The eWOM of hotels in online travel agencies and aggregators as influencers in their turnover

Abstract

Previous studies indicate that eWOM is a crucial factor today as an influencer in the hotel booking decision; Notwithstanding the foregoing, and despite its relevance, there is little research that clarifies how the eWOM influences the turnover (Bore, Rutherford, Glasgow, Taheri, and Antony, 2017), a key element for their competitiveness and survival. Through the semantic analysis of the clients' comments about a specific hotel, and after the identification of the keywords, we determined the most relevant and influential factor on the bookings and therefore the profitability. The data confirm both the usefulness of the type of analysis used and the relationship between eWOM keywords and hotel turnover.

Keywords: eWOM, Hospitality, Tourism, Marketing.

1.Introduction

The development of the Internet, and related technologies, was a radical change in the tourism industry. Multiple organizations began distributing their products or services in a more direct way, using a variety of channels or intermediaries such as online travel agencies (OTAs), or positioning themselves in search engines, where reviews, comments or user reviews telling their experiences influence the purchasing process. Buhalis (1998) concludes that these technologies enable consumers to identify, personalise, and purchase tourism products. Tourists have become independent and sophisticated thanks to the use of a wide range of tools to organize their trips such as OTAs (Booking), search engines and metadata search engines (like Google), destination management systems, social networks and Web Portals 2.0 (Tripadvisor), price comparison sites (Trivago), as well as individual providers and intermediaries. There is a growing influence of criticism, opinions or comments on the purchasing power of a product or service, the eWOM (electronic Word of Mouth) is a key element because many consumers trust opinions which reduces the risk and uncertainty before purchase (Chevalier & Mayzlin, 2006; Duan, Gu, and Whinston, 2008; Forman, Ghose, and Wiesenfeld, 2008; Walker, 2001). Travelers decide to reserve their trips based on the opinions of previous travellers (Gretzel & Yoo, 2008; Vermeulen & Seegers, 2009; Ye, Law, and Gu, 2009). Therefore, if the eWOM influences the reservations of a hotel, it must influence its turnover.

2.Literature Review

There are more and more scientific studies that show the influence of OTAs in hotel reservation and on the eWOM present in these, as a main factor in the reservation decision (Bore, Rutherford, Glasgow, Taheri, and Antony, 2017). The comments of other users present in these OTAs influence up to 81% in the purchase process, and the reservations through the OTAs represent almost 50% of the total (Tecnohotel, 2017). Several studies also establish the relationship between the eWOM and the intention of reservation in hotels, but, although the relationship and dependence between the eWOM and the perception of quality and trust, and hotel reservation, it remains to clarify its influence in the vital part that sustains the business of hotels, which is turnover. This factor is being considered high value and totally necessary for the planning of hotels, due to its high current and potential impact on performance and benefits (Webb, 2016). The constant increase in the use of online technologies through all types of mobile devices makes it necessary to research and adapt hotel management to achieve and maintain the management of reservations, performance and, in short, the business performance. Bore, Rutherford, Glasgow, Taheri, and Antony (2017) confirm that there is little literature on the impact of opinions on the Internet on the performance of hotels, since most focus on their impact on consumer behavior and purchase intention. However, according to previously detailed literature, some authors have already approached the study of these aspects: Nieto-García, Muñoz-Gallego, and González-Benito (2017) focus their study on the effect of eWOM on performance in terms of profit, market perception and satisfaction, and conclude that positive opinions positively affect these factors and negative opinions, on the contrary; and that the more opinions, the more impact on the performance and the willingness to book. Ye, Law, and Gu (2009) note a significant relationship between the eWOM and the economic performance of hotels (according to their influence on reservations), and the results of the study by Kim and Park (2017) indicate that the social media review rating is a better predictor of the performance characteristics of hotels than the traditional consumer satisfaction data. Xie, Zhang, and Lee (2016) study the response of hotels to the eWOM, and conclude that it influences its performance. Viglia, Minazzi, and Buhalis (2016) analyse the effects of opinions in the main OTA's on hotel occupancy and performance, establishing a

