

Odebiyi, Femi; Gontar, Vitaliya

## Article

# User-generated reviews and official star ratings: Can the two work together in hotel evaluation systems?

Economic Review: Journal of Economics and Business

## Provided in Cooperation with:

Faculty of Economics, University of Tuzla

*Suggested Citation:* Odebiyi, Femi; Gontar, Vitaliya (2020) : User-generated reviews and official star ratings: Can the two work together in hotel evaluation systems?, Economic Review: Journal of Economics and Business, ISSN 2303-680X, University of Tuzla, Faculty of Economics, Tuzla, Vol. 18, Iss. 1, pp. 37-48,  
<https://er.ef.untz.ba/index.php/er/article/view/58>

This Version is available at:

<https://hdl.handle.net/10419/307821>

## Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

## Terms of use:

*Documents in EconStor may be saved and copied for your personal and scholarly purposes.*

*You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.*

*If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.*



<https://creativecommons.org/licenses/by-nc-nd/4.0/>

## USER-GENERATED REVIEWS AND OFFICIAL STAR RATINGS: CAN THE TWO WORK TOGETHER IN HOTEL EVALUATION SYSTEMS?

Femi Odebiyi\* , Vitaliya Gontar\*\*

### Abstract

*The purpose of this study is to understand the emerging influence of e-WOM (electronic word-of-mouth) as a contemporary feedback system, its role for hotels, and importance for guests. Furthermore, the study identifies the nature of user-generated feedback in terms of determining hotel ratings, and establishing whether similarities between official hotel ratings and guests' feedback evaluations exist. The qualitative study is based on the analysis of 240 feedbacks, taken from the TripAdvisor.com, for 20 hotels of 3 and 4 star ratings in Klaipeda (Lithuania) and Kaliningrad (Russia), and interviews of eight hoteliers. The most important review categories for guests were found to be that of amenities, service, and location. The findings reveal that the online review system is still not structured enough to become the main evaluation system of a hotel.*

**Keywords:** e-WOM, guest feedback, online review, Star rating

**JEL Classification:** M31, M39

### 1. Introduction

The conventional star rating system in the hotel industry has been one of the guiding mechanisms for customers in their decision-making process for a long time, with its first prototype invented in 1900 in France as a means of travel guide (Whitelaw & Jago, 2009). Even though each country has its own requirements with differing specific criteria (Minazzi, 2010), the main roles of rating systems remain similar: to guide people in the process of hotel selection; to set specific standards, requiring hotels to maintain them; to adjust guests' expectations regarding

services provided; and to set limits on prices (Felix & Clever, 2014). However, the emerging system of online guests' reviews has put into question the effectiveness of the conventional method with the assumption that in many cases guests can provide a more reliable and realistic overview of the service quality and amenities of a hotel. On the other hand, some critics emphasize difficulties in recognizing authenticity and objectivity of this emerging system (World Tourism Organization, 2014).

A major issue preventing the emerging feedback system from taking over the conventional one is that of mistrust and skepticism regarding validity and honesty of information presented on the Internet (Hensens, 2015). On a similar note, there are concerns about the conventional system because people have experienced situations where their expectations-- set by conventional rating systems-- were not met due to experiencing a lower quality of service (Whitelaw & Jago, 2009).

This study explores user-generated feedbacks as a way of evaluating hotels, focusing on what guests pay attention to when they write reviews. The findings of this study provide an overview on complementariness of the two evaluation systems (the conventional and user-generated ones) and the ways hoteliers use feedbacks in their managerial decisions. Online reviews from TripAdvisor website serve as the main data source for this study. TripAdvisor.com is considered as the largest platform for travelers' feedbacks and one of the most popular websites for consumer-generated comments in the world (Hensens, Struwig & Dayan, 2010). In accordance, the research objectives of this study are:

*R01.* To determine which review categories are of main importance for guests.

\* Department of Business Administration, LCC International University, Lithuania, fodebiyi@lcc.lt

\*\* St. Petersburg University, Graduate School of Management (GSOM), Russia, vitaliyagonfar@gmail.com

R02. To establish to what extent there exists complementariness between hotel star ratings and guest feedback evaluations.

R03. To discover the manner by which hoteliers use online reviews in their managerial decisions.

## 2. Literature review

### 2.1. Conventional star rating system

The hotel rating system is usually referred to as the grading system of hotels based on various attributes which evaluates physical and service characteristics, and is established and managed on governmental, sectoral or private levels (Tefera & Govender, 2015). The elements evaluated by a conventional rating system do vary according to countries, and this is the result of unsuccessful attempts to unify this system internationally (Minazzi, 2010). Many of the studies on service quality in the hotel industry have paid little attention to the intricacies of ratings, describing only the overall picture of the system without actually exploring possible substitutions (Cronin *et al.*, 2000; Keshavarz & Jamshidi, 2018; Parasuraman *et al.*, 1988). Wouter Hensens (2010) was among the early researchers in the field to successfully study the conventional star rating systems from a more critical perspective. First, he acknowledged that the star rating system is influential on customers' decision because of the governmental regulatory component to the system. Similarly, Whitelaw and Jago (2009) alluded to the usefulness of the star rating system because it provides a valuable tool for government in setting rules, regulating, and ensuring safety in hotels. Hotels find their star rating useful for creating marketing strategies aimed at specific target market, and for branding and promotion as well. In contrast to Whitelaw and Jago (2009), Hensens (2015) concluded that the star rating system has proved to be not quite effective and accurate in providing clear and realistic expectations for potential customers.

