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THE EFFECTIVENESS OF TRYVERTISING IN HOTELS

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The Effectiveness of Tryvertising in Hotels

Abstract

Advertising has been a common practice to promote products and services in the tourism and hospitality industry. Although ample research has investigated customers' perceptions of and reactions to advertising visuals, direct experience advertising strategies, such as tryvertising have been ignored. As an emerging direct experience approach, tryvertising has been increasingly used in tourism and hospitality businesses especially in hotels. This study explores the effectiveness of tryvertising practices on customer purchase behaviors in hotel settings. Two real data sets that combine 6,858 records of customers' hotel stays and guestroom products purchase transactions were obtained from a hotel management company that uses tryvertising strategies in China. The results from a Heckit model analysis determine the potential factors that affect hotel guests' likelihood to buy and the amount of money spent on products promoted through tryvertising. This study fills this void in the current literature that focuses on traditional mass advertisements and behavioral intentions rather than actual purchase behaviors. It contributes to the literature with empirical evidence of the impact of tryvertising strategies on consumer behaviors in a hotel context. Managerial implications are suggested for practitioners to customize their tryvertising strategies.

Keywords: Tryvertising, direct experience, hotel, purchase decision, spending behavior

1. Introduction

Driving sales and profits has been an issue of utmost interest to businesses. Among the various tactics that have been used to stimulate purchases, advertising is one of the most widely adopted. Over the past two decades, the forms of advertising have dramatically evolved from traditional mass media to online and social media (Dahlen & Rosengren, 2016). Despite this wide adoption, measuring the effectiveness of advertising that varies across contexts has been challenging, and such measurement depends on a number of factors. Additionally, with advancements in information technology, issues such as excessive Internet use, information overload, and declining consumer trust on branded commercials have raised further criticism regarding the effectiveness of advertising (Drèze & Hussherr, 2003). Facing high pressure to cut advertising expenses, marketers continue to seek ways to connect advertising strategies and firm performance (Lehmann & Reibstein, 2006).

The biggest challenge for traditional advertising is to deliver messages that can successfully gain consumers' attention and trust. Consumers may choose to avoid or ignore advertisements that are interruptive and non-relevant to them (e.g., Benway, 1999; Cho & Cheon, 2004; Drèze & Hussherr, 2003; Goldstein, Suri, McAfee, Ekstrand-Abueg, & Diaz, 2014; Zano, 1984). One way to overcome such weakness is direct experience advertising strategies that allow consumers to experience the actual product or service to facilitate purchases. An emerging direct experience strategy is "tryvertising," which makes "consumers familiar with new products by actually trying them out" (Trendwatching, 2005, p. 1). Unlike a free sample or a product trial, tryvertising is a form of product placement. Giving out free samples or inviting random consumers for free trials cannot guarantee that the right audience is targeted at the right time and at the right spot. However, the idea of tryvertising is to integrate products or services into the target audience's daily lives in a relevant way that makes them feel that trying such products is natural (Trendwatching, 2005).

The concept of tryvertising is not new in the travel industry. In particular, tryvertising practices have been in use in hotels for more than a decade. For example, Ritz-Carlton guests were once offered to test drive a CLS500 Mercedes-Benz with unlimited mileage during their stays (Trendwatching, 2005). IKEA has partnered with hotels to furnish guestrooms with IKEA products (Trendwatching, 2005). United Airlines offers Westin's products, such as guestroom amenities, pillows, and blankets during select flights (Trendwatching, 2008). MUJI Hotel guests can buy nearly all products on display in guestrooms (Demetriou, 2018). Furthermore, in recent years, international hotel chains such as Fairmont, Marriott, and Hilton have launched online stores that sell their own supplies, from beds and linens to bathroom amenities and fragrances (Springer, 2018).

