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Online Hotel Reviews and Potential Customers:

Does the Response Strategy Matter?
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Preface

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Abstract

Negative word-of-mouth in the hotel industry is easily spread on online platforms and has potentially serious implications for service providers; nevertheless, limited research has been done and managers seem largely undecided or confused about what strategy to adopt to deal with negative reviews. This study contributes to the existing literature in several ways; firstly, it has important managerial implications as it aims to understand which of three response strategies (no response, an accommodative response or a defensive response) will have the most positive impact on consumers’ evaluation of hotels, their booking intentions, attitudes and trust towards the hotel. Furthermore, it seeks to factor in severity of failure in connection with response strategies and suggests that the inconsistencies in the existing literature are due to the fact that not all failures are equal in weight, and the role of severity of failure has not been studied thoroughly until now.

Participants in a convenient sample were asked to imagine that they were searching for a hotel. They were randomly assigned fictitious reviews of a 4-star hotel based on the TripAdvisor.com format. Six different experimental scenarios were constructed, containing one of two degrees of severity of failure (minor vs. serious) with one of the three response strategies (no response, accommodative or defensive).

The results of this study indicate that the severity of the failure is an important factor when deciding which type of response strategy to apply. In the case of a minor failure, the best strategy is an accommodative response; however, the results of this study challenge the existing literature and the idea that managers should respond to negative reviews, since no significant difference in the potential customer’s evaluation of the hotel was observed in those who read a review with an accommodative response, versus those who read a review with no response to either level of failure. In the case of serious failures, interestingly, no difference was found between the effects of making an accommodative or a defensive response; however, as can be seen from the results regarding trust in the hotel, an accommodative response can help mitigate a serious failure condition, so this study suggests that a defensive strategy is the worst policy.
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1 Introduction

The success of service firms depends mainly on their capacity to satisfy their customers (Patterson, Cowley & Prasongsukarn, 2006). However, service failure is inevitable for even the best service providers with a developed quality program; it’s unpredictability, the inseparability of service production from the delivery itself, and the fact that the delivery of service depends on human factors, make it impossible to eliminate service failure completely (Becker, 2000; Blodgett, Hill & Tax, 1997; del Río-Lanza, Vázquez-Casielles & Díaz-Martín, 2009; Kelley & Davis, 1994).

The impact of service failure on current consumers, and their attitudes toward future relations with a company can be serious. Service failure can cause consumer dissatisfaction and unhappy customers are likely to spread negative experiences (Kim, Kim & Kim, 2009). However, it is not only the failure experienced when service is provided, but also the handling of the failures that has an important impact on consumers. Service recovery is an important opportunity to make up for a failure, a moment which is of significant importance for companies wishing to satisfy their customers, and also to strengthen their relationships with them (Blodgett et al., 1997; Smith & Bolton, 2002).

Advances in information technology have changed the way customers and companies communicate. There is no longer solely a conversation between a current customer and the company; the dialogue can also affect potential customers that observe how companies communicate with their clients. In the hotel industry these changes have forced companies to focus on new marketing strategies to stay competitive, as customers often search for online reviews about a hotel on sites such as TripAdvisor before they make their purchase decision. Online hotel reviews have an important impact on travellers’ decisions and hotels are becoming more aware of the importance of developing management strategies to respond to negative online reviews and defend their reputation (Cantallops & Salvi, 2014; Kim, Mattila & Baloglu, 2011).
With the ease of disseminating negative reviews on online platforms, negative word-of-mouth (nWOM) has assumed great importance for manufacturers and service providers. Nevertheless, hotels are still struggling as to whether, and if so how, to respond to negative reviews (Min, Lim & Magnini, 2014). Prior studies have focused mainly on motivations for customer engagement in nWOM (Cantallops & Salvi, 2014; Litvin, Godsmith & Pan, 2008; Hennig-Thurau, Gwinner, Walsh & Gremler, 2004; Park & Allen, 2013), while the studies linked to response strategies to nWOM in the hotel industry and the behavioural intentions of people who read online reviews have proven indecisive (Ladhari & Michaud, 2015; Lee & Cranage, 2012; Litvin & Hoffman, 2012; Mauri & Minazzi, 2013; Min et al., 2014; Waiguny, Kniesel & Diehl, 2014; Wang & Chaudhry, 2015; Wei, Miao & Huang, 2013; Xie, Zhang & Zhang, 2014; Ye, Law, Gu & Chen, 2011).

This study contributes in several ways to the knowledge of service failure and nWOM in the hospitality industry. Firstly, it provides important managerial implications as it aims to create greater understanding towards choosing the best response strategy to protect the hotel’s reputation from a reader’s perspective. This study seeks to understand the effect of Lee and Song’s (2010) different response strategies (no response, accommodative responses or defensive responses) have on the reader’s evaluation of the hotel. Furthermore, this study explores the severity of failure as an important factor influencing customer evaluation. By considering the context of the situation in which the nWOM occurred, it seeks to create a better understanding of the implications, and explores what would be the best strategy to adopt for service recovery management. More specifically, it seeks to answer the following research question.

When responding to negative reviews, which of the following three response strategies - no response, an accommodative response, or a defensive response- will have the most positive impact on consumers’ evaluation of a hotel, their booking intentions, attitudes and trust towards the hotel? Moreover, this study seeks to examine and understand the role of severity of failure, in connection to different response strategies and nWOM.
To the knowledge of the researcher, no study has been conducted that investigates the severity of failure combined with different types of response strategies in the hotel industry. In the following sections an overview of the existing literature will be presented, followed by the hypotheses for this study. Subsequently the research methodology will be described followed by the results from the study. This paper will conclude with a discussion of the results and the managerial implications as well as the limitations and implications for future studies.
2 Word-of-mouth

Word-of-mouth (WOM) refers to all informal communication between people concerning an organization, a product or a brand (Litvin et al., 2008). WOM influences consumers’ behaviour patterns, and it is well acknowledged as a successful marketing instrument. Understanding how WOM affects customers’ buying behaviour is therefore of substantial importance for marketers since it can help them develop effective business strategies (Cantallops & Salvi, 2014; Kim et al., 2011).

Customers regularly search for WOM advice from others in the buying decision-making process. This is of particular importance for intangible services, such as hospitality services, where the quality of the service or product provided is difficult to evaluate before consumption; thus, customers seek to reduce risk and uncertainty through the use of WOM (Kim et al., 2011; Sparks & Browning, 2011; Xie et al., 2014; Zhang, Ye, Law & Li, 2010).

2.1 From Word-of-mouth to electronic Word-of-mouth

With the advance of new technologies, traditional WOM has gone through a revolution cycle and has shifted from mainly what was considered to be spoken messages or usually personal face-to-face communication between a source and a recipient to electronic word-of-mouth (eWOM) reaching over a worldwide network (Ladhari & Michaud, 2015; Zhang et al., 2010). eWOM can be defined as any positive or negative communication about a product, a service or a company, from producers to consumers, or among consumers themselves, which is perceptible to numbers of people online (Hennig-Thurau et al., 2004; Litvin et al., 2008).

The main difference between WOM and eWOM is the speed of communication and interaction as well as the number of people influenced. Through eWOM, consumers can share their experiences and influence thousands of readers while a consumer engaged in WOM can only influence a more narrow and confined number of potential customers in his immediate circle of acquaintance (Cantallops & Salvi, 2014).
Another important factor in differentiating eWOM from WOM is the fact that relatives, friends or colleagues usually express their opinions through regular WOM, while eWOM includes also opinions from unknown sources. Even though online messages are usually from strangers, eWOM is often seen as an impartial and credible source; its influence on the expectations and preferences of consumers as well as their purchasing decisions and post-purchase evaluation of the service consumed has become a source of real opportunities and challenges (Cantallops & Salvi, 2014; Litvin et al., 2008; Xie et al., 2014).

The hospitality industry is the most strongly influenced by eWOM. With the advances of the Internet, potential customers are able to find information about a destination, a hotel, restaurant, and/or service before travelling; and can actually judge whether a room or a hotel is suitable for them before committing or making a reservation (Lee, Park & Han, 2008). Travellers now have more advantages in comparison with conventional WOM. The most obvious advantages of eWOM are the speed and ease of access to information, its availability for long periods of time and the fact that eWOM communication enables readers to view both positive and negative eWOM simultaneously allowing them to evaluate the quality of the service before consumption (Lee & Cranage, 2012). On the other hand, for the service providers, even though the Internet represents a very important tool that gives managers the opportunity to communicate and develop customer relationships, they do not have control over what is posted on the Internet; this makes it also a challenge (Cantallops & Salvi, 2014; Ladhari & Michaud, 2015; Litvin & Hoffman, 2012; Sparks & Browning, 2011).

eWOM has two dimensions. The first is the “communication scope”; including one-to-one communication (e-mails), one-to-many (online review sites) or many-to-many (virtual pages, blogs and chat rooms), the second is the level of interactivity from asynchronous (e-mails, online review sites and blogs) to synchronous (chat rooms, newsgroups, and instant messaging), (Cantallops & Salvi, 2014; Litvin et al., 2008). Of the many types of eWOM communication, Schindler and Bickart (2005) found that online review sites are the most frequently used source of eWOM in the hospitality industry.
3 Online review sites

Online reviews are of great importance in the tourism and hospitality industry. Online reviews can be positive or negative and have significantly influenced the way companies apply their marketing strategies (Lee et al., 2008). An online review has two main roles, one as an informant, providing consumer-oriented information about products and services, the other providing either positive or negative suggestions from previous users, making recommendations about a product or a service. While sellers provide mainly product-oriented information and technical specifications and standards, online reviews provide more consumer-oriented information (Lee et al., 2008).

The travel industry has been growing the fastest in the electronic world at least within the service sector (Viglia, Furland & Ladrón de Guevara, 2014). Online product reviews are emerging as a key factor in customers’ purchase decision process, and are considered one of the most important information sources for today’s travellers (Kim et al., 2011; Litvin & Hoffman, 2012; Xie et al., 2014; Ye et al., 2011; Zhang et al., 2010).

There are many online review sites available that can be used to present and distribute information about hotels, restaurants or travelling related services on the Internet. Figure 1 displays the most popular review websites where consumers can find real travellers’ experiences and opinions on a service or a product.

![Popular online review sites](image)

Figure 1. Popular online review sites
These platforms have changed the way consumers search for, view and evaluate information available online (Sparks & Browning, 2011). A study done by TripAdvisor in 2013 suggested that 80% of consumers search for online reviews before they choose a hotel, while on average, consumers consult seven different hotels before making a reservation. Online reviews are very useful for narrowing the decision.

A recent study done by Cantallops and Salvi (2014) analysed published articles that studied eWOM communication in the hotel industry. Their study identified two major lines of research, first the impact these comments have on company perspective and second, the impact they have on consumers (Cantallops & Salvi, 2014). Their findings are in line with those of Zhu and Zhang’s (2006) study, which suggested that online consumers’ reviews are helpful for consumers as well as for the companies themselves.

