

User Segmentation Based on Perceived Richness of Consumer-Generated Media

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TTRA 2019 Extended Abstract: User Segmentation Based on Perceived Richness of Consumer-Generated Media

Introduction

The mounting popularity of travel-related user-generated content platforms such as TripAdvisor has garnered significant research attention to consumer-generated media (CGM). Researchers have examined how users assess the content of reviews – cues, sentiments, rhetorical strategies, argument quality, etc. (e.g., Bridges & Vásquez, 2018; Hernández-Ortega, 2018; Shin, Du & Xiang, 2019). Others have investigated individuals' motivations for generating (or posting) content as well as for using the CGM content (Belarmino & Koh, 2018; Wu & Pearce, 2014; Yuan, Lin, & Zhuo, 2016). Most studies have however focused on technology adoption perspectives and explored usage antecedents (e.g., Ayeh, Au & Law, 2013a; Ayeh, 2015), patterns (e.g., Gretzel, Yoo, & Purifoy, 2007) and impacts (e.g., Ye, Law, & Gu, 2009; Ye, Law, Gu, & Chen, 2011) with less attention on media communication perspective. The few studies in this regard have predominantly centred on source credibility (e.g., Ayeh, Au & Law, 2013b) and trust (e.g., Sparks & Browning, 2011; Filieri, 2015) due to rising concerns about fake reviews. Nonetheless, one of the most prominent (but also, well contested) theories of communication media preferences and usage is the Media Richness Theory (MRT; Daft & Lengel, 1984, 1986; Daft, Lengel & Trevino, 1987). Also known as Information Richness Theory, the media richness theory has kindled much research on media selection and yet has received limited attention in the context of consumer-generated media, despite being concerned with determining the most appropriate communication medium for reducing uncertainty and resolving equivocality (Daft et al., 1987).

As El-Shinnawy and Markus (1997) observed, distinct differences exist among traditional media and the new media with regards to their ability to support the four elements of the richness construct (i.e. capacity for immediate feedback, ability to convey multiple types of cues, language variety and personal focus). Nonetheless, individuals' perceptions of how 'rich' a medium is might still influence their choice of the medium for specific tasks. Giving the growing use of TripAdvisor for the task of travel planning, it is thus important to assess how travel consumers perceive the 'richness' of this medium. This study therefore investigates the potential role of media richness theory in explaining CGM usage by segmenting travel consumers based on their perceived media richness of TripAdvisor and profiling them to improve our understanding of their conative responses to CGM.

Literature Review

The media richness theory was developed and tested through a comparison of traditional media, specifically, face-to-face, telephone, written addressed documents and written unaddressed documents. Later, it was extended to include electronic mail. Several studies offer empirical evidence in support of the ability of MRT to account for differences in the way individuals choose among traditional media and between traditional media and new media (Daft et al., 1987; El-Shinnawy & Markus, 1997). Nonetheless, the view that MRT applies equally well to choices among new media is a highly contentious one (El-Shinnawy & Markus, 1997). Findings in this regard are mixed. For example, studies by Suh (1999), Dennis and Kinney (1998) and El-Shinnawy and Markus (1997) which examined individuals' choice of new media could not establish support for the MRT. The theory's failure to explain people's media choices in the context of the new

media has been attributed to the way the concept has been conceptualized and measured. El-Shinnawy and Markus (1997) assert that even if media richness is an important determinant of people's media choices, the ways in which the concept has been operationalized in the context of traditional media may be inapplicable or inappropriate for the new media. Apparently, the theory does not consider the full range of new media functionalities and the new relationships among users and between users and the technologies emerging from the current new media environment of Web 2.0.

Methodology

This study developed a new scale to measure the perception of respondents regarding the richness of CGM websites. The measurement items were generated in consideration of Daft and Lengel's (1984) specification of how media vary in their capability to (1) provide feedback; (2) support multiple cues; (3) allow for variety in language use; and (4) support personal focus – that is, the degree to which a medium enables participants to express their feelings. In addition, item development was informed by Dennis and Kinney (1998) and Papathanassis and Knolle (2010) as well as the nature of the medium offered by social media. Fourteen items were initially proposed for this scale. Based on the expert panel review, the scale was subsequently reduced to eight measurement items.

Data were collected using a Web-based survey of American travel consumers. Respondents were recruited through an online panel research company. From a data quality perspective, steps were taken to ensure that only sample members who have taken a leisure trip in the 12 months preceding the survey and who used the Internet for travel information search could access the survey. Additionally, each respondent could complete the survey only once. After data screening, 524 valid responses remained for the analysis.

Following the recommendations of Dolnicar (2008), the study employed the segmentation approach involving a direct clustering of original scores. This approach has been lauded by prior research as delivering more accurate or detailed segmentation owing to its ability to preserve more of the original data (Sheppard, 1996; Prayag & Hosany, 2014). SPSS software (version 24) was used to conduct the analyses.

Results

This study employs indicators of perceived media richness to identify meaningful segments among travel consumers with regards to their perception of the media richness of TripAdvisor's CGM platform. The data analysis process involved three key stages: (1) clustering travel consumers into homogenous groups based on the raw scores of the perceived media richness indicators (2) validating the cluster solution, and (3) profiling the resultant clusters against relevant variables.

Analyses reveal three clusters which differentiate travel consumers by the degree of their perceived media richness of the TripAdvisor platform. To validate the structure of the cluster solution, it was vital to conduct statistical comparison with a theoretically relevant variable which was not included in the segmentation process (Prayag and Hosany, 2014). Hence, travellers' willingness to utilize the CGM platform for future trip planning was used to establish the external validity of the cluster solution.

A profile of the cluster solution was necessary to improve our understanding of the resultant segments. Each cluster was cross-tabulated with respondents' characteristics, past experience with the CGM platform and attitudes. Chi-square test revealed significant differences among the clusters. The three segments differ by respondents' prior experience with TripAdvisor as well as by their attitudes and willingness to employ TripAdvisor for future travel planning.

Discussion and Conclusion

Among others, the findings advance our understanding of the media richness theory in the context of consumer generated media. The study represents a valuable contribution to the scant literature on media richness in the new media environment. Given the need to improve customer engagement in an era of customer-to-customer interactions, the findings throw light on the potential role of perceived media richness which has often been ignored in CGM research. The measurement index could as well serve as a basis for future research in this field. Some practical implications can also be drawn from the study. CGM platforms like TripAdvisor have been a significant success in the 21st Century. Nonetheless, system designers could focus on improving platform capabilities based on an adaptation of the four elements to augment the experience of end users. The resultant segments also have marketing implications.

The study is not without limitations. The empirical findings are limited by the nature of the TripAdvisor and may not necessarily apply to other types of C-2-C platforms as each has its unique mode of engagement among users. Generalisability of findings may also be challenged by the ephemeral nature of the technical features of CGM platforms.

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