### 2.2. Rating system through guests' feedbacks

The rating system through guests' feedback is neither official nor approved by any governing structures, but over the years it has gained prominence in playing a key role in consumer

decision-making process; therefore, hotels see the need to embrace this relatively new system in order to attract guests. Tefera and Govender (2015) concluded that people find electronic Word of Mouth (e-WOM) and guests' feedbacks as trustworthy (and sometimes even showing a more realistic and precise picture) as the rating provided by the conventional system. However, the shortcomings of guests' feedbacks system include both the lack of consistency and absence of well-defined criteria. The question on reliability and trustworthiness of the reviews also points to the weakness of the system.

The criteria that online travel websites use for assessing hotels differ from one website to another, resulting in the inconsistency in the system (Guillet & Law, 2010). Nevertheless, the same problem is present in the conventional star rating system standards, which usually differ from one country to another, more so that not all hotels use either the standardized US AAA Tourism Rating System (Tefera & Govender, 2015) or the European star rating system. Subjectivity in guests' feedbacks is another mitigating issue (Hensens *et al.*, 2010).

### 2.3. Service quality expectations through rating systems

Tefera and Govender (2015) emphasized that the initial purpose of hotel ratings is to protect customers from a disappointing experience and to ensure service quality. Both the star rating system and guests' feedbacks address the issue of providing potential customers with useful and reliable information regarding services.

The star rating system was first introduced as a means of informing guests about the basic facilities of hotel without little or no reference to the subjective attributes (Hensens, 2010). Basically, a hotel will put forward a list of its facilities and a "star" is assigned to it. Nevertheless, since service quality is more than just facilities, a conventional star rating system is therefore incomplete in its assessment of a hotel. Lopez Fernandez and Serrano Bedia (2004) in their study of Spanish hotels pointed out that rankings provided by

the star-rating system did not correspond with the actual level of quality experienced by guests. What is more, they found a significant difference in the categories of hotels (from one-star to five-stars), emphasizing that “quality is not synonymous with luxury but rather with providing that which a client seeks” (Lopez Fernandez & Serrano Bedia, 2004). Nonetheless, the authors did not measure the overall customer satisfaction, which could have provided a better picture of service quality evaluation because in doing so, other influential subjective factors would have been included.

History of the hospitality industry’s development has shown that soon after the introduction of the star rating system, hoteliers found out that presence of the star rating certificate does not provide an absolute advantage in the market nor does it signify good reputation; for most clients it has been only a moderately important factor. For hotel clients, what really matters is the actual level of the rendered services. The practice has shown that more than a few hotels have started to use various additional measuring techniques to improve service quality, and therefore increase customer satisfaction. The most obvious way was, and still is, to ask guests to document their experience and provide suggestions for improvements. That is how the Guest Comment Cards (GCCs) were invented. GCCs are questionnaires (sometimes anonymous) that are unobtrusively distributed in various visible places around the hotel (in rooms, at the reception desk, at the lounge area, etc.) and have gained in popularity due to their simplicity and subsequent fruitful results (Felix & Clever, 2014).

Guests’ feedbacks have indeed changed the way customers assess hotel ratings, as it has given them an ample opportunity to influence ratings according to their experiences. In recognition of the importance of guests’ feedback, hoteliers have found ways to integrate their systems with various platforms in order to receive guests’ direct evaluation (Duan *et al.*, 2016). Hensens (2010) proposed that despite the fact that conventional rating systems provide a more independent overview, feedbacks can become the “most accurate way to provide potential travelers with a

realistic expectation” (p. 14) or at least “be effective in improving existing systems” (p. 46). Nevertheless, the question regarding objectivity and reliability of guests’ feedbacks gets in the way of putting this system on the top pedestal when evaluating hotel service quality. One of the major problems is that there is hardly a way to influence how feedbacks are written to conform to a standardized format. Many are informal narrations written with a free style language and little structure; personal opinion or inappropriate comments are quite often present. Therefore, significant proportions of feedbacks do not contain useful information or reflect actual quality of service being evaluated. To avoid this problem and make the system more stable while working towards a common benefit, some websites have started requiring guests to additionally evaluate several essential amenities when leaving a feedback. This step has considerably impacted the reliability and structuralizing of this system, thus giving it a better chance to supplant the traditional star rating system.

#### 2.4. Rating systems in meeting price expectations

Price has always been an influential factor not only when customers decide on making their purchase decision but also for the post-purchase evaluation. In a situation where they have to react on the rendered services, price is one of the highly impacting factors in moving these evaluations towards or away from a met expectation. Even if the quality of service remains the same, differences in price affect overall impression and customer satisfaction. At the same time, the following tendency has been noticed: the lower the price, the lower the expectations towards the service; thus, it is easier to exceed those expectations and increase customer satisfaction by trying to improve service quality and leave price unchanged. The inverse logic also works, when high price sets expectations too high; in this situation the failure in meeting those expectations leads to a strong negative fall in customer satisfaction and overall experience (Toncar, Alon & Misati, 2010).

