



TRAVEL REVIEW WEBSITES AS INNOVATIVE MARKETING VENUES FOR HOTELS

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Abstract

The study investigated travel review websites as innovative marketing venues for hotels through a qualitative case study of TripAdvisor, with particular focus on the top ten hotels in Las Vegas for 2012. The results showed that TripAdvisor is an important venue for online WOM marketing of hotels. The referral effect of reviews is strong. Actual bookings after reading the reviews are highly likely. No evidence of false reviews emerged from the top ten hotels in Las Vegas for 2012. As such, hotels should seriously consider TripAdvisor as a place to influence the expectations, perceptions, hotel choices of consumers and the way of innovative marketing strategy for attracting potential customers.

Keywords: online word-of-mouth (WOM) marketing, travel review websites,
consumer generated content, travel decision-making, online trust, opinion
leadership

Introduction

Travel review websites are venues for customers to publish hotel reviews, which can be positive or negative. Reviews depend on the hotel experience of customers. It is important for hotels to create a satisfying experience for customers, to encourage positive feedback (Bechwati & Nasr, 2011).

Using travel review websites for marketing involve limitations. Reviews of a hotel vary because of differences in taste and preferences as well as expectations of hotel customers (Lin, 2011). Customers can give differing feedback on a similar hotel experience. As such, hotels only have partial influence on reviews via service delivery, which encompasses booking, actual service and after sales service.

With the expectation of getting positive and negative reviews, it is important for hotels to monitor these reviews in order to strengthen the excellent aspects of the hotel service as well as respond to or consider improvements based on unsatisfactory feedback (Karakaya & Barnes, 2010). Presence in travel review websites allows hotels to understand customer demands and show their intention of prioritizing their customers (*The changing face*, 2010).

Many people use travel review websites for travel planning and review sharing. Around 75% of online travelers use at least three travel review websites before finalizing booking arrangements plans (Hotel News Resource, 2011). TripAdvisor is a

leading travel review website, in terms of the hotels reviewed, reviews posted and users. Website traffic offers marketing opportunities for hotels through the word-of-mouth reviews of hotel customers.

Recently, complaints about false reviews over content posted on TripAdvisor are coming from some hotels (Cochrane, 2011). Small hotels are complaining about reviews based on unreasonable expectations, given the descriptions and offers made by the hotel. Some negative reviews are attributed to false claims coming from competitors. On its part, TripAdvisor asserts that it is applying measures to identify and control false reviews.

TripAdvisor continues to become a popular information source for travelers. Hotels benefit from a boost in their reputation by positive reviews and ratings. While hotels cannot prevent negative reviews, they will not get any headway in ignoring the website. It becomes important for hotels to understand TripAdvisor as a marketing venue and the manner they can maximize the benefits and control the downsides. Understanding the impact of the possibility of false reviews on marketing outcomes can help hotels handle this issue better.

Literature Review

Online Word-of-Mouth (WOM) Marketing Theory

WOM marketing theory has evolved with the development of virtual communities and online social networks. The volume of information shared online and the number of people looking for information on the web has grown (Berger & Schwartz, 2011). Networking tools emerged to facilitate communication between business firms and customers, which resulted to exchanges of information and influence (Godes, 2011). The network coproduction model emerged to explain these developments better than the organic and linear marketing models (Kozinets, de Valck, Wojnicki & Wilner, 2010). The organic model considers WOM as an indirect marketing tool, with the outcome not measurable because firms have no direct influence on the exchanges between customers. With the Internet, the linear marketing model explained WOM as occurring with the influence of business firms through marketing offers or promotions communicated to consumers. With this influence, it is up to consumers to share information to other people within their reach. Interactive online tools enabled firms to communicate directly to customers and customers to communicate back as well. Based on the network coproduction model, online WOM marketing involves direct two-way communication with customers to control influence and measure outcomes (Kozinets et al., 2010).

Controlling firm influence on the market necessitates an understanding of WOM marketing as grounded on experience, a consequence of marketing offers, and

the target of promotional campaigns (Bughin, Doogan & Vetvik, 2010). Business firms control their influence on customers by delivering a product or service that matches or exceeds the expectations of buyers. Consumers are more inclined to share their experiences of a product when their expectations are exceeded or unmet (Lee & Romaniuk, 2009). The benefit to firms is greatest when customers share positive experiences. Firms can also control their influence on customers through messages in their marketing campaigns (Bughin et al., 2010). Customers share their perception of products and brands based on the messages they receive from advertisements and other promotions. Clear and compelling messages that reinforce products and brands result to strong market influence. Enterprises can also manage their influence on consumers by developing promotional campaigns that directly target WOM marketing (Bughin et al., 2010). Endorsements by celebrities, sponsorship of popular events, new product launch, or new store branch opening are campaigns that stir talk among customers and directly influence WOM marketing.