3.1 Impacts of online reviews - Company perspective
Limited amount of studies have analysed the impacts of eWOM from the company’s standpoint. In their study, Cantallops and Salvi (2014) specified seven main impact factors of e-WOM from the company’s point of view; these factors are summarized in Figure 2.

![Figure 2. Impacts of eWOM from the company perspective (Cantallops & Salvi, 2014).](image)
These factors can be classified in two main categories for companies to manage eWOM communication: the first is informational and the second is for revenue interest. An informational point of view includes the procedures needed for hotel managers to influence the information available about the property and the destination, thus for quality control (Loureiro & Kastenholz, 2011). This information can then be used to accomplish satisfaction among visitors and generate loyalty, solve their problems, get to know the visitors’ impressions about their experience and monitor the companies’ image and reputation. Companies need to manage eWOM communication, as the engagement in positive eWOM can result in more business activity, by directing the efforts toward spreading correct information about a property helping potential visitors acquiring right information (Litvin et al., 2008). Yacouel and Fleischer (2012) observed in their study that online travel agents like booking.com play an important role in building hotel reputation and encourage hotel managers to put effort into service quality. Positive reviews have a positive effect on the image of the company, product or service provided as well as giving the possibility of obtaining price premiums; on the other hand, negative comments can influence price competitiveness and profits. Similar, Loueiro and Kastenholz (2011) studied corporate reputation as an important role in the customer’s perception of service performance capability that leads to loyalty and perception of the service in the consumer’s mind. According to Loureiro and Kastenholz (2011) eWOM can influence loyalty or the repeat purchase and willingness to recommend the product to others.

Ye, Law and Gu (2009) studied the impact of online user reviews on the volume of hotel room sales. According to their study, there is a significant positive relationship between positive online consumer reviews and business performance of hotels, therefore hotel managers should consider online reviews especially as a marketing strategy to interact with the customers to improve ‘customers’ satisfaction, sales and revenue management’.

Most of these studies agree that from the company’s perspective, eWOM’s impacts can be considered as opportunities. However, hotels should base their strategies on these factors and manage the impacts of them in order to obtain competitive advantages in their business, in terms of quality of the service provided, brand building, product development and the identification of needs in the market (Cantallops & Salvi, 2014).
3.2 Impacts of online reviews - Consumer perspective

According to Cantallops and Salvi (2014) most of the studies done to analyse online reviews are related to their impact on the decision-making process, thus from the consumer’s position. Cantallops and Salvi (2014) listed eight main impact factors of e-WOM from the consumer’s perception; these factors are summarized in Figure 3.

![Figure 3. Impacts of eWOM from the consumer perspective (Cantallops & Salvi, 2014).](image)

Most researchers in the hospitality industry that have analysed the effects of e-WOM and observed the influence it has on consumers’ decision making (Cantallops & Salvi, 2014; Sparks & Browning, 2011; Vermeulen & Seegers, 2009). Sparks and Browning (2011) investigated the role of four main factors that influence perceptions of trust and consumer choice. The results of their study implied that consumers are more influenced by early negative reviews, especially when most of the reviews are negative as well. They suggested that consumers rely on easy-to-process information when they evaluate a hotel and that recent positive reviews can moderate the effect of negative reviews on booking intentions (Sparks & Browning, 2011). According to Vermeulen and Seegers (2009) many consumers consult online reviews before they commit to a travel arrangement. The main goal of their study was to evaluate the impact of online hotel
reviews on consumer behaviour based on a few factors including review valence (positive vs. negative reviews), hotel familiarity (well-known vs. lesser-known hotels) and the expertise of the reviewer as the independent factor (expert vs. non-expert reviewers). Their study found that exposure to both positive and negative reviews increases awareness of the hotel.

Other aspects identified by Cantallops and Salvi (2014) are how consumers evaluate and process the reviews, and the influence of gender and age, product acceptance, loyalty, hotel awareness and comparison on booking intentions. They mainly found that positive reviews have a positive impact and all these factors, while negative reviews can have a negative effect on them.

3.3 Motivations for writing reviews - why do people comment on online review sites?

Consumers usually write reviews to express their level of satisfaction with the service and to inform others about their experience; their goal is to have an impact on the decision making of potential customers (Park & Allen, 2013). Litvin et al. (2008) suggested that consumers are motivated to share their experiences with others based on a mixture of positive and negative emotions about a service. In the case of hotel reviews, some consumers seem to enjoy sharing their travel experiences and expertise (Litvin et al., 2008). It is estimated though, that only about 1% of consumers engage in eWOM (Cantallops & Salvi, 2014). A study by Hennig-Thurau et al. (2004) found the main reasons that motivate consumers to engage in eWOM communication are social benefits, economic rewards, concern for others and self-enhancement.

*Social benefit* refers to consumer motivation as a part of a virtual community. Consumers who participate in this type of community may engage in eWOM based on their willingness for social incorporation and identification (Hennig-Thurau et al., 2004). *Economic rewards* or economic incentives, refers to the remuneration from the organization or online platform when consumers engage in eWOM (Hennig-Thurau et al., 2004). *Concern for others* represents the desire of the consumer to recommend a positive experience and to protect consumers from the bad ones (Hennig-Thurau et al., 2004). *Self-enhancement* refers to the consumer’s need for approval and is also directly
connected to economic rewards. Helpers of this type engage in eWOM based on their needs for recognition, to be viewed as an online expert (Hennig-Thurau et al., 2004).

3.4 Motivations for seeking online reviews - why do people search for comments?

The impact of online reviews on potential travellers is not surprising, but why are travellers willing to rely upon the opinion of strangers when making a reservation? Consumers’ motivation for searching for online hotel reviews has received great attention from hotel managers (Kim et al., 2011; Litvin & Hoffman, 2012).

In their study, Kim et al. (2011) suggested that there are three main motivating reasons for consumers to search for online reviews. The first factor is for quality and convenience, i.e. finding the best offers and value for money. The second factor is to seek for social reassurance and to be informed of what is new in the market. The third factor is to reduce risk and uncertainty (Kim et al., 2011; Xie et al., 2014). Travel-related services are considered a high-risk product, based on the complexity of the product and all the information available (Kim et al., 2011). Additionally, it is suggested that men and women do not have the same motivating factors when reading online reviews, as women are more likely to search for eWOM reviews and that for risk reduction and to find the best value for money (Kim et al., 2011).

Potential customers consider the information available online based on many reviews. Online reviews can be analysed based on various dimensions. Most researchers agree on four main important review-related factors, the valence of reviews (Liu, 2006; Ye et al., 2011; Zhu & Zhang, 2010), the volume of reviews (Liu, 2006; Zhu & Zhang, 2010), the variation of reviews (Park & Allen, 2013; Ye et al., 2009; Zhu & Zhang, 2010) and the rating summary (Xie et al., 2014). This study uses TripAdvisor as a basis for further analysis and highlights these factors in the next section.
4 TripAdvisor

TripAdvisor is one of the most successful websites that provides travellers with information about trips, hotels, restaurants, excursions and all sorts of travel planning. TripAdvisor has been growing for the past 15 years, or since its beginning in 2000, and claims currently to reach about 315 million monthly visitors, with customers posting every second. There are over 200 million reviews on TripAdvisor for about 4.5 million accommodations, restaurants or attractions (TripAdvisor, 2015a). TripAdvisor is also considered a fundamental channel for hotels and a sign of service quality (Yacouel & Fleischer, 2012). Through TripAdvisor, consumers can share their opinions with other people, while it also provides a space for hotel management to respond to reviews (Zhang & Vásquez, 2014). The four main factors analysed by readers in the decision-making process are summarized in Figure 4 and are: valence of reviews, volume of reviews, variation and rating summary (Xie et al., 2014).

Valence of reviews measures an average rating of reviews; this varies and is based on the level of satisfaction on the product or service provided. In online reviews, a hotel may have an overall of positive or negative reviews, while positive valence communication includes pleasant experience and positive eWOM, negative valence includes complaints, dissatisfaction and nWOM (Xie et al., 2014). According to Ye et al. (2011) there is a positive relation between online review ratings and hotel online bookings, implying that with an increase of 10% in traveller review ratings, hotel online bookings could increase by more than 5%.

Volume of reviews measures the number of reviews posted. A large volume of reviews will have a positive effect on quality of rating and therefore on potential customers. Zhu and Zhang (2010) suggested that a large volume of online reviews could be more influential on consumers as they will perceive the hotel or service as more trustworthy. It is also suggested that hotels with large volumes of reviews will reinforce potential customers to book the hotel that many other have booked before. Hotels with both positive and negative reviews have also an exposure advantage, and as the number of reviews increases the ratings of the hotels are more positive (Zhu & Zhang, 2010). It is suggested that positive reviews are more prominent than negative; in TripAdvisor more than 70% of reviews are positive (Melián, Bulchand- & Lopez, 2013).
Pavlou and Dimoka (2006) indicated that most consumers read only the first page of reviews. Spoerri (2008) agree with them and mentioned that the information located first on the page is the most relevant. Based on the fact that reviews help reduce uncertainty, a large number of reviews can make the reader feel more comfortable about the purchase (Viglia et al., 2014). It has also been suggested that readers will rather go with the popular option even though the quality of it is poorer. TripAdvisor ranks their hotels based on information; nevertheless (and this is an interesting point), Viglia et al. (2014) found in their study that people process information in TripAdvisor in a different way. Even though a ranking may be low, people will still “go with the crowd” and book a certain hotel because of its popularity (Viglia et al., 2014).

Figure 4. Review-related factors; Valence, Volume, Variation and Rating summary
Variation of reviews measures the statistical distribution of ratings. It represents not only an average of ratings but also the heterogeneity in consumer opinions through five different variations: excellent, very good, average, poor and terrible (Xie et al., 2014). Customers however seem to take into account the overall evaluation of a hotel, as results indicate that even though reviews offer very different opinions or variations, this does not have a negative impact on potential customers (Ye et al., 2011).

Rating summary measures specific rating on hotel specific attributes such as location, sleep quality, rooms, service, value and cleanliness. In terms of the hotel industry, value for money, location and cleanliness are the three most important aspects influencing sales (Xie et al., 2014).
5 Negative eWOM

Negative word-of-mouth (nWOM) occurs when consumers discourage consumption of a particular product. Studies suggest that unsatisfied customers engage in nWOM more easily than satisfied customers engage in positive WOM, thus nWOM should be monitored at all times (Cantallops & Salvi, 2014; Sánchez & Currás, 2011; Swanson & Hsu, 2011). The rapid spread of Internet usage has made it easy for consumers to communicate and now more customers express their level of dissatisfaction about a product or service online, making their criticism accessible to other Internet users. nWOM can damage businesses, and it is of great importance for companies to understand factors influencing consumer behaviour and the role of nWOM. Most studies done in this field are based on the behaviour of those receiving the nWOM, rather than using it as a behavioural indicator of the reviewer (Verhagen, Nauta & Feldberg, 2013). Lee and Cranage (2012) argue though, that limited research has been done to understand the influence of nWOM on potential customers’ buying behaviours.

