

**Examining the moderating role of rational versus emotional focused websites:
The case of boutique hotels**

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Abstract

This paper examines whether emotional or rational advertising appeals are more effective for website hospitality services. Specifically, it considers how attitudes towards websites, service expectations and attitudes towards boutique hotels may influence the two different types of advertising appeals and purchase intention. Results show that websites using emotional appeals tend to show a positive relationship between attitude towards hotels and attitude towards websites and purchase intention. It also indicates that emotional advertisements are better at gaining and retaining interest and attention, as such, can be highly beneficial for small boutique hotels. This paper provides several marketing and business policy implications to aid practitioners and strategists in making better decisions.

Keywords: rational appeal, emotional appeal, boutique hotels, service advertisements, website promotion, advertising appeals

Introduction

The leisure and hospitality sector is probably one of the fastest-growing industries to adopt website advertising to communicate their services to their target audience. It is also one of the most competitive industries, especially in Australia, where more than 5,682 accommodation services compete for a share in an \$8 billion industry (ABS, 2006). For smaller accommodation providers, the task becomes even more challenging with limited budgets, hence advertising online can be a cost-efficient method of gaining national or global awareness (Barnes, 2002; Brettel and Spilker-Attig, 2010; Nunan and Knox, 2011; Watjatrakul and Drennan, 2005). However, these operators need to identify the right appeal to advertise their services online (Li et al., 2009; Okazaki et al., 2010).

In recent years, boutique hotels have followed a growing trend; this is due in part to a greater interest in fine art and culture today (Freund de Klumbis and Munsters, 2005). Boutique hotels range from small accommodation to start-ups by large hotel chains and seek to provide travellers with an experience rather than just accommodation. Boutique hotels can be considered as small, luxurious hotels with furnished rooms (Niculescu and Rabontu, 2009). Boutique hotels strive to differentiate themselves from their competitors by positioning themselves in a market niche through their customised services, image, personality and style (Aggett, 2007; Niculescu and Rabontu, 2009). While they tend to be small by industry standards, they offer marked differences, such as a personalized touch, high-quality service and value through a sense of homeliness, expression of novelty and the use of historic and cultural cues to enhance the travel experience (Aggett, 2007; McIntosh and Siggs, 2005). However, to the knowledge of the authors, there is an

absence of empirical research on the types of advertising appeals that are appropriate for boutique hotels.

For any form of advertising, some degree of emotion must be aroused for it to be effective (Mehta and Purvis, 2006). However, a consensus has not been reached between the two different types of advertising appeals – rational appeals and emotional appeals. Research has indicated that emotional appeals in advertising are more effective for service-related products (such as Bang et al., 2005; Edell and Burke, 1987; Laskey et al., 1994; Stafford and Day, 1995; White, 2010) due to their intangible nature. Rational appeals in advertising, on the other hand, are an advertising stimulus that supplies factual information about the brand, the product or the service (e.g. Puto and Wells, 1984). It requires mental assessments of a product, service or brand's attributes (e.g. Puto and Hoyer, 1990). Factual information can be a concrete cue when portraying service quality in the advertisement, appealing to the consumer's sense of self-relevance. As such, similar arguments have indicated that rational appeals in advertising may be more important for services due to the same intangible nature of services (Grove et al., 1995).

More recently, it has been argued that emotional appeals in advertising can play a significant role on the Internet due to its interactive nature (Kim et al., 2009; Li et al., 2009; Santiago and Pitta, 2011). Advances in technology allow faster downloads and more creative use of multimedia, enhancing the use of emotional appeals in the design of images and messages in the ads on the Internet. On the other hand, rational appeals in advertising on the Internet may not be effective because it is critical for websites to attract

attention and interest from browsers quickly in order to build an online relationship (Geissler et al., 2001).

The debate is further complicated by various limitations in the previous studies, which fail to shed new light relevant to this issue. For instance, a review of the literature verified that a large portion of emotional advertising was dedicated to traditional media, such as print and television advertisements (e.g. Aaker et al., 1986; Antonides and Ramadhin, 1995; Mattila, 1999; Royo and Gutierrez, 2000). Very few studies have focused on website advertising (such as Li et al., 2002), as most only investigated the effective use of banner ads (Lohtia et al., 2003) and pop-up ads (Nysveen and Breivik, 2005). The few studies dedicated to this area (such as Lohtia et al., 2003; MacKenzie et al., 1986; Mitchell and Olson, 1981) only compared advertising appeals and advertising effectiveness, while ignoring other constructs and variables that may impact on the relationship. In addition, most investigations into service advertising have limited themselves to professional services (Stafford, 1996). The effectiveness of advertisements using emotional and rational appeals, particularly in the context of website advertising, is unclear and at best contradictory.

The main objective of this study, in the context of boutique hotels, is to examine whether emotional or rational advertising appeals, both in their execution and as a background variable, are more effective for website hospitality services. Specifically, it considers how attitudes towards websites, service expectations and attitudes towards boutique hotels may influence the two different types of advertising appeals and purchase intention. This paper strives to respond to the call for studies by various researchers to bridge these gaps

in order to aid practitioners and strategists in making better decisions (Martín-Santana and Beerli-Palacio, 2012).