Measuring outcomes is an important part of the marketing process. Measures of online WOM marketing outcomes can be through its dimensions, which are intensity, negative valence, positive valence and content (Goyette, Ricard, Bergeron & Marticotte, 2010). With well-planned use, online WOM marketing can attract customers to raise revenue. A study (Trusov, Bucklin & Pauwels, 2010) on the

monetary benefit from online WOM marketing showed longer carryover effects relative to traditional marketing to support sustained revenue generation. Customers influenced through online WOM marketing contribute to customer equity by making repeat purchases and influencing the decision-making of other customers (Liu & Zhang, 2010).

Online WOM Marketing in Travel Review Websites

Travel review websites facilitate online WOM marketing by hosting consumer-generated content (CGC) from the personal opinions and experiences of travelers (Bronner & de Hoog, 2011). In a study of WOM and buying behavior, Xiaofen and Yiling (2009) found that CGC supported online WOM marketing through its referral effect. CGC, in the form of reviews, influence consumers by making direct and indirect recommendations on products. Moreover, several studies found that the extent of referral effect depends on perceived usefulness (Liu & Zhang, 2010), degree of online trust (Hsiao, Lin, Wang, Lu & Yu, 2010), role of opinion leaders (Xiaofen & Yiling, 2009), and quality and quantity of reviews (Karakaya & Barnes, 2010).

Customer feedback can have varying degrees of importance to online travelers. According to Liu and Zhang (2010), customer feedbacks that are expressed online have the strongest influence on the travel decisions of first-time travelers and travelers who found customer feedback to be effective in the past.

Trust on CGC in travel review websites is a significant determinant of referral effect. In a study of online product recommendations, Hsiao et al. (2010) reported that referrals are positively correlated to trust towards reviews, which depend on website factors such as reputation, quality and institutional assurance together with network factors such as perceived ability, perceived integrity, and perceived critical mass.

Trust on reviews also relies on reviewer integrity and ability to give experience-based feedback. Perceived trustworthiness of the website also influence the trust extended to reviews posted on the site. In a similar study, Burgess, Sellitto, Cox and Buultjens (2011) stated that people place more trust on feedback from travel agents and travelers on third party sites dedicated to travel. In a more recent study on the credibility of online reviews, Kusumasondjaja, Shanka and Marchegiani (2012) found that when the reviewers' identity are shown, negative reviews are deemed credible and positive reviews are considered trustworthy. The extent that travel review websites encourage contributors to sufficiently identify themselves, such as by name, age, and country of residence, determine the degree of influence of reviews on readers.

Opinion leaders are targets of online WOM marketing activities. Xiaofen and Yiling (2009) reported that the message impressions of opinion leaders influence other consumers by directing their attitude towards particular brands and the intention

to make actual purchases. Edison and Geissler (2011) explained that opinion leaders are mavens, who are experts in technology and experienced in travel and who post positive and negative reviews more frequently than other customers, and reach more people. Mavens exhibit greater risk-taking and individualism, which reinforce their reputation as experts to lead more people to seek information from them.

Furthermore, the study (Edison & Geissler, 2011) recommends that firms should monitor comments from opinion leaders and address negative feedback.

The quality and quantity of reviews also determine referral effect. Karakaya and Barnes (2010) explained that reviews about customer care comprise quality travel feedback because information on this particular aspect of the travel experience is highly sought by customers. As such, feedbacks on customer care strongly influence customer opinion, engagement and selection (Lin, Lee & Horng, 2011). Furthermore, customer care is an aspect of the travel experience that travel firms cannot easily describe, so that consumers primarily get ideas from customer reviews. Hsiao et al. (2010) provides that critical mass or the number and frequency of reviews influence purchasing intention, which is an effect of referrals. Most travel customers yield to the path of least resistance in making decisions based on common and recurring feedback (Lin, 2011).

Role of Travel Review Websites in Online Travel Planning

Travel planning via the Internet involves three activities, which are recognizing the need for travel, searching for a destination and related travel arrangements, and evaluating various options (Xiang & Gretzel, 2010). Travel reviews support travel planning. Travel reviews provide experience-based information that could shift the perceived need for travel of consumers (Hvass & Munar, 2012). In a study of the influences of online comments, Burgess, Sellitto, Cox and Buultjens (2009) reported that consumers tend to gravitate towards these extreme reviews, which are perceived to be realistic and credible. This finds support from a latter study (Moe, Schweidel & Trusov, 2011), which explained that reviewers shared their extreme experiences more, such as outstanding and unsatisfactory events. Extreme positive reviews can influence the need for travel of consumers while extreme negative reviews can dampen previous considerations to travel. Reviews also simplify and speed-up decision-making by providing readily accessible information that other customers perceive to be useful (Jiang, Gretzel & Law, 2010).

