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## The Role of Social Media Marketing in eWOM in the Hotel Industry with an Emphasis on Brand Experience and Identity

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### ABSTRACT

The purpose of this research is to investigate the role of social media marketing on electronic word of mouth (eWOM) in the hotel industry with an emphasis on brand experience and identity. This is an applied research conducted through a descriptive-survey. The statistical population included the customers of the hotel industry in Tehran, which due to its large and unspecified size was assumed to be infinite. The sample, according to Cochran's formula for infinite population, was to the size of 385 ( $n = 385$ ). The data was collected using a standard questionnaire. The validity of the questionnaire's content was confirmed consulting the supervisor and a number of other professors. The questionnaire reliability was assessed using Cronbach's alpha. Based on the data obtained from the questionnaire, the research hypotheses were tested using SEM-PLS in SPSS and PLS4 software. The results indicated that social media marketing had a positive and significant effect on eWOM, brand experience and brand identity. And brand experience and brand identity had a positive and significant effect on eWOM.

**KEYWORDS:** Brand experience; Brand identity; Social network marketing; electronic word of mouth (eWOM)

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## 1. INTRODUCTION

In an ideal world, brand owners would always want to have full control over the right to use their brand name and other brand features. Although some government institutions have expanded the legal coverage of the brand, there is an opportunity to use other brand features without permission (Petty, 2008). By brand features, brand name, URL, logo and symbols, characters, slogans and jingles, and packaging are meant which form the brand identity as a whole (Keller, 2009). The brand elements, each individually or as a whole in the form of brand identity, can affect the brand image and customer perceived value (Markovic, 2016). Brand identity consists of brand elements. Brand elements are commercialization tools that represent the brand and differentiate it. Brand experience is a type of experiential marketing that includes a set of conditions that a company creates in order to influence the customer's feelings towards a specific product or company name. Today, creating better customer experiences differentiates brands. For this reason, there is a trend in the world where companies spend more time, energy, and resources on brand and customer experience creation projects, employee training, and ensuring continuous contact with customers across all channels and media (Huang, 2019).

The development of social media reflects people's need for interpersonal interactions. Faced with the rapid growth of virtual community websites, many companies have already begun to think about how to trust such sites to develop relationships and interactions with their users in order to build close and friendly relationships and create virtual brand communities (Kaplan & Heinlein, 2010; Chen et al, 2014, Chen & Lin, 2019). Social network marketing, as a subset of social media marketing, is one of the innovative and outstanding marketing efforts in which consumers are participants instead of spectators (Kim & Ko, 2012).

Due to the experiential nature of the service, eWOM is considered a reliable and trustworthy method. Word of mouth is a method through which customers exchange and disseminate information about services and products throughout the market (Balter and Butman, 2005). Electronic word of mouth (eWOM) involves a variety of media forms and types of websites in which it has the most access to online consumer opinions and reviews and statistics (Ding & Tseng, 2015). Therefore, eWOM plays a vital role in the popularity and success of e-commerce. eWOM can be positive or negative and its effects on purchase intention vary. This study focuses on the effects of positive eWOM (Roy et al, 2017).

Given the above, the question arises as to whether brand experience and brand identity have a mediating role in the impact of social media marketing on eWOM in the hotel industry.