This paper is organized into several sections, beginning with a discussion on the extant literature and leading to the model and hypotheses development. This is followed by a description of the research method. A discussion of the findings and analysis is presented next. Finally, the managerial implications and limitations of the study are highlighted.

Relevant literature

Attitude towards boutique hotels

The attitude towards the service provider, or boutique hotels in this context, is defined as a learned predisposition to respond in a consistently favourable or unfavourable manner towards the sponsoring organization (Fishbein and Ajzen, 1975; MacKenzie and Lutz, 1989). Mattila (1999) indicated that the emotional message strategy generates a stronger positive attitude towards the service provider than the rational message strategy. Other studies on the effectiveness of emotional appeals have also suggested that the attitude towards the service provider can be enhanced by emotional cues (Aaker et al., 1986; Batra and Ray, 1986; Derbaix, 1995; Edell and Burke, 1987; Olney et al., 1991).

Tourists tend to seek out boutique hotels, because they offer a fresh and innovative take on hotels, which is a departure from the otherwise standardized travel lodging industry (Freund de Klumbis, 2004). Some of the common defining characteristics of boutique hotels include (Aggett, 2007; Lim and Endean, 2009):

1. Having fewer than 100 rooms;

2. Not being part of a large hotelier chain;
3. Usually located in urban or city centres;
4. The hotel building has historical significance or features that define its individuality and uniqueness;
5. Good personal service that allows for a more personalized touch to service delivery, creating a friendlier, relaxed and homely environment; and
6. Generally rated with three stars or more.

In the context of boutique hotels, design aspects such as a unique character, iconic architecture, personalized touch, sense of homeliness and the incorporation of historical and cultural cues (Aggett, 2007; Freund de Klumbis and Munster, 2005; Kleinrichert et al., 2012; McIntosh and Siggs, 2005; Sklair, 2010) could enhance the appeal of and consumer attitudes towards boutique hotels.

Emotional appeals

Emotional appeals can arouse different arrays of feelings in viewers, and as such draw the audience's attention and liking towards the brand and its products (Aaker and Stayman, 1992). Emotional appeals target the consumers' psychological, social, or symbolic needs, and are generally effective in "value expressive" products, like specialty goods and services (leonidou and Leonidou, 2009) For example, Zeithaml and Bitner (1996) found major differences between search and experience qualities in terms of emotional appeals based on these feelings. They suggested that goods such as cars have high search qualities as consumers can evaluate the attributes of a car before purchasing. However, services

such as hotels have high experience qualities and it is more difficult to evaluate the attributes before purchasing. This opens the debate on whether an intangible cue strategy can be more efficient than a tangible cue strategy, especially for service providers such as the hospitality industry. Shostack (1977) suggested that advertising strategies based on intangible cues may be more effective for services due to the hedonic nature of consumption. This hedonic nature of consumption is echoed in Hu's (2012) findings, in which a hotel's environmental claims only had a significant effect on the consumers' perceived emotional benefits when combined with self-expressive benefits. Hence, transformational advertisements can be a powerful tool for services that rely on experience. In fact, transformational ads are more commonly used in service commercials than in product commercials because of their ability to associate the experience of using the brand with a set of psychographics (Albers-Miller and Stafford, 1999; Zinkhan et al., 1992).

Findings show that emotional responses to emotional advertising have a direct relationship, and can be a first-rate motivator in purchase behaviour (Edell and Burke, 1987; Royo; 2005; Shih, 2011). Emotional responses to such advertising also influences the attitude towards the advertisement and brand (Batra and Ray, 1986; Edell and Burke, 1987; Derbaix; 1995). This has been found to hold significance in consumer willingness to visit tourist destinations (Lee, Rodriguez, and Sar, 2012). Moreover, Mattila (1999) empirically proved that emotional appeals are more effective than rational appeals in creating a positive attitude towards service providers with limited awareness; which may be crucial in the context of advertising boutique hotels online, especially to those who

have never stayed at boutique hotels and are unaware of the features of boutique hotels (Han et al., 2011)

Emotional cues in an advertisement can play three distinct roles to improve advertisement processing (Zeitlin and Westwood, 1986). Firstly, an emotional appeal can communicate the benefits and attributes of a product or service. That is, the emotions themselves can represent the benefits and attributes of a product or service. Applying this to the hospitality industry, emotions such as love, desire, joy and happiness can promote a hotel's attributes, such as desire, happiness and restfulness (e.g. Han et al., 2011; Henderson, 2011; Kim 2012). In addition, emotions improve the communication of the message by capturing consumers' attention and making the message more memorable in consumers' mind by highlighting the most important benefit of a service or product (Schneider and Stangl, 2012).

Some studies have empirically denounced the use of emotional appeals for services (Bang et al., 2005; Laskey et al., 1994; Stafford and Day, 1995). Stafford and Day's (1995) research on restaurant advertisements stated that the use of rational appeals causes a greater positive attitude towards the advertisements. However, their research failed to measure the feelings induced by the advertisements. As the result, the research could not clarify whether any of the advertisements generated emotional reactions. Laskey et al.'s (1994) research on the travel agent industry compared informative advertisements with

image-based advertisements but did not investigate a direct cause of emotional appeals in advertising.