Toncar *et al.* (2010) argues that the service sector in contrast to the tangible goods sector, has more flexible price expectations, with the

relationship between expected and real price weaker due to the fact that services are less tangible and visible, which then makes customers to have a greater price range set in mind for particular services. When taking the conventional rating system into account, one may find it quite easy for customers to adjust their expectation based on the fact that hotels from one sector (for example, three-star hotel) have a comparable price-range, because types of services and facilities provided within this sector are similar (Whitelaw & Jago, 2009). Tefera and Govender (2015) have also stated that online guests' feedbacks system plays a little bit different role in pricing system. With the ability to view the feedbacks left by actual guests, one can compare the actual level of service quality and the provided price, thus evaluating their compatibility. Guests' feedbacks can serve as a measure of the degree to which hotel's services correspond to the ones stated, influencing significantly the popularity and demand for a particular hotel.

### 2.5. *An integrated approach for rating systems*

There is no doubt that both the traditional rating system and guests' feedbacks have their own unique advantages, as well as drawbacks, in the sense that ideally none of them should be used independently. Conversely, these systems can work together, taking the strong sides from both of them. Since identifying possible integrated approaches is one of the objectives of this study, postulated integration models were reviewed, one of which is the model suggested by the World Tourism Organization (2014). The main push factor is the idea that these systems should have complementary rather than competing roles in the industry. Potential customers can sort their preferences and decide upon several hotels of interest with the help of the conventional star rating system, while guests' feedbacks can help in making a final decision by getting an overview of a hotel through the past experience of real customers. The proponents of such integration point to its advantage in decreasing the level of uncertainty in customers' decision-making process. The World Tourism Organization (2014) proposes two broad integration models: full integration and comparative performance. The first one suggests a full inclusion of weighted average

of the guest ratings into the conventional star rating system, thus allowing hotels to move to a different star level, adjusting to the real guests' experience. It can also move a hotel down if the guest ratings will evaluate it lower than the conventional system. Therefore, although star ratings take the guiding role in the model, the final influential decision is up to the guests' ratings. The second model of comparative performance simply allows guest ratings to be reflected and taken into account on the supplement level, "providing additional guidance for the consumer" (p. 18). However, two ratings will be displayed independently without integration, and the guests' reviews system will not have enough influence to change the official rating of a hotel (World Tourism Organization, 2014). Somewhat similar, Hensens (2010) suggested a different model of paying attention to the efficient way of the star rating system in controlling the quality of some tangible services through regular inspections and audits. These services should be monitored more often than annually in order to avoid situations where appropriate services are only maintained during the inspection period. Certainly a few adjustments will have to be done in both systems in the way of integration. Guest feedbacks indeed have strong influence on the consumer buying behavior, therefore, for making an integration system work there should be devised ways of ensuring their reliability and authenticity.

### 2.6. *Hoteliers' usage of online reviews*

The positive role of e-WOM usage as a tool for improving service quality has been explored by many researchers. A survey conducted by Nielsen (2013) found that 70 percent of the respondents trust reviews posted on online platforms. This gives hoteliers an intention to pay attention to the customers' evaluation of services and consequently gain advantage from guests' feedbacks in a way of knowing first-hand opinion regarding strong and weak sides of a hotel (Buhalis *et al.*, 2016).

At the same time, e-WOM and online feedbacks were found to be efficient in improving loyalty level, relationships with customers and company's reputation as well, if the managers of service organizations regu-



larly and properly interact with customers on online platforms. Executive and operational managers are highly encouraged to actively participate in conversations, giving “immediate and authentic responses” (Kwok & Xie, 2016, p. 2157). Increasing consumers’ satisfaction is also viewed as an outcome of the regular and proper communication with customers (Xie *et al.*, 2016). When guests receive a response from a hotel manager to their positive review, they feel valuable and important (Xie *et al.*, 2016). However, it was found that positive reviews are rarely responded to, possibly due to the fact that they are viewed by other customers as less credible, thereby attracting lower helpfulness ratings (Kwok & Xie, 2016). Nonetheless, when feedbacks contain negative evaluation of hotel services, managers are encouraged to provide “consumers with a solution or method to address the problem” (Kwok & Xie, 2016, p. 2163). Such behavior serves several purposes, such as demonstration of hotel’s acceptance of the poor service provided, willingness to listen to customer’s voice and concerns, and eagerness to work on a problem that occurred in an effort to improve services.

Adequate managerial reaction to negative e-WOM tends to have higher helpfulness feedbacks ratings; it can eliminate conflicts at the very beginning, or at least prevents issues from getting worse and this “is one of the most salient predictors of hotel performance” (Xie *et al.*, 2016, pp. 2017-2018). Taking e-WOM and guests’ feedbacks into account is a way towards better service quality but its usage through managerial responses can benefit hotels in many more ways.

However, in achieving fruitful results it is crucial to manage reviews properly: immediately and with enough authenticity. This strategy does not only restore previous consumers’ satisfaction, but at the same time improves hotel reputation and influences purchasing decisions of future customers.