## 2. Theoretical framework and research background

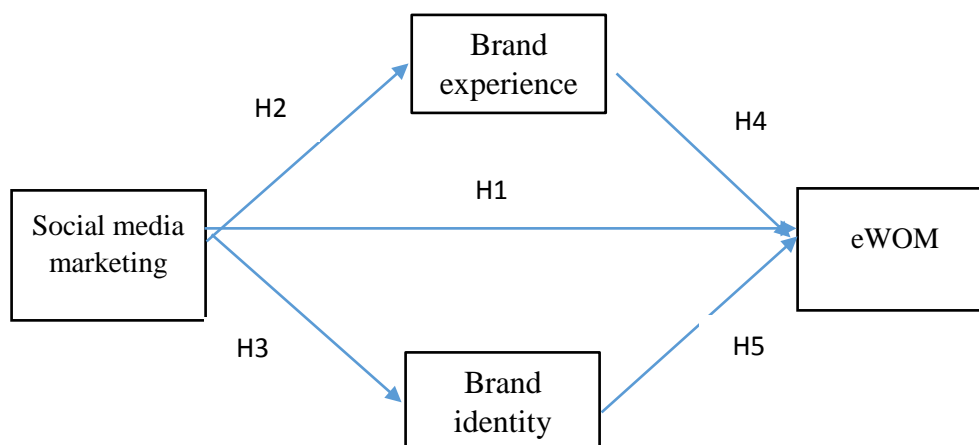
Social network marketing, as a subset of social media marketing, is one of the innovative and prominent marketing efforts in which consumers are participants instead of observers (onlookers). Under this innovative marketing approach, brands and consumers are connected without any limitations in time, place and communication tools, since this approach facilitates a two-way communication instead of the traditional one-way communication (Kim & Ko, 2012). Kuzinets, Hentesberger, and Shaw (2008) and Metz, Yee, and Vargo (2009) also observed that the emergence of an advanced communication technology has transformed the attitude of consumers from the position of a submissive and trailing participant to the position of an innovative and influential participant, as seen in social media (Tour et al, 2017). Brand experience refers to subjective internal (feelings, emotions and cognitions) and behavioral reactions of the consumer to brand stimuli (Zarantenolou and Schmidt, 2010). eWOM advertising refers to interpersonal communication between consumers regarding their personal evaluations and experiences of a company or a product (Johnson et al., 2010). Research has shown that eWOM communication is

more effective than communication through other sources such as recommendations of important newspaper articles or advertisements, because it is perceived as providing reliable comparative information (Jalilvand and Sami, 2012).

The concept of brand identity is the integration of brand elements and their influence on brand awareness and brand image with customers. Brand social identity is the psychological condition in the brand, feelings or value that the consumer attaches to the brand. The social brand identity is created by management activities and transferred to the consumer through communication (Kelly and Alden, 2016). Brand identity is usually based on specific and durable features that managers are willing to develop. If people perceive that the brand has characteristics that are related to their personality characteristics, they consider the brand to be their representative in society (Brao et al, 2017).

Purwanto et al (2022), in a research titled the Effect of brand satisfaction and loyalty on eWOM, stated that satisfaction had an effect on loyalty and word of mouth advertising, brand love on loyalty and customer loyalty on word of mouth. But the variable brand love did not have a significant effect on word of mouth. Farzin et al (2021), in a research titled the Effect of Social Media Marketing and eWOM on Willingness to Pay in the Etailing: Mediating Role of Brand Equity and Brand Identity, found that the perceived quality of social media marketing had a positive and significant effect on consumer eWOM behavior. Consumer eWOM behavior had a positive and significant effect on brand equity and consumer-based brand identity. Chen and Lin (2019), in a research titled Understanding the effect of social media marketing activities: The mediation of social identification, perceived value, and satisfaction, found that social media marketing activities indirectly through social identity and perceived value influenced satisfaction. Meanwhile, social identity and perceived value directly affected satisfaction. Su et al. (2013), in a research investigated the effect of customer identification with the brand on their evaluation of and loyalty to hotels in Australia. The results showed that although most customers felt attached to a particular hotel, yet, the quality of service played a significant role in their evaluation of the hotel of their choice. Stokburger-Sauer et al (2012), in an paper titled Drivers of consumer–brand identification, concluded that brand self-similarity, brand differentiation, brand social benefits, brand beauty, and memorable experiences had the greatest impact on customer brand identity (CBI). And customer identification with the brand was an important factor in drawing customer loyalty.

Based on the above theoretical and empirical background and drawing on the model of Pezzotti et al. (2021) and Farzin et al. (2021), the conceptual model of the research is designed as follows:



**Figure 1.** Conceptual model (Pezutti et al, 2021; Farzin et al, 2021)

**First hypothesis.** Social media marketing has a positive and significant effect on eWOM.

**Second hypothesis.** Social media marketing has a positive and significant effect on brand experience.

**Third hypothesis.** Social media marketing has a positive and significant effect on brand identity in the hotel industry.