When considering boutique hotels however, it is clear that they offer a wide range of emotional appeals that distinguish them from otherwise run-of-the-mill hotels. The unique design aspects of boutique hotels, the attention to service standards and the use of historical and cultural cues (Aggett, 2007; Freund de Klumbis, 2005; Kleinrichert et al., 2012; McIntosh and Siggs, 2005; Sklair, 2010; Henderson, 2011; Hu, 2012) help to create a servicescape filled with emotional appeals. Therefore, in contrast to the prior research criticizing the use of emotional appeals in services advertising (such as Bang et al., 2005; Laskey et al., 1994; Stafford and Day, 1995), the use of emotional appeals in boutique hotel advertising may be highly relevant.

Rational appeals

Advertising using rational appeals is characterized by the level of factual information provided to consumers. An advertisement is informative if the consumer perceives the data as an important part of the ad and the data are verifiable (Puto and Wells, 1984; Zinkhan et al., 1992). In addition, consumers acquire a greater ability to assess the product or the service's attributes after viewing the advertisement (Puto and Hoyer, 1990). Studies have suggested that the informative factor is a good predictor of advertisement likeability and brand attitude (Aaker and Stayman, 1992). As such, rational appeals in advertising employ the use of logic to convey benefits of the product or service to the consumer (Sun and Wu, 2008; Cheng and Huang, 2013).

Past studies have discovered numerous factual cues that are available for advertisers (Grove et al., 1995). Some of the common factual cues used by advertisers are price, service guarantees, documentation of service performance and service availability. These cues meet the prerequisite required to be considered as factual information (Puto and Wells, 1984). Price cues can also act as a signal of service quality (Olson, 1977; Zeithaml, 1988). Past studies have indicated that it is possible to overcome the intangibility and abstractness of services using tangible cues (Berry, 1981; Cutler and Javalgi, 1993; Legg and Baker, 1987; Murray and Schlacter, 1990; Pickett et al., 1993; Shostack, 1977). Tangible cues can be directly or peripherally linked with a service through the physical representation strategy (Berry and Clark, 1986). Tangible cues can become part of the service firm's communication strategy and studies have discovered that verbal and visual tangible cues can effectively convey service quality (Stafford, 1996).

Indeed, studies have indicated that quality claims are used in service advertising to reduce risks in consumers' mind (Clow et al., 1996). In addition, factual information on a brand creates a better understanding of the brand, consequently helping consumers during the decision-making process (Berry et al., 1991). Advertisements using informative appeals can transform the intangible features of a brand into physical features. For example, applying to the hospitality industry, a hotel can portray a service quality image (intangible attribute) by displaying the accolades the hotel has attained. This is evident in research that shows that the most desired website features by customers are generally website usability, room rates, reservation information, facility information, surrounding

area information and site management (Choi and Hsu, 2001; Law and Hsu, 2005; Law and Wong, 2003).

Stafford (1996) found that documentation had a positive effect on repurchase intentions for experiential services (i.e. hotels and restaurants). The study also identified that the effectiveness of documentation of the excellence strategy is dependent on the type of service environment. This proposition is also supported by various studies suggesting that consumers will pay more attention to information when the consumption of products and services involves pleasure, fun or enjoyment (such as Albers-Miller and Stafford, 1999; Hirschman and Holbrook, 1982; Legg and Baker, 1987; Mano and Oliver, 1993; Mattila, 1999; Stafford and Day, 1995). Hence, the documentation of excellence cues is an important part of advertising experiential services.

However, the actual use of factual information in service advertising still remains unclear. Some content analysis studies have claimed that more factual cues are found in service advertisements than product advertisements (Grove et al., 1995; Laband et al., 1992; Tripp, 1997). Meanwhile, some studies have recorded contradictory results, actually stating that fewer informative cues are used in service advertisements than in product advertisements (Abernethy and Butler, 1992, 1993; Cutler and Javalgi, 1993; Zinkhan et al., 1992). Hayes and MacLeod's (2007) study of advertising appeals in tourism noted that rational and emotional appeals were used to an almost equal degree, and this combination approach to the employment of rational and emotional appeals in advertising

is further supported by Décaudin and Lacoste (2010). Hence, it is difficult to say whether factual or emotional cues are more visible in service advertising.

Attitude towards hotel websites

The Internet has proved to be an effective advertising medium (Berthon et al., 1996; Brackett and Carr, 2001; Yoon and Kim, 2001; Park and Gretzel; 2007; Phelan, Christodoulidou, and Countryman, 2011) and more organizations are introducing the Web as part of their advertising strategy (Nour and Fadlalla, 2000; Phelan, Christodoulidou, and Countryman, 2011). Advertising through the Web represents many opportunities for small services to gain national or global recognition using a limited budget. For example, Starkov (2002) noted that the cost of booking a hotel via a website is approximately US\$3 to US\$3.50; in contrast, placing a booking through a call centre would cost at least US\$9. Also, the use of websites helps hotels to reduce their dependence on intermediaries, and in turn lower their costs (Starkov, 2002). In the hotel industry, online bookings are a fast-growing trend, providing hoteliers with a cost-effective way to reach out to tourists and showcase their unique selling points (Wong and Law, 2005). However, there is insufficient knowledge regarding how best to design hotel websites, the preferences of potential guests for website quality and what should be included on the websites (Chung and Law, 2003; Milligan, 2004; Law and Cheung, 2005; Park and Gretzel; 2007).