### 3. Methodology and research results

#### 3.1. Research design

This study followed a qualitative approach which included collecting and analyzing

guests’ reviews of sampled hotels, as well as conducting interviews with managers of the selected hotels. The analysis of guests’ feedbacks was based on the text analysis research conducted by Han, Mankad, Gavirneni and Verma (2016), where the authors examined text of the reviews of hotels in Moscow, Russia in order to develop reliable insights on comments’ importance and the ways of how hoteliers can apply this information. Guest feedbacks were collected from TripAdvisor.com. and the convenience sampling technique was used in choosing reviews from 10 hotels each in Klaipeda (Lithuania) and Kaliningrad (Russia), all belonging to four and three stars in the conventional rating system. For each city only the hotels having the official star rating certificate according to TripAdvisor.com were included, and then the scope was narrowed to the first 10 in terms of popularity. Only reviews in English were selected, and accumulatively 240 reviews were extracted for the analysis (the latest 12 per each hotel). The reviews were coded for further analysis by manually extracting main distinctive words and afterwards they were placed into these categories as developed by Han *et al.* (2016): amenities, location, transactions, value, and experience. In addition to the aforementioned categories, additional set of categories was developed by the authors-- rooms, location, value, cleanliness, sleep quality, and service-- adopted from TripAdvisor.com. MAXQDA 12 software was used for qualitative data analysis.

#### 3.2. Interviews

In order to obtain additional perspective from hoteliers on how rating systems can work in cohesion and how they use online reviews in their managerial decisions, eight interviews with different hoteliers (operational managers) were conducted. Interview questions were adapted from the questionnaire for hoteliers developed by the World Tourism Organization (2014) in their article on the integrated approach of both rating systems.

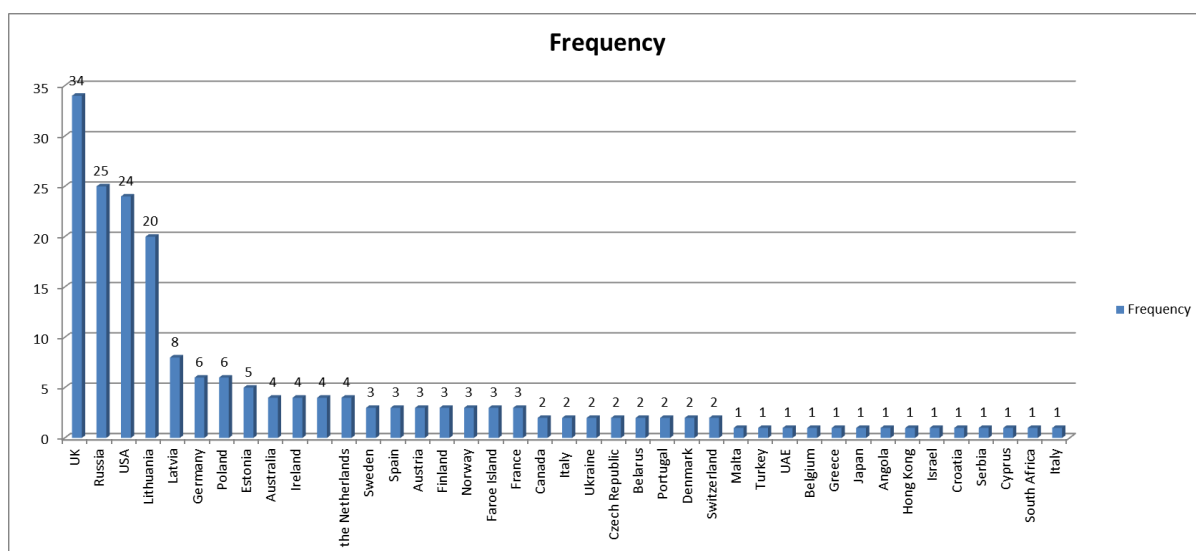


Figure 1. Distribution of countries among reviewers

Source: Author's own empirical research

The review categorization allowed the tracking of the importance of particular categories for travelers by the number of times when they were mentioned. Based on this premise, the number of coded segments

MAXQDA software and is represented in the graph shown in Figure 2. The percentage on this graph represents the weight of each category among all coded segments.

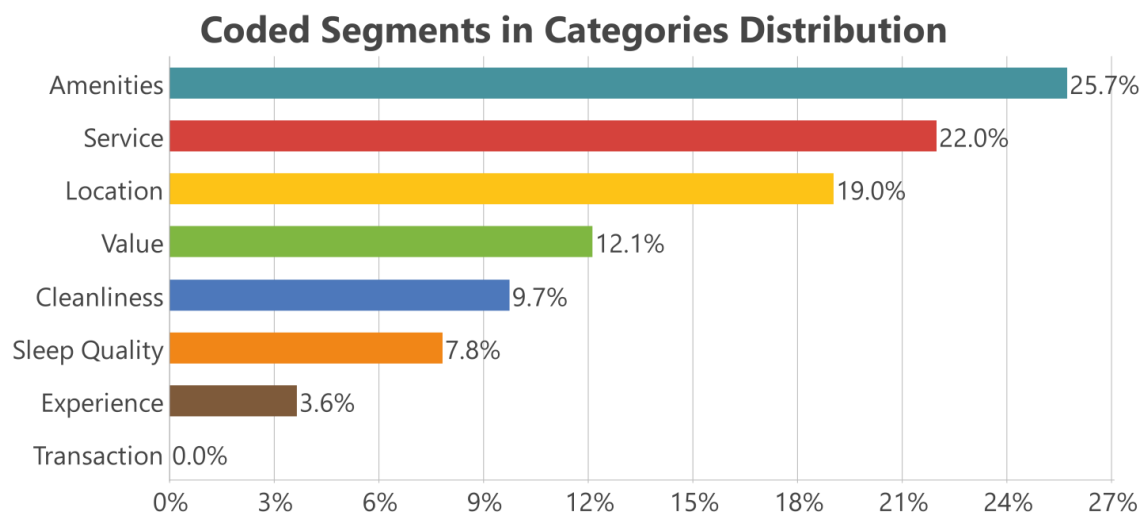


Figure 2. Coded segments in categories distribution

Source: Author's own empirical research

### 3.3. Results

The dataset was taken from reviews from 40 countries. Distribution of countries represented among reviewers is presented in Figure 1. In each category was analyzed using

Furthermore, it was also valuable to understand the relationship among the variables themselves. This factor proved to be important in finding out about expected and

unexpected patterns of code usage and relationships in the specific context of the study. This indicates a variety of associations and naturally occurring connections. Figures 3 and 4 present a co-occurrence of categories.