Although tryvertising has been recognized as a promising advertising idea, it has elicited extremely limited research attention (Oberhofer, Füller, & Hofmann, 2014). Previous studies in tourism and hospitality have focused on individuals' perception of and reactions to traditional advertising practices, such as mass media and online advertising. Furthermore, previous studies generally measured advertising effectiveness using consumers' behavioral intentions rather than actual behaviors. This study aims to fill these gaps by exploring tryvertising practices in hotels. It investigates what factors affect the effectiveness of tryvertising using real data sets of hotel guests' actual purchase behaviors. **As tryvertising is a relatively new topic, the nature of this study is experimental, and the purpose is to investigate what relationships might be meaningful.** This study contributes to research in advertising and purchase behavior in the tourism and hospitality literature. **It serves as a springboard upon which future research could be built.** Managerial implications are suggested for practitioners to target customers and facilitate sales.

2. Literature Review

2.1 Previous studies in advertising effectiveness

Advertising has been the main marketing tool for tourism and hospitality businesses. Research on hotel advertising started in the early 1990s. Initially, scholars were generally interested in advertisement design and distribution channels (e.g., Lewis, 1990; Lubetkin, 1999). The research context then quickly shifted to online as the Internet era began. Since then, numerous studies have been conducted to evaluate hotel websites (e.g., Chung & Law, 2003; Ip, Law, & Lee, 2012; L. Li, Peng, Jiang, & Law, 2017; Musante, Bojanic, & Zhang, 2009; Schmidt, Cantalops, & dos Santos, 2008; L. Wang, Law, Guillet, Hung, & Fong, 2015). Stimuli, such as website content, features, and functions, were normally evaluated using the degree of individuals' favorable perceptions. Behavioral intentions, such as website revisit intention and purchase intention, were normally used to measure advertising effectiveness (Ip, Law, & Lee, 2011; Law, Qi, & Buhalis, 2010). The fast-changing environment has gradually directed businesses to establish their social media presence. A series of studies has been initiated to measure branded content effectiveness on social network sites (e.g., Chan & Guillet, 2011; Kwok & Yu, 2013; Lei, Pratt, & Wang, 2017; Minazzi & Lagrosen, 2013; Phelan, Chen, & Haney, 2013). Online customer engagement, manifested by the number of "likes," "comments," and "shares," is often used as performance metrics that reflect branded content effectiveness. Search engines are another popular online advertising tool. Scholars have generally investigated how search engine data can be used to expose products (e.g., Paraskevas, Katsogridakis, Law, & Buhalis, 2011) and forecast demand (e.g., Pan, Chenguang Wu, & Song, 2012; Yang, Pan, Evans, & Lv, 2015).

Measuring advertising effectiveness using consumer perception of stimuli is a common practice not only in hospitality but also in tourism research. Given that tourism advertisements tend to use photographic images, most researchers have been interested in

understanding tourists' perception of and reaction to advertisement formats and designs (e.g., picture, logo, and text) (Dann, 1996; Decrop, 2007; Dewar, Li, & Davis, 2007; MacKay & Fesenmaier, 1997; Olsen, Alexander, & Roberts, 1986). Similar to advertising research in the hospitality literature, effectiveness is often measured by the extent to which an advertisement can affect consumers' perception and behavioral intention, such as perceived destination image and intention to visit a destination. For example, traditional approaches to assessing tourism advertising effectiveness, such as conversion analysis (Burke & Gitelson, 1990; Hunt & Dalton, 1983) and experimental studies (Woodside, 1990), measure effectiveness using consumer behaviors, such as number of inquiries and visit/purchase intention induced by advertising. Advanced approaches, including diagnostic methods (Chang, Wall, & Lai, 2005; Van der Veen & Song, 2014; K.-C. Wang, Hsieh, & Chen, 2002), eye-tracking (N. Scott, Green, & Fairley, 2016; Wedel & Pieters, 2008), and psychophysiological methods such as skin conductance and facial electromyography methods, have also been used to analyze audience's reactions to advertising (S. Li, Walters, Packer, & Scott, 2018). Except for a relatively small portion of studies that investigated actual visits and visitor expenditure (e.g., Kulendran & Dwyer, 2009; Wöber & Fesenmaier, 2004), the majority of previous advertising research relies on self-reported data and consumer perception of or reaction to advertising stimuli to evaluate advertising effectiveness. Studies that examine the effect of advertising strategies on actual purchase and spending behaviors are rare.