Studies have indicated that websites could be used to persuade, inform or remind customers about a company's services and offerings (Li et al., 2002; Phelan, Christodoulidou, and Countryman, 2011). Previous research indicates that 65% of the

time, consumers' initial visit to a website is to seek information (Scheuler, 2005); if consumers are unable to locate the relevant information, then the chances of them making a booking is significantly lowered (Phelan, Christodoulidou, and Countryman, 2011). Well-designed hotel websites can take a step further by providing customers with useful information about the destination locale, increasing the sales volumes and improving the reputation of the hotel (Chung and Law, 2003). The nature of websites is such that the customer “exclusively initiates, manages and terminates the online encounter” (Huizingh and Hoekstra, 2003). Therefore, in order for hotel websites to succeed, they must first be useful and appeal to the customer, as these directly influence the amount of time the customer spends on the website and the subsequent purchase decision (Chung and Law, 2003; Danaher et al., 2006; Parboteeah et al., 2009; Phelan et al., 2011). However, it is difficult to capture customers’ attention and interest in the website in general, due to the sheer number of websites advertising through search engines (Geissler et al., 2001; Wong and Law, 2005). Since it is important to attract customers’ attention and stimulate their interest in websites, it is vital to make a strong first impression (Watson et al., 2000). Geissler et al. (2006) suggested that advertisers and web designers need to provide adequate levels of information (rational appeals) and images (emotional appeals). Valuable information and eye-catching graphics on the home page are the key to a positive influence on purchase intentions and consumer attitudes. Use of rational and emotional appeals in combination for advertising is echoed and supported by other research (e.g. Hayes and MacLeod, 2007; Décaudin and Lacoste, 2010). As Mortimer (2005) explained, the use of rational appeals is to convey the key functional aspects of the service offering, while the simultaneous employment of

emotional appeals conveys the brand image. The reasoning behind this is that high involvement services such as booking a hotel are often chosen through emotive cues rather than evaluation of the service information (Mortimer, 2005; Diaz and Koutra, 2012). However, it is important to keep in mind the influence of home page complexity on website effectiveness. Websites with an emotional appeal focus are more likely to contain pictures, while websites with a rational appeal focus are more likely to show facts and figures.

Most hotel websites contain both emotional and rational appeals. Law and Chung (2003) identified the following features of hotel websites:

1. Information on facilities;
2. Customer contact;
3. Reservations; and
4. Information on the surrounding locality.

The Internet allows potential buyers to seek out information from various sources, such as advertisers, retailers and third-party sites, to identify which service brand best satisfies their needs (Hollis, 2005). In addition, individuals actively seek information to help make a purchase and information, such as price and secure payment methods, relevant to their purchase decision was sought from websites and other sources (Hollis, 2005; Wong and Law, 2005). These suggestions imply that a rational appeal may be a better predictor of purchase intention since websites can provide consumers with the important information they have been seeking.

Service expectations

The consumption of services is unique due to the dynamic nature of services (Solomon et al., 1985). Zeithaml et al. (1993) provided a model for the “total service experience”, suggesting that a consumer’s “total service experience” consisted of three stages: pre-consumption, consumption and post-consumption. Research has also suggested that customers’ past experience and familiarity can influence service expectation (Oliver and Winer, 1987; Parasuraman et al., 1985; Webb, 2000). The advent of boutique hotels, for example, can be attributed to the notion that customers desire a different service experience from what they are used to (Pine and Gilmore, 1999). Tourists living in the “experience economy” are increasingly looking to “experience” the destination instead of simply learning about the place. Guests at boutique hotels expect “unique experiences, new challenges, and multi-entertainment in the form of action, emotion and adventure” (Freund de Klumbis and Munster, 2005).

In addition, Burke and Edell’s (1989) study showed that there is a positive correlation between a customer’s previous brand attitudes and his or her attitudes towards the advertisement. Similarly, Mattila (1999) indicated that message strategies based on price are not effective when customers have low prior experience and familiarity with the brand. However, in order to understand the effect of service expectations, one can only measure the “expectations formed”, which exist between the pre-consumption and the consumption stage of the “total consumption experience”. Therefore, prior experience

and familiarity with a brand must be controlled so as not to influence a customer's expectation of service quality.