**Fourth hypothesis.** Brand experience has a positive and significant effect on eWOM.

**Fifth hypothesis.** Brand identity has a positive and significant effect on eWOM.

### 3. Methodology

This is an applied research conducted with a quantitative (comparative) approach through a descriptive survey using a questionnaire.

The statistical population of the research included the customers of hotels in Tehran, which due to its large size was assumed to be infinite. The sample, according to Morgan's table for infinite population, was to the size of 385 (n = 385) the individual members of which were selected using simple random sampling. Standard questionnaires were used to measure the variables in this research.

**Table 1.** Questionnaire's dimensions and their respective items

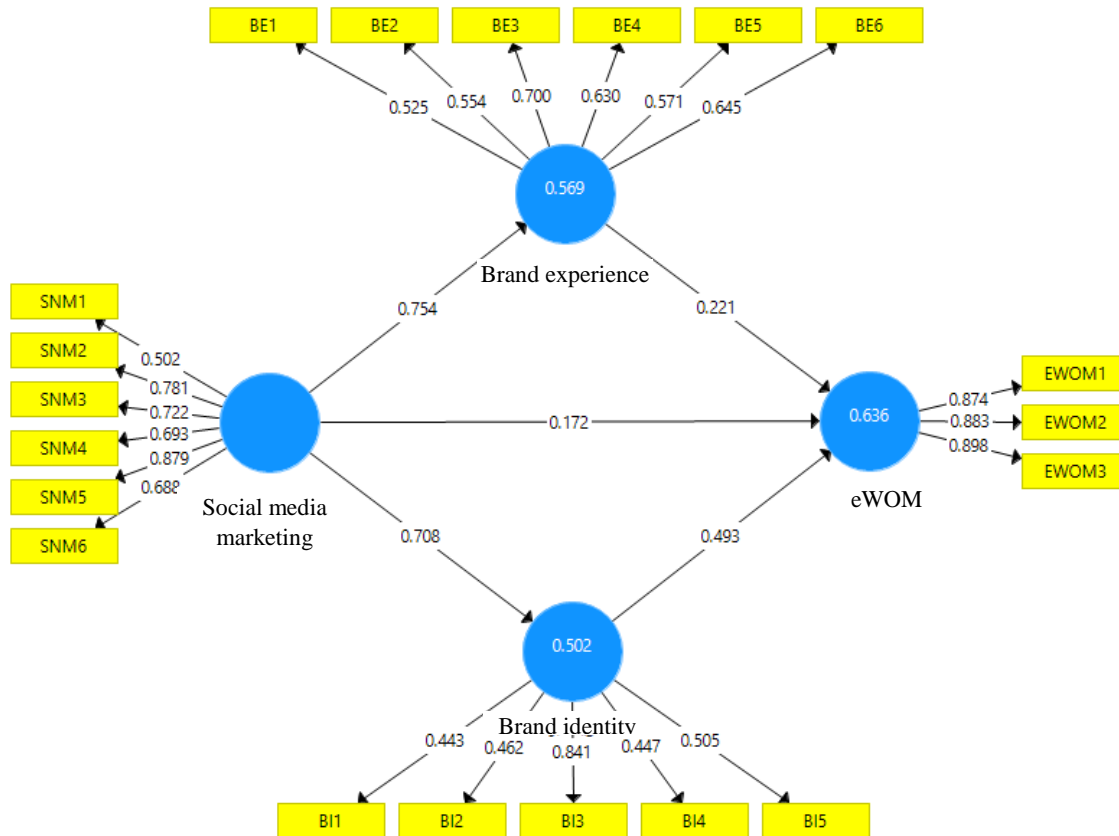
Constructs	Nr. of questions	Sources	Scale	Measure
Social media marketing	6	Kim & Ko (2012); Ahmed & Zahed (2014)	Ordinal	5-point Likert scale
eWOM	3	Wiemann (2011); Gameros et al (2001)	Ordinal	5-point Likert scale
Brand identity	5	Turn et al (2020)	Ordinal	5-point Likert scale
Brand experience	6	Prentic et al (2019)	Ordinal	5-point Likert scale

The questionnaire was adapted and validated consulting the supervisor and other professors with expertise and knowledge of the field.