Researchers have indicated that positive online reviews have a positive impact on customers’ buying decisions, trust and attitude towards a service (Gretzel & Yoo, 2008; Ye et al., 2009). Lee et al. (2008) implied that high levels of nWOM could produce unfavourable attitudes towards services. Most researchers agree with them, and indicate that nWOM has a stronger effect than positive reviews on consumers’ evaluation, especially in the case of service consumption (Park & Lee, 2009; Yang & Mai, 2010). Sparks and Browning (2011) investigated customers’ booking intentions and trust and suggested that booking intentions are higher when there is a majority of positive reviews compared to negative ones.

Even though most researchers agree on the negative impact of nWOM on sales, it is a debated issue. Vermeulen and Seegers (2009) suggested that both negative and positive reviews increase consumer awareness of hotels, while positive comments can improve their attitude towards hotels. Consumers engage in nWOM to communicate or express a dissatisfying experience, often resulting from a failure in the product or service consume; this is, also known as ‘service failure’ (Verhagen et al., 2013).
5.1 Service failure

Service failure occurs when consumers’ perceptions of a service do not meet the expectations they had before its consumption (Kelley & Davis, 1994). Service failure has a negative impact on customer satisfaction with the service and the company; this negative perception will result in customer dissatisfaction that can develop into defection, increased costs, and nWOM (Becker, 2000; Hart, Heskett & Sasser, 1989; Patterson et al., 2006).

A service failure happens in front of the customer but does not necessarily have to be a mistake that the service provider has made: it can also be a misunderstanding or a mistake made by the customer himself or by anyone else involved in the service-delivery process (Harris, Mohr & Bernhardt, 2006). Not even the most customer-oriented organization is capable of eliminating service failure completely. In the hospitality industry, delivering quality service is challenging since the perception of performance may differ from one customer to another. This level of perception, and the consumers’ experience of the quality of the service delivered, depend mainly on communication and interaction, the attitude of the employers and the expectations of the customers, or it can even be influenced by the behaviour and expressions of past customers (Becker, 2000; Patterson et al., 2006).

In the hospitality industry, researchers have classified service failure into two different service targets, the first one related to core system failures, including the size, cleanliness or bad maintenance of the rooms, while the second target is connected to interpersonal service shortcomings, such as rudeness on the part of the staff, poor communication or unfriendliness (Sparks & Browning, 2011). Hoffman and Chung (1999) suggested that the typical causes of service defections in the hospitality industry include inadequately informed personnel, unfulfilled promises and unacceptable employee behaviour. Others, such as Levy, Duan and Boo (2013) indicate that the most common complaints for upper-scale hotels concern front-desk staff, bathroom problems, noise and cleanliness.
5.1.1 Service recovery strategies

Service failure does not necessarily lead to customer dissatisfaction, as most customers accept that mistakes can happen in service delivery, but an incorrect response, or a lack of response to the failure, does make customers unhappy (del Río-Lanza et al., 2009).

Researchers recommend a service recovery strategy to prevent negative perceptions associated with unattended service failures (Bhandari, Tsarenko & Polonsky, 2007; Mattila, 1999). Companies need to develop appropriate response strategies to online complaints in order to protect and improve their reputation and to stop the spread of negative comments (Lee & Song, 2010).

Service recovery is any action taken by the service provider to respond to service failure, and to respond to dissatisfied customers. It can also be viewed as the re-establishment of a relationship with consumers in order to change dissatisfied consumers’ perception (Becker, 2000; Hoffman & Chung, 1999; Kelley & Davis, 1994; Mattila, 1999). A good service recovery strategy will help in the generation of positive WOM and reduction of nWOM (Hoffmann & Chung, 1999).

When a service fails to satisfy customers, consumers are likely to expect some kind of response or compensation from the firm involved (Blodgett et al., 1997; Kelly & Davis, 1994). Consumers want to know who is perceived as responsible; definition of who is to blame therefore plays an important role in service failure and recovery strategies for the hotel industry (McColl-Kennedy & Sparks, 2003; Sparks & Fredline, 2007; Swanson & Hsu, 2011). An explanation when a service fails is believed to help minimize the consumer’s negative perception (Swanson & Hsu, 2011). According to Smith, Bolton and Wagner (1999) failure and the recovery strategy are evaluated separately. They also suggest that consumers are generally more emotionally involved when witnessing recovery strategy than when they receive a regular service. The study of Hart et al. (1989) suggested that a proper service recovery strategy can make up for the service failure and even make consumers more positive towards the company than they were before the service failure occurred. This situation is also known as service recovery paradox and suggests that consumers that experience some kind of service failure followed by a proper service recovery strategy, will have more positive attitude towards the company than they had before the mistake happened (Zeithaml, Bitner & Gremler,
However this situation is not very common and it is related to the level of compensation applied as a response strategy (Smith & Bolton, 1998; Zeithaml, et al., 2009).

The question of how consumers react to the service recovery is very important when looking into online reviews, and the perceived justice theory is important when analysing a person’s reaction and behaviour to service recovery strategies (Blodgett et al., 1997; Mattila, 2001). It is considered that the level of perceived justice consumers experience with service recovery can have a direct impact on their emotions and feelings, implying that the way individuals evaluate the service recovery event, and not the experience itself, influences their emotions (del Río-Lanza et al., 2009).

According to this theory, consumers assess fairness based on three dimensions: distributive, procedural and interactional. Distributive justice refers to the redress or the assignment of compensation a company uses to respond to a service failure (e.g. a monetary refund). This implies that perceived low levels of justice will result in high levels of negative emotions (del Río-Lanza et al., 2009). Procedural justice refers to the methods that a company can use to deal with a problem, in phases such as accessibility, time of response, process control, delay and the flexibility to adjust to consumers’ expectations (del Río-Lanza et al., 2009). The last dimension is the interactional justice and it refers to the consumers’ perceptions about the treatment, the empathy, the courtesy and sensitivity the employee employs to solve the problem. All three justice dimensions interconnect to one another and together affect the perception and level of satisfaction, and the sense of justice the consumer experiences with the service recovery strategy applied (del Río-Lanza et al., 2009).

Furthermore, Davidow (2003) allocated six different dimensions to the response strategies, based on the expectations of the consumers: timeliness, facilitation, redress, apology, credibility and attentiveness. These dimensions are believed to have an impact on the consumer’s satisfaction and post-complaint behaviour.

Timeliness refers to the speed with which the complaint was answered and the level of impact it has on the customers (Davidow, 2003). Davidow (2000) suggests that the speed of response has a positive effect on satisfaction and WOM; however, he also indicated that the acceptable response time depends on the context of the problem.
Facilitation applies to all policies, structures and procedures offered by a company to enable the complaining and communication process of consumers (Davidow, 2003). This dimension refers to the complaint-handling policies a company applies. Facilitation has a negative effect on nWOM; thus, it lowers the nWOM activity, although this proves nothing about impact on repurchase intentions (Blodgett & Anderson, 2000).

Redress is the compensation consumers receive from a company after they have expressed their level of dissatisfaction. Compensation may consist of any type of coupons, discounts, refunds or even free products or services. It is suggested that for a compensation to be counted as satisfactory, it must at least return the customers to their initial position before the failure happened (Davidow, 2003). Compensation has a big impact on consumer satisfaction; however, it is not known whether there is a certain limitation on satisfaction and repurchase intentions, thus it is not clear if higher compensation will result in greater satisfaction or repurchase (Tax, Brown & Chandrashekaran, 1998). Managers should decide on the appropriate compensation response, since it may affect customers’ behaviours differently (Davidow, 2003).

Apology can be considered as a psychological compensation (Davidow, 2000). Managers and consumers may perceive an apology from the service provider differently: by apologising, a company is able to sympathise with the consumer demonstrating understanding of the problem without having to admit any guilt (Davidow, 2003). Davidow (2000) reported a negative effect on repurchase intentions, related to a misunderstanding of the role of apology and the admission of guilt. Studies in this field have proven indecisive: some researchers suggest a positive impact of apologies on buying intentions and repurchase behaviour (Kelley, Hoffman & Davis, 1994), while others find simply no impact at all (Davidow, 2003). According to Davidow (2003) the effect of an apology on consumer satisfaction is complex, and it perhaps may influence in the service recovery process, when interacting with other dimensions like compensation; in other words, apologies alone may be insufficient.

Credibility or willingness of the company to explain the problem or take responsibility for it is another important fact that affects customer satisfaction. Customers want to know what the company will do to prevent the same situation or problem from happening again (Davidow, 2003). Credibility gives the company a second chance to
To regain trust. To explain and to take responsibility for what went wrong could have a positive effect on customers’ repurchase decisions and their level of satisfaction, even though the expectations they had were not entirely correct. Boshoff and Leong (1998) suggested that to take blame for the problem is a better strategy and has more positive impact on consumers than shifting the blame onto others. The attribution theory as a part of credibility plays an important role in determining consumers’ satisfaction.

The attribution theory evaluates how people make conclusions about the causes and effects of failures. The attribution theory implies that the cause of the failure is very likely to be attributed to the service provider; however, a justification or explanation provided could influence the evaluation of the failure (Lee & Song, 2010; Sparks & Fredline, 2007). For the purposes of this study, attribution implies the perception of the readers of online complaints about who is responsible for the cause of the failure and how people evaluate and sanction the causes for a negative online review.

**Attentiveness:** According to Davidow (2000) empathy as a manifestation of attentiveness is of vital importance when managing complains. An empathy statement is usually achieved by showing personalized attention, caring and understanding of the emotions of the complainer. By expressing understanding of frustration and anger, empathetic responses can reduce consumer’s anger and dissatisfaction. Responses made without an empathetic sound to them may be perceived as generic and automatic (Min et al., 2014).

Lee and Song (2010) suggested three main strategies that companies can use against nWOM: no response, an accommodative response and a defensive response. The no-response strategy is the most common form of action taken by hotels (Lee & Hu, 2005). This includes short replies or no reply at all (Lee & Song, 2010). Over 50% of hotels do not respond to online reviews (Wang & Chaudhry, 2015). According to results from the Lee and Song (2010) study, this strategy is similar to a defensive strategy and it is likely to negatively affect consumers’ attitudes towards the company.

Accommodative strategies include apologies, compensations and acknowledgement of the problem. When a company answers in an accommodative manner, consumers may attribute the failure to external and uncontrollable causes and the response will therefore have a positive impact on potential customers that read the reviews and their
attitude towards the company (Lee & Song, 2010). Sparks and Bradley (2014) indicate that between accommodative and defensive strategies, the accommodative strategies represent 75% of responses on online review sites of top-ranked hotels.

A defensive strategy is when companies deny a problem, shift the blame onto others or even attack the accuser. Lee and Song (2010) indicate that when a company uses a defensive strategy as a response to service failure, consumers perceive the company as guilty and will see the explanation as an excuse.

