

Full Length Research Paper

The word of mouth communication and management services

Braga, Claudomilson Fernandes*, Nascimento, Adriane Geralda do and Pereira, Luciano Alves

Faculdade de Comunicação e Biblioteconomia - Universidade Federal de, UFG Brasil.

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Communication by word of mouth (WOM) has been considered as a fundamental approach to managing the relationships that different stakeholders used to interact with the organization. The same is seen as non-burdensome for business and a source of information considered safe for customers. Thus, the main objective of this paper is to show how customer satisfaction affects the communication process. This study was conducted by applying a quantitative survey in a large hotel in the region of Goiania. The results indicate the widespread of this communication, having in view the excellent quality of services provided by an organization.

Key words: Word of mouth communication, satisfaction, services.

INTRODUCTION

Special emphasis on the literature has been given to studies of communication, especially when it comes to word of mouth communication, better known as Word-of-Mouth in international studies (Bansal, 2000; Butle, 1998; Grace and O'Cass, 2004, 2005; Harrison-Walker, 2001; Matos and Rossi, 2008). The theme word of mouth (WOM) has assumed a fundamental importance in communication studies. This reality has been demonstrated mainly in the service sector, where the evaluation by the customer is much more subjective to the very feature that takes the industry: intangibility, heterogeneity and inseparability (Parasuraman et al., 1996).

Typical services companies like: banks, educational institutions, health services, or their own hotel in question, will depend increasingly on the consumer experience with the service, whether in terms of what is communicated, what customers say, or the actual experience of consumers.

The aim of this study is to analyze the behavior of positive WOM hospitality services industry, whose communication enables an increase in demand by

customers and improve the organization's image, by the application of a survey of 330 consumers in a large hotel in Goiania luxury-class category. The research allowed the companies of the *setor que* that are in the process of strong improvement to find and provide the best services that require more difference within a market logically. The market competition affects the search for a higher standard of quality and reference that most often occurs through informal sources, that is, WOM communication.

Communication services

In today's competitive markets, companies and professionals should note that the messages that reach consumers on products and services are clear, concise and integrated. This is mainly due to the fact that they maintain the effectiveness of the communication process, since to attract and retain the attention of customers in a market is increasingly saturated with commercial messages becoming a challenge. In this sense, communication plays an important role with regard mainly to activities related to services.

The service sector has, for the most part, intangible characteristics, in that the research in this area has grown to investigate possibilities of measuring these

*Corresponding author. E-mail: milsonprof@gmail.com.

assets that are said to be invisible, considering that they have characteristics that differentiate the products. These recommendations insert a number of issues, involving external communication, the WOM, advertising and brand name, as key to managing communications (Grace and O'Cass, 2005).

According to Berry (1996), it is difficult for customers to assess services before purchase, that is, they do not experience a service to verify what it serves. The customer must first buy the service after experiencing it for real. Within this context, communication plays an essential role, whether in the form of persuading the consumer to purchase, or in the transfer of informal information about the service, such as communication WOM. To Grönroos (2003), almost everything an organization says about itself, its performance, and everything it does has some effect on the client. Thus, the various media and their effects are interrelated. Grönroos (2003) states that in addition to communication activities that can easily be planned and implemented, other aspects are important for communication, such as the operation of the service process, in which resources and physical products are used in this process.

Grace and O'Cass (2005) are of the opinion that the effects of communication influence the choices of brands. Concepts differ on some considerations related to the topic. For some, with the controlled communication, or the communication carried out by managers in the area, such as advertising, a source reveals itself as more influential in consumer attitudes (Grace and O'Cass, 2005). For others, the communication, which is not controlled by WOM, and which is defined as informal sources that are established from one person to another is typically more significant because it is characterized as a more reliable source of information (Murray, 1991; Grönroos, 2003).

Communication by word of mouth (WOM)

The study of WOM is inserted in a context of communication, in which this behavior becomes important and increasingly prevalent, mainly by the saturation of stimuli of the traditional communication channels received by customers. Communication by WOM is a source of information free of commercial value to the customer, and does not generate costs for the company.

Thompson (2008) featured the word of mouth communication as a social interaction face to face: The subjects were related to each other mainly in the approach and the exchange of symbolic forms, or were engaged in other types of work within a shared physical environment. Depending on oral traditions, survival in a continuous process of renewal is through stories and activities reported in contexts of face to face.