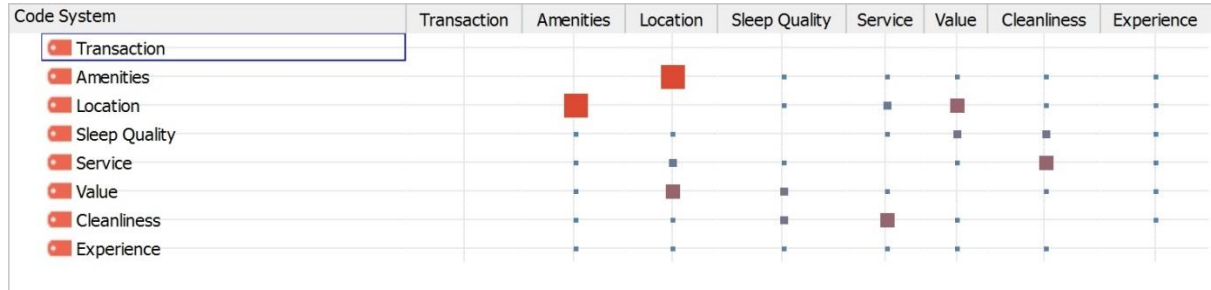


Figure 3. Coded code relations co-occurrence (nodal representation)

Source: Author's own empirical research

Code System	Transaction	Amenities	Location	Sleep Quality	Service	Value	Cleanliness	Experience
Transaction	1	0	0	0	0	0	0	0
Amenities	0	1	1	0	0	0	0	0
Location	0	1	1	0	0	0	0	0
Sleep Quality	0	0	0	1	0	0	0	0
Service	0	0	0	0	1	0	0	0
Value	0	0	0	0	0	1	0	0
Cleanliness	0	0	0	0	0	0	1	0
Experience	0	0	0	0	0	0	0	1

Figure 4. Coded Code Relations Co-Occurrence Number

Source: Author's own empirical research

As shown in Figures 3 and 4, Amenities and Location were co-mentioned more often than any other categories. Thus, it may be inferred that guests treat these categories as interrelated.

#### Similarity between ratings and feedback

In comparing how guests rate hotels of different star ratings on online platforms, we observed the tendency for three-star hotels to be ranked lower by guests. These observed pa-

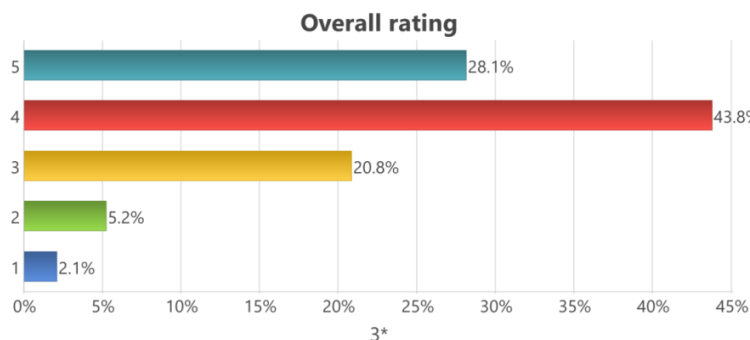


Figure 5. Overall rating for 3\* hotels

Source: Author's own empirical research



tterns are presented in Figures 5 and 6.

Figure 5 plots each of the values of 1-5 rating system (x-axis) and the corresponding percentage obtained for each of the values for (1-5) rating system from total reviews (y-axis). A value of 4 translates to guests' perceived value is better than what was expected,

leave a feedback is among the most important

while a rating of value 5 is interpreted as hotel services were exceptional and of superb value. For three-star hotels, 71.9% (28.1% + 43.8%) of the reviewers perceived the hotel services to be of a better than expected value or of exceptional and superb value.