direct and positive relationship between the percentage of the number of positive opinions and those factors, although they confirm that, from a certain volume, its effect is reduced and, therefore, it is less influential in turnover. Finally, we want to highlight some key factors in the performance of the hotels that have been studied in the literature as influential in decision-making, and are subject to repeated references in the eWOM. Sohrabi, Vana, Tahmasebipur, and Fazli (2012), pointed out that protection and safety, the journey and ease, the network, staff and services, news and recreational information, pleasure, cleanliness and the comfort of the room, the cost, the facilities of the room and parking are perceived as the main attributes for hotel selection. Xie, Zhang, and Lee (2016) point to price, location and cleanliness as the most influential. Trust also seems to be heightened when positive opinions refer specifically to the proper and efficient service of hotel employees (Donovan & Jalleh, 1999).

3.Research Objectives

This research delves into the study of the influence of the Internet reviews on the performance of hotels from the qualitative analysis of the reviews written on Tripadvisor, Booking and Google on a specific hotel. The main objective is to determine if the positioning of hotels on the OTAs and aggregators, influences their performance or turnover, understanding the positioning, as the position that the hotel gets as an average of the reviews and ratings that customers write on the various online platforms and aggregators such as Tripadvisor, Booking and Google. The secondary objective is to determine if the behavior of a sales force in the reviews that users write, influences the turnover. Once the bibliographic review has been completed and the objectives of this research are fixed, we establish the following premise: the eWOM on OTAs about specific quantifiable aspects of the hotel influences its total turnover.

4.Methodology

The methodology to confirm the hypothesis formulated is divided into a qualitative and quantitative analysis of the reviews, comments and ratings of a hotel. The qualitative analysis involved the extraction of all the reviews, comments and ratings of TripAdvisor, Booking and Google from May 2018 to May 2019, and the realisation of a semantic analysis with the ATLAS.TI to extract the key data per month. ATLAS.TI is a software for conducting qualitative analyses based on the "Grounded Theory" (Glaser & Strauss, 1967) which, through the analysis of the text exposes the thoughts, ideas and meanings that are contained in them, looking for patterns and classifying them. The total reviews and the average of the ratings of the hotel are in 2018: May, 33 reviews and a rating of 5.34. June, 33 and 5.66. July, 29 and 5.54. August, 57 and 5.43. September, 66 and 5.79. October, 54 and 5.84. November, 31 and 6.09. December, 30 and 5.7. In 2019: January, 39 and 5.61. February, 28th and 5.1. March, 36 and 5.87. April, 38 and 5.9. And May, 51 and 5.65. The most grounded words (number of quotations linked to a pre-established code) in the body of the text of the total reviews per month from Tripadvisor, Booking and Google; and the highest density (number of links with other associated or qualifying terms) in the headlines per month from Tripadvisor and Booking (Google has no headline in its reviews), are summarized in table 1.

Table 1. Density of words in the review titles from TripAdvisor and Booking, and the most grounded words of the text of the reviews from TripAdvisor, Booking and Google.