2.2 Behavioral influence or direct experience strategies

Compared with persuasive strategies (i.e., traditional mass advertising), behavioral influence or direct experience strategies may induce stronger effects and affect consumer behaviors more directly (Fazio & Zanna, 1981; Miller, Brickman, & Bolen, 1975). Direct experiences allow consumers to interact directly with an object and obtain hands-on experiences (Fazio & Zanna, 1981; Hamilton & Thompson, 2007; Mooy & Robben, 2002).

Such direct experience eliminates the potential noise or distortion in indirect experiences (Hamilton & Thompson, 2007) which involve mediums, such as printed content and third parties (Fazio & Zanna, 1981). Hence, direct behavioral experiences generate more concrete and credible information than indirect experiences do, allowing consumers to evaluate a product or service more confidently (Hamilton & Thompson, 2007; Smith & Swinyard, 1983).

Direct experiences produce stronger and more accessible memories in an individual's information base (Smith & Swinyard, 1983) compared with indirect ones. When consumers perceive the information they understand about a product or service as rich and credible, their attitudes are reinforced. As consumers become confident about their decision making, their future behaviors are likely to be influenced (Fazio & Zanna, 1981; Hamilton & Thompson, 2007). For example, researchers found that when individuals were exposed to product trials rather than advertising, they became confident that their attitudes or beliefs were accurate. When this happened, consumer attitudes better predicted actual purchase (Smith & Swinyard, 1983). In other words, consumer attitudes based on direct experience may better predict actual purchase behavior. Despite the promising potential of direct experience strategies, a review of the tourism and hospitality literature indicates a lack of research on this topic.

2.3 Tryvertising

Tryvertising is a promising advertising strategy when consumers' trust in mass advertising has declined (Trendwatching, 2005, 2007, 2008). Tryvertising is an experience-based, interactive advertising approach (Trendwatching, 2005). It is a new form of product placement that aims to introduce and integrate products into consumers' everyday life in a relevant way. The purpose is to create a stress-free environment for consumers to evaluate the product/service but not the advertising messages (Trendwatching, 2005, 2008). Normally, a manufacturer or product/service provider (e.g., IKEA) cooperates with organizations (e.g., hotels) that can provide environments where "voluntarily captive audiences" can be found.

Places such as waiting areas, offices, hotels, and airlines have been suggested as locations where people are likely to try new products. The goal is not simply to make a new product available, but also to associate meaningful memories with the consumption experience (Trendwatching, 2007). When the strategy works, the result is a win–win situation: a manufacturer or product/service provider successfully captures its target audience, and its partner company that provides the space receives free products to use (The Guardian, 2007). Tryvertising is expected to induce sales conversion rate, repeated purchases, and word-of-mouth recommendations (Cuddeford Jones, 2005; Trendwatching, 2007).

Tryvertising helps businesses to place their products/services directly on their target customers' hands while developing customer relationships. When individuals start spending time interacting with a new product/service, they gradually form a new habit with the brand and become comfortable with their hands-on experience (The Guardian, 2007). The idea of tryvertising has also been implied by the “foot-in-the-door” marketing concept, which suggests that once people are willing to take an initial small step (e.g., trying a new product), augmenting the demand later becomes easy (e.g., making a purchase) because they have already spent certain time and effort when complying with the previous demand (Freedman & Fraser, 1966; Miller et al., 1975; Pliner, Hart, Kohl, & Saari, 1974; Scott, 1976).

Tryvertising also opens a new channel for consumers to share their opinions about a new product/service before it is released to the market, which is more effective than traditional methods, such as focus groups or free sample distribution (BizEd, 2010). Free samples and product trials are particularly difficult to provide when expensive items are involved (Cuddeford Jones, 2005).