According to Kunsch (2003), the informal system of

communication emerges in social relations between people and is not required and contracted in organizations. For the author, informal communication has to be linked to the constructive side, helping organizations get much faster responses to environmental concerns. According to Day (1971) and Murray (2001), WOM communication is characterized as an important source of information and an unconventional source of communication for the organization. Similarly, Grönroos (2003: 333) points out that: Word of Mouth means messages about the organization, its credibility and reliability, their modes of operation, services, etc, communicated from one person to another. According to Grönroos (2003), the impact of communication by WOM is much stronger than those communications that are planned by the managers of the said area. As the services have some degree of ongoing relationship with customers, Grönroos (2003) states that any service experienced by the customer, whether good or bad for the service provider, will become a source of information. According to Brown et al. (2005), the basic idea of WOM is associated with any information on the designated object transferred from one individual to another.

For Arndt (1967: 295), his definition of WOM, "an oral communication, from person to person, between the communicator and receiver, in which the recipient does not see any commercial information about a brand, product or service," corroborates the definition of Harrison-Walker (2001). In contrast, Buttle (1998) argues in favor of increasing the understanding of this concept by entering the perception of not requiring a person to person contact, which is provided by the virtual environment. In consideration of the positive or negative nature of the WOM, Buttle (1998) believes that the negative nature is more influential and has greater impact than the positive one. Thus, the communication would be related to the positive aspects of positive recommendations for a brand, service or product, while the negative ones would be a reverse of this case. According to Buttle (1998), companies have become interested in the so-called "management WOM" mainly for the emerging paradigm of relationship. The author argues that WOM may occur spontaneously, and it could be encouraged, rewarded or produced electronically. According to Buttle (1998), part of the communication characteristics of WOM include:

1. Favorability: A character described as positive or negative comments made by behavioral WOM.
2. Focus: The focus is on the subjects involved in the process.
3. Time: It may be prior to the act of consumption, in which case the receiver's perspective or later consumption is seen from the perspective of the issuer.
4. Application: It starts from the assumption that when information is requested, the receiver chooses to seek opinions from an opinion leader or influencer.

5. Intervention: WOM may suffer the intervention of the organization to increase their individual or organizational level.

Satisfaction

For Churchill and Surprenent (1982), satisfaction is a result of commercialization of the marketing activity, which serves to relate processes that culminate in the purchase, consumption and post-purchase phenomena, such as attitude change, repeat purchase and brand loyalty. The definition is centered on the concept of marketing, in which profits are also generated through service needs and customer satisfaction.

According to Oliver (1980), the concept of satisfaction is related to the fact that consumption is responsible for filling any need or desire of the consumer. This is the assessment of a characteristic of a product or service, or a product or service itself, which indicate that with them it reaches a certain level of pleasure derived from its consumption. From this perspective, satisfaction is seen as a psychological state of consumer expectations regarding the performance of the product or service. Thus, the satisfaction literature is largely interpreted through the perspective of expectations disconfirmation, that is, customers are satisfied when the results exceed their expectations and are dissatisfied when outcomes are below their expectations.

METHODOLOGY

This study was divided into two stages: Exploratory and descriptive (Malhotra, 2001). The first aimed at a review on the concept of WOM and the second corresponded to the measurement based on the consumer perspective, taking into consideration the context of hospitality. The exploratory phase was developed with a focus on understanding the object to be studied: WOM communication.

According to Malhotra (2001), this type of research aims to provide the researcher with a deepened knowledge of the topic that is being worked on. The descriptive stage was conducted through a quantitative approach, which according to Malhotra (2001) corresponded to a type of research characterized by quantification in the collection and processing of information, using statistical techniques and considering the need to measure and represent. For Hair et al. (2009), preparation of the questionnaire represents an important phase of the study, that is, a phase of organizing a series of questions which will then be answered by the audience research. The questions used a Likert scale of 7 points.

Data collection was performed from 25 to 29 January, 2010, at 08:00 to 20:00. Approaching customers, at the time of their checkout from the hotel reception, 350 questionnaires were applied, and of these, 330 were considered valid, since the questionnaires were not filled out completely. The questionnaires were tabulated, using the SPSS statistical software research.