A preliminary test of reliability was performed by distributing the questionnaire among 30 respondents, according to which the obtained Cronbach's alpha for all variables of information sharing level and the whole questionnaire was more than 0.7. Next, the obtained data from the whole sample was analyzed in SPSS and the SmartPLS4 software, using structural equation modeling (SEM) technique for PLS.

### 4. Findings

In this section, the results of confirmatory factor analysis of each research variable by SmartPLS 4 are presented. The strength of the relationship between the latent and observable variable is given by the factor loading. Factor loading is a value between zero and one. If the factor loading is less than 0.4, the relationship is considered weak and is ignored. A factor loading between 0.4 and 0.6 is acceptable, and if it is greater than 0.6, it is very desirable (Klein, 2010). The factor loadings of the research variables were calculated separately as shown in figure 2.



**Figure 1.** Factor loadings of model components in standard state

As can be seen in the figure above and table 1, in all the model's constructs, factor loadings have values greater than 0.4. Hence, the reliability of measurement models is acceptable. Having measured the factor loadings of the questions, Cronbach's alphas and composite reliability (Dillon–Goldstein's  $\rho$ ) were computed, the results of which are reported in the table below.

**Table 2.** The results of Cronbach's alpha, composite reliability (CR), and convergent validity

Dimension	CR	Cronbach's alpha	Convergent validity (AVE)
Social Media Marketing	<b>0.819</b>	<b>0.863</b>	<b>0.518</b>
Electronic Word-of-Mouth	<b>0.862</b>	<b>0.916</b>	<b>0.784</b>
Brand experience	<b>0.711</b>	<b>0.776</b>	<b>0.768</b>
Brand Identity	<b>0.752</b>	<b>0.780</b>	<b>0.714</b>

As is seen in the above table the obtained Cronbach's alpha for all dimensions is greater than the threshold of 0.7, hence the research reliability is confirmed.

To test the composite reliability (CR) of each construct, the Dillon-Goldstein coefficient ( $\rho$ ) is used. The composite reliability reported in table 1 for each construct is greater than the threshold 0.7, hence composite reliability of the constructs are confirmed.

Another criterion in examining the measurement model fit in terms of internal consistency of the constructs is convergent validity which is measured by average variance extracted (AVE). In the table

above, the obtained AVE for all constructs is greater than the minimum acceptable value 0.5, whereby the convergent validity of the model is confirmed.

We also use the measure heterotrait-monotrait ratio (HTMT) to assess discriminant validity. If the HTMT value is less than 0.90, there is discriminant validity among the constructs (Henseler et al, 2015).

**Table 3.** Discriminant validity by HTMT

HTMT	Social Media Marketing	Electronic Word-of-Mouth	Brand experience	Brand Identity
Social Media Marketing				
Electronic Word-of-Mouth	<b>0.641</b>			
Brand experience	<b>0.840</b>	<b>0.552</b>		
Brand Identity	<b>0.698</b>	<b>0.549</b>	<b>0.556</b>	

### Overall model fit

Chen (1998) proposed three values of 0.19, 0.33 and 0.67 as criterion values for weak, moderate and strong  $R^2$  values, respectively, as the indicators of the structural model overall fit.

**Table 4.**  $R^2$  values

Variable	$R^2$ value	Adjusted $R^2$ value	$Q^2$
Electronic Word-of-Mouth	0.636	0.633	0.188
Brand experience	0.569	0.568	0.192
Brand Identity	0.502	0.501	0.179

The second structural model fit index is the  $Q^2$  index. This measure indicates the predictive power of the model regarding an endogenous construct. As a rule,  $Q^2$  values of 0.02, 0.15 and 0.35 indicate weak, moderate and strong predictive power corresponding to an exogenous construct, respectively. Given the  $R^2$  and  $Q^2$  values, as reported in table 3, the structural model overall fit and predicting power is confirmed.