Despite its position as an innovative marketing tool, little is known about the implementation of tryvertising practices in the tourism and hospitality industry. Although ample research has investigated traditional advertising effectiveness, a review of extant

literature reveals noticeable gaps. First, researchers tend to focus on consumer perceptions of or reactions to advertisement visuals or contents, rather than direct experience strategies. Second, behavioral intention rather than actual behavior was often used to measure advertising effectiveness. The majority of previous studies rely on self-reported data to evaluate advertising effectiveness. The findings from previous studies can hardly be applied to the context of tryvertising because the mechanisms that underlie people's mental processing of visuals and interactive experience is fundamentally different. In response to scholars' calls for further research to explore what makes tryvertising successful across different markets (Oberhofer et al., 2014), this study explores the effect of tryvertising strategies on consumers' actual behaviors in a hotel context. The factors that affect hotel guests' purchase and spending behaviors are explored and identified.

2.4. Determinant factors of purchase and spending behaviors

Numerous studies have been conducted to understand what factors affect purchase behaviors. In addition to consumption volume, the importance of investigating expenditure levels, particularly in the travel context, has also been emphasized (Legohérel & Wong, 2006). Although the factors that influence purchase and spending behaviors may vary across contexts, the relevance of customer or individual characteristics has been consistently recognized in general business research. Demographic variables, such as age, gender, income, and education levels, have been widely acknowledged as influential to purchase and spending behaviors (e.g., Akhter, 2003; Lawson, 1991; San Martín & Jiménez, 2011). For example, previous research found that the elderly tend to be more careful when making purchase decisions (Botwinick, 1973). In terms of gender, previous studies found male and female consumers process information and made purchase decisions in different ways (e.g., female buyers tend to be more sensitive to risk and need to consider more information than male buyers do) (Darley & Smith, 1995; Kim, Lehto, & Morrison, 2007; Meyers-Levy &

Maheswaran, 1991). The two groups were also found to have different perceptions and attitudes toward online shopping (e.g., Garbarino & Strahilevitz, 2004; Rodgers & Harris, 2003; Seock & Bailey, 2008; Van Slyke, Comunale, & Belanger, 2002). Income was found as one of the most influential variables that affect tourism demand (Crouch, 1994) and expenditures (Y. Wang, Rompf, Severt, & Peerapatdit, 2006). Research has found travelers with high income tend to spend a large amount of money during their trips (Agarwal & Yochum, 1999; Jang, Bai, Hong, & O’Leary, 2004; Mattila, 2007). Trip-related variables can also affect customer purchase behaviors (Oppermann, 1996). For example, length of stay and travel group size have been identified as positively related to travel expenditures (Agarwal & Yochum, 1999; Jang et al., 2004; Legohérel & Wong, 2006).

In addition to demographic and trip-related variables, another common group of variables is related to consumer trust and loyalty toward a service provider. Typically, the more a customer is emotionally bonded with a firm, the better the firm–customer relationship, which translates into high customer expenditure (Barsky & Nash, 2002; Leenheer, Van Heerde, Bijmolt, & Smidts, 2007; Mattila, 2007). When loyalty members believe they can receive high-quality service from a business, they tend to make faster purchase decisions (Han & Hyun, 2012) and are willing to buy more frequently and pay a higher price than non-members (Meyer-Waarden, 2008; Reichheld & Teal, 1996). Customers’ perceived service quality of and satisfaction with prior experience with a product or service is also an important factor. A good prior experience will positively affect customers’ post-usage beliefs and satisfaction, which positively affect behavioral intentions. Satisfied customers are willing to spend more and spread positive word-of-mouth feedback (Aaker, 1991; T. Wang, Oh, Wang, & Yuan, 2013).

Although a number of factors have been identified as influential to customer purchase and spending behaviors, contradictory findings from previous research suggest that the effect

of these factors is dependent on context. Previous studies have shown different results as regards the effect of demographic variables on consumer behaviors (e.g., Lawson, 1994; San Martín & Jiménez, 2011). Claims about the effect of loyalty programs on customer behaviors have also been controversial (Liu, 2007). Whether satisfied customers will always return has also been questionable. Customer purchase behavior is complicated and involves contextual factors.