According to Lee and Song (2010) accommodative strategies are positively connected to the reputation of a company, while defensive strategies or no actions have a negative effect on it. In their study, Lee and Song (2010) indicated that the no-response strategy is similar to the defensive strategy, and other studies have excluded it in their analysis, considering it to be a kind of a defensive strategy (Chang, Tsai, Wong, Wang & Cho, 2015). This study, however, analyses the impact of the no-response strategy, based on the fact that most hotels do not respond to online reviews.

Little is known about the best way to respond to negative online reviews (Sparks & Bradley, 2014). This study seeks to contribute to the literature on nWOM and online reviews in the hotel industry by analysing whether the response strategies suggested by Lee and Song (2010) will affect potential customers’ attitudes, trust towards the hotel and their purchasing intentions. One of the main objectives of this study is to understand better the impact of different types of response strategy that help minimize the negative impact on potential customers or readers of online reviews. Additionally, this study factors the severity of the failure into the study and thus examines its influence.

5.1.2 Response strategies in the hospitality industry
In the hotel industry, and for online reviews, the criticism is made solely from the consumer’s perspective. Thus it is very important for companies to define the type of recovery strategy that suits best (Chang et al., 2015; Mattila, 2001). Despite the facilities offered on TripAdvisor for hotels to manage and respond to both positives and negative reviews, it seems that only a limited, but a growing number of hotels, are making use of this opportunity (O’Connor, 2010). Levy et al. (2013) suggested that in 2011, only about 10% of hotels responded to negative online reviews, up from 1% in 2008 (Sparks &
Bradley, 2014; Zhang & Vásquez, 2014). It seems managers realized the importance of responding, since the numbers has continued to grow and by 2015, almost 50% of hotels were actively responding to consumer reviews on TripAdvisor (Wang & Chaudhry, 2015).

According to the service recovery literature described in the previous section, responding to consumers reflects that the company cares, as well as giving it the opportunity to set the level of expectations wanted for future guests. TripAdvisor recommends responding to all reviews that could be damaging to a hotel’s reputation, or to issues that call for clarification (TripAdvisor, 2015b). However, there is little research that investigates the effect of online hotel responses to negative reviews and the impact they have on hotels’ performance (Mauri & Minazzi, 2013; Sparks & Bradley, 2014; Ye et al., 2009; Xie et al, 2014). The few existing studies have shown inconsistent results (Waiguny et al., 2014). Table 1 presents the studies found, done on response strategies to online reviews in the hospitality industry and the main results.
<table>
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<tr>
<th>Author</th>
<th>Description</th>
<th>Main results</th>
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<tr>
<td>Butt (1998)</td>
<td>This study seeks to understand what are the consequences of WOM.</td>
<td>This study suggests that management responses could magnify the negative effects, rather than minimize the problem, they could also be considered as not credible, intrusive or even inappropriate.</td>
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<tr>
<td>Lee &amp; Cranage (2012)</td>
<td>The main objective of this study is to understand the influence of nWOM on potential consumers’ buying behaviours in order to suggest the right response strategy for a restaurant.</td>
<td>Their study indicates that the effects of nWOM consensus on external attribution and attitude change are contingent on a restaurant’s response strategy (no response, accommodative and defensive). A defensive strategy is recommended for restaurants to apply when a negative review is not fully supported by other reviewers, while an accommodative response should be used when there is a dominant negative impression on a review website.</td>
</tr>
<tr>
<td>Litvin &amp; Hoffman (2012)</td>
<td>This study was conducted to determine the moderating effect of consumer rebuttals and management responses to negative postings on travel review boards.</td>
<td>This study found that management responses to nWOM, have a positive impact on hotel purchase decisions.</td>
</tr>
<tr>
<td>Mauri &amp; Minazzi (2013)</td>
<td>This study analyses the impact of hotel guest reviews and response from hotels on consumers’ decision-making process and expectations.</td>
<td>This study indicates a positive impact of valence of the review and purchase intention and expectations of the customers, while managers responses to guests reviews has a negative impact on purchase intentions.</td>
</tr>
<tr>
<td>Xie et al., (2014)</td>
<td>The purpose of this study was to analyse the overall consumer reviews and management responses to a hotel review and hotel performance.</td>
<td>Management responses to reviews on problems like cleanliness has a negative effect on hotel performance, suggesting that hotel managers should be very selective when responding to online reviews. They suggested that if potential consumers perceive the type of response as non-effective, they would perceive the response as negative and thus likely to obstruct purchase intentions of possible customers on-line.</td>
</tr>
<tr>
<td>Sparks &amp; Bradley (2014)</td>
<td>The main objective of this study was to develop a typology of how to respond to negative online reviews of hotel accommodation.</td>
<td>Developed a typology of how to respond to negative online reviews of hotel accommodation including 19 specific forms of managerial responses in three main categories (acknowledgements, accounts and actions).</td>
</tr>
<tr>
<td>Min, Lim &amp; Magnini (2014)</td>
<td>This study examines three types of responses to negative hotel online reviews compared to offline procedures.</td>
<td>Suggested that hotel managers should include empathy or paraphrasing statements in their responses to online reviews.</td>
</tr>
<tr>
<td>Zhang &amp; Vasquez (2014)</td>
<td>This study analyses the structure of hotel responses to customer complains posted on TripAdvisor.</td>
<td>Most responses included thanks and/or an apology; however, great variation was found in how hotels respond to customer complaints.</td>
</tr>
<tr>
<td>Wang &amp; Chaudhry (2015)</td>
<td>This study analyses the impact of management responses on a firm’s subsequent rating.</td>
<td>Management responses to negative reviews lead to higher subsequent ratings, while responses to positive reviews lead to lower subsequent ratings.</td>
</tr>
<tr>
<td>Waliuny, Kniesel &amp; Diehl (2015)</td>
<td>This study analyses the significance of review responses and the impact of different response strategies to online hotel reviews taking account of 2 variants (Response voice: human vs. corporate voice) x 2 (Respondent position: manager vs. staff) x 2 (Identification: non-identified vs. identified).</td>
<td>Their results indicate that not responding is the worst strategy. Additionally, readers are more likely, if the content of the response attributes the failure to external causes, to adopt a more positive attitude towards the hotel. The level of attitude toward the hotel could be leveraged by the response-voice and the relative respondent position.</td>
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A survey done by TripAdvisor in 2013 revealed that 60% of participants were more likely to book a hotel if hotels respond to online reviews. In the survey, 77% also expressed that a response to a review by the management shows more empathy and commitment, and indicates that the hotel cares about its guests. Litvin and Hoffman (2012) came to the same conclusions; they found that management responses to nWOM had a positive impact on service purchasing decisions. They concluded that managers should develop strategies to interact with consumers on an online basis and monitor online review sites closely. Similarly, Lee and Cranage (2012) and Waiguny et al. (2014) indicated that management responses to online reviews lead to positive attitudes towards the hotel.

Contrary to these findings, another stream of literature suggests that management responses could magnify the negative effects, rather than minimize the problem. Mauri and Minazzi (2013) suggested that hotels’ responses to negative reviews would have a negative effect on customers’ purchasing intentions, suggesting that hotel replies could be seen as a type of advertising and that consumers may not perceive them as credible. In line with their results, Xie et al. (2014) indicated that hotel performance is negatively affected by hotel responses to online reviews. They suggested that if potential customers perceive the type of response as non-effective, they would perceive the response as negative and thus it would be likely to obstruct purchasing intentions of possible customers on-line.

Based on this discrepancy, this study raises the question of whether management responses to negative reviews on TripAdvisor have a positive, or negative, impact on potential customers and their booking intentions, attitudes and trust towards a hotel. Additionally, this study suggests that the reaction to hotels’ responses depends on the response strategy used by the hotels. As mentioned before, this study incorporates the three different types of response strategies, as suggested by Lee and Song (2010): no response, an accommodative response and a defensive response.

Researchers have suggested that consumers who read negative messages would be influenced mainly based on the response strategy of the company (Cantallops & Salvi, 2014; Lee & Cranage, 2012; Litvin & Hoffman, 2012; Min et al., 2014), however, based on the inconsistency in the literature, the question of whether to respond or not, and if
so, what response strategy is the best to apply when a company needs to clarify a particular failure, remains uncertain. Currently, there is great variance in hotels’ responses to online reviews: while some respond to all reviews, others almost never respond, some don’t know how to respond or they even respond in a defensive way, denying failures and rejecting criticism (Levy et al., 2013; Zhang & Vásquez, 2014). Few guidelines exist for hotel managers to respond to negative reviews; thus, more research is needed in this area (Gyung, Wang & Mattila, 2010; Levy et al., 2013).

According to the recovery literature described in the previous chapter, individuals expect an apology and empathy from the service provider when something goes wrong; therefore providing an accommodative response should be considered a better strategy than no response at all, or a defensive response (Bradley & Sparks, 2009). Additionally, according to the attribution theory, an accommodative strategy, meaning that the hotel tries to make amends for a failure by apologizing, or offering compensation, is perceived to be more favourable by consumers, than insisting there is no problem or even blaming the failure on others (i.e. a defensive strategy) (Bradley & Sparks, 2009; Lee & Song, 2010). Likewise, Min et al. (2014) recommend including an empathetic response when responding to negative reviews as it improves the overall ratings of the hotel. In contrast, a defensive strategy is more likely to aggravate the problem, and make consumers feel angry and therefore to have a negative impact on their purchasing behaviour. However, as suggested by Lee and Cranage (2012), a defensive strategy could be useful, depending on the level of support the negative review has from other reviewers.

This study will look into the effects that these three different response strategies (no response, an accommodative response or a defensive response) have on potential customers. The following sections will examine evidence on booking intentions, attitudes and trust towards the hotel with the corresponding hypotheses for each variable.

5.1.3 The influence of response strategies on booking intentions

This study examines the effect of response strategies on potential customers and their booking intentions and seeks to understand the best way to respond to negative online reviews. The best prediction of actual behaviour and sales is according to Ajzen and
Fishbein (1977) the measure of buying intentions. Buying intentions are a good measure for short-term sales prediction (Bai, Law & Wen, 2008; Morwitz & Schmittlein, 1992) and have been tested in the hospitality industry to be proven right (Ajzen & Driver, 1992; Buttle & Bok, 1996). Based on the arguments presented above, this study suggests that a reader exposed to accommodative responses from a hotel will have stronger booking intentions, than if no response is posted or if it is defensive: Thus, the following hypotheses were formulated:

H1a. Potential customers’ booking intentions will be reinforced more when they read an accommodative response than when they read a defensive response.

H1b. Potential customers’ booking intentions will be reinforced more when they read an accommodative response than when no response is made.

5.1.4 The influence of response strategies on the attitude towards the hotel

Guests’ experiences of a hotel are difficult to quantify, and may involve the image of the hotel, which in turn depends on what others think and say about the service provider (Litvin & Hoffman, 2012). Litvin and Hoffman (2012) suggested that managers’ responses to nWOM positively influence consumer’s attitudes towards the hotel. In the same line Ye et al. (2011) looked at the implications of responses from hotel managers to negative reviews, and concluded that it will have a positive effect on subsequent review rating and volume. In their recent study, Wang and Chaudhry (2015) agree with them, indicating that a management response to a negative reviews leads to higher ratings in reviews that immediately follow after the reviewer receives a response. However, they also concluded that management responses to positive reviews actually lead to lower subsequent ratings.