According to Henseler et al (2014), a standardized root mean squared residual (SRMR) value of below 0.1, and in a conservative case, of 0.08, indicates the model adequate overall fit.

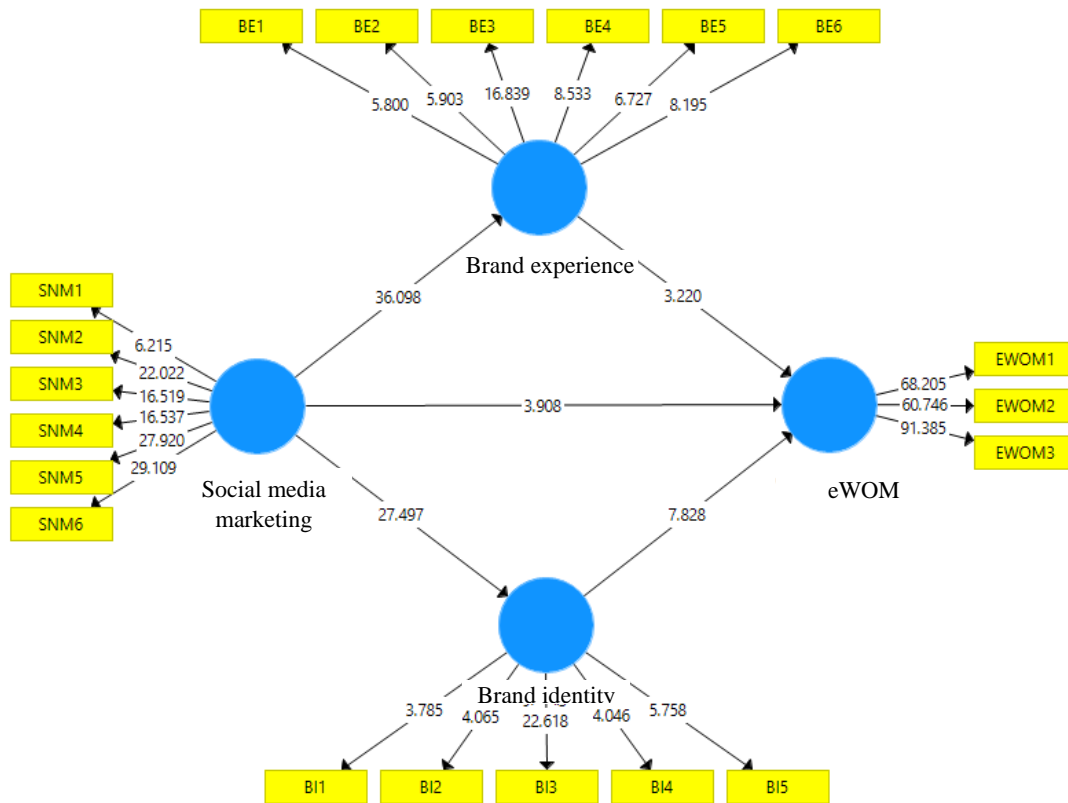
**Table 5.** The results on the overall model fit using standardized root mean squared residual (SRMR) and NFI index

Latent variables	Saturated model	Estimated model
SRMR	0.069	0.062
NFI	0.512	0.512
d_ULS	3.764	3.764
d_G	1.689	1.689

The NFI index, which is called the Bentler-Bonnet index, is a comparative fit index. This index assesses the model by comparing the chi-square values of the independent model and the chi-square of the saturated model. An NFI value above 0.9 is acceptable, indicating the model suitability. Bootstrap provides confidence intervals for the two values discrepancy. Values greater than 0.05 for d\_ULS

measure (i.e. the Euclidean least square discrepancy) and d\_G (i.e. the geodesic discrepancy) indicate good model fit. The obtained d\_ULS and d\_G values in the above table which are more than 0.05 indicate the model good fit.