3. Research Design

3.1. Methods

Two data sets were obtained from an independent hotel management company that owns over 100 hotel properties in China. As one of the first lifestyle hotel brands in the country, one of its key features is the idea of selling guestroom products (i.e., tryvertising) via online platforms. The company sells products of its own and those of business partners in its hotel guestrooms. Customers are able to purchase a variety of guestroom products, from mattresses and linens to bathroom supplies and electronic products. The two separate data sets contain customers' hotel stay records and online store transaction histories during the period between January 2016 and June 2017. Customers' mobile phone numbers in the two data sets were matched to filter and identify those who had shopped in the online stores and stayed in the company's hotels. Relevant variables based on previous literature were extracted for later use.

We use a Heckit model to analyze the determinant factors that explain the purchase behavior of customers that stay in hotels that implement tryvertising strategies. The model allows us to examine the decision to buy and the amount of money spent, allowing us to unearth intricacies that may exist in these relationships because some variables may have different effects depending on the decision examined. The two equations that reflect each decision are as follows:

$$b_i^* = \sum_{r=1}^R \gamma_r X1_{ir} + u_i \quad (1)$$

$$S_i = \sum_{s=1}^S \beta_s X2_{is} + \varepsilon_i \text{ observed only if } d_i^* > 0, \quad (2)$$

where we define a dummy variable b_i that takes a value 1 if the latent variable b_i^* is greater than zero ($b_i^* > 0$), and zero otherwise. $X1_{ir}$ shows a number r of variables that determine the decision to buy b_i , and γ_r are the coefficients associated with these variables. S_i is the amount of money spent, $X2_{is}$ is a set of s variables associated with this decision, and β_s reflects the impact of these variables. S_i is log-transformed so that semi-elasticities are obtained directly from the parameters. The error terms u_i and ε_i follow a bivariate standard normal distribution, and standard deviations σ_u and σ_ε , and covariance $\sigma_{u\varepsilon}$. Full information maximum likelihood is used to obtain the parameter estimates.

3.2. Sample and variables

After the data sets were combined and eligible customers were identified, irrelevant and repeated data were removed. A total of 6,858 valid records were included in the final sample. The dependent and independent variables are defined as follows (Table 1). (1) Dependent variables: the decision to buy is measured by a dummy variable that takes a value of 1 if the customer bought a product that was promoted through tryvertising and 0 otherwise. The money spent by the customer on this purchase is measured by a quantitative variable. (2) Independent variables: the variable *Stay* is measured through a dummy variable that takes a value of 1 if the individual stayed at the hotel and 0 otherwise. *Number of nights (someone else)* shows the number of nights someone else other than the cardholder stayed at the hotel using the card. *Number of nights (cardholder)* shows the number of nights that the cardholder stayed at the hotel. *Gender* is measured by a dummy variable where 1 indicates a female guest and 0 indicates a male guest. *Age* is measured by the quantitative age of the individual. *Membership* reflects the time (in years) the customer has been a member of the program.

Hotel cost is the amount of money an individual has spent at the hotel, including room rates and food and beverage. *Online review* shows the number of online reviews the hotel has received.

Please insert Table 1 here

Table 2 shows the descriptive statistics for the dependent and independent variables. A total of 77% of cardholders buy a product that is promoted by tryvertising and spend CNY 394 on average. A total of 87% of cardholders stay at hotels and spend CNY 451 on accommodation and food and beverage and stay for 1.32 nights on average. A total of 51.2% of the sample are women, the average age of the individuals in the sample is 33.6 years old, and the average time they have been members of the program is 579 days. The customers rated the hotel 4.8 times on average.

Please insert Table 2 here

4. Results

Prior to estimating the model, we analyze the potential existence of collinearity. Based on the variance inflation factors, all the parameters are below the recommended value of 10 (Neter, Wasserman, and Kutner 1989). Thus, collinearity does not seem to be an issue. Heteroskedasticity is also tested, and the Breusch–Pagan test rejects homoskedasticity ($F=35.04$; $p<0.01$). Thus, the White heteroscedasticity-consistent standard errors are computed. Table 3 shows the parameter estimates for the two equations of buying decision and quantity decision.