Furthermore, Conyette (2012) indicated that consumers’ attitudes influence their booking intentions. In the same line, Purnawirawan, De Pelsmacjer and Dens (2012) suggested that if the review were perceived as useful it would positively affect attitudes and intentions towards the product or service.

Based on these findings, and on the existing literature review described above, which indicates the positive effect of online reviews on attitudes towards hotels, this study suggests that a reader exposed to accommodative responses from a hotel is more likely
to evaluate the hotel positively, than if no response is posted or if it is defensive. The following hypotheses were therefore formulated:

H2a. Potential customers’ attitudes will be more positive when they read an **accommodative** response than when they read a **defensive** response.

H2b. Potential customers’ attitudes will be more positive when they read an **accommodative** response than when **no response** is made.

5.1.5 The influence of response strategies on trust in a hotel

Ladhari and Michaud (2015) defined trust in their study as the capacity to rely on others. The key scopes of hotel trust are: integrity, meaning the goodwill of the hotel perceived by others; reliability, or the possibility to rely upon the hotel’s promises, and competence, indicating the hotel’s knowledge, skills and abilities (Wang, Law, Hung, & Guillet, 2014). In the hospitality industry, trust can be considered as a key variable, as it helps to minimize uncertainty and vulnerability of the transaction (Hennig-Thurau et al., 2004; Wang et al., 2014). Trust has a direct influence on booking intentions; thus, trust is positively related to bookings sales and therefore a lack of trust towards a hotel could be a major barrier to sales (Sparks & Browning, 2011).

Based on the above arguments, the following hypotheses were made:

H3a. Potential customers’ trust will be greater when they read an **accommodative** response than when they read a **defensive** response.

H3b. Potential customers’ trust will be greater when they read an **accommodative** response than when **no response** is made.

5.1.6 The influence of response strategies and the assumptions of locus and controllability

When readers examine a negative review or complaint, they attempt to identify who is responsible for the problem and try to find a reason for why the service failure occurred (Chang et al., 2015; Lee & Song, 2010). Based on this, the current study incorporated the analysis of the assumptions of locus and controllability into the study.

Weiner (1980) classified the causes of assumption into three categories: assumption of locus, assumption of controllability and assumption of stability. The assumption of locus measures the extent to which the cause of the failure is located in either the
service provider or the consumer. Assumption of controllability on the other hand refers to the extent to which consumers believe the cause of the failure was controllable by the service provider. The last category is assumption of stability, and it measures whether the failure is viewed as temporary or permanent (Chang et al., 2015; Lee & Song, 2010). The assumption theory is useful to understand a reader’s interpretation of the failure.

Based on the attribution theory, potential customers will make some assumptions regarding the locus and controllability of the failure, based on the response strategy that the company applies. When a company admits a problem and apologizes, or answers in an accommodative manner, the reader or potential customer might try to find some reasons to forgive the service providers and perceives the failure as external and uncontrollable (Chang et al., 2015). On the same line Waiguny et al. (2014) indicated that readers of online reviews who attribute the failure to external factors would have a positive attitude towards the hotel.

In contrast, a defensive strategy has the potential to magnify the problem and make potential customers more likely to think that the company is guilty, as they might see the responses as an excuse, and the problem as preventable by the service provider. Chang et al. (2015) suggested that potential customers might be affected by a failure that others have experienced by putting themselves in their position, therefore based on their research and on the existing literature described above, this study presents the following hypothesis:

H4. A defensive response, or no response, to a negative review will result in a stronger assumption of locus and controllability than if the response is accommodative.

5.1.7 Severity of failure
As mentioned before, this study will not only look into the effects that the response strategies have on potential customers, but also suggests that the severity of the failure plays a very important role in the perception of potential customers.

Hess, Ganesan and Klein (2003) defined the severity of failure as the magnitude of loss perceived by the consumers due to a service failure; it can be quantifiable (monetary loss) or non-quantifiable (anger, inconvenience or time). Swanson and Hsu
indicated in 2011 that the more serious the failure is perceived to be, the likelier it is that the consumer will engage in nWOM. As indicated in Mattila’s (1999) study, the magnitude of a service failure depends on both individual and situational factors. The understanding of the seriousness of the failure is vital in determining the correct recovery strategy (Bhandari et al., 2007).

Chang et al. (2015) describe severity of failure as an important factor influencing consumer evaluations. It is considered more difficult for organizations to recover when consumers perceive the service failure as serious, rather than minor (Smith & Bolton, 1998). Additionally, Weun, Beatty and Jones (2004) indicated that severity of failure has an impact on the evaluation of a service provided. For a serious failure, when the service provider responds in a defensive way, making excuses or even denying the problem, a consumer is more likely to attribute the problem to the company as the excuse does not minimize the severity of the failure. In contrast, when a hotel responds with an accommodative strategy, consumers will be more likely to experience the failure as less serious and attribute less blame to the company considering the problem beyond its control, therefore the level of attribute of locus and controllability will be lower. Consumers expect service providers to take action when a service failure occurs: this is even of more importance when the service failure is serious than when it is minor (Chang et al., 2015).

To the knowledge of the author of this investigation, no study has factored severity of failure into the study of response strategies to nWOM in the hospitality industry, and it is suggested that the discrepancy in the existent literature is due to the fact that not all failures are equal in severity. The severity of the failure plays a very important role in the perception of potential customers, which has motivated this study to incorporate this factor into the investigation, and understand the role it has in connection to the three different response strategies applied.
6 Methodology

This study expands those of Mauri and Minazzi (2013) and Min et al. (2014), by looking at the impact of response strategies on potential customers. As described before, Mauri and Minazzi’s (2013) study indicated that hotel managers’ responses to reviews had a negative impact on purchase decisions. Furthermore, Min et al. (2014) found a positive impact of hotel responses on attitudes towards the hotel; however their study was limited by the fact that only one review was visible and addressed, while normally, potential customers have the opportunity to read and compare multiple reviews at the same time. This study seeks to expand their research based on the study of Lee and Song (2010) and evaluates which response strategy (no response, accommodative response or defensive response) is the best to apply to nWOM in the hotel industry. Additionally, this study incorporates the severity of failure into the research model, and looks at its influence. This chapter outlines the methodology used in this study, the data collected, the participants and research procedure applied and data analysis.

6.1 Data

To test the hypotheses and to answer the research questions, an experimental study was designed. Experimental studies can be used when one or more independent variables are manipulated and the effects of the dependent variables are measured. The two manipulated variables in this study are the severity of failure (minor vs. serious) and the response strategy (no response, accommodative response and defensive response). The survey was designed to test readers’ evaluation of a hotel response, and the dependent variables (booking intentions, attitude towards the hotel, trust in the hotels, and the assumptions of locus and controllability). Participants were randomly assigned one of the experimental strategies combining one of two degrees of severity of failure (minor vs. serious) with one of the three response strategies (no response, accommodative and defensive), a total of six scenarios are presented in Table 2.
Table 2. Scenarios for the study

<table>
<thead>
<tr>
<th>Severity of failure</th>
<th>Response strategy</th>
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<td></td>
<td>No response</td>
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<tr>
<td>Minor failure</td>
<td>Scenario 1</td>
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<tr>
<td>Serious failure</td>
<td>Scenario 4</td>
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Each scenario consisted of a set of reviews of a fictitious 4-star hotel in Washington DC, formatted to imitate TripAdvisor.com and deliberately designed in order to avoid possible potential biases. TripAdvisor was chosen mainly to provide a natural setting for the experiment, since it is one of the most popular and trusted online review travel websites and is believed to influence customer’s perception of the hotel (Jeacle & Carter, 2011). As described above, through TripAdvisor both consumers and managers are able to post their comments which are then accessible to the readers of the website (O’Connor, 2010). Since brand familiarity can play an important role in the consumer´s perception of reviews, the current study avoided the use of known brands and used a fictitious hotel to eliminate the impact of the image of past experiences. As suggested by Vermeulen and Seegers (2009) the effect of online reviews is stronger for non-branded hotels.

Extending the investigation by Min et al. (2014), this study presented a set of three different consumers’ reviews (one positive, one neutral and one negative). The first review for the hotel was positive (five out of five stars); the next one was negative (one star), followed by one neutral review (three out of five stars). Reviews were presented in a reverse chronological order. Other information, such as price, room amenities and services, were excluded from the review to avoid potential biases. In order to make it more likely that participants were familiar with the experience described in the scenarios, this study borrowed actual incidents (positives and neutrals), posted and collected from TripAdvisor. The positive and neutral reviews can be seen in Appendix 1 and 2. As for the negative review and incorporating the severity of failure in this study, a pilot study was performed to address any issues that might arise. Furthermore, this study applied a control question, where participants had to answer whether the hotel responded to their complaint online or not. The results were then matched to each scenario, and those that did not match were excluded from the study.
6.1.1 Severity of failure – Pilot study

To select the severity of failure of the negative reviews implemented, a pilot test was conducted with an online questionnaire using a convenient sample of students from the University of Iceland. Overall, 35 people answered the survey; three participants didn’t complete all questions, so a total of 32 answers were usable.

To select the negative reviews, this study was based on the results of a study done by Levy et al. (2013), which analysed the most common complaints posted on travel review sites like TripAdvisor. According to their results, the most common complaints are related to front desk staff, bathroom issues, cleanliness and noise. With these most common complaints in mind, four different one-star negative reviews were chosen from TripAdvisor, minor changes being made to make them fit the description of the hotel as well as possible. Participants were asked to rate the reviews on a scale from 1 to 5, from a very trivial or minor to serious failure. The two responses with the largest disproportion in rating were chosen for the final study. The final minor and serious conditions are presented in Appendix 3 and 4.

A t-test was conducted to evaluate whether there was a significant difference in the manipulation check on the severity of failure between the reviews. The results showed a significant difference and greater mean value (M=4.90) in the serious failure than in the minor failure (M=2.70), t(36)=10.99, p<0.05; thus the manipulation of severity of failure was considered valid in this study.

6.1.2 Response strategies

This study applies the three response strategies suggested by Lee and Song (2010); no response, accommodative response and defensive response. Wang and Chaudhry (2015) concluded that there is no need to respond to positive reviews; this may become repetitive and even lower the hotel’s subsequent ratings. Based on this, the response strategies used in this study were only applied to the negative review (one star out of a five-star rating).