Online WOM Marketing Outcomes for Hotels Listed in Travel Review Websites

Reviews can influence the marketing outcomes of hotels. Tuominen (2011) explained the correlation of hotel performance with the number of reviews and the ratings. More positive reviews and higher ratings reflect good performance by hotels. More negative reviews and low ratings indicate bad performance. Ye, Law, Gu and

Chen (2011) reported on the substantial effect of traveler reviews on the increase in online sales of hotels, which can be as high as 10 percent from around 5 percent rise in bookings. In a study of the impact of customer reviews on buying behavior, Yayl and Bayram (2012) identified the consultation of customer reviews as a significant antecedent of actual purchases. A research (Yacouel & Fleischer, 2012) on the role of cybermediaries in the online hotel market showed that online intermediaries, especially online travel agents, and information from customers on their websites can affect hotel reputation.

However, fake reviews could affect marketing outcomes depending on the effect on customer perceptions of credibility, reliability and trustworthiness. Yoo and Gretzel (2009) identified distinctions in lexicon, particularly use of first person pronouns, mention of brand names and sentiments, as factors useful in identifying false reviews. O'Connor (2010) reported little evidence of false reviews of hotels in travel review websites even with negative feedback and recommended that hotels should actively participate in addressing negative comments. Negative comments are not necessarily fake reviews. As such, hotels should be vigilant in considering negative feedback to determine the proper response (Yoo & Gretzel, 2009; O'Connor, 2010).

Methodology

Qualitative case study is the selected research design for the study on TripAdvisor as a marketing venue for hotels. According to Baxter and Jack (2008), a qualitative case study supports the investigation of “complex phenomena within their context” (p. 544). Marketing through a travel review website is a complex area of study because of the many parties and influencing factors involved that could lead to different outcomes depending on context. In the case of travel firms, particularly hotels, studies on firm experiences with online WOM marketing in travel review websites are limited. There is need for research on the actual experiences of hotels in online WOM marketing through travel review websites. This research design also involves the investigation of a phenomenon using various sources of data (Creswell, 2009). The phenomenon under investigation is TripAdvisor as a marketing venue for hotels.

Observations of hotel pages on TripAdvisor together with secondary research were the methods used in collecting data. Both primary and secondary sources of data were used in the study. Primary data was collected from the TripAdvisor website include raw review statistics, review content and reviewer information on the top ten hotels in Las Vegas, Nevada for 2012. Reviews of these hotels provided rich data for investigation. The selected top hotels in this popular location are likely to be direct competitors catering to a wide range of travelers and receiving large volumes of

positive and negative feedback. This provides a common context for analyzing reviews and serves as the basis for comparing feedbacks on hotels. Secondary data came from the statistical analysis of Las Vegas hotels reported by TripAdvisor on its website together with relevant articles and reports found in books, journals, magazines, newspapers, and online databases.

The data collected were subjected to content analysis, pattern identification and cross-case comparison as data analysis methods. These methods resulted to an evaluation of TripAdvisor's support for online WOM marketing, referral value of reviews, and the issue of false reviews in the case of hotels.

Findings

TripAdvisor for Online WOM Marketing

TripAdvisor is reported to be the leading travel review website worldwide by having five times more review postings than other similar sites. While it is not the oldest travel review site, it supports more languages to make it useful to travelers from 30 countries. Around 45 million visits to the website resulted to reviews of 495,000 hotels. The website format supports overall hotel rating, sub-ratings, special rankings and recommendations. The role of TripAdvisor management in the postings is to respond to problems with the reviews reported by customers and firms. (Olery,

2012) These features and functions of TripAdvisor support online WOM marketing of hotels.

Summary of the reviews of the top ten hotels in Las Vegas for 2012 describe the extent of marketing support provided by TripAdvisor to hotels as shown in Table 1. Some hotels gained 2.5 stars while others achieved 5-star status. Medium and large hotels can establish their brands on TripAdvisor. All the hotels received a 4.5 overall rating on TripAdvisor. Presence of the hotels on TripAdvisor varied, with the earliest review on Four Seasons in February 2003. Mandarin Oriental and La Quinta Inn & Suites, which are more recently launched hotels, received their first reviews in 2009 and 2010, respectively. Nevertheless, all the hotels have been receiving reviews for more than a year.