Hypotheses development

The overarching objective of this research is to investigate the effectiveness and moderating role of rational and emotional appeals in the number of relationships involving attitudes towards the website, expectations of the service provider, attitudes towards the hotel, and purchase intention. This study is loosely based on research by Mattila (1999). Mattila (1999) investigated the relative effectiveness of both types of advertising appeals on four constructs, namely attitude towards the advertisement, attitude towards the company, service expectation and purchase intention. However, in the context of the hospitality industry, specifically boutique hotels, purchase intention is proposed as the dependent variable since the ultimate aim of any advertising strategy is to sell products and services. Purchase intention will indicate the ability of each message strategy to evoke purchase behaviour. As the literature has pointed out, there is no consensus regarding which type of appeal is more effective in service-oriented industries. We contend that both have their strengths and as such the attitudes towards the website and hotel will have positive influences on the outcome variables. The past literature on Internet advertising has shown that websites can be a form of effective advertising since they can inform, persuade or remind potential and current customers about the organization's offerings (Chung and Law, 2003; Law and Cheung, 2006; Li et al., 2002; Starkov, 2002; Wong and Law, 2005). A website's home page creates the all-important

first impression of the website and the organization (Singh and Dala, 1999; Watson et al., 2000), and this is more critical in building a relationship with a viewer online than via traditional media (Geissler et al., 2001).

However, in the context of boutique hotels advertising online, rational and emotional appeals may have discrete but different influences on customers' service expectations, their attitudes towards the websites and their attitudes towards the boutique hotel. This is due to the nature of boutique hotels, which offer unique levels of personalized service and character (Aggett, 2007; Freund de Klumbis, 2005; McIntosh and Siggs, 2005; Kleinrichert et al., 2012; Sklair, 2010; Hu, 2012). As such, building on the literature review in the preceding section, it is postulated that rational and emotional advertising appeals may influence differently on customers' service expectations, attitudes towards the websites and attitudes towards the boutique hotel and purchase intention. It is also expected that the influences of attitude towards the website and the expectation of the service provider on rational and emotional appeals will be moderated by the type of website, focusing either on rational or on emotional appeals. In a similar vein, we also postulate that the influence of rational and emotional appeals on purchase intention will be moderated by the type of website, focusing either on rational or on emotional appeals. As such, we present the following set of hypotheses. The relationship is further depicted by Figure 1.

~~Insert Figure 1 Here~~

H1 The effect of attitude towards the website on rational appeals is moderated by rational and emotional appeal focused websites.

H2 The effect of attitude towards the website on (a) rational appeals and (b) emotional appeals will be moderated by the respective advertising appeal focused websites.

H3 The effect of service expectations of the service provider on (a) rational appeals and (b) emotional appeals will be moderated by the respective advertising appeal focused websites.

H4 The attitude towards the boutique hotel is positively related to purchase intentions for (a) rational and (b) emotional advertising appeal focused websites.

H5 The effect of (a) rational appeals and (b) emotional appeals on purchase intentions will be moderated by the respective advertising appeal focused websites.

Research methodology

Pretests

A focus group was conducted to identify and categorize hotel websites evoking specific advertising appeals. A pack of eighteen website home pages of boutique hotels was printed and distributed to the group. This study chose low-profile boutique hotel websites to control for familiarity. Past experiences with a service provider may affect the service expectations (Zeithaml et al., 1993). The participants were then asked to separate all the prints into three separate groups representing rational, emotional or other appeal strategies. Only eleven hotel websites were classified as either rational or emotional appeal focused websites, which formed the basis for the second pretest. A new group of participants made up the second pretest to conduct a short self-administered survey based on the eleven websites. The aim of this task was to identify two rational appeal focused and two emotional appeal focused websites. The participants were shown a print copy of the eleven websites randomly one at a time. They then responded to the survey, which consisted of four statements that asked how strongly they agreed or disagreed with each statement on a seven-point scale. The mean score of the eleven websites was computed.

The analysis demonstrated that Grace Hotel and Richmond Hill Hotel were the best indicators for “service accolade” and “price cue”, which are factual cues for rational appeals, respectively. Lilianfels Blue Mountains Resort and Spa and Hotel Lindrum were the best indicators of emotional appeals for the dimensions of “serenity” and “warmth”, respectively.

Data collection and procedure

The data were collected using a systematic intercept approach in the central hub of a large suburb in Western Australia. The respondents were approached by trained researchers over two weekends at different times of the day and at different locations to minimize the bias selection. Screening questions were posed to potential respondents to ensure that the respondents were aware of boutique hotels and that they utilized online resources like websites to make lodging reservations for their travels. The respondents were asked for 10–15 minutes of their time to complete the short survey and were given every opportunity to refuse to participate in the research. The respondents who agreed to take the survey were asked to imagine that they were planning a weekend getaway and that they were deciding on a boutique hotel in an Australian holiday resort. They were then asked to spend a few minutes examining the web pages of a boutique hotel. Following that, they were asked to complete a two-page survey form.

Survey instrument

The self-administered questionnaire comprised four sections. The first section consisted of three coloured printed web pages of one of the four boutique hotels. In the second

section, the respondents were asked to respond to a number of scales, including familiarity with the website (single-item bipolar scale), attitude towards websites (four-item bipolar scale adapted from Geissler et al., 2006; Mattila, 1999), level of service expectations (three-item bipolar scale adapted from Mattila, 1999), attitude towards boutique hotels (three-item bipolar scale adapted from Peterson et al., 1992) and purchase intention (four-item scale adapted from MacKenzie et al., 1986). The third section comprised two sets of manipulation checks for the respective appeals. Scale items from Holbrook and Batra's (1987) dimensions on the standardized emotional profile (SEP) for the dimension of "warmth" (items consisting of tender, warm-hearted and sentimental) and "serenity" (items consisting of restful, serene and relaxation) were used to measure emotion. It was measured by a seven bipolar semantic differential scale. Numerous studies have indicated that the intangible qualities of services can be overcome by using tangible factual cues, such as price and documentation of service excellence (service accolades) (Berry, 1981; Cutler and Javalgi, 1993; Legg and Baker, 1987; Murray and Schlacter, 1990; Pickett et al., 1993; Shostack, 1977). The purpose of this scale is to measure how informative each boutique hotel's website is. The final section collected the demographic profiles of the respondents.