No-response strategy. The no-response strategy is the most common form of action taken by hotels as found by Lee and Hu (2005). No-action, or no-response, includes short replies or no reply at all (Lee & Song, 2010). No response is applied in Scenario 1 and 4 of this study.
Accommodative strategy. The accommodative strategy is applied in Scenario 2 and 5 of this study. This strategy is the second most common form of action taken by hotels (Levy et al., 2013). According to Sparks and Browning (2011) the most accommodative responses include an acknowledgement of the failure, an explanation for why it happened and a reference to actions taken. TripAdvisor recommends the following tips for writing an effective management response: respond quickly, be professional and courteous, address the specific issue (don’t sound too generic), highlight the positive things, don’t make it personal by identifying a guest by name or any other characteristics, and don’t threaten or insult (TripAdvisor, 2015b). All postings on TripAdvisor, including responses from hotels and consumer reviews, have to go through the site’s managers first. TripAdvisor then decides whether to permit the review, and response, or not. TripAdvisor prohibits advertising of any sort, commercial URLs, and also fraudulent or fake reviews, so for the consumers and users of TripAdvisor, it is a trusted tool. Based on Lee and Song (2010) and also on the tips recommended by TripAdvisor, an accommodative response was formulated for the current study. The response was made in order to address the specific issue depending on the severity of the failure and included an apology, appreciation for the review, acknowledgment and explanation of the failure and a statement of the actions to be taken. Appendix 5 and 6 display the accommodative responses created for this study.

Defensive strategy. Hotels seem to be unsure about the best way to correct wrong or unfair information posted on TripAdvisor, and thus how to protect their reputation online. As mentioned in the previous chapter, and according to Lee and Song (2010) a defensive strategy is when companies deny a problem, shift the blame on others or even attack the reviewer. After taking a look at some responses found on TripAdvisor, this study formulated a defensive response, created to address both levels of failure. The defensive response applied in this study includes a denial of the problem, blame shifting and attacking of the reviewer by the manager and can be seen in Appendix 7.

6.1.3 Dependent variables
Five dependent variables were measured in this study and can be seen in Table 3. These were: booking intentions, attitude towards the hotel, trust and the assumptions of locus and controllability. All scales were adopted from prior studies and were assessed using a
five-point Likert scale; see Table 3 (Ladhari & Michaud, 2015; Litvin & Hoffman, 2012). The questionnaire was presented in Icelandic in order to obtain a better response rate, and the Icelandic definitions of the response possibilities were based on the study of Fanney Þórsdóttir and Friðrik H. Jónsson (2009). The questionnaire can be seen in Appendix 8.

An internal consistency reliability analysis was conducted using Cronbach’s alpha for the multiple-item dependent variables. Results are reported in Table 3. The Cronbach’s alpha for the attitude, trust and assumption of locus are greater than 0.7, indicating that all the measures had acceptable internal consistency. According to Gliem and Gliem (2003) all results (> 0.7) are acceptable and if the reliability coefficient > 0.8 then the internal consistency is considered relatively high. However the results for the assumption of controllability did not reveal internal consistency; this is taken into consideration in the next chapter.

Table 3. Dependent variables

<table>
<thead>
<tr>
<th>Dependent variables</th>
<th>Cronbach’s alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Booking intentions (1 = most likely not to book, 5 = most likely to book)</td>
<td></td>
</tr>
<tr>
<td>How likely are you to book this hotel? (Maury &amp; Minazzi, 2013).</td>
<td></td>
</tr>
<tr>
<td>Attitude towards the hotel (1 = Strongly disagree, 5 = Strongly agree)</td>
<td>α = 0.85</td>
</tr>
<tr>
<td>The hotel described is good (Holbrook &amp; Batra, 1987).</td>
<td></td>
</tr>
<tr>
<td>I have a positive opinion about the hotel (Holbrook &amp; Batra, 1987).</td>
<td></td>
</tr>
<tr>
<td>After having read the reviews I can say that I like this hotel (Ladhari et al., 2015).</td>
<td></td>
</tr>
<tr>
<td>Trust in the hotel (1 = Strongly disagree, 5 = Strongly agree)</td>
<td>α = 0.93</td>
</tr>
<tr>
<td>I think this hotel would have high integrity (Sparks &amp; Browning, 2011).</td>
<td></td>
</tr>
<tr>
<td>I believe this hotel would be reliable (Sparks &amp; Browning, 2011).</td>
<td></td>
</tr>
<tr>
<td>I would have trust in this hotel (Sparks &amp; Browning, 2011).</td>
<td></td>
</tr>
<tr>
<td>This appears to be a good quality hotel (Sparks &amp; Browning, 2011).</td>
<td></td>
</tr>
<tr>
<td>I believe this hotel will be responsible (Sparks &amp; Browning, 2011).</td>
<td></td>
</tr>
<tr>
<td>I would have confidence in this hotel (Sparks &amp; Browning, 2011).</td>
<td></td>
</tr>
<tr>
<td>Assumption of locus (1 = Strongly disagree, 5 = Strongly agree)</td>
<td>α = 0.73</td>
</tr>
<tr>
<td>I think the hotel caused the complainer’s unpleasant experience (Chang et al., 2015).</td>
<td></td>
</tr>
<tr>
<td>I think the hotel is responsible for what happened (Chang et al., 2015).</td>
<td></td>
</tr>
<tr>
<td>Assumption of controllability (1 = Strongly disagree, 5 = Strongly agree)</td>
<td>α = 0.52</td>
</tr>
<tr>
<td>I think the problem the guest had was controllable by the hotel (Chang et al., 2015).</td>
<td></td>
</tr>
<tr>
<td>I think the problem the guest had was preventable by the hotel (Chang et al., 2015).</td>
<td></td>
</tr>
</tbody>
</table>
6.2 Participants

Family members and friends were chosen, as a convenient sample, and asked to share the survey, on Facebook or via email, in order to reach different groups with different characteristics. Participants were randomly assigned one of the six scenarios in the study. More details of the demographic characteristics of the respondents are shown in Table 4. A total of 284 answers were studied and after excluding non-meaningful answers and all invalid data from those who did not pass the control question, a final sample of 200 participants (70.4%), remained in the study.

Table 4. Demographics of respondents (n=200)

<table>
<thead>
<tr>
<th>Demographics of respondents</th>
<th>Scenario 1</th>
<th>Scenario 2</th>
<th>Scenario 3</th>
<th>Scenario 4</th>
<th>Scenario 5</th>
<th>Scenario 6</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male - % within type of scenario</td>
<td>31.0%</td>
<td>20.9%</td>
<td>23.5%</td>
<td>34.8%</td>
<td>35.9%</td>
<td>-</td>
<td>24.1%</td>
</tr>
<tr>
<td>% of total</td>
<td>5.5%</td>
<td>4.5%</td>
<td>4.0%</td>
<td>4.0%</td>
<td>4.0%</td>
<td>-</td>
<td>4.0%</td>
</tr>
<tr>
<td>Female - % within type of scenario</td>
<td>69.0%</td>
<td>79.1%</td>
<td>76.5%</td>
<td>65.2%</td>
<td>64.1%</td>
<td>100.0%</td>
<td>75.9%</td>
</tr>
<tr>
<td>% of total</td>
<td>44.5%</td>
<td>55.5%</td>
<td>56.5%</td>
<td>65.8%</td>
<td>66.9%</td>
<td>-</td>
<td>66.0%</td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18-24 - % within type of scenario</td>
<td>3.4%</td>
<td>9.3%</td>
<td>8.8%</td>
<td>8.7%</td>
<td>9.1%</td>
<td>-</td>
<td>6.0%</td>
</tr>
<tr>
<td>% of total</td>
<td>0.5%</td>
<td>2.0%</td>
<td>1.5%</td>
<td>1.0%</td>
<td>1.0%</td>
<td>-</td>
<td>1.0%</td>
</tr>
<tr>
<td>25-34 - % within type of scenario</td>
<td>27.6%</td>
<td>18.6%</td>
<td>17.6%</td>
<td>21.7%</td>
<td>23.1%</td>
<td>29.0%</td>
<td>22.6%</td>
</tr>
<tr>
<td>% of total</td>
<td>4.0%</td>
<td>4.0%</td>
<td>3.0%</td>
<td>2.5%</td>
<td>4.0%</td>
<td>4.0%</td>
<td>4.0%</td>
</tr>
<tr>
<td>35-44 - % within type of scenario</td>
<td>37.9%</td>
<td>48.8%</td>
<td>38.2%</td>
<td>26.1%</td>
<td>30.8%</td>
<td>41.5%</td>
<td>38.2%</td>
</tr>
<tr>
<td>% of total</td>
<td>5.5%</td>
<td>10.6%</td>
<td>6.5%</td>
<td>3.0%</td>
<td>6.0%</td>
<td>6.5%</td>
<td>6.5%</td>
</tr>
<tr>
<td>45-54 - % within type of scenario</td>
<td>20.7%</td>
<td>18.6%</td>
<td>17.6%</td>
<td>26.1%</td>
<td>23.1%</td>
<td>25.8%</td>
<td>21.6%</td>
</tr>
<tr>
<td>% of total</td>
<td>3.4%</td>
<td>4.7%</td>
<td>14.7%</td>
<td>13.6%</td>
<td>15.4%</td>
<td>3.2%</td>
<td>3.2%</td>
</tr>
<tr>
<td>55-64 - % within type of scenario</td>
<td>3.4%</td>
<td>4.7%</td>
<td>14.7%</td>
<td>13.6%</td>
<td>15.4%</td>
<td>3.2%</td>
<td>3.2%</td>
</tr>
<tr>
<td>% of total</td>
<td>3.4%</td>
<td>4.7%</td>
<td>14.7%</td>
<td>13.6%</td>
<td>15.4%</td>
<td>3.2%</td>
<td>3.2%</td>
</tr>
<tr>
<td>65 or older - % within type of scenario</td>
<td>0.5%</td>
<td>0.5%</td>
<td>0.5%</td>
<td>0.5%</td>
<td>0.5%</td>
<td>-</td>
<td>0.5%</td>
</tr>
<tr>
<td>% of total</td>
<td>0.5%</td>
<td>0.5%</td>
<td>0.5%</td>
<td>0.5%</td>
<td>0.5%</td>
<td>-</td>
<td>0.5%</td>
</tr>
<tr>
<td>Education</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primary school - % within type of scenario</td>
<td>4.4%</td>
<td>4.7%</td>
<td>5.9%</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2.5%</td>
</tr>
<tr>
<td>% of total</td>
<td>0.5%</td>
<td>1.0%</td>
<td>1.0%</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1.0%</td>
</tr>
<tr>
<td>High School - % within type of scenario</td>
<td>31.6%</td>
<td>23.3%</td>
<td>14.7%</td>
<td>17.4%</td>
<td>25.6%</td>
<td>10.0%</td>
<td>25.6%</td>
</tr>
<tr>
<td>% of total</td>
<td>4.5%</td>
<td>5.1%</td>
<td>2.5%</td>
<td>2.0%</td>
<td>5.1%</td>
<td>1.5%</td>
<td>20.7%</td>
</tr>
<tr>
<td>University degree (BS / BA / BSc) - % within type of scenario</td>
<td>37.9%</td>
<td>41.9%</td>
<td>41.2%</td>
<td>30.4%</td>
<td>35.9%</td>
<td>53.8%</td>
<td>41.9%</td>
</tr>
<tr>
<td>% of total</td>
<td>5.6%</td>
<td>9.1%</td>
<td>7.1%</td>
<td>5.5%</td>
<td>7.1%</td>
<td>8.1%</td>
<td>53.8%</td>
</tr>
<tr>
<td>Masters Degree (MS / MA / MBA) - % within type of scenario</td>
<td>27.6%</td>
<td>23.6%</td>
<td>23.6%</td>
<td>39.1%</td>
<td>30.8%</td>
<td>33.1%</td>
<td>29.3%</td>
</tr>
<tr>
<td>% of total</td>
<td>4.0%</td>
<td>5.6%</td>
<td>4.0%</td>
<td>4.5%</td>
<td>6.1%</td>
<td>5.1%</td>
<td>29.3%</td>
</tr>
<tr>
<td>Ph.D. - % within type of scenario</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>5.1%</td>
<td>-</td>
<td>-</td>
<td>5.1%</td>
</tr>
<tr>
<td>% of total</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>5.1%</td>
<td>-</td>
<td>-</td>
<td>5.1%</td>
</tr>
<tr>
<td>Others - % within type of scenario</td>
<td>-</td>
<td>4.7%</td>
<td>14.7%</td>
<td>13.6%</td>
<td>2.6%</td>
<td>3.3%</td>
<td>4.7%</td>
</tr>
<tr>
<td>% of total</td>
<td>-</td>
<td>1.0%</td>
<td>2.5%</td>
<td>1.5%</td>
<td>0.5%</td>
<td>0.5%</td>
<td>6.1%</td>
</tr>
</tbody>
</table>