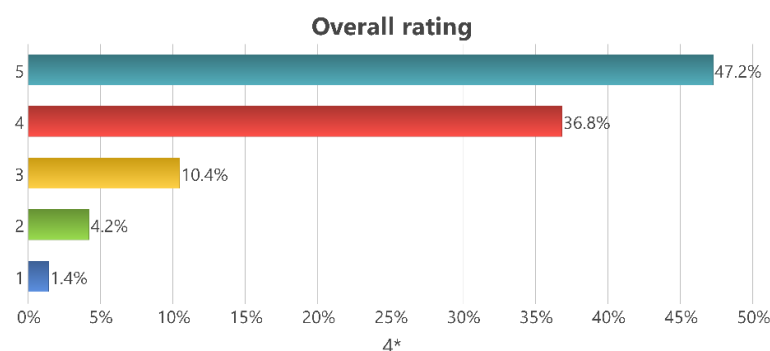


Figure 6. Overall rating for 3\* hotels

Source: Author's own empirical research

Figure 6 plots each of the values of 1-5 rating system (x-axis) and the corresponding percentage obtained for each of the values for (1-5) rating system from total reviews (y-axis). A value of 4 translates to guests' perceived value is better than what was expected, while a rating of value 5 is interpreted as hotel services were exceptional and of superb value. For four-star hotels, 84% of the reviewers (compared to 71.9% for three-star hotels) perceived the hotel services to be of a better than expected value or of exceptional and superb value. From this observed pattern, we conclude that the higher star rating classification a hotel has, the better the chances of it meeting customers' expectations. However, it is necessary to notice that guests' expectations are influenced by a number of factors, such as individual preferences, personal needs, personal philosophy, past experience, word of mouth, background, and situational factors (e.g. health issues, mood, etc.) (Hensens, 2010).

### Interviews analysis

Semi-structured interviews were conducted with four hoteliers each in both Kaliningrad and Klaipeda. The results are somewhat unexpected, because encouraging guests to

topics for hoteliers when talking about guests' reviews. The interviewees overall have similar ways of encouraging guests to write reviews which is usually done by asking front desk staff to collect e-mail addresses of guests, either during check-in or check-out process for the purpose of sending e-questionnaires for internal feedback. One hotelier pointed out a practice in their chain which is to ask for guests' e-mail addresses during the check-in, not during the check-out process. This practice is to prevent front desk staff from cherry-picking only guests whom they know has had a rather pleasant experience in the hotel.

However, according to one of the interviewees only 30% to 40% of guests fill out the questionnaires sent to guests' email addresses. With that level of response rate, hoteliers cannot neglect the benefits and influence of external systems, such as reviews left by guests on sites like TripAdvisor.com, Booking.com, and Expedia.com. The interviewees declared that they have put in place different services that collect all the reviews on a regular basis from various websites in order to see a broader picture and be able to track their progress more efficiently. Even though each hotelier alluded to importance of guests' feedback and

its growing influence, this was captured in varying manners. More importantly, they consider reviews in most cases to be reliable and somewhat clear and structured, with credit going to major websites like TripAdvisor and Booking.com that put in considerable efforts to maintain reliability and transparency of reviews. On the issue of how different evaluation systems can work together cohesively, all the interviewees perceive that from the travelers' point of view, both star rating and feedbacks are necessary, despite their differences in structure, they still complement each other. In the initial stage of the process of choosing a hotel, people narrow down the choices according to their personal preferences and financial conditions. It is at this stage that star rating serves its purpose perfectly, because each star category has its own target market with a price differentiation that is quite clear. After that the next stage is for people to start looking for reviews in order to make a final decision, taking into consideration previous guests' experience; that is where feedbacks start to play their main role. The interviewees consider this new type of buying behavior to be prevalent among guests nowadays. Even with hoteliers' praise for the feedback system, they were quick to mention that they are not in favor of feedbacks becoming the major rating system. Their stand was attributed to lack of experience, knowledge and the subjective opinions and evaluations on the part of many of the travelers. One of the hoteliers said, *"Although opinions of guests are very important, quite often guests are not like professional hoteliers and they simply do not understand why this or that happened, or how to improve or to react to some things. Professional auditors possess the necessary knowledge for objectively evaluating hotel property and service in all departments."* Needless to say, guests can be emotional and sometimes overreact, whereas the evaluation of a hotel is more likely to be objective and therefore, reliable and valid. Furthermore, hoteliers see things existing separately because auditors for star classification usually check on such things as quality of the building, safety system, cleanliness of the kitchen supplies, etc.; and all these go into the final certification and award of stars. However, one of the interviewees mentioned that stars may not always reveal the true standards of hotels or what the level

of service quality at the moment is, and that it cannot be ruled out that the star rating process is not as objective as it appears to be. This same interviewee went on talking about their hotel brand name (part of an international chain) as being more important than stars because people know what to expect from the brand itself and are as such less influenced by the star certification of these hotels. Another important sphere of feedback usage in hotels is the primary importance of using feedbacks for service improvement purposes. One hotelier mentioned that they practice printing out both bad and good reviews and putting them in their staff canteen in order for employees to be aware of how the hotel is doing on customer satisfaction. Hoteliers consider responding to guests' reviews on online platforms as a way to build customer relationship. For example, when a guest leaves a negative review online, hoteliers try to make up for such experience by offering refunds, coupons or special rate for their next visit. One hotelier also mentioned that they always ask dissatisfied clients to visit the hotel next time in order for them to see and confirm that the hotel is working to rectify reported mistakes in an effort to improve its service quality. Furthermore, not only bad reviews are needed to be clarified and responded to, but the positive ones as well. A few hoteliers also mentioned that they try not to give automated responses to reviews but try to provide responses that are more individual in nature; to find unique words for almost each review in order to give customers a feeling of being special.

In summary, hoteliers try to derive benefits from online feedbacks by using them in various ways, from affirming clients to continuous improvement purposes. What is more, they find both systems - the star rating and online feedbacks - to be important and valuable, because they have separate roles and purposes. The only way they see them existing together is mostly being separate, in parallel.

In the process of analyzing guest feedbacks, we noticed that people gladly share their recommendations towards various subjects: from the overall evaluation of whether they would recommend staying in a particular

hotel, to specific room numbers which they found to be good or bad.

