How the Hotel Industry Can Navigate an Active Online Landscape

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ABSTRACT
The emergence of online reviews located on platforms and social networks has presented opportunities and challenges for the hotel industry. Navigating this space to find trends and patterns in an array of reviews proves to be a tall task for the staff in charge of sorting through reviews, but one that businesses have put a lot of emphasis on, especially in a vocal online landscape that can submit descriptive reviews that can skew negative, misleading, or spread false information. There are different pieces in understanding the effects of the rising online landscape: the importance given to these reviews (Nwaogu et al., 2014), the expectations the consumer has in mind (Browning, 2013), deciphering the actual criticism from fallacies, the response from the online platforms toward inaccurate information, and the actions hotels are taking to improve service quality to craft a better experience for customers in the future (Browning, 2013). The industry is in the midst of an evolving industry with the rise of technology and increased expectations after the COVID-19 pandemic. There are many avenues, including AI, that hotels can take to politely address negative reviews, such as responding to the review directly, implementing strategies and improvements that will indirectly foster a more positive word of mouth online, or working these online platforms to find ways to uncover reviews that contain misleading or false information. Regardless, it is vital that the hotel address these issues that make staying there more appealing, instead of undermining them.

Keywords Online reviews, hotel, reputation, service quality

INTRODUCTION
The online landscape has given the public many opportunities to familiarize themselves with a particular hotel property or hotels within a chain to offer them a chance to predict their likelihood of reaching satisfaction with the service provided. Before the rise of the internet, many relied on word of mouth from family, friends, and peers. However, with the emergence of platforms, such as TripAdvisor, many are able to get a better understanding of what their experience would be at a particular hotel or resort. TripAdvisor can be used to determine comparative advantages when it comes to pricing and access reviews from a wide range of people. An individual could book their hotel room through OTAs (online travel agencies) based on what they find (Neirotti et al., 2016). Basing decisions on where to book rooms has significantly been influenced by online
reviews (Silva, 2015). Knowing the role that online reviews play in consumers’ decisions, it is important to understand the impact and enforce solutions that can help the industry improve.

**INDUSTRY CONTEXT**

**Consumer Values**
Individuals come to a decision based on service quality, which can be grouped into 10 categories: whether the staff is reliable, how perceptive they are to what the customer needs, the behavior of the frontline staff, how easy it is to receive service, the ease of communication, integrity, making an effort to know the customer, feeling secure, politeness, and the physical aspects of the property (Paramsurman et al., p. 46). These categories determine if satisfaction has been met by the consumer. The ability to reach satisfaction depends on how all these elements are executed because they all contribute to how the overall experience turns out in the eyes of the customer. The outcome of the experience in a way determines if the time and money were well spent. A conclusion cannot be reached until the end of the stay because all the factors of service quality must be exposed to the customer. However, with the emergence of online reviews, individuals are able to get a look at what service they would receive without having to go there (Browning, 2013). With the presence of online reviews, customers can determine what they would be getting without having to step foot on the property. It is an exciting development because so much of the hospitality industry relies on consumers dictating whether the service they receive is satisfactory, regardless of any biases, based on their interactions with staff and the facility.

Customers rely on online review sites to determine the quality of service, cleanliness, and amenities offered by hotels and to gain an overall impression of the hotel (Meng et al., 2018). Most recently, and in light of the pandemic, more customers also rely on online reviews to evaluate specific concerns, such as health and safety protocols offered by hotel properties (Chan et al., 2021). The online landscape changes the industry because now consumers don’t have to participate in the interactions to draw conclusions; they can use someone else's experiences to predict or get an idea of what to expect. Although this development can be viewed as a great asset for the consumer, it can open the public to discrepancies, inaccuracies, and biases.

**Impact of Negative and Fake Reviews**
Reviews are ideal in painting a picture and putting someone in the reviewer’s shoes. However, discrepancies can appear as a reviewer is more likely to vividly describe a negative experience rather than a good one because research shows the reviews that reflect on a negative experience are more descriptive (Sparks & Browning, 2010). This means that for the customer, it is likely that the more effective reviews skew negative since they include many more details and complaints than the potential customer can imagine. The consumer may feel inclined to trust the reviewer with the negative opinion due to the specific language. Hotels are taking note of this regardless of whether the reviews are positive or negative because they realize how important those reviews are in a consumer’s travel decisions, which is why they are trying to interact more with these platforms and networks. For more than 40% of hotel operators, engaging with the platforms is a marketing priority (Nwaogu et., 2014). There is awareness among the hotel industry of a need to address reviews that contain negative experiences to avoid losing current and potential customers. In addition to negative reviews from unsatisfied consumers, there are
also fake reviews. A study done by Lappas et al. (2016) looked at 2.3 million reviews of 4,709 hotels and saw that even small doses of fake reviews can have a huge impact because a hotel’s visibility will be limited in terms of the review-based ranking.