The intensity of reviews determines the extent of support for online WOM marketing (Goyette et al., 2010; Karakaya & Barnes, 2010). The total reviews received by hotels indicated intensity. La Quinta Inn & Suites received the lowest number of reviews at 141, which is likely due to its position as a new entrant. Wynn hotel received the highest number of reviews, at 4,014, as a more established 5-star hotel. On the average, Staybridge Suites gained the lowest number at 7.2 reviews per month, which means that around 7 people are posting new reviews of the hotel per

Table 1. Summary of Reviews of the Top 10 Las Vegas Hotels 2012 on TripAdvisor

Top 10 Las Vegas Hotels for 2012	Hotel Class (stars)	Overall Rating	Start of Reviews	Total	Average Monthly Reviews	Review Classification		
						Positive	Average	Negative
1 Mandarin Oriental	5.0	4.5	Dec 2009	730	26.1	684 (93.7%)	31 (4.2%)	15 (2.0%)
2 Four Seasons	5.0	4.5	Feb 2003	1268	11.6	1172 (92.4%)	62 (4.9%)	34 (2.7%)
3 Platinum Hotel & Spa	4.0	4.5	Nov 2006	1443	22.5	1333 (92.4%)	65 (4.5%)	45 (3.1%)
4 Staybridge Suites	3.0	4.5	Nov 2008	289	7.2	273 (94.5%)	9 (3.1%)	7 (2.4%)
5 La Quinta Inn & Suites	2.5	4.5	Nov 2010	141	8.8	131 (93.0%)	5 (3.5%)	5 (3.5%)
6 Red Rock Casino Resort & Spa	5.0	4.5	May 2006	1434	20.5	1240 (86.5%)	70 (4.9%)	124 (8.6%)
7 Desert Rose Resort	3.0	4.5	Mar 2004	2395	24.9	2199 (91.8%)	101 (4.2%)	95 (4.0%)
8 Signature at MGM Grand	4.5	4.5	Jun 2006	3848	55.7	3474 (90.3%)	197 (5.1%)	177 (4.6%)
9 Encore at Wynn	5.0	4.5	Dec 2008	2291	58.7	1957 (85.5%)	147 (6.4%)	187 (8.17%)
10 Wynn	5.0	4.5	Apr 2005	4014	42.2	3283 (81.8%)	290 (7.2%)	441 (11.0%)

month. Encore at Wynn has the highest average at 58.7 reviews per month followed by Signature at MGM Grand with 55.7 reviews per month. Variance in the intensity of reviews depends on the industry position of the hotels as early or late entrants, with earlier entrants receiving higher average monthly reviews. At the same time, the intensity of reviews also depends on the marketing offers of the hotels. Encore at Wynn and Signature at MGM Grand, the two hotels receiving the highest average monthly reviews, are 5-star hotels offering a variety of popular shows and activities as well as complete amenities. These service offers attract travelers as well as influence

repeat purchases (Trusov et al., 2010). The positive and negative valence of reviews also determines support for online WOM marketing (Goyette et al., 2010). In classifying the hotel reviews into positive, average and negative, 6 of the hotels received higher than 90 percent positive ratings and the remaining 4 hotels received less than 90 percent but greater than 80 percent positive ratings. Staybridge Suites received the highest positive rating of 94.5%. All the hotels received not more than 10 percent average ratings. Seven hotels received less than 5 percent negative ratings while the other 3 hotels received more than 5 percent negative ratings. Wynn hotel received the highest number of reviews and it also gained the highest number of negative reviews at 11.0%.

Overall, the reviews significantly lean towards positive valence for all hotels. Most reviewers were satisfied with their hotel experience. Their reviews serve as direct or indirect recommendations of the hotel. However, there were also those who were not satisfied. Their reviews point to considerations for other customers in making hotel choices as well as identify areas for improvement in the marketing offers and service delivery of hotels.

Referral Effect of Hotel Reviews on TripAdvisor

The referral effect of hotel reviews (Xiaofen & Yiling, 2009) explains the role of TripAdvisor as an online marketing venue for hotels. Helpful votes (HVs) received

by hotel reviews indicate referral effect. When a customer posts a review, readers have the option to indicate whether the review was helpful to them. A summary of the number and characteristics of helpful votes for reviews of the ten Las Vegas hotels is shown in Table 2.

Table 2. Characteristics of Helpful Votes (HVs)