RESULTS AND DISCUSSION

Sample characterization

Five questions in the questionnaire were used to evaluate

the profile of the sample (demographic data). Based on the results, the sample regarding age, gender, marital status, median family income and accommodation was first characterized in this study. It is noteworthy that these questions were only used to control the sample and have not been used for analysis. The sample comprised the majority of men aged between 30 and 35 years (33.6%) and men aged over 35 years (48%). In relation to gender, men (64%) were more dominant in the sample, in that strengthening the tourism business in Goiania was most often performed by males. According to the status, the majority of the public who attended the hotel was married (60.4%) and had monthly household income exceeding \$ 4,000.00 (38.7%), followed by the income range of \$ 3,000.00 to 4,000.00 (34.8%). On the first host, the data showed that the vast majority of the public who came to the host hotel was already, or have been in the hotel more than once (87.4%), which reflected the concern of where to keep customer loyalty.

Descriptive analysis of constructs

Considering a seven-point scale, all items of the satisfaction construct show five points, which represents a good index of variables for this construct. This demonstrates that customer satisfaction regarding honesty, ethics and credibility, appearance, treatment of employees, management, helpfulness of receptionists, overall quality of the hotel and solving minor problems by the officials, are very well evaluated. The highest average for the satisfaction construct was observed in variable V1, as illustrated in Table 1, which represented the honesty of the service provided by the hotel, while the lowest average was observed in V10, which represented the resolution of minor problems on the part of the hotel staff. Considering WOM, the average of the construct was higher with variable V11 (where positive things were said about the hotel to others) and the average was lower with variable V16 (where positive things were said about the employees of this hotel to others), as illustrated in Table 2. This implies that people have a tendency of greater recommendation to others, than to their family. In general, one can say that there was a good level of satisfaction and WOM behavior, with averages above the midpoint of the range, where the two constructs analyzed were featured by all and the averages were more than four. The high standard deviation expresses the dispersion of data around the average, showing that the answers are contained within the seven points of the table.

CONCLUSION AND RECOMMENDATION

The image of the organization is directly related to the perception and experience that is experienced by the

Table 1. Descriptive analysis of the satisfaction construct.

Satisfaction: Variables of the average	Standard deviation
V1 - Honesty of service of this hotel	1.248151
V2 - Practice of business ethics in this hotel	1.357131
V3 - Credibility of this hotel	1.242121
V4 - Appearance of this hotel	1.325152
V5 - Quality of service of this hotel	1.307815
V6 - Treatment the respondent received from the staff at this hotel	1.270554
V7 - Administration	1.304214
V8 - Support from this hotel receptionists	1.276379
V9 - Overall quality of this hotel	1.251770
V10 - Resolution of minor problem by staff of this hotel	1.334613

Source: Research data.

Table 2. Descriptive analysis of the WOM behavior's construct.

WOW behavior: Variables of the average	Standard deviation
V11 - The positive things said about this hotel to others	1.463594
V12 - Recommended this hotel to close friends	1.451589
V13 - Recommended this hotel to known	1.493.698
V 14 - The respondent made it clear to others that he keeps business with this hotel	1.559051
V 15 - Recommended this hotel to members of his family	1.612066
V 16 - The positive things said about the employees of this hotel to others	1.5403183

Source: Research data.

customer for their products or services. To provide quality service, with support, clarity and transparency in business, one has to reflect on how the client will perceive an organization and how it will transmit information thereof to the other. Thus, it is clear that the monetary value is not the only determining factor for a purchase or service. Other issues that are related to value are to be worked on as differentiating elements.

The development of this work contributes to the theory of WOM behavior in services, assessing the impact of some variables present in this behavior. The importance that the services have been receiving in the current context and its considerable growth demonstrates the strong tendency to go to that area of study. For the theoretical context, the strengthening of the WOM positive behavior is strong, when some essential requirements are properly done in the organization. Thus, this study contributes to the management of communication, by working with one central issue: a kind of uncontrolled communication that influences consumers to buy services or products that are often recommended by others. To characterize this as a source of information to business is costly, but more secure or reliable for the customer. As such, the WOM behavior has acquired, over time, special attention by researchers. The research results presented in relation to WOM behavior reinforce indications and the time already discussed, which may

indicate the best ways for managers of organizations to strengthen their customer relationships and seek their commitment as well.

Studies of word of mouth communication are possible and they indicate that the proximity of the organizations with customers in a logic relationship can support and improve the performance of companies. Put in another way, the good mouth communication can and should be a marketing tool that can not be ignored by companies.

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