Please insert Table 3 here

Regarding the decision to buy, the variable *Stay* is not significant. Thus, the fact that a person stays at the hotel does not increase the likelihood of this customer buying a product promoted by tryvertising. A person can have a membership card and buy products without

staying at the hotel. The price paid for the hotel shows a significant and positive parameter, indicating that the more the customers spend on accommodation (more quality and/or more days), they are more likely to buy products promoted through tryvertising (this variable is used as the *exclusion restriction* of Heckit models; thus, it will not be included in the equation of the decision on the amount spent). The number of nights the cardholders or someone else stayed with the individual's card is not significant. Therefore, whether the cardholder or someone else stayed at the hotel does not have any effect on the propensity to buy. Gender is significant and positive, implying that women tend to buy more than men do. Age is significant and positive; thus, the older the customers are, the more likely they are to buy. Regarding membership, a significant and negative parameter is obtained; thus, the longer the customers have had the card, the less likely they are to buy. The number of online reviews has a positive and significant parameter; thus, the higher the popularity of a hotel, the higher the probability of guests to buy products from them.

Concerning the decision on how much people spend on products, the following results are obtained. The variable *Stay* presents a positive and significant parameter. Thus, if an individual stays at the hotel, he/she either buys more products or products at higher prices than do people who do not stay at the hotel. This variable is critical because, as indicated earlier, the mere fact of staying at the hotel does not lead to a greater probability of buying. Nevertheless, it does have a positive impact on the number of products bought or, more importantly, on the quality of products. Having a membership card allows people to buy regardless of whether they stay at the hotel or not. Thus, the probability of buying seems unaffected by an individual staying at the hotel. However, products of a certain level of quality (or higher-priced products), are more favored by those who stayed at the hotel. The number of nights the cardholder stayed at the hotel is not significant, just as the decision to buy is. However, the number of nights someone else stayed at the hotel using the card

significantly affects the amount of money spent on tryvertising products. Furthermore, gender is not significant. Age is significant and positive; thus, the older the customers are, the more they spend. We find a significant and positive parameter for membership; thus, the longer people have had the card, the more they spend on products. The number of online reviews also shows a significant impact on the amount of money spent on tryvertising products.

5. Discussion

All independent variables, except for the number of nights the cardholder stayed at the hotel, significantly affect either decision to buy or amount of money spent on products promoted through tryvertising. Whether customers have actually stayed at the hotel or not has no significant effect on decision to buy, but it does on the amount of money spent. This finding indicates that customers who have experienced in-room products tended to spend more on these products. This finding is consistent with previous ones that suggest high customer confidence generated by direct experiences (Hamilton & Thompson, 2007; Smith & Swinyard, 1983). Although consumers normally become cautious when purchasing expensive products, this finding suggests that tryvertising seems to create good opportunities for hotel customers to build confidence with expensive products. When consumers are satisfied with their experience and once trust is established, they are willing to pay more (Bolton & Lemon, 1999; Graham & Bansal, 2007) and become less price-sensitive (Fornell, Johnson, Anderson, Cha, & Bryant, 1996; Marshall, 1980; Munnukka, 2008). Furthermore, hotel guests who had good experiences in other service encounters during their stays may be willing to spend more at the hotel (Anderson, Fornell, & Rust, 1997; Olsen & Johnson, 2003).

The more that customers spend on their hotel stays, the more likely they are to purchase products promoted through tryvertising. Although previous studies have suggested that travelers tend to shop more when they spend less on accommodation (Lee, Jee, Funk, &

Jordan, 2015), the findings of this study emphasize the potential of tryvertising strategies to stimulate hotel guests to shop even when they have already spent a significant amount on accommodation. A further implication is that tryvertising may work particularly well on high-income groups who tend to spend more during travel (Agarwal & Yochum, 1999; Jang et al., 2004; Mattila, 2007). A positive relationship between accommodation expenses and decision to buy tryvertising products implies that customers who value the quality of hotel accommodation are most likely to purchase products that will improve their own living environment. A loyalty effect may also provide an explanation here. If customers are willing to pay more for a hotel brand that they like and trust, they may have a favorable perception of its products and positive behaviors.