Top 10 Las Vegas Hotels	Total Helpful Votes (HVs)	Average HV per Review	Reviews w/ ≥ 5 HVs	Source of HV			Opinion Leaders (OLs)	
				Positive Reviews	Average Reviews	Negative Reviews	Total OLs	HV Received
1 Mandarin Oriental	1271	1.7	31 (4.2%)	1100 (86.5%)	81 (6.4%)	90 (7.1%)	166 (22.7%)	302 (23.8%)
2 Four Seasons	4359	3.4	217 (17.1%)	3558 (81.6%)	308 (7.1%)	493 (11.3%)	329 (25.9%)	1015 (23.3%)
3 Platinum Hotel & Spa	2313	1.6	100 (4.3%)	1985 (85.8%)	123 (5.3%)	205 (8.9%)	207 (14.3%)	345 (14.9%)
4 Staybridge Suites	440	1.5	16 (5.5%)	383 (87.0%)	21 (4.8%)	36 (8.2%)	61 (21.1%)	115 (26.1%)
5 La Quinta Inn & Suites	162	1.1	2 (1.4%)	141 (87.0%)	10 (6.2%)	11 (6.8%)	26 (18.4%)	28 (17.3%)
6 Red Rock Casino Resort & Spa	3564	2.5	169 (11.8%)	2791 (78.3%)	215 (6.0%)	558 (15.7%)	309 (21.5%)	558 (15.7%)
7 Desert Rose Resort	2724	1.1	121 (5.1%)	2196 (80.6%)	168 (6.2%)	360 (13.2%)	259 (10.8%)	403 (14.8%)
8 Signature at MGM Grand	11040	2.9	773 (20.1%)	9765 (88.5%)	513 (4.6%)	762 (6.9%)	751 (19.5%)	2122 (19.2%)
9 Encore at Wynn	3400	1.5	185 (8.1%)	2182 (64.2%)	366 (10.8%)	852 (25.0%)	451 (19.7%)	703 (20.7%)
10 Wynn	20832	5.2	1191 (29.7%)	14263 (68.5%)	1850 (8.9%)	4719 (22.6%)	779 (19.4%)	2914 (14.0%)

Utility to readers affect the referral influence of reviews (Liu & Zhang, 2010).

Reviews of the top 10 Las Vegas hotels generated total HVs exceeding the number of reviews. On the average, a review generates at least 1 HV. Every review is useful to at least 1 reader. Wynn received the highest average HV per review at 5.2 followed by

Four Seasons receiving 3.4. One review of Wynn is useful to 5 people while every review of Four Seasons is useful to 3 people. Readers who find the reviews to be helpful are likely to consider the recommendations given by these reviews.

Higher number of HVs indicates greater referral effect. With 5 as the highest average helpful vote per review, consideration of the number of reviews receiving 5 or more HVs indicate variances across the top ten Las Vegas Hotels. La Quinta Inn & Suites has the least number of reviews receiving 5 or more HVs at 1.4% while Wynn has the most number of reviews with 5 or more HVs at 29.7%. Nearly 1 in 3 reviews of Wynn were helpful to 5 or more readers. Even with the wide gap, reviews of the hotels were useful to at least 1 reader and a significant percentage of reviews were useful to 5 or more readers.

Source of the HVs, which could be from positive, average or negative reviews, determines the usefulness of different types of reviews to readers. In total, there are more HVs generated by positive reviews because of more good reviews. However, the average and negative reviews generated more HVs than positive reviews. In the case of Red Rock Casino, HVs from positive reviews is more than twice the number of positive reviews, HVs from average reviews is more than three times the number of average reviews, and the HVs from negative reviews is more than 4 times the number of negative reviews.

All kinds of reviews are useful to readers. Positive reviews substantiate the marketing offers of hotels. Average and negative reviews provide unique information based on actual experiences that may or may not differ from hotel offers. After getting information on hotel offers, reading on the actual experiences of customers, especially the negative aspects, completes the information deemed useful to customers in considering hotel choice (Burgess et al., 2009; Kusumasondjaja et al., 2012). The referral effect of positive reviews rests more on intensity (Goyette et al., 2010) or critical mass (Hsiao et al., 2010) while the referral effect of average and negative reviews rests on provision of information on potential downsides and reinforcement of the integrity and trustworthiness of reviews (Lin, 2011; Lin et al., 2011).

Apart from the usefulness of reviews, opinion leaders also influence referral effect (Xiaofen & Yiling, 2009). Opinion leaders (OLs) on TripAdvisor are those with more travel experience. The website classifies reviewers into reviewer, senior reviewer, contributor, senior contributor and top contributor. Senior contributors are those who have posted 21-50 reviews while top contributors have posted 51 or more reviews. These comprise the opinion leaders on the website. The highest percentage of OLs is 25.9% in the case of Four Seasons while the lowest percentage is 10.8% in the case of Desert Rose Resort. On the average, the reviews of OLs generate at least 1 HV per review to as high as 3 HVs per review. The number of OLs posting reviews of

the top ten Las Vegas hotels is significant. They also generate a quarter of HVs at the most. However, even the reviews of non-opinion leaders generate HVs. While reviews of opinion leaders are significant (Edison & Geissler, 2011), experience of the hotel appears to influence the referral value of reviews regardless of experience as a traveler. Even first-time travelers can influence other customers on their hotel choice.

Content is another determinant of the referral effect of reviews (Goyette et al., 2010; Lin et al., 2011). The content of quality reviews cover aspects of customer care (Karakaya & Barnes, 2010). The common positive reviews and the negative reviews of the top ten Las Vegas hotels are shown in Table 3.