The Use of the Attribution Theory
In the face of a volatile online landscape, hotels are trying to administer responses to address two issues: how to deal with reviews populated with falsehoods and how to respond to negative reviews based on the experience the consumer had in a way that shows genuineness and signs of improving service quality. A major concept to understand here that ties all of these issues together is attribution theory, which breaks down service failures into three areas: “locus of causality, stability, and control” (Weiner, 2000). Customers make a distinction between whether the problem stemmed from the business or the customer, which is considered to be the locus of causality (Vasquez-Casielles et al., 2007). If a customer believes a service issue was the result of the business, then that forms the expectation that they will not enjoy the service and will be more frustrated (Folkes, 1984, 1988; Iglesias, 2009). Stability refers to whether the consumer understands the cause of a service problem to be constant, which means the consumer will not reach satisfaction because the expectation is that the service provided will not be at a satisfactory level (Bitner, 1990; Vasquez-Casielles et., 2007). The final aspect, control, coincides with reputation management, because if the business has been known to provide excellent service, then the consumer will believe that any issues with the service quality cannot reflect too poorly on the organization (Hess et al., 2003).

Attribution theory reveals the psychology of how consumers use reviews, which shows why brand and reputation management are key in the rising online landscape. If consumers develop trust with the hotel and know the hotel has created an environment that reflects genuineness and loyalty, then negative reviews online can be outweighed by the positive image the hotel has. Consumers should be given credit for deciphering reviews that can seem misleading as they tend to avoid reviews that contain many extremes. The National Bureau of Economic Research cites this as a trend even though there is a realization that extremity does not fully mean that a review is fake (National Bureau of Economic Research, 2012). It is a positive conclusion for the hotel industry because it shows that consumers understand that with the emergence of the importance of online reviews, there are going to be fallacies in the form of extremes. This is where reputation management plays a role, because if the business has a brand that people respect due to characteristics such as loyalty, then that means there is a chance for the hotel to succeed regardless of some negative reviews.

DISCUSSION
In response to an influx of online reviews that can contain negative points or misinformation, hotels must approach the reviews at hand as an opportunity to reflect their values. There are two pieces of key information in understanding how hotels can deal with a very active online landscape: Consumers base their reviews on the elements of service quality, and consumers give much importance to the reviews they read (Browning, 2013; Nwaogu et al., 2014). It is essential to understand these points because when hotels figure out ways to address reviews filled with negativity or falsehoods, they realize how they respond conveys the image they are trying to put out there. Hotels should communicate clearly that they are on the customer’s side by providing the best service possible and sincerely addressing the concerns in negative reviews.
Using Customer Satisfaction
In order for the hotel and resort industry to improve and avoid negative publicity, guest satisfaction must increase to give future consumers a positive picture of the hotel. Going back to the 10 elements of service quality, it is important for hotels to make sure they are gearing their efforts toward satisfying each element (Paramsurman et al., p. 46). A study of customer satisfaction based on three-star hotels in Auckland, New Zealand, found that customer satisfaction was determined by nine themes: “location, room, facilities, staff performance, service, food and beverages, price, manager/owner performance, and the sense of security” (Li, 2020). The study found that positive reviews had mentions of satisfaction with facilities and cleanliness. It is important to note these findings because there is a relationship between these themes and the reviews that consumers post online.

Hotel Response Recommendations
Hotels should understand that in such a volatile online landscape, it is inevitable that reviews will skew negative. The important thing for hotels to consider is how they can use the negative aspects of a review to improve their services. A hotel can learn an abundance of information from looking at customer concerns. A study focusing on upscale hotels in Hong Kong recognized the influence of negative eWOM (electronic word of mouth), how to handle negative reviews, and how to view negative eWOM as an opportunity for improvement (Chen et al., 2021). This study took a different approach as the researchers, in addition to collecting data based on the hotels in Hong Kong, went straight to the source and interviewed hotel managers on how they handle negative eWOM. They started by interviewing 12 participants who were either general managers, hotel managers, department heads in the front office, sales and marketing, food and beverage, or housekeeping. They asked open-ended questions of each participant, such as “What do customers often complain about your hotel and why?”