Data analysis and results

Sample

A total of 320 surveys were collected, 71 of which had to be removed due to a number of reasons, such as incomplete entries and showing no interest in the survey (i.e. donkey voting) by selecting one choice for the entire questionnaire. After data cleaning, a total of

249 questionnaires were deemed fit for data analysis. The sample was mainly represented by young adults under 30 (60.8%), males (62%) and the middle-income group (56.3%).

Scale reliability and manipulation checks

The Cronbach's alpha for attitude towards websites ($\alpha = 0.868$), service expectations ($\alpha = 0.682$), attitude towards boutique hotels ($\alpha = 0.818$), purchase intentions ($\alpha = 0.923$) and emotional appeal ($\alpha = 0.868$) were all deemed acceptable for analysis.

The results from the manipulation checks showed very low-level familiarity with the four boutique hotels. Hotel Lindrum was the least familiar brand with a mean of 1.44, The Grace Hotel scored a mean of 1.45, Lilianfels Blue Mountains Resort and Spa scored a mean of 1.49 and Richmond Hill Hotel scored a mean of 1.92 (1 = not at all, 7 = very well).

Confirmatory factor analyses were used to ascertain whether each website is either rational or emotional appeal focused. The key indices reflect that they are all deemed to be acceptable. The key indicators of the rational appeal focused websites (Grace Hotel and Richmond Hill Hotel websites) reflected $\chi^2 = 145.00$ (105 degrees of freedom), $p = 0.01$, comparative fit index (CFI) = 0.993, normed fit index (NFI) = 0.976, root mean square error of approximation (RMSEA) = 0.040, goodness-of-fit index (GFI) = 0.935 and adjusted goodness-of-fit index (AGFI) = 0.905.

The key indicators of the emotional appeal focused websites (Lilianfels Blue Mountains Resort and Spa and Country Club Hotel websites) reflected $\chi^2 = 160.91$ (105 degrees of freedom), $p = 0.00$, comparative fit index (CFI) = 0.988, normed fit index (NFI) = 0.966, root mean square error of approximation (RMSEA) = 0.047, goodness-of-fit index (GFI) = 0.928 and adjusted goodness-of-fit index (AGFI) = 0.895.

Other supplementary statistics were also obtained via the independent samples t-test. The mean of rational appeals for rational focused websites ($M = 4.10$) is significantly higher than for emotional focused websites ($M = 3.11$) ($t = 5.44$, $p < 0.00$). The mean of emotional appeals for emotional focused websites ($M = 5.13$) is significantly higher than that for rational focused websites ($M = 4.23$) ($t = 8.68$, $p < 0.00$). The mean purchase intentions for emotional focused websites ($M = 5.04$) are significantly higher than those for rational focused websites ($M = 4.46$) ($t = 4.92$, $p < 0.00$).

Findings

Table 1 shows the results of the unconstrained model for rational appeal focused websites and emotional appeal focused websites, respectively.

~~Insert Table 1 Here~~

The overall fit for model 1 for rational appeal focused websites is satisfactory ($\chi^2 = 156.34$, $d.f. = 109$, $p = 0.002$). The relative fit indices, e.g. comparative fit index (CFI) and normed fit index (NFI), was 0.992 and 0.974, respectively. The absolute indicator of fit, e.g. RMSEA, is 0.042. The other indicators, the GFI and AGFI, are acceptable at 0.930 and 0.902, respectively. Similarly, the overall fit for model 2 for the emotional appeal focused websites is also satisfactory ($\chi^2 = 173.3$, $d.f. = 109$, $p = 0.000$). All the other

indices (such as RMSEA = 0.049, GFI = 0.923, AGFI = 0.892, NFI = 0.963, CFI = 0.986) are acceptable. These suggest that each proposed model is a good explanation of the observed covariances and variances among the study constructs. The relationships were also as hypothesized in the right directions. In terms of the hypotheses, H1 is supported, that is, the attitude towards the website is positively related to purchase intentions for both rational appeal and emotional appeal focused websites, with $\beta = 0.275^{**}$ and 0.265^{**} , respectively.

H_{2a}, which states that the effect of attitude towards the website on rational appeals is moderated by advertising appeal focused websites, is supported with $\beta = 0.513^{***}$ and 0.168, respectively. The difference for the effect of attitude towards the website on rational appeals for advertising appeal focused websites is significant ($\beta = 0.513^{***}$, $t = 6.61$, $p < 0.001$). However, H_{2b} is not supported for emotional appeals ($\beta = 0.613^{***}$ and 0.350^{***} , respectively).