Older customers are more likely to purchase and spend more on products promoted by tryvertising than young customers. As people age, they receive high earnings and disposable income especially if their children have grown up. Although older people tend to be more cautious with where they spend their money (Botwinick, 1973), the findings from this study highlight the effectiveness of hotel tryvertising strategies in attracting older customers. Prior research has suggested that as people age and mature, they start to spend less on dispensable expenses, such as nightlife and leisure, but more on necessities such as accommodations and restaurants during vacations (Bojanic, 1992; Dardis, Soberon-Ferrer, & Patro, 1994), which is in contrast to younger people who tend to spend less on lodging and food (Hong, Morrison, & Cai, 1996). Hence, the significant positive effects of age on decision to buy and amount spent on products promoted by tryvertising imply that tryvertising strategies in hotels can be particularly effective in attracting and stimulating sales from older people who are willing to spend for their home or family.

Women are more likely to buy products promoted through tryvertising than men. Shopping by women accounted for a large portion of tourism expenditures. Anderson and

Littrell (1995) found that women purchase souvenirs such as apparel and household textiles more frequently than men do. In another study, Littrell, Anderson, and Brown (1993) found similar results that show the majority of gift and souvenir purchases was made by women. Interestingly, another result shows that women spend similarly as do men on tryvertising products. Previous research has suggested that gender was not an influencing factor in explaining total travel expenditures (Wang, Rompf, Severt, & Peerapatdit, 2006). Unlike other markets such as fashion and cosmetics, the holiday market is more group-oriented than individual-oriented in nature (Lawson, 1991; Marshment, 1997). Although women may want to shop more, their travel budget and expenditure are often constrained by their group activities (e.g., what their family members or travel partners need and want) (Lawson, 1994). Hence, although women may be more likely to buy hotel products promoted by tryvertising, the amount that they can spend on these products may not be significantly higher than that of men.

The number of nights that cardholders stayed at a hotel does not have any effect on their propensity to buy and money spent on products promoted through tryvertising. However, the number of nights that non-cardholders stayed at a hotel has significant effects on the amount of money spent on tryvertising products. A possible reason for this finding is that these non-cardholders only have limited time to use the card and make purchases. Customers who have been members for a long time are less likely to buy but tend to spend more when they buy. This variable is interesting because at first, people seem to become excited about this experiential activity. After the initial excitement, their arousal diminishes with time, and people tend to moderate the occasions in which they buy. Nevertheless, the reverse occurs in terms of the amount purchased. People with more experience tend to discriminate better the products they want to buy. In this study context, although loyal members are not more likely to buy, they are willing to spend more with the company likely due to their trust in and

relationship with the company. Finally, the higher the number of online reviews, the more likely customers buy and spend on products promoted through tryvertising. The positive effect of the number of reviews on hotel performance found in the literature (Ye et al., 2009; Kim et al., 2015; Kim et al., 2016; De Pelsmacker, van Tilburg and Holthof, 2018) is derived from the fact that reviews, be they positive or negative, indicate hotel popularity, augment customers' awareness of the hotel, and diminish uncertainty (De Pelsmacker et al., 2018). These factors translate into willingness to buy and spend on products promoted through tryvertising.

6. Conclusion

This study explores customer purchase behaviors driven by tryvertising strategies in a hotel context. Using two sets of real data collected from a hotel management company that features tryvertising practices in China, a sample that contains 6,858 customer records was analyzed using a Heckit model. The determinant factors of customers' decisions to buy and money spent on products promoted by tryvertising are identified. In conclusion, customers who are female, older, loyal members, and spend more on accommodation are more likely to buy products promoted through tryvertising. Customers who are older, loyal members, non-cardholders and have actual stay experiences are more likely to spend more on products promoted through tryvertising. Finally, hotels with a greater number of online reviews lead to higher propensity to buy and larger amounts of money spent.