The hotels received common positive reviews. Many hotel customers praised the attentiveness, helpfulness, courteousness, and friendliness of the staff and expressed satisfaction with their rooms and hotel amenities and facilities. There are positive reviews unique to some of the hotels. A significant number appreciated the speedy check-in and check-out at the Mandarin Oriental. Some customers mentioned the ability of Platinum Hotel & Spa to accommodate special arrangements based on personal needs and preferences. A family hotel, Red Rock Casino Resort & Spa, received a number of reviews commending its provision of facilities and activities for children and adults as well as child supervision to allow parents to do their own

activities. Many reviewers agreed over the good complimentary breakfast together with helpful advice from the staff at Desert Rose Resort. The Wynn received compliments for its assistance on various activities such as concerts and tours for its customers. These positive aspects of the hotel

Table 3. Summary of Content of Hotel Reviews

Top 10 Las Vegas Hotels	Review Content	
	Positive	Negative
1 Mandarin Oriental	Fast check-in and check-out Efficient room service Complete amenities	Rooms not ready upon check-in Slow room service Difficulty getting upgrades Expensive extra charges
2 Four Seasons Hotel	Great service	Slow cleaning service Uncontrolled noise Expensive extra charges Unfriendly staff Slow response to requests No inquiries made about hotel stay
3 Platinum Hotel & Spa	Satisfactory room service Helpful staff Accommodation of special arrangements	Slow and poor room service Uncontrolled noise Erroneous billing
4 Staybridge Suites	Friendly and attentive staff Complete amenities	Uncontrolled noise Slow response to requests Insufficient staff
5 La Quinta Inn & Suites	Clean and comfortable facilities Friendly staff	Insufficient staff
6 Red Rock Casino Resort & Spa	Supervision of children's activities Facilities for children and adults Friendly and helpful staff	Slow and poor service Lack of assistance to requests Expensive additional charges Uncontrolled noise
7 Desert Rose Resort	Great advice and information from staff Complete amenities Good complimentary breakfast	Crowded Credit card information theft (2010-2011) Uncontrolled noise
8 Signature at MGM Grand	Complete facilities Courteous and helpful staff	Unhelpful staff Poor room service
9 Encore at Wynn	Attentive staff Complete amenities and facilities	Poor valet and room service Expensive additional charges
10 Wynn	Fast room service Complete amenities Diverse activities	Poor security, room theft (2010-2011) Slow service and response to issues Uncontrolled noise

service serve as referrals, especially to market segments seeking a particular aspect of service. Red Rock Casino Resort & Spa and Desert Rose Resort are primarily family hotels while Mandarin Oriental and Wynn are primarily business and couples hotels.

Some negative comments commonly appear in reviews of the top ten Las Vegas hotels. Slow or poor service, rude staff, uncontrolled noise, and expensive additional charges commonly emerge from negative reviews. These are some of the reasons for the low rating of hotel service. In considering the location of the hotels and the period when most of these negative reviews came out, some explanations emerged.

Complaints about slow or poor service and rude staff emerged during peak seasons, when the hotels are full. Complaints of uncontrolled noise depend on the preferences of customers. Most business and family travelers are more concerned with noise coming from hotel bars or surrounding establishments at night while many couples and travelling friends are not. A mismatch between the preferences of customers and the hotel environment explain the noise complaint. Issues about expensive additional charges come from more price sensitive customers staying at 5-star hotels. Preventing these negative comments may not be possible. However, preparing the staff for the peak season, adjusting to customer preferences by transferring customers to more silent rooms, and ensuring excellent facilities when charging a separate resort fee, are ways for hotels to address these common complaints.

There are also complaints specific to a hotel. Problems with upgrades are complaints against Mandarin Hotel. Asking customers about their stay during check-out was a point raised as lacking at Four Seasons. Erroneous billing was a problem experienced at Platinum Hotel & Spa. Overcrowding and credit card information theft were issues raised by reviewers on the Desert Rose Resort page. Poor security and room theft were complaints made against Wynn. Complaints are also potential downsides in deciding on a hotel. However, customers may still select a hotel with negative reviews when advantages are greater than disadvantages. With awareness of these potential problems, customers can make the necessary action to prevent these complaints and discuss these issues with hotel management before or during their stay with the hotel. Some reviewers expressed not experiencing the customer complaints they read from other reviewers while some expressed regret in not heeding the complaints raised.

The information gained from considering both positive and negative reviews affect the referral value of reviews on hotel opinion and travel decision (Jiang et al. 2010; Moe et al., 2011). All reviews provide descriptions of things to expect from the hotel and reinforce the trustworthiness of reviews (Hsiao et al, 2010; Burgess et al., 2011; Lin et al., 2011).