H_{3a}, which suggests that the effect of attitude towards the hotel on rational appeals is moderated by advertising appeal focused websites, is supported with $\beta = -0.329^{***}$ and 0.030, respectively. The difference for the effect of attitude towards the hotel on purchase intentions for rational and emotional focused websites is significant ($\beta = 0.167^*$, $t = 1.96$, $p < 0.05$). H_{3b}, however, is not supported: $\beta = 0.175^{**}$ and 0.400^{***} , respectively.

H₄, which hypothesizes that attitude towards the hotel is positively related to purchase intentions for both rational appeal and emotional appeal focused websites, is not

supported (beta = 0.167* and 0.135, respectively). In other words, the hypothesis will be supported in that the effect of attitude towards the hotel on purchase intentions will be moderated by rational and emotional focused websites. The difference for the effect of attitude towards the hotel on purchase intentions for rational and emotional focused websites is significant (beta = 0.167*, t = 1.96, p < 0.05). The effect is present for rational focused websites, but not for emotional focused websites.

H₅ states that the effect of (a) rational appeals and (b) emotional appeals on purchase intentions will be moderated by rational and emotional focused websites. H_{5a} is supported, with beta = 0.131* and -0.056, respectively. The difference in the strength of the relationship between rational appeals and purchase intentions for rational and emotional focused websites is significant (beta = 0.131*, t = 2.35, p < 0.05). The effect is present for rational focused websites, but not for emotional focused websites. H_{5b} is not supported: beta = 0.292*** and 0.503***, respectively.

The results of the hypotheses testing are reflected in Table 2 below.

~Insert Table 2 Here~

Discussion and concluding comments

This study has provided some empirical evidence to confirm that emotional appeals are more effective than rational appeals for hospitality services advertising online. Specifically, websites using emotional appeals tend to show a positive relationship between attitude towards hotels and attitude towards websites and purchase intention.

This study has broadened the scope of the service advertising literature by exploring the role of emotions in a new advertising medium. Past studies have shown that emotional appeals are more effective than rational appeals in traditional media such as television and print (e.g. Batra and Ray, 1986; Edell and Burke, 1987; Mattila, 1999; Royo and Gutierrez, 2000; Stafford, 1996; Stafford and Day, 1995). The result indicated that online advertisements utilizing emotional appeals have a stronger relationship in predicting purchase intention than advertisements utilizing rational appeals and it further strengthened the concept proposed by other scholars (Batra and Ray, 1986; Derbaix, 1995; Edell and Burke, 1987; Mattila, 1999).

Furthermore, past research measured only the relationship between advertising effectiveness for various appeals, and did not explore the differences between rational and emotional appeals in website promotions. Batra and Ray (1986), Derbaix (1995), Edell and Burke (1987), Mattila (1999) and Olney et al. (1991) are some examples of studies that only focused on measuring the relationships. Hence, this study confirmed advertisers' belief by elucidating the differences that exist between rational and emotional appeals for attitudes towards websites and attitudes towards boutique hotels.

The Internet as an advertising medium offers many advantages over the traditional media and hence its importance is growing among advertisers. Website promotions provide an avenue for managers striving to reduce their advertising expenditure. The ultimate aim of this research was to show that advertising utilizing emotional appeals can be as effective online as it is offline. Since advertising online is cheaper than television and print

advertising it is an attractive alternative. However, Internet users are meticulous (Geissler et al., 2001; Singh and Dalla, 1999; Wong and Law, 2005) and on average only spend around 30 seconds on each website. Thus, it is crucial to create a positive first impression to capture consumers' attention and interest (Geissler et al., 2001). The results from this study indicate that emotional advertisements are better at gaining and retaining interest and attention. The results show that attitude towards the website utilizing emotional appeals has a stronger relationship with purchase intention. Hence, it makes sense for service advertisers to choose emotional appeals when they are advertising online. The results from the study demonstrate how efficiency-obsessed advertisers can save on costs and maximize the effectiveness of Internet advertising.

Cost efficiency is particularly important for small boutique hotels due to their limited advertising budget. This research explored how small boutique hotels can maximize the effectiveness of two advertising appeals on the Web. Hence, it will give managers and advertisers greater knowledge of relative efficiencies when advertising online. The Internet is a cost-effective and global medium, at a time when it is becoming even more important for small boutique hotels to maximize awareness from the online campaign.

In addition, they cannot afford to compete against multi-national hotel chains based on price due to their small size. However, being small and boutique can also be highly advantageous. Since these boutique hotels are small in size, they are able to provide a superior service; hence, they can differentiate according to these experiences. In addition, these hotels can differentiate themselves clearly from their competitors because of their

uniqueness. As a result, emotional appeals can also provide a unique experience online and can assist a boutique hotel to differentiate itself from its competitors. For these reasons, emotional advertising on the Internet can be highly beneficial for small boutique hotels.

This paper is not without shortcomings. The sample, for example, could be drawn from actual online consumers to achieve better validity and reliability of the findings. To test the full experience in a Web environment would provide better ecological validity. This research has only studied the relationship between purchase intention and two emotional cues, warmth and serenity (Holbrook and Batra, 1987), and purchase intention and two rational cues, namely price and service accolades. Other dimensions of rational and emotional cues should be investigated in future studies. In particular, frameworks such as the PAD (pleasure arousal and dominance) models for emotions can be applied to investigate the different relationships.