The researchers continued with a second round of five new interviews. The second round differed from the first as throughout the qualitative analysis portion of the study, relationships were formed and identified. During the final round, three more interviews were conducted and this time a codebook with the interpretations and meanings of the relationship between the categories was created. The researchers were able to find that eWOM impacts three areas: “hotel reputation,” “business revenue,” and “management of customer expectation.” It is interesting to note how the study brings forth the idea that positive eWOM helps the hotel with two key aspects: It emphasizes what the hotel should continue doing, and it motivates employees because they feel as if their service is appreciated.

On the other hand, the researchers found that negative eWOM impacts the hotel in three ways: “examining the existing operations and detecting the problems that hotels are unaware of,” “understanding service quality and performance from the perspective of the guests,” and “identifying new business opportunities.”

Negative eWOM management helps hotels make active choices in deciding what they should focus on. Even though unfavorable reviews may be hard to swallow, they don’t have to be viewed as a pessimistic thing. They may seem that way in the moment, but they can set up a better outlook in the future. Going back to the study by Chen et al. (2021), their findings suggest...
three recommendations to better eWOM management. The first entails positioning the hotel’s brand frequently and actively online, especially for lesser-known hotels that do not currently have a significant online presence. The second recommendation is to make sure every hotel has some sort of system that can manage and look at its eWOM. Management should have scenarios in place to respond accordingly to negativity surrounding their hotel. There should be a separate team that works closely with hotel management to keep track of publicity. Finally, the third recommendation is to understand eWOM and use it to the hotel’s advantage by uncovering patterns in the data.

It is also important to note the influence a consumer’s personality traits have on how they view their experience at the property, which is why another study by Legrand (2018) found it is beneficial for hotel managers to use a social media strategy that takes into consideration each consumer’s feedback while understanding their communication style. In the study, a survey was conducted by Legrand (2018) with 22 questions that reflect the traits of self-esteem, justice, and security. These traits are the three most needed to develop a well-rounded strategy (Schneider & Bowen, 1999). The survey was sent out to 25 contributors on TripAdvisor that are at level 3 and up, 80 respondents on Survey Monkey who were 18 or older, and friends and family of the author, which got the total number of respondents to 118 people before the survey closed.

The survey found that 70.59% of adults in the 50+ age group, 71.43% of the 25-35 age group, and 88.89% of the 35-50 age group would share their negative experiences with the front desk, while only 50% of those in 18-25 age group would complain to the front desk. The 18-25 age group should be a priority for hotels since they are more likely to review the hotel on social media. In addition, the survey found that consumers would be very pleased if a staff member responded to their negative review, with some consumers even willing to remove their negative review (Legrand 2018). This study conveys two important ideas: the importance of the 18-25 age group and how consumers would appreciate it if their review was looked at and responded to. It is also important to emphasize the effect that responding to a negative review can have for a hotel, in the form of the consumer taking down the review. This shows there are opportunities in the hotel industry to improve based on appealing to younger customers and realizing they have a chance to rectify anything that felt unsatisfactory in a consumer’s stay by addressing their review.

Hotels understand the correlation between guest satisfaction and positive word of mouth, which is why they are responding using different methods to prioritize the ideal consumer experience filled with convenience, efficiency, and feelings of being cared for by the staff at the property. This can help minimize the effect of negative reviews (Nwaogu et al., 2014). However, sometimes it is necessary to respond to and address concerns written in a negative review because there may be ways to rectify and clarify what happened that made the customer not feel satisfied with their stay at the property.

When a customer publishes a negative review, it is imperative that an employee respond to it sincerely by using concrete language, which means the words used are easy for the consumer to understand (Packard & Berger, 2021). This type of language may take time due to its specificity; however, it may prove worth it for a hotel to have at least one employee work on addressing reviews in this manner. Handling a review properly with concrete language can change the
perspective of the consumer and increase overall satisfaction because they will feel that the employee who is responding to their review is taking notice of specific concerns and needs (Packard & Berger, 2021).

A study using the Rapport Management Model shows how the effect of using rapport strategies can provide some guidance in how to respond to negative reviews in a respectful way (Taw et al., 2022). The study looked at six hotels that ranged from three to five stars in three different locations in Malaysia: Kuala Lumpur, Sekangor, and Pahang. The researchers collected four poor to terrible traveler ratings on TripAdvisor, which for the purpose of the study were identified as negative. The researchers used a model that utilizes move structures from Ho (2017a) and Thumvichit and Gamprer (2018), which is a type of approach using specific language that in this case targets how a hotel should have its staff respond to negative reviews. There are different types of move structures with different sub-moves. Overall, the researchers found six moves as the main move structures: “opening, acknowledging feedback, dealing with complaints, positioning hotel brand, concluding, and closing.” The researchers took a deep dive into what each move is and how the rating of each hotel (three, four, and five stars) impacted the quality of the move.

