ORs in many ways. It expanded upon Filieri and McLeay's previous work, while also adding in more factors to consider for information adoption. By finding that multiple factors were not considered important by users, managers are able to better focus on factors that do influence information adoption, such as product ranking and reviewer credibility. Interestingly, manager response was not found to influence information adoption in Chile. Therefore, managers can dedicate the time they would normally use responding to comments to further support other job duties, rather than taking part in a superfluous task that was found to not be useful in Chile. This paper was also insightful in that it was carried out in Chile, a country different from nations usually studied. Insight was gained by seeing how cultural factors influence information adoption from ORs.

Additionally, by studying the effect of these variables on information adoption across three websites and noting variances, knowledge was gained. The differences found can help managers better decide which websites to target and the benefits and drawbacks of both. Further research is necessary to see if these findings hold true to other countries. It may also be helpful if further ORs in industries besides accommodations could be studied; for example, Amazon, Ebay, etc.

Hofstede's variables specifically were utilized in order to make predictions and explain conclusions. By showing that short-term orientation, collectivism and uncertainty avoidance, to name a few, influence information adoption, knowledge has been gained on how managers should approach different countries. It is clear that practices commonly used in Italy or the U.S. may not always be as useful in Chile, and this thought could expand to further countries as well.

Future explorations could include more countries to see if the findings in Chile hold true to other nations with cultural factors similar to Chile, such as those in Latin America. While information was gained from this study, additional affirmation is needed to see if these values will hold true. Specifically, a cross-cultural study could be utilized to see if

cultural factors are the largest players in the discrepancies found. Additionally, future studies should be completed on information adoption across different websites. While this study introduced this topic, more in-depth research could be utilized to see which factors are influenced by the website. This information could prove beneficial to managers, as it would help them realize which topics to target when analyzing their business's online presence.

#### **Appendix. Measures**

##### **Information adoption (Filieri and McLeay, 2014)**

I closely followed the suggestions in online reviews and went to the recommended accommodation.

To what extent does the information in online reviews motivate you to purchase the recommended accommodation?

##### **Information timeliness (Filieri and McLeay, 2014)**

I adopt current comments in online reviews.

I adopt timely online reviews.

I adopt up-to-date online reviews.

##### **Information understandability (Filieri and McLeay, 2014)**

The information I obtain from online reviews is easy to understand.

The information I obtain from online reviews is easy to interpret.

The information I obtain from online reviews is easy to read.

##### **Information relevance (Filieri and McLeay, 2014)**

The information I get through online reviews is relevant as it matches my needs.

The information I get through online reviews is appropriate for satisfying my needs.

##### **Information accuracy (Filieri and McLeay, 2014)**

The information I obtain from online reviews is correct.

The information I obtain from online reviews is accurate.

The information I obtain from online reviews is reliable.

##### **Information value-added (Filieri and McLeay, 2014)**

The information I obtain from online reviews enables me to understand both the positive and the negative aspects of specific accommodation.

The information I obtain from online reviews enables me to detect unknown aspects of specific accommodation (related to specific situation or uses).

**Information completeness (Filiari and McLeay, 2014)**

The information I obtain from online reviews is of sufficient depth.

The information I obtain from online reviews is of sufficient breadth.

**Information quantity (Filiari and McLeay, 2014)**

I adopt online reviews when the number of reviews per accommodation is large.

I adopt online reviews when the quantity of reviews per accommodation information is large.

**Product ranking (Filiari and McLeay, 2014)**

The ranking of different accommodations facilitate the evaluation of the alternatives available.

(Overall product) rankings help me to rapidly select the best accommodation among several alternatives.

**Review positiveness (Park and Kim, 2009)**

Most of the reviews are positive

Most of the reviews recommend the accommodation

**Review variance (Park and Park, 2013)**

Reviews seemed to conflict each other

Reviews are divided into extremely positive and extremely negative ones

**Reviewer credibility (adapted from Filiari, 2015)**

The reviewers are credible

The reviewers are trustworthy

**Reviewer expertise (adapted from Filiari, 2015)**

The reviewers are experts

The reviewers are specialists

### **Homophily (adapted from Chu and Kim, 2011)**

In general, the reviewers think like me

In general, the reviewers behave like me

### **Management response (adapted from Xie et al., 2014)**

The number of management responses posted by managers is high

In general, managers respond to reviews

### **Ease of use (Dickinger and Stangl, 2013)**

I find it easy to get the website to do what I want it to do.

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