By default, PLS4 software tests relationships at the 95% confidence level, and since the t-value at this interval is equal to 1.96, any relationship with a t-value outside the range of -1.96 to +1.96 is considered statistically significant at the 95% confidence interval.



**Figure 3.** Significance coefficients of the conceptual model

The t-statistic shows the significance of the relationship between the variables. A t-value greater than 1.96 indicates a positive and significant effect; a t-value between -1.96 and +1.96 indicates the lack a significant effect; and a t-value smaller than -1.96 indicates a negative and significant effect. Also, if the path coefficients are above 0.6, it means that there is a strong relationship between the two variables; If it is between 0.3 and 0.6, there is a moderate relationship, and if it is below 0.4, there is a weak relationship. As shown in the model, all the hypotheses of the model are confirmed as their t-value falls outside the specified range, indicating the significance of all hypotheses and relationships between variables at the 95% confidence interval. The results on the test of the research hypotheses are presented in the table below.

**Table 6.** Results on the test of the hypotheses

Hypothesis	Path	Path coefficient	p-value	t-value	Test result
1	Social Media Marketing-> Electronic Word-of-Mouth	0.172	3.908	0.000	Accepted
2	Social Media Marketing-> Brand experience	0.754	36.098	0.000	Accepted



3	Social Media Marketing-> Brand Identity	0.708	27.497	0.000	Accepted
4	Brand experience-> Electronic Word-of-Mouth	0.221	3.220	0.001	Accepted
5	Brand Identity-> Electronic Word-of-Mouth	0.493	7.828	0.000	Accepted

Given the results in the above table, all the research hypotheses are confirmed.

## 5. Discussion and conclusion

The importance of social media marketing in recent years has caused organizations and managers to use different programs and strategies to achieve their goals. Developing relationships with customers is very vital for organizations to achieve mutual and desirable communication, so much so that in recent years, this relationship has been frequently employed for brand management and word of mouth. When developing social networks, brands have been able to optimally profit from it for their development, communication took a fresher form and as a result, affecting its quality as well. In this research, an attempt was made to assess the impact of social media marketing in improving eWOM and brand identity and experience. What emerges from the research results is the positive effect of social media marketing on eWOM, brand experience and brand identity, and the mediating role of brand experience and brand identity in the positive effect of social media marketing on eWOM. This finding is consistent with the results reported in previous studies. It follows that if the brand managers and marketers focus on the customer's mind in creating a common experience and the advantages thereof, and make its benefits concrete and specific for the customers, the number of people advertising the brand, company and product will increase, meanwhile the relationship between customers and the brand develops within the framework of social networks which will become a tool for successful marketing. This finding is consistent with the results found by Bianchi and Andrews (2015). With the development of social network marketing, the programs that organizations design for their customers are better implemented and the brand identity is also positively affected through this process. Brand identity has a positive effect on word-of-mouth marketing in brand social networks. In brand social networks where there is trust and quality, customers feel more secure and provide a successful experience for the brand. These findings are consistent with the results reported by Giranda (2014), Carroll and Ahoya (2006), Zhao et al. (2011), and Laroche et al. (2012), as they confirm the effect of social media marketing on individual brand identity, and that of social identity on brand communities, and that brand communities in social networks have a significant impact on brand community commonalities (common awareness, common rituals and traditions, and social commitment, the effect which promotes social interaction and brand use, resulting in the formation of consumer trust in the brand and ultimately brand loyalty.

Finally, it is suggested that hotel marketing managers try to provide more and more interesting services to customers. The better the customer experience with the brand and the benefits he gets from it, the more eWOM the organization enjoys. eWOM is achieved through satisfied and loyal customers. Selling more, increasing profits, attracting more customers, etc are goals that can be easily achieved through social networks, as a result, it is suggested that managers provide different services to their loyal customers, so that they can use eWOM in developing virtual environments through loyal customers. This will increase the customer's trust, develop relationships and improve the relationship between the brand and the customer.



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**ETHICAL CONSIDERATION**

Authenticity of the texts, honesty and fidelity has been observed.

**CONFLICT OF INTEREST**

Author/s confirmed no conflict of interest.