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Figure 1: Conceptual Model

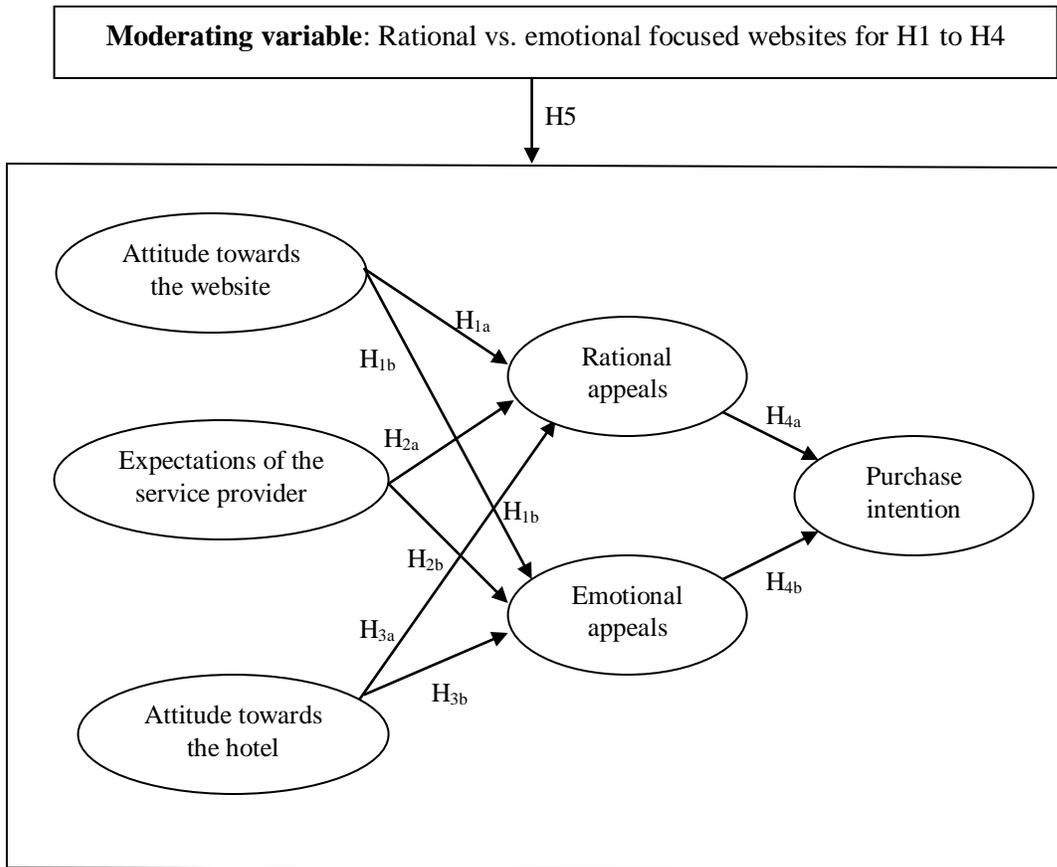


Table 1: Results of Structural Equation Modelling

	Dependent constructs					
	Rational appeals		Emotional appeals		Purchase intentions	
Independent constructs	Beta (S.E.)	T-value	Beta (S.E.)	T-value	Beta (S.E.)	T-value
<i>Group 1: Rational focused websites</i>						
Website attitude	0.513 (0.129)	6.61 ^c	0.613 (0.081)	7.59 ^c	0.275 (0.109)	2.51 ^b
Service expectations	-0.329 (0.082)	-4.10 ^c	0.175 (0.070)	2.51 ^b		
Hotel attitude					0.167 (0.085)	1.96 ^a
Rational appeals					0.131 (0.056)	2.35 ^a
Emotional appeals					0.292 (0.087)	3.35 ^c
R ²	0.18		0.53		0.48	
Model fit:	chi-square = 156.34	d.f. = 109	p = 0.002	RMSEA = 0.042		
	GFI = 0.930	AGFI = 0.902	NFI = 0.974	CFI = 0.992		
<i>Group 2: Emotional focused websites</i>						
Website attitude	0.168 (0.101)	1.67	0.350 (0.106)	3.29 ^c	0.265 (0.087)	3.03 ^b
Service expectations	0.030 (0.101)	0.29	0.400 (0.108)	3.69 ^b		
Hotel attitude					0.135 (0.076)	1.78
Rational appeals					-0.135 (0.05)	-1.12
Emotional appeals					0.503 (0.106)	4.73 ^c
R ²	0.04		0.47		0.61	
Model fit:	chi-square = 173.30	d.f. = 109	p = 0.000	RMSEA = 0.049		
	GFI = 0.923	AGFI = 0.892	NFI = 0.963	CFI = 0.986		
^a p < .05, ^b p < .01, ^c p < .001						

Table 2: Results of Hypotheses Testing

Hypothesis	Result
H1	Supported
H2 _a	Supported
H2 _b	Not supported
H3 _a	Supported
H3 _b	Not Supported
H4	Not Supported
H5 _a	Supported
H5 _b	Not Supported