	TripAdvisor		**Booking**		**Google**
Month	Words in the review title with the highest density ρ	Words which are more grounded in the text of the review	Words in the review title with the highest density ρ	Words which are more grounded in the text of the review	Words which are more grounded in the text of the review
M 18	Location	Hotel, Staff, Breakfast, City	Hotel, Very (good experience)	Location, Staff, Hotel, Breakfast, Room	Room, Perfect, Parking, Location
J 18	Location	Room, City, Staff, Good	Hotel, Price Quality, Location	Location, Room, Breakfast, Beds	-
J 18	Location	Hotel, Room, Bathroom, Spacious	Price Quality.	Location, Staff, Parking, Room, Air Conditioning	Hotel, Excellent, Business
A 18	Location	Hotel, Room, Centre, Staff, Parking	Hotel, Location	Location, Staff, Air Conditioning	Nice (staff), Hotel, Rooms, Recommendable
S 18	Location	Hotel, Room, Staff, City, Breakfast	Very good, City	Location, Staff, Central, Room, Breakfast	Facilities, Recommendable ,Room, Location
O 18	Hotel	Hotel, City, Parking, Beds, Walking	Location, Hotel, City	Location, Staff, Excellent, Room, Breakfast	Staff, Hotel, Rooms, Restaurants
N 18	Stay, Very nice	Staff, Room, Reception, Stay, Cleaning	Excellent, Staff	Location, Hotel, Staff, Parking, Rooms	Professionals, Rooms, Restaurants
D 18	Hotel, Very central	Hotel, Staff, Room	Central	Staff, Hotel, Room, Location, Breakfast	Inconvenient, Central, Rooms
J 19	Very good	Room, Location, Hotel	Location	Location, Staff, Excellent, Parking,Breakfast	Central
F 19	-	Room, Nice, City	Location	Location, Room, Staff, Shower	Central, Staff, Location,Perfect
M 19	Hotel, Very, Excellent	Hotel, Breakfast, Room	City, Hotel, Location	Hotel, Location, Staff, Room, Pillows	Staff, Parking, Good
A 19	Hotel, City, Very	Hotel, Good, Room, Location	Excellent, Location, Central	Hotel, Location, Staff, Access, Room, Noise, Price	Terrace
M 19	Hotel, Very, Excellent	Hotel, Room, Breakfast, Staff, City	City, Very good, Location	Staff, Location, Hotel, Excellent, Room, Breakfast	Good, Normal, Very good

Source. Own compilation with ATLAS.ti.

From the analysis of table 1 we can deduce that the word *breakfast* has high but unstable grounds in the opinions, unlike the high and similar (stable) grounds that *hotel*, *rooms*, *location*, and *staff* have. From the temporal analysis of the opinions, we deduce that the *breakfast* service has not always generated content (the hotel's clients did not reflect previously on the subject, in a regular way) and we attribute the instability between the words with the highest grounds to the quality of this service. In addition, the word *breakfast* reflects a quantifiable aspect in turnover, so it is considered a significant fact to establish a possible relationship between this service and the performance of the hotel. In short, the term *breakfast* is fundamental in the opinions and variable in the same (positive-normal-negative), so that these variations should have repercussion in the demand of the hotel and, therefore, in its turnover.

Given the potential relevance of the term *breakfast* as we have explained, we focused on its analysis starting with the realisation of a semantic map (table 2) per month of all the reviews. We encode the words according to their grounds, and we relate the coded words to conclude the density of them. Subsequently, by means of a quantitative analysis, we quantify the grounds and density of the words in the body of the text from the total number of opinions per month, and we summarize their connotation according to the density of associated words.

Table 2. Grounds, density and associations of the term "*breakfast*".

Month	**G.**	**D.**	**Associations**	**C.**
M 18	7	5	Breakfast is scarce, room unpleasant, bad quality, sufficient, good breakfast	+/-
J 18	9	4	Non-cosy room, poor quality, basic	-
J 18	1	1	Basic, poor	-
A 18	2	2	Must improve	-
S 18	4	4	Must improve, schedule, good breakfast	(+)
O 18	2	9	Cafeteria good prices, cafeteria good breakfast, room without light, must improve, correct, good breakfast, cafeteria clean	+
N 18	1	4	Cafeteria, good cafeteria, must improve, good breakfast	+
D 18	1	2	Poor quality	-
J 19	1	3	Great cafeteria, poor breakfast	+/-
F 19	2	4	Excellent, must improve, questionable breakfast, very fair breakfast	-
M 19	11	3	Must improve, very good breakfast	+
A 19	1	5	Cafeteria, good breakfast in cafeteria, room to improve, breakfast must improve	(+)
M 19	1	11	Cafeteria, impersonal and cold room, good coffee in cafeteria, no hot food, breakfast in cafeteria better, must improve, poor, full, good breakfast, expensive, small cold fridge	(+)

G: Grounded; D: Density: C: Connotations (+ "positive"; - "negative"; (+) Normal; +/-"Regular"). Own compilation with data from the investigation.