Starting with the “opening,” the sub-moves of greetings and salutations were more emphasized in the five- and four-star hotels, but most of the hotels across the board used “dear.” The second move is “acknowledging feedback,” with most of the hotels using some variation of “thank you for the feedback”; however, the five- and four-star hotels spent more time on this part. The third move of “dealing with complaints” involves a lot of sub-moves: “expressing empathy,” “apologizing for the unpleasant incident,” explaining causes of the incident, “reporting action taken,” “assurance of service improvement,” “soliciting direct contact,” “providing recommendation,” “admitting flaws,” and “denying problems.” The five- and four-star hotels did not use the sub-move of “admitting flaws,” while the three-star hotels did not apply “soliciting direct contact.” The next move is “positioning the hotel brand,” which was heavily used by the five-star hotels. After this move is “concluding,” which once again was emphasized by the five-star hotels. The most important sub-move for five-star hotels was “welcoming or inviting reviewers to a future visit.” Participation in this move was lower for the three-star hotels. Finally, the sixth move used in this study was “closing,” which had the lowest use by five-star hotels. In this move, some of the hotels closed with a close, their name, and job title. The study found that five- and four-star hotels reflect gratitude and powerful connections. The three-star hotels reflected more humility, which allows them to have success even in a crowded market with five-and four-star hotels.

Overall, the study shows how different hotels respond to negative reviews placed into different categories or moves. Hotels can use this as a guide on how to respond to negative reviews regardless of the hotel’s classification as a five-star hotel, four stars, etc. The important takeaway is to make sure the response reflects sincerity even if all the moves (or categories) cannot be fulfilled.

**How Data Analytics Plays a Role**

With such an active online landscape, the hotel industry faces a challenge of addressing each and every review that contains information that skews negative. Although consumers are more likely
to be pleased when concerns in their online reviews are addressed, it is not feasible for a hotel to provide a response to every single review that is written about it. This does not negate the fact that hotels should follow structures that encourage at least one staff member to respond to negative reviews using the model discussed above, especially when there is a likelihood that the consumer may be willing to change their review (Legrand, 2018). However, a study exploring the use of big data analytics shows hotels can understand relationships and trends through data mining (Xiang et al. 2015).

This study looks at how guest satisfaction and experience are related and dives deeper by breaking apart reviews found on the online traveling platform Expedia. Expedia was used for the study because in order to contribute a review, a transaction has to be made. The researchers used a text analytics study using reviews found on Expedia to first understand how the content of the review after the guest’s experience at the hotel corresponds with how the customer rated the hotel through the satisfaction ratings. They were able to collect the data using WebCrawler, which took reviews from hotels that were in large cities and collected 60,648 reviews from 10,537 hotels. To get the most out of the data, a researcher oversaw the coding for this data, which included words that would indicate an aspect of the consumer’s experience at the hotel, such as “size, people, effort, fault, need, want, like, look, etc.” The researchers closed the coding when they reached 416 primary words. Not all of the words held significance but were able to explain patterns. For example, if mentions of a free breakfast or airport services were found as the primary words, the review would be rated with a higher satisfaction level. The researchers concluded that big analytics has the ability to understand aspects of hospitality by finding the correlations between the content of the review and the satisfaction rating given. However, the study does acknowledge its limitations from looking at more urban areas and biases (Xiang et al. 2015). Regardless, big data analytics provides those in the hotel industry a chance to identify patterns.

Identifying patterns based on data can help hotels grasp what they should continue in terms of the services they offer and how they present themselves to guests. It also presents them with opportunities to see where they should improve. If a hotel sees through the data that certain words or phrases are associated with low satisfaction rates, then the hotels can address those concerns. Developing relationships within the data can set the path for the hotel, especially when it is clear due to a word that keeps repeating. Hotel managers can take a look at an array of aspects in their decision-making. They can also use big data analytics to see where they are compared to the other hotels in the area. Putting an emphasis on data analytics can help hotels see patterns even with an abundance of reviews. Once again, it is important to note that demonstrating the best hospitality comes with responding to a consumer’s concern; however, the data can help find recurring patterns that can help address the root of the problems.