Outcomes of Online WOM Marketing on TripAdvisor

Actual bookings and sales, as marketing outcomes, gained by hotels through reviews on TripAdvisor are difficult to quantify in exact terms because of the lack of precise measures of actual bookings on the website. However, a number of observations support the likelihood of hotel bookings made through the website.

All reviews include information on the reviewers, especially the date of stay at the hotel and the type of travel, which could be solo, as a couple, with family or for business. The total reviews received by a hotel can indicate the number of hotel bookings. Although not all reviewers may have booked through TripAdvisor, Liu and Zhang (2010) reported on the likelihood that many reviewers found other reviews to be useful in the past. It is likely that a significant number of reviewers used information on the website in making their decisions and then posted feedback on their actual experiences.

HVs come from readers of reviews. Voting for a review as helpful may not necessarily translate into actual hotel bookings. However, the reviews receiving helpful votes are likely to have influenced customer opinion and decision-making on hotel choice. The total helpful votes also can approximate the number of actual bookings generated by reviews on TripAdvisor.

Based on content, explicit and implicit recommendations from all reviews are also likely to influence actual bookings by readers. A number of reviewers indicated

having read other reviews before booking and found their actual hotel experience to be similar, different or opposite the experience of website contributors. Some of the reviewers also indicated repeat stays at the hotel or plans to stay at the hotel again. These are also indications of actual hotel bookings.

Positive reviews indicate actual bookings based on total number, especially since most of the hotel reviews rate their hotel experience as excellent or very good. However, negative reviews can also signify actual bookings. Negative reviews based on customer preferences serve as implicit referrals to particular market segments. An example is a reviewer, who traveled as a couple, complaining about uncontrolled noise from children in the pool. This review can serve as an implicit recommendation to those travelling with children even if it discourages couples and business travelers preferring a peaceful and quiet hotel environment. Another example is a reviewer travelling with friends who complained about limited facilities and activities in a hotel located a little far from the strip. This serves as a recommendation to travelers wanting a peaceful and relaxing environment even if it discourages travelers seeking a bustling Las Vegas experience.

Issue of Fake Reviews on TripAdvisor

The issue of fake reviews on TripAdvisor was considered from the perspective of reviewers, readers, and hotels. These perspectives were based on the lexical signals

from reviews, helpful votes gained by negative reviews, and the response of hotels as summarized in Table 4.

Reviewers' perspective emerges from lexical signals contained in the reviews posted. These signals can be used to identify possible fake reviews from real ones.

Table 4. Analysis of Negative Reviews and the Issue of Fake Reviews

Top 10 Las Vegas Hotels	Negative Reviews		Lexical Signals		Hotel Response to Reviews	Claim of False Review
	Total	Reviews w/ ≥ 5 HVs	Real	Fake		
1 Mandarin Oriental	15	7 (46.7%)	Common experiences Details	Names Competitors	None	None
2 Four Seasons Hotel	34	22 (64.7%)	Common experiences	Competitors	5 responses to the latest reviews, apology, thank you for the comment, contact with manager	None
3 Platinum Hotel & Spa	45	20 (44.4%)	Common experiences	Names Competitors	Responses to positive and negative feedback, expressed apology, expressed consideration of customer feedback and promise of improvements	None
4 Staybridge Suites	7	4 (57.1%)	Common experiences	None	None	None
5 La Quinta Inn & Suites	5	1 (20%)	Common experiences	None	Apology, contact regarding the complaint	None
6 Red Rock Casino Resort & Spa	124	35 (28.2%)	Common experiences	Names	Apology request to discuss comments	None
7 Desert Rose Resort	95	23 (24.2%)	Common experiences Details Similar feedback on different situations	Names	Apology for the credit card issue and explained actions being taken	None
8 Signature at MGM Grand	177	58 (32.8%)	Common experiences	Names Competitors	None	None
9 Encore at Wynn	187	81 (43.3%)	Common experiences	Names	None	None
10 Wynn	441	306 (69.4%)	Common experiences	Competitors	None	None

Signals that indicated the reviews were real include accounts of common experiences, similar experiences given different periods of stay and hotel arrangements, as well as use of details such as floor, room number, wall color, bathroom fixtures, music and food. Signals that can indicate false reviews are complaints about a single person, mostly managers, especially when many other reviewers say the opposite about that person together with outright recommendation of a competitor hotel without providing detailed reasons for referring the competitor over the hotel being reviewed. While these signals can be indicators of false reviews, the intention of some reviewers to post fake reviews in favor of competitors cannot be absolutely established.