This study contributes to advertising and customer purchase behavior research in the tourism and hospitality literature. Rather than investigating people's perceptions of traditional advertising, this study explores an innovative advertising practice that is based on direct influence strategies. The determinant factors identified in this study are specific to

tryvertising strategies in the hotel context, which are different from those that were identified based on traditional advertising practices. Additionally, this study focuses on understanding customers' purchase of guestroom products, rather than hotel rooms and souvenirs which have received abundant research attention. Furthermore, given that the extent to which behavioral intentions represent real actions continue to be controversial, this study provides empirical evidence on customers' actual purchase decisions and expenditures driven by tryvertising strategies.

The findings from this study help practitioners to identify their target customers and improve their tryvertising strategies to boost sales. Understanding that tryvertising works particularly well on certain customer groups, practitioners can customize their tryvertising strategies to target these people. For example, considering that women are more likely to buy, hoteliers can consider placing more guestroom amenities such as fragrances and bathroom supplies that target them. Considering that older customers are more likely to buy and spend more on guestroom products, hotels can consider placing more practical and useful commodities to attract them. Incentives can be given to loyal members who continuously purchase from the hotel. Particular customers book higher-priced rooms; thus, hotels may consider placing luxury items in these customers' rooms to boost sales.

The data used in this study were collected from a single data source. **The results should be interpreted with caution considering the unique characteristics of the Chinese market (e.g., consumer characteristics and industry practices). Future research should consider collecting data from other regions, platforms, and customer groups to triangulate the findings of this study. Also, using samples with different categories of hotels could help with the generalization of the results across different types of hotels.** The independent variables used in this study are limited, which are based on the data sets obtained from a hotel management company. Potential factors that may affect tryvertising effectiveness may

involve factors beyond the independent variables in this study. Future studies may attempt to identify other potential determinant factors and compare their levels of influence on customer behaviors.

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Table 1. Summary and Description of Variables

Variables	Description	Operationalization
Buy	Whether the customer made a decision to buy.	Nominal-dichotomous 0=No 1=Yes
Amount spent	The amount of money spent by the customer on a purchase.	Continuous
Stay	Whether the customer who was the cardholder had actually stayed at the hotel.	Nominal-dichotomous 0=No 1=Yes
Hotel cost	The amount of money spent at the hotel (e.g., room rate, food and beverage).	Continuous
Number of nights (someone else)	The number of nights someone else other than the cardholder stayed at the hotel using the card.	Continuous
Number of nights (cardholder)	The number of nights the cardholder stayed at the hotel using the card.	Continuous
Gender	Gender of the customer.	Nominal-dichotomous 0=Male 1=Female
Age	Age of the customer.	Continuous
Membership	Time (in years) the customer has been member of the program.	Continuous
Online review	The number of online reviews the customer has written.	Continuous

Table 2. Descriptive Statistics

	Mean/Proportion	SD
<i>Dependent variables</i>		
Buy	77%	-
Amount spent (CNY)	394.2	969.3
<i>Independent variables</i>		
Stay	87%	-
Hotel cost (CNY)	451	500.6
Number of nights (someone else)	1.39	1.32
Number of nights (cardholder)	0.14	0.86
Gender	51.2%	-
Age (years)	33.6	9.1
Membership (days)	579.9	225.8
Online reviews	5.37	26.7

Table 3. Determinant Factors of Buying and Quantity Decisions

	Buying decision		Quantity decision	
	Parameter	Std. Error	Parameter	Std. Error
Stay	-0.033	0.076	0.239 ^a	0.033
Hotel cost	0.0001 ^b	6E-05	-	-
Number of nights (cardholder)	0.047	0.029	0.010	0.010
Number of nights (someone else)	0.059	0.042	0.036 ^b	0.016
Gender	0.140 ^a	0.042	0.012	0.019
Age	0.005 ^b	0.002	0.002 ^b	0.001
Membership	-0.0006 ^a	7E-05	0.0004 ^a	4E-05
Online reviews	0.003 ^a	0.001	0.001 ^a	0.0003
Constant	1.594 ^a	0.121	5.025 ^a	0.056

a=p<0.01; b=p<0.05