A total of 78% of the participants of this study admitted to have visited a travel review site when planning to book a hotel, which is similar to the numbers suggested by TripAdvisor. Interestingly, 29% of the participants had written a hotel review while it is estimated that only about 1% of consumers engage in eWOM (Cantallops & Salvi, 2014).
6.3  Research procedure and data analysis

The current study was conducted from 22 to 29 October 2015. To eliminate all bias, participants were asked to imagine searching for a hotel in a location that they had never stayed in before, and that it should be a hotel that suited their actual needs (budget, location, etc.). Immediately following exposure to the reviews, respondents were asked to answer some questions and evaluate the hotel. Participants were randomly exposed to a review scenario using Question Pro.

SPSS was used to process the data. Several one-way ANOVA tests along with descriptive statistics were used to determine significant differences between groups or scenarios at 95% confidence level. Microsoft Excel was used to work with the results and create charts and tables.
7 Results

Several one-way ANOVA tests were conducted to examine the effects of the response strategies on the dependent variables; participants’ booking intentions (Hypothesis H1a and H1b), attitudes towards the hotel (H2a and H2b), trust (H3a and H3b) and the assumptions of locus and controllability (H4). The results for each dependent variable are presented in this chapter.

7.1 Booking intentions

A one-way ANOVA test was conducted to see the interaction between the different scenarios and the potential customers’ booking intentions. The results of the ANOVA test show a significant effect of the response strategy and the severity of failure on the participants’ booking intentions at the $p<0.05$ level for the six scenarios ($F(5, 193) = 9.28, p<0.01$). Furthermore, the assumption of homogeneity of variances based on Levene’s $F$ showed similar variation within groups at a $p=0.08$. The descriptive statistics associated with the six different groups are reported in Table 5.

Table 5. Descriptive statistics - Booking intentions

<table>
<thead>
<tr>
<th>Booking intentions - Severity of failure / Response Strategy</th>
<th>No response</th>
<th>Accommodative response</th>
<th>Defensive response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minor failure</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sceneario 1</td>
<td>$M=3.57$</td>
<td>$M=3.69$</td>
<td>$M=3.03$</td>
</tr>
<tr>
<td>$SD=0.94$</td>
<td>$SD=0.87$</td>
<td>$SD=0.87$</td>
<td></td>
</tr>
<tr>
<td>$N=30$</td>
<td>$N=42$</td>
<td>$N=34$</td>
<td></td>
</tr>
<tr>
<td>Serious failure</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sceneario 4</td>
<td>$M=2.57$</td>
<td>$M=2.90$</td>
<td>$M=2.42$</td>
</tr>
<tr>
<td>$SD=1.16$</td>
<td>$SD=0.94$</td>
<td>$SD=1.12$</td>
<td></td>
</tr>
<tr>
<td>$N=23$</td>
<td>$N=39$</td>
<td>$N=31$</td>
<td></td>
</tr>
</tbody>
</table>

In order to test the hypothesis, a series of single-step Tukey HSD multiple comparisons were performed. This study analysed the interaction of the severity of failure and the response strategies applied, observing whether there was a significant difference in the potential customers’ evaluation of the hotel depending on the type or response strategy used. Hypothesis H1a suggested that potential customers would have
stronger booking intentions if they read a review with an *accommodative* strategy than if the strategy is *defensive*. Comparing the mean of the different response strategies (Table 5) and the results of the Tukey HSD test (Table 6) it can be observed that there is a significant difference in the participants’ evaluation but only when the failure is *minor*, implying that readers who read an accommodative response to a negative review would be more likely to book a hotel in Scenario 2 (Minor/Accommodative) than those who read a defensive response in Scenario 3 (Minor/Defensive)  $p<0.05$. The result of the *serious* failure condition was not significantly different $p>0.05$ (Scenarios 5 and 6), thus H1a is partially supported.

### Table 6. Multiple comparisons. Tukey HSD results: Booking intentions

<table>
<thead>
<tr>
<th>Scenario 1 (Minor/No response)</th>
<th>$p$ value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scenario 2 (Minor/Accommodative)</td>
<td>&gt; 0.05</td>
</tr>
<tr>
<td>Scenario 3 (Minor/Defensive)</td>
<td>&gt; 0.05</td>
</tr>
<tr>
<td>Scenario 4 (Severe/No response)</td>
<td>&lt; 0.01</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Scenario 2 (Minor/Accommodative)</th>
<th>$p$ value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scenario 1 (Minor/No response)</td>
<td>&gt; 0.05</td>
</tr>
<tr>
<td>Scenario 3 (Minor/Defensive)</td>
<td>&lt; 0.05</td>
</tr>
<tr>
<td>Scenario 5 (Severe/Accommodative)</td>
<td>&lt; 0.01</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Scenario 3 (Minor/Defensive)</th>
<th>$p$ value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scenario 1 (Minor/No response)</td>
<td>&gt; 0.05</td>
</tr>
<tr>
<td>Scenario 2 (Minor/Accommodative)</td>
<td>&lt; 0.05</td>
</tr>
<tr>
<td>Scenario 6 (Severe/Defensive)</td>
<td>&gt; 0.05</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Scenario 4 (Severe/No response)</th>
<th>$p$ value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scenario 1 (Minor/No response)</td>
<td>&lt; 0.01</td>
</tr>
<tr>
<td>Scenario 5 (Severe/Accommodative)</td>
<td>&gt; 0.05</td>
</tr>
<tr>
<td>Scenario 6 (Severe/Defensive)</td>
<td>&gt; 0.05</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Scenario 5 (Severe/Accommodative)</th>
<th>$p$ value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scenario 2 (Minor/Accommodative)</td>
<td>&lt; 0.01</td>
</tr>
<tr>
<td>Scenario 4 (Severe/No response)</td>
<td>&gt; 0.05</td>
</tr>
<tr>
<td>Scenario 6 (Severe/Defensive)</td>
<td>&gt; 0.05</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Scenario 6 (Severe/Defensive)</th>
<th>$p$ value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scenario 3 (Minor/Defensive)</td>
<td>&gt; 0.05</td>
</tr>
<tr>
<td>Scenario 4 (Severe/No response)</td>
<td>&gt; 0.05</td>
</tr>
<tr>
<td>Scenario 5 (Severe/Accommodative)</td>
<td>&gt; 0.05</td>
</tr>
</tbody>
</table>

Additionally, hypothesis H1b suggested that potential customers would report firmer booking intentions if they read a review with an *accommodative* strategy than if *no response* was made. The results however, revealed no significant support for either the *minor* or the *serious* condition $p>0.05$, thus H1b is not supported (Scenarios 1 and 2, and
4 and 5). These findings challenged the idea that a response by a company gives readers a more positive opinion of the hotel.

Furthermore, when analysing the role of the severity of failure, some interesting points should be highlighted. A visual description of the mean results and the difference in the behaviour reported by the respondents depending on whether the failure was minor or serious failures depending on the response strategy applied can be seen in Figure 5.

![Figure 5. Mean results: Effects on booking intentions](image)

Based on the results observed in Table 6 from the Tukey HSD there is a significant difference in the effect of the severity of failure on the reader’s booking intentions but only if **no response** is made, or if the response is **accommodative** $p<0.05$. Participants who read a review with a **minor** failure where there is **no response** from the hotel or the response is **accommodative**; Scenario 1 (Minor/No response) and Scenario 2 (Minor/Accommodative) are more likely to book a hotel than those who read a review with a **serious** failure; Scenario 4 (Serious/No response) and Scenario 5 (Serious/Accommodative). If the hotel responds in a **defensive** way however, for both **minor** and **serious** failure conditions, there is no significant difference $p>0.05$, (Scenarios 3 and 6).
7.2 Attitudes towards the hotel

The next variable analysed in this study was the attitude of the participants towards the hotel. The results of the one-way ANOVA test report a significant effect of the response strategy and the severity of failure on the participants’ attitude towards the hotel at the $p<0.05$ level for the six scenarios ($F (5, 194) =7.22, p<0.01$). Furthermore, the assumption of homogeneity of variances based on Levene’s $F$ showed similar variation within groups at a $p=0.50$. The descriptive statistics are reported in Table 7.