**Handling Fake Reviews**
Hotels hold a lot of accountability when it comes to satisfying guests and addressing their concerns. Many guests base their experience off the elements of service quality, which in return impacts how they put their stay at a hotel into words. The nice thing that hotels should remember is that consumers appreciate their negative review being addressed and there are opportunities for hotels to improve through eWOM management. However, another major aspect of the active online landscape is the influx of fake reviews. Research outlined by Elmogy et. al (2021)
emphasizes the use of machine learning to find fake online reviews. They found that machine learning can help find fake reviews by sorting out useful information using content mining, which can decipher sentiments for either negative or positive reviews, and features that may connect to the reviewer. The more features, the more likely it becomes to find fake reviews. The main concept is to understand that even though more features may need to be added for this approach to prove successful, it is worth paying attention to because it may yield positive results in the future.

**TripAdvisor’s Role in Deciphering Fake Reviews**

The hotel industry has a part in receiving negative reviews. One of the key concepts to keep reiterating is how guest satisfaction plays a major role in hotels being able to create a positive word of mouth on online review platforms. However, even though reviewers provide criticism that the hotels can use to improve the experience they create for the guest, there are certain reviews out there that contain many fallacies that do not represent the brand or experience that one could have staying at the hotel. Most online platforms allow all kinds of reviews to be published even though they can be verified or unverified. Even though the consumer can see if the review is verified or not, it still creates problems for hotels (Nwaogu et al., 2014). There has been action from online platforms, such as TripAdvisor, to address fake and misleading reviews. They have made sure to enforce their community standards and recently revealed in their transparency report that in 2020 around 3.6% of reviews were considered fake, while a majority of them did not see the light of day on the platform (TripAdvisor, 2021). This can be a sigh of relief for hotel companies as they see that there is an effort being made to eliminate fake reviews. In the same report, TripAdvisor said it was going to create a Trust & Safety information center that would detail clear guidelines on what can be posted (TripAdvisor, 2021). Even though it is inevitable that fake reviews will be posted, the platform is taking steps to minimize them being posted on the site.

**AI and Its Future Impact on Online Reviews**

Artificial intelligence (AI) has the potential to dramatically change how online reviews are written, responded to, and analyzed. AI is currently being used to respond to restaurant reviews and questions through a partnership between ChatGPT and OpenTable (Guszkowski, 2023). This is just the beginning of having a proliferation of AI-powered chatbots respond to reviews. There is also the potential for AI chatbots to write online reviews, adding to the number of fake reviews. Hotels and companies like TripAdvisor will need to use more powerful AI to detect fake reviews. Machine learning can be used to collect, store, and analyze online reviews and detect fake ones (Artificial intelligence for hotels, 2020).

**CONCLUSION**

Online reviews are not going to go away. They give consumers the opportunity to feel as if they have already been to a property, which leaves them with expectations about how they think they would feel at the hotel. The industry has and is continuing to come up with ways to respond to this vehement online landscape. There are two parts to this issue that should be reiterated and addressed: Hotels need to navigate how to respond to reviews that detail consumers’ dissatisfaction courteously and how the industry deals with fake reviews that undermine the brand. Both of these aspects involve staff responsibility in terms of monitoring review patterns, responding to negative feedback, and deciphering fake reviews, which can mostly be handed off
to online platforms to make sure the sites are credible. AI has great potential to dramatically improve how hotel managers do this.

After gathering literature regarding how hotels should navigate an active online landscape that features reviews with negativity and fake information, the best solution is to enforce strategies that emphasize service quality, management, and technology. There are different ways a hotel may want to implement these strategies. The first way is to make sure all the components of service quality, such as if the staff is reliable, how perceptive they are to what the customer needs, the behavior of the frontline staff, how easy it is to receive service, the ease of communication, integrity, making an effort to know the customer, feeling secure, politeness, and the physical aspects of the property (Paramsurman et al., p. 46), are fulfilled, which will encourage the consumer to write a positive review rather than a negative one. Hotels need to notice the trends in customer satisfaction in different areas, such as the amenities in the room and how clean the room is (Li, 2020).

Hotels also should have a negative eWOM strategy in which they are active online, have a response system in place, and can uncover patterns that can help them use negative reviews as opportunities to improve (Chen et al., 2021). In addition to having a strong eWOM strategy, it is also important for employees to know how to respond to a negative review. Research from Legrand (2018) shows consumers are glad when an employee addresses their negative reviews. It may benefit hotels to use the move structures that the three hotels in Malaysia used, which include “opening, acknowledging feedback, dealing with complaints, positioning hotel brand, concluding, and closing,” because a response using this structure reflects the values of the hospitality industry. Finally, technology plays a vital role in two ways: big-data analytics, which can identify patterns (Xiang et al., 2015) and machine learning (AI) to find fake reviews (Elmogy et al., 2021).

Overall, the most critical takeaway is to realize that although there are challenges in navigating a volatile online landscape, they present an opportunity for hotels to find ways to communicate their brand and satisfy consumers.

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