As we have established in our premise, the differences observed regarding the term *breakfast* should be reflected in variations in turnover. To confirm if the opinions on the *breakfast* influence the reservation and therefore in the turnover of the hotel, in table 3 we compared the total of breakfasts, total clients per month and the average breakfast per client, with the turnover of the breakfast per month and their relationship to the connotation in the

reviews; taking into account that the reservation is made an average of 30 days before arrival, according to the hotel database.

Table 3. Breakfast turnover and its relationship with their connotation.

Mth	**Total Breakfasts**	**Total clients**	**Income in € (breakfast price €7)**	**Average break./client**	**Reviews**	
					Mth	**Connotation**
M 18	527	1355	3689	2.57	**-**	**-**
J 18	261	881	1821	3.37	**M 18**	Regular
J 18	184	927	1288	5.03	**J 18**	Negative
A 18	248	1213	1736	4.89	**J 18**	Negative
S 18	317	1307	2219	4.12	**A 18**	Negative
O 18	519	1369	3633	2.63	**S 18**	Normal
N 18	265	885	1855	3.33	**O 18**	Positive
D 18	332	1046	2324	3.15	**N 18**	Positive
J 19	211	794	1477	3.76	**D 18**	Negative
F 19	187	705	1309	3.77	**J 19**	Regular
M 19	197	879	1379	4.46	**F 19**	Negative
A 19	488	1253	3416	2.56	**M 19**	Positive
M 19	483	1374	3381	2.84	**A 19**	Normal
J 19	355	1046	2485	2.94	**M 19**	Normal

Source. Own compilation with ATLAS.ti.

As you can see, a negative connotation at breakfast decreases the breakfast reservation by the guests. That is, when the connotation of breakfast is negative in the opinions for June 2018 and February 2019, the average *breakfast* is 5.03 in July 2018 and 4.46 in March 2019; The higher the average breakfast per person per month, the less this service will enter, having a direct impact on the performance understood as the hotel turnover, considering the number of customers per month. The premise established on the influence of the eWOM on the OTAs on turnover is thus confirmed.

5.Conclusions, Results and Implications

The results found show that the words with the most presence are *hotel, room, location and staff*; Although *breakfast* has generated controversy and has had a discontinuous presence in reviews. *Hotel* and *room* have ample density, and *location* and *staff* have positive connotations. Therefore, *breakfast* is a service that depends on its quality or service to obtain reviews and has a circumscribed density to whether it is a good or bad breakfast. Analyzing the density of *breakfast*, its connotation per month and quantitatively the average breakfast per client per month, we concluded that the reviews written about the *breakfast* have a direct effect on reservations, especially if they are negative, and therefore on the performance of the hotel (turnover). Since the positioning of a hotel on the Internet is an average of reviews and valuation, and conditions its turnover, the breakfast also conditions the positioning of a hotel and its turnover. Therefore, the conclusion: a certain aspect of a hotel can influence and vary the total turnover, complements the research by Bore, Rutherford, Glasgow, Taheri, and Antony (2017); Nieto-García, Muñoz-Gallego, and González-Benito (2017); Ye, Law, and Gu (2009); Kim and Park (2017); Xie, Zhang, and Lee (2016); and Viglia, Minazzi, and Buhalis (2016). The premise, the eWOM on OTAs about specific quantifiable aspects of the hotel influences its total turnover, is confirmed. The implications of this research have a direct effect on the management of a hotel and in all companies, that give a customer service that can be commented, valued, and quantified on the Internet.

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