Opinion of readers indicates trust towards reviews, especially negative reviews, on TripAdvisor. A significant number of negative reviews received 5 or more HVs from readers, which can be as low as 20% for La Quinta Inn & Suites or as high as 69.4% for Wynn. Many readers do not see negative reviews as fake, especially when the negative reviews are thorough in describing an unsatisfactory experience. Some reviewers who are complaining about an experience different from the reviews they read on the website imply that the authors may not have actually stayed at the hotel, stayed at the hotel for a very short time only, or have not experienced the services, amenities and facilities of the hotel. However, many of the differences in hotel experience can be explained by variances in expectations and personal preferences.

Perspective of hotels shows recognition of the credibility of the reviews. None of the top ten hotels in Las Vegas made claims that a negative review is false. Only half of the hotels read and respond to negative reviews. However, even those who read and respond to reviews have not made any direct or indirect claims of false review. Wynn received a succession of complaints about room theft in 2010 and 2011 but there was no allegation of these reviews as false. This could be because the hotel does not read reviews on TripAdvisor. Even Desert Rose Resort, which reads and responds to negative reviews, did not consider the series of credit card information theft complaints as fake. The hotel manager apologized for the incident and gave assurance of steps being done to ensure a secure credit card transaction with the hotel.

Conclusion

TripAdvisor is the leading travel review website. Hotel feedback generated by customers together with overall hotel ratings and sub-ratings provide information and recommendations to travelers to influence their hotel choice. By helping consumers make purchasing decisions, TripAdvisor becomes a significant venue for the online WOM marketing of hotels.

Consumer reviews posted on TripAdvisor support the online WOM marketing of hotels through the referral effect. The reviews make explicit and implicit recommendations on hotel choice, things to expect from a hotel, and things to watch

out for. A number of factors determine the referral effect of reviews. First, the utility of reviews to readers indicate the influence on hotel choice. From the reviews of the top ten Las Vegas hotels for 2012, a review is useful to at least 1 reader on the average. All kinds of reviews are useful to readers. Positive reviews influence readers through sheer number, since there are more positive reviews. Average and negative reviews influence consumer expectations and opinions as well as reinforce the integrity and trustworthiness of reviews. Second, intensity of reviews also indicates referral value. Consideration of the same Las Vegas hotels shows one hotel receiving 7 reviews per month and another hotel receiving 58 reviews per month, depending on entry into the industry and marketing offers. More established hotels receive more reviews per month than newer hotels. Hotels with a wide range or variety of marketing offers receive more reviews. Third, opinion leaders also determine the influence of reviews. Opinion leaders are those who contributed at least 21 reviews on the site. Reviews of opinion leaders are useful to many readers but even first-time reviewers can also influence readers, depending on the information shared. Fourth, quality content that covers aspects of customer care also influences readers. Reviews of the Las Vegas hotels indicate common and unique feedback. Common positive feedbacks reinforce hotel offers. Unique positive feedbacks differentiate the hotels.

Common negative feedbacks comprise the downsides in selecting a hotel. Unique negative feedbacks are special considerations in deciding on a hotel.

Actual bookings made through the website are difficult to measure. However, indications of actual bookings emerge from a number of factors. The total number of reviews and total helpful votes approximate actual hotel bookings. Actual mention of past, present and future bookings in reviews also indicate actual bookings.

False review of hotels on TripAdvisor is unsubstantiated based on the reviews of the top ten hotels in Las Vegas. Las Vegas creates a competitive atmosphere for hotels. However, consideration of the perspective of reviewers, readers and hotels shows no absolute evidence of false reviews. Even serious complaints in negative reviews, such as credit card information theft and room theft were not considered false by readers and hotels.

TripAdvisor is an important venue for online WOM marketing of hotels. The referral effect of reviews is strong. Actual bookings after reading the reviews are highly likely. No absolute evidence of false reviews emerged from the top ten hotels in Las Vegas for 2012. As such, hotels should seriously consider TripAdvisor as a place to influence the expectations, perceptions and hotel choices of consumers.

Recommendations

The key to using TripAdvisor in online WOM marketing is to set-up a page on the website by supplying the hotel name, address, picture and videos, contact information, booking links, and offers. This establishes the presence of the hotel on the website. The next important thing is to monitor reviews and reviewers to understand customer demands better and determine customer response to marketing offers. The last step is to participate in the reviews by responding to positive, average and negative reviews, especially to negative reviews of the hotel. Negative reviews are valuable to readers and responding to complaints reinforces customer care and the value of customers to the hotel. Responses should be more personal to indicate that the hotel has read the review and appreciated the effort of the reviewer. Even without substantial evidence, hotels can address the possibility of false reviews by investigating the incidents described in negative reviews and responding accordingly. If complaints are deemed truthful, these comprise the areas for improvement in hotel service. In case of false reviews, such as having no record of the reviewer as a customer of the hotel or unlikely events and conditions contained in the reviews, hotels can use the function on the website for reporting problems with reviews as well as making a clear statement as response to the review.

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