## 4. Discussion

### 4.1. Findings

The findings of this study demonstrate that there are three main areas of importance for hotel guests staying in hotels: amenities, service and location. These review categories have the strongest impact on guests' experience and, consequently, on the overall review score derived from feedbacks. Hensens (2010) mentioned that the "desire for social interaction, economic incentives" (p. 52) or worries about future customers' experience are among the main motivation factors for travelers to write reviews. However, whatever the factors are, people tend to express their opinion on the subjects that have made an impression and have influenced their stay, regardless of how positive or negative they were. The ability of e-WOM in general to provide useful information has proved to be one of the leading and important factors influencing customers when they make a purchasing decision (Jalilvand & Samiei, 2012). One of the findings of this study is, comparing across the star ratings, that four-star hotels meet guests' expectations in a better way as compared to three-star hotels. We propose various scenarios in explaining this finding. First of all, it might be that customers have common expectations regarding three-star hotels, but the latter do a less successful job in maintaining this level of expectation from customers. This, thus, could support the argument that the star rating system requires a better audit control in order to avoid such discrepancies. Secondly, it also seems likely that customers tend to have a higher, overstated expectation for three-star hotels; thus, when facing the actual situation, they become dissatisfied. The final proposition is that customers do not have enough information regarding the requirements and standards of the star rating system. Therefore, they fail to know how actual three-star hotels should look like and fail to set expectations towards them; as a result, they experience dissatisfaction.

In a nutshell, our postulation is such that feedback system is not developed, structured and representative enough in a manner that will enable it to become the main evaluation system of hotels. The shortcomings in the structure and format of guests' review affect reliability. What is more, the majority of online platforms (Booking.com may be an exception) lack a single unified approach where each review would contain only the necessary information as corresponding to the categories of focus. Finally, even though hoteliers allude to the opinion that some professional control (in terms of audit and certification agencies) will always be needed regardless of the quality of the review system, guests' feedbacks serve their purpose quite suitably in evaluating to what extent a hotel maintains its services, corresponds to its star rating and fulfills its service standards. By analyzing the reviews one can compare them to what is claimed by the hotel and its conventional rating, and then come to individual conclusions as to whether actual facilities and services match the conventional ratings. At the same time, Minazzi (2010) points out that conventional rating systems vary from one country to another and this might also bring more confusion than clarity to customers because of unfulfilled expectations at various times. This gap between expectations and actual service, which varies in different countries, is among the most important problems with the conventional star rating system. The ever-increasing influence of online feedbacks on a daily basis is closely connected with the theory of e-WOM which has proved to be among the most important sources of information and recommendation for consumers' purchasing decision (Jalilvand & Samiei, 2012).

### 4.2. Limitations

Although the data for feedback analysis were taken from the TripAdvisor website, where the dataset is believed to consist of valid and reliable reviews, there is still an element of bias present in the reviews. For bias reduction, the authors suggest that further research in this area should include the use of other data sources (such as Booking.com, Expedia.com, etc.) for review comparison purposes. Secondly, for this study two cities in two

countries were chosen, and only reviews in the English language were taken for the analysis. Although the countries of origin of the authors of reviews were quite diverse, a greater emphasis on more countries and translation of the reviews from other languages would be useful in further research. Thirdly, some valuable interesting results might be derived if the profiles of reviewers are closely evaluated as well. This study put emphasis only on the countries of origin of the reviewers as a demographic attribute - which is in no doubt helpful, however, some other characteristics such as the number of days stayed, purpose of staying, age or gender distribution might help to better understand if there are factors that influence or explain the reviews given. One study (Belarmino & Koh, 2018) actually pointed out how different motivations influence guests' online reviews. Even the purpose of a trip does have influence on ratings given during reviews (Rajaguru & Hassanli, 2018).

## 5. Conclusion

It is evident that customers will seek after reviews as an additional source of information in their decision-making process; however, these reviews will not have enough clout to influence the official rating of a hotel. On a broader term, we recommend that hoteliers put more emphasis in responding to feedback received from guests via online review portals for the purpose of designing an internal system that is created to intentionally incorporate the use of reviews in managerial decisions. In doing so, hotel guests will accord greater recognition to the importance of guests' feedbacks thus creating an incentive for them to give reviews of higher quality, reliability and objectivity. Finally, quality audit organizations involved with star rating evaluation and assessments might consider a pilot project in which reviews are a supplemental, if not supplementary, factor in the standard procedure used to determine hotel star rating.

