Chapter 12

From Electronic Word of Mouth to Virtual and Augmented Reality: A Case Study of the Restaurant Sector in Pune, Maharashtra, India

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ABSTRACT

This chapter reveals how service is an integral part of any customer value creation strategy and the role played by eWOM with respect to the restaurant industry by considering it in the context of Pune city, Maharashtra, India. It explores literature on eWOM in service industry, in general, and restaurant industry, in particular; additionally, the author employs Delphi method to seek responses from people within the restaurant industry to gauge the importance of eWOM in customer value creation. The world is progressing at a massive pace; international mega-trends only underpin this verity. The internet boom is at its pinnacle, smartphone diffusion is rising rapidly, and demographics are advancing. The chapter points out how “new” technologies such as Virtual Reality or Augmented Reality may change the way customers deal with restaurants.
INTRODUCTION

Service industry thrives on customer feedback and response—how customers feel upon availing a service, and how they would circulate this experience amid their peers and acquaintances. “The Word of Mouth (WOM) available online is called Electronic Word of Mouth (eWOM) and online customer reviews are one form of eWOM” (Ahmad & Laroche, 2017; Hajli, 2015). Electronic word-of-mouth communiqué (eWOM) involves affirmative or negative testimony by a previous client/consumer/shopper that is accessible to a vast majority of people through internet or electronic modes of communication. In a conventional WOM, the exchange of ideas is an ephemeral phenomenon and disappears soon after being shared. Contrarily, in the case of eWOM, the idea sustains over an extended period. eWOM comprises online reviews, social media posts, blogs, messages posted on interactive apps, etc.

An important fraction of this narrative is the ‘psychological environment’ (Martín-Ruiz, Barroso-Castro & Rosa-Díaz, 2012) or building service brand through creation of emotional brand experience (Morrison & Crane, 2007), which forms the cornerstone of eWOM. Service experience—personal responses, feelings and stances held by consumers upon consuming a service—has assumed significance as an element of consumer appraisal/valuation of and fulfillment derived from services (Orsingher & Marzocchi, 2003). Emotions have a vital influence in consumers’ preference, choice, satisfaction and loyalty toward service brands (Morrison & Crane, 2007). Therefore, service providers need to understand the value and appeal of service experience and emotional dynamics involved when a client decides to ‘initially choose’ and then ‘continue’ to use a service brand; the initial choice would largely depend on word of mouth promotion (Baggio, Cooper, Scott & Corigliano, 2009; Reza Jalilvand & Samiei, 2012), while continued use of service brand would depend upon previous service experiences (Chen & Chen, 2010). Thus, such brand experiences bring about brand loyalty, active referral of the brand and amplified profitability for the brand. As pointed by Martín-Ruiz, Barroso-Castro & Rosa-Díaz (2012), customer perceptions of value depend predominantly on service attributes—employees, processes, servicescape, service equity, service convenience and price fairness—and by enhancing one or more of these attributes, managers can shape service value and create satisfactory service experiences.

The purpose of this chapter is to reveal how service is an integral part of any customer value creation strategy and the role played by eWOM with respect to the restaurant industry by considering it in the context of Pune city, Maharashtra, India. The ‘food and beverage industry’ in Pune is flourishing. There are copious eating and feasting options available across the city affording delectable choices. It is not merely the taste that matters to the food connoisseur but also the ambience, typical wait time, availability of reservations, seating arrangements, staff (friendly, efficient,
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