## References

1. Belarmino, A. M. & Koh, Y. (2018). How E-WOM motivations vary by hotel review website. *International Journal of Contemporary Hospitality Management*. 30(8), pp. 2730-2751.
2. Cronin, J. J. Jr., Brady, M. K. & Hult, G. T. M. (2000). Assessing the effects of quality, value, and customer satisfaction on consumer behavioral intentions in service environments. *Journal of Retailing*. 76(2), pp. 193-218.
3. Duan, W., Yu, Y., Cao, Q. & Levy, S. (2016). Exploring the impact of social media on hotel service performance: A sentimental analysis approach. *Cornell Hospitality Quarterly* 2016. 57(3), pp. 282-296. DOI: 10.1177/1938965515620483.
4. Felix, C. & Clever, V. (August, 2014). The relationship between hotel rating and customer outcomes: Customer perceived service quality and customer satisfaction. *Greener Journal of Business and Management Studies*. 4(4), pp. 146-152. DOI: 10.15580/GJBMS.2014.4.062614282.
5. Guillet, B. D. & Law, R. (2010). Analyzing hotel star ratings on third-party distribution websites. *International Journal of Contemporary Hospitality Management*. 22(6), pp. 797-813. DOI: 10.1108/09596111011063098.
6. Han, H. J., Mankad, S., Gavirneni, N. & Verma, R. (2016). What guests really think of your hotel: Text analytics of online customer reviews. *Cornell Hospitality Report*. 16(2), pp. 3-17.
7. Hensens, W. (2010). Hotel rating through guest feedback. *Volume 1: Thesis*. SA: Nelson Mandela Metropolitan University.
8. Hensens, W., Struwig, M. & Dayan, O. (2010). The reliability of data from guest reviews on TripAdvisor as a contemporary social media platform. *Proceedings from SAIMS: SAIMS Annual Conference 2010*. Mpekwani Resort, SA.
9. Hensens, W. (2015). The future of hotel rating. *Journal of Tourism Futures* 1(1), pp. 69 - 73. DOI: 10.1108/JTF-12-2014-0023.
10. Jeong, M. & Jeon, M. M. (2008). Customer reviews of hotel experiences through consumer generated media (CGM). *Journal of Hospitality & Leisure Marketing*. 17(1-2), pp. 121-138. DOI: 10.1080/10507050801978265.
11. Jalilvand, M. R. & Samiei, N. (2012). The impact of electronic word of mouth on a tourism destination choice. *Internet Research*.



- rch. 22(5), pp. 591-612. DOI: 10.1108/10662241211271563.
12. Keshavarz, Y. & Jamshidi, D. (2018). Service quality evaluation and the mediating role of perceived value and customer satisfaction in customer loyalty. *International Journal of Tourism Cities*. 4(2), pp. 220-244.
13. Kwok, L. & Xie, K. L. (2016) Factors contributing to the helpfulness of online hotel reviews. *International Journal of Contemporary Hospitality Management*, 28(10), pp. 2156-2177. DOI: 10.1108/IJCHM-03-2015-0107.
14. Lopez Fernandez, M. C. & Serrano Bedia, A. M. (2004). Is the hotel classification system a good indicator of hotel quality? An application in Spain. *Tourism Management* 25(2004), pp. 771-775.
15. Minazzi, R. (2010). Hotel classification systems: a comparison of international case studies. *Acta Universitatis Danubius: Œconomica*. 6(4), pp. 64-86.
16. Nielsen (2013). State of the Media: the Social Media Report 2012. *Nielson Holdings*.
17. Parasuraman, A., Zeithaml, V. & Berry, L. (1988). SERVQUAL: a multiple item scale for measuring consumer perceptions of service quality. *Journal of Retailing*. 64(1), pp. 12-40.
18. Phillips, P., Barnes, S., Zigan, K. & Schegg, R. (2016). Understanding the impact of online reviews on hotel performance: An empirical analysis. *Journal of Travel Research*. 56(2), pp. 235-249.
19. Rajaguru, R. & Hassanli, N. (2018). The role of trip purpose and hotel star rating on guests' satisfaction and WOM. *International Journal of Contemporary Hospitality Management*. 30(5), pp. 2268-2286.
20. Tefera, O. & Govender, K. (2015). Hotel grading, service quality, satisfaction and loyalty – proposing a theoretical model and relationship. *African Journal of Hospitality, Tourism and Leisure*. 4(Special edition), pp. 1-17.
21. Toncar, M. F., Alon, I. & Misati, E. (2010). The importance of meeting price expectations: Linking price to service quality. *Journal of Product & Brand Management*. 19(4), pp. 295-305. DOI: 10.1108/10610421011059612.
22. TripAdvisor (n.d.) (1). What is TripAdvisor's Popularity Index? *TripAdvisor Help Center – Site Features – Getting Started*. Available at: <https://www.tripadvisor.com/hc/en-gb/articles/200613987-What-is-TripAdvisor-s-Popularity-Index> (Accessed: April 30, 2020).
23. TripAdvisor (n.d.) (2). About TripAdvisor. Available at: <https://tripadvisor.mediaroom.com/US-about-us> (Accessed: April 30, 2020).
24. Viglia, G., Minazzi, R. & Buhalis, D. (2016). The influence of e-word-of-mouth on hotel occupancy rate. *International Journal of Contemporary Hospitality Management*, 28(9), pp. 2035-2051. DOI:10.1108/IJCHM-05-2015-0238.
25. Whitelaw, P. A. & Jago, L. (2009). Understanding the key elements of star ratings in accommodation. *National Library of Australia Cataloguing-in-Publication Entry*. Available at: <https://www.semanticscholar.org/paper/Understanding-the-Key-Elements-of-Star-Ratings-in-Whitelaw-Jago/497cc66b41737bfde4edf7a609c62b2543f15e8b#paper-header> (Accessed: April 30, 2020).
26. World Tourism Organization (2014). *Online Guest Reviews and Hotel Classification Systems – An Integrated Approach*. Madrid: UNWTO.
27. Xie, K. L., Zhang, Z., Zhang, Z., Singh, A. & Lee, S. K. (2016). Effects of managerial response on consumer e-WOM and hotel performance. *International Journal of Contemporary Hospitality Management*. 28(9), pp. 2013 – 2034. DOI: 10.1108/IJCHM-06-2015-0290.