Table 7. Descriptive statistics - Attitudes towards the hotel

<table>
<thead>
<tr>
<th>Attitude - Severity of failure / Response</th>
<th>No response</th>
<th>Accommodative response</th>
<th>Defensive response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minor failure</td>
<td>M=3.68</td>
<td>M=3.83</td>
<td>M=3.30</td>
</tr>
<tr>
<td></td>
<td>SD=0.70</td>
<td>SD=0.70</td>
<td>SD=0.69</td>
</tr>
<tr>
<td></td>
<td>N=30</td>
<td>N=43</td>
<td>N=39</td>
</tr>
<tr>
<td>Serious failure</td>
<td>M=2.90</td>
<td>M=3.38</td>
<td>M=3.04</td>
</tr>
<tr>
<td></td>
<td>SD=0.83</td>
<td>SD=0.80</td>
<td>SD=0.83</td>
</tr>
<tr>
<td></td>
<td>N=23</td>
<td>N=34</td>
<td>N=31</td>
</tr>
</tbody>
</table>

Hypothesis H2a suggested that potential customers’ attitudes towards the hotel would be more positive if they read a review with an *accommodative* response rather than if it is *defensive*. Comparing the mean results of the scenarios (Table 7) and the results of the Tukey HSD test (Table 8), no significant effect was found for either type of severity of failure $p>0.05$ between Scenarios 2 and 3 and 5 and 6; thus H2a is not supported.
Furthermore, hypothesis H2b suggested that potential customers’ attitudes would be more positive if they read a review with an *accommodative* strategy rather than if *no response* is made. However, similar to the case of booking intentions, no significant support was found for either type of severity of failure \( p > 0.05 \); thus H2b is not supported (Scenarios 1 and 2, and 4 and 5). Figure 6 gives a visual description of the mean results of the attitude towards the hotel between the different scenarios.
Interestingly, the results of the Tukey HSD test observed in Table 8 indicate that there is a significant difference between the effects of the levels of severity of failure on the reader’s attitude towards the hotel but only if no response is made, or if the response is accommodative $p<0.05$. As with the results observed regarding booking intentions, participants who read a review with a minor failure condition where there was no response from the hotel or the response was accommodative (Scenario 1: Minor/No response and Scenario 2: Minor/Accommodative) will have more positive attitudes towards the hotel than those who read a review with a serious failure condition (Scenario 4: Serious/No response and Scenario 5: Serious/Accommodative). However, if the response strategy applied was defensive for both minor and serious failure levels, no significance difference was detected $p>0.05$ (Scenarios 3 and 6).
7.3 Trust in the hotel

A one-way ANOVA test was conducted to see the interaction between the scenarios and the participants’ trust in the hotel. The results of the ANOVA test demonstrate a significant effect of the response strategy and the severity of failure on the participants trust in the hotel at the \( p<0.05 \) level for the six scenarios \( (F(5, 194) =10.13, \; p<0.01) \). Moreover, the assumption of homogeneity of variances based on Levene’s \( F \) showed similar variation within groups at a \( p=0.10 \). The descriptive statistics associated with the six different groups are reported in Table 9.

**Table 9. Descriptive statistics - Trust in the hotel**

<table>
<thead>
<tr>
<th>Trust - Severity of failure / Response</th>
<th>No response</th>
<th>Accommodative response</th>
<th>Defensive response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minor failure</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scenario 1</td>
<td>M=3.60</td>
<td>M=3.74</td>
<td>M=3.10</td>
</tr>
<tr>
<td>SD=0.67</td>
<td>SD=0.65</td>
<td>SD=0.69</td>
<td></td>
</tr>
<tr>
<td>N=30</td>
<td>N=43</td>
<td>N=34</td>
<td></td>
</tr>
<tr>
<td>Serious failure</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scenario 4</td>
<td>M=2.80</td>
<td>M=3.33</td>
<td>M=2.02</td>
</tr>
<tr>
<td>SD=0.94</td>
<td>SD=0.68</td>
<td>SD=0.93</td>
<td></td>
</tr>
<tr>
<td>N=23</td>
<td>N=39</td>
<td>N=31</td>
<td></td>
</tr>
</tbody>
</table>

This study analysed whether there was a significant difference in the potential customers’ trust in the hotel depending on the type or response strategy applied. H3a suggested that potential customers’ trust in the hotel would be greater if they read a review with an *accommodative* response than if it were *defensive*. Comparing the mean results of the different response strategies (Figure 7) and the results of Tukey HSD test (Table 10) a significant difference can be observed \( p<0.05 \), for both a *minor* and *serious* failure condition. The participant would have more trust in the hotel if the response strategy to a negative review were *accommodative* (Scenario 2: Minor/Accommodative) than if it were *defensive* (Scenario 3: Minor/Defensive). Unlike the results regarding booking intentions, this was also the case for the *serious* failure condition; a significant difference can be observed \( p<0.05 \) between Scenario 5 (Serious/Accommodative) and Scenario 6 (Serious/Defensive); thus H3a is supported.

Additionally, hypothesis H3b suggested that potential customers would have greater trust in the hotel if they read a review with an *accommodative* response rather than if
no response were made. The results of this directional hypothesis indicate that this is the case only for the serious failure condition $p<0.05$ (Scenarios 4 and 5), while no significance difference was observed when the failure was minor (Scenarios 1 and 2). H3b is then partially supported.

Table 10. Multiple comparisons. Tukey HSD results: Trust in the hotel

<table>
<thead>
<tr>
<th>Trust - Comparison results</th>
<th>$p$ value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scenario 1 (Minor/No response)</td>
<td></td>
</tr>
<tr>
<td>Scenario 2 (Minor/Accommodative)</td>
<td>&gt; 0.05</td>
</tr>
<tr>
<td>Scenario 3 (Minor/Defensive)</td>
<td>&gt; 0.05</td>
</tr>
<tr>
<td>Scenario 4 (Severe/No response)</td>
<td>&lt; 0.05</td>
</tr>
<tr>
<td>Scenario 2 (Minor/Accommodative)</td>
<td></td>
</tr>
<tr>
<td>Scenario 1 (Minor/No response)</td>
<td>&gt; 0.05</td>
</tr>
<tr>
<td>Scenario 3 (Minor/Defensive)</td>
<td>&lt; 0.01</td>
</tr>
<tr>
<td>Scenario 5 (Severe/Accommodative)</td>
<td>&gt; 0.05</td>
</tr>
<tr>
<td>Scenario 3 (Minor/Defensive)</td>
<td></td>
</tr>
<tr>
<td>Scenario 1 (Minor/No response)</td>
<td>&gt; 0.05</td>
</tr>
<tr>
<td>Scenario 2 (Minor/Accommodative)</td>
<td>&lt; 0.01</td>
</tr>
<tr>
<td>Scenario 6 (Severe/Defensive)</td>
<td>&gt; 0.05</td>
</tr>
<tr>
<td>Scenario 4 (Severe/No response)</td>
<td></td>
</tr>
<tr>
<td>Scenario 1 (Minor/No response)</td>
<td>&lt; 0.05</td>
</tr>
<tr>
<td>Scenario 5 (Severe/Accommodative)</td>
<td>&lt; 0.05</td>
</tr>
<tr>
<td>Scenario 6 (Severe/Defensive)</td>
<td>&gt; 0.05</td>
</tr>
<tr>
<td>Scenario 5 (Severe/Accommodative)</td>
<td></td>
</tr>
<tr>
<td>Scenario 2 (Minor/Accommodative)</td>
<td>&gt; 0.05</td>
</tr>
<tr>
<td>Scenario 4 (Severe/No response)</td>
<td>&lt; 0.05</td>
</tr>
<tr>
<td>Scenario 6 (Severe/Defensive)</td>
<td>&lt; 0.01</td>
</tr>
<tr>
<td>Scenario 6 (Severe/Defensive)</td>
<td></td>
</tr>
<tr>
<td>Scenario 3 (Minor/Defensive)</td>
<td>&gt; 0.05</td>
</tr>
<tr>
<td>Scenario 4 (Severe/No response)</td>
<td>&gt; 0.05</td>
</tr>
<tr>
<td>Scenario 5 (Severe/Accommodative)</td>
<td>&lt; 0.01</td>
</tr>
</tbody>
</table>

Moreover, similar to the results regarding booking intentions and attitudes towards the hotel, the results of this study indicate that a serious failure condition would have more negative impact on the reader’s trust in the hotel than a minor failure condition. A visual description of the mean results can be seen in Figure 7.
As can be observed in Table 10 the Tukey HSD test revealed that there is a significant difference on the effect of the severity of failure on the reader’s trust in the hotel but only if no response is given ($p<0.05$). Participants who read a review with a *minor* condition where there is *no response* from the hotel (Scenario 1: Minor/No response) will have more trust in the hotel than those who read a review with a *serious* failure (Scenario 4: Serious/No response). However, if the hotel responds in an *accommodative* manner or if the response is *defensive*, the results indicate that there is no significant difference ($p>0.05$ between Scenarios 2 and 5 and 3 and 6).

### 7.4 Assumptions of locus and controllability

The next variables analysed in this study were the assumptions of locus and controllability. A one-way ANOVA test was conducted to see the interaction between the scenarios. However, the results of the ANOVA test did not reveal any significant effect at the $p<0.05$ level for both the assumption of locus and controllability. Furthermore, the assumption of homogeneity of variances based on Levene’s $F$ showed similar variation within groups at $p=0.13$ for the assumption of locus and $p=0.20$ for the assumption of controllability.
A summary of hypotheses and results can be seen in Table 11.

**Table 11. Summary of hypotheses and results**

<table>
<thead>
<tr>
<th>Summary of hypotheses and results</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Booking intentions</strong></td>
<td></td>
</tr>
<tr>
<td>H1a</td>
<td>Potential customers’ booking intentions will be reinforced more when they read an <em>accommodative</em> response than when they read a <em>defensive</em> response.</td>
</tr>
<tr>
<td></td>
<td>Partially supported</td>
</tr>
<tr>
<td>H1b</td>
<td>Potential customers’ booking intentions will be reinforced more when they read an <em>accommodative</em> response than when <em>no response</em> is made.</td>
</tr>
<tr>
<td></td>
<td>Not supported</td>
</tr>
<tr>
<td><strong>Attitudes</strong></td>
<td></td>
</tr>
<tr>
<td>H2a</td>
<td>Potential customers’ attitudes will be more positive when they read an <em>accommodative</em> response than when they read a <em>defensive</em> response.</td>
</tr>
<tr>
<td></td>
<td>Not supported</td>
</tr>
<tr>
<td>H2b</td>
<td>Potential customers’ attitudes will be more positive when they read an <em>accommodative</em> response than when <em>no response</em> is made.</td>
</tr>
<tr>
<td></td>
<td>Not supported</td>
</tr>
<tr>
<td><strong>Trust</strong></td>
<td></td>
</tr>
<tr>
<td>H3a</td>
<td>Potential customers’ trust will be greater when they read an <em>accommodative</em> response than when they read a <em>defensive</em> response.</td>
</tr>
<tr>
<td></td>
<td>Supported</td>
</tr>
<tr>
<td>H3b</td>
<td>Potential customers’ trust will be greater when they read an <em>accommodative</em> response than when <em>no response</em> is made.</td>
</tr>
<tr>
<td></td>
<td>Partially supported</td>
</tr>
<tr>
<td><strong>Attribution of locus and controllability</strong></td>
<td></td>
</tr>
<tr>
<td>H4</td>
<td>A <em>defensive response</em>, or <em>no response</em>, to a negative review will result in a stronger assumption of locus and controllability than if the response is <em>accommodative</em>.</td>
</tr>
<tr>
<td></td>
<td>Not supported</td>
</tr>
</tbody>
</table>
8 Discussion and implications

This study contributes to the existing literature and provides important implications for the hospitality industry by examining the influence of different response strategies to nWOM from a potential customer’s perspective. With the development of the Internet, response strategies to online reviews are gaining popularity among hotels, yet managers are frequently unsure about whether and how to answer negative reviews (Min et al., 2014). Previous research in this field has produced indecisive results (Ladhari & Michaud, 2015; Lee & Cranage, 2012; Litvin & Hoffman, 2012; Mauri & Minazzi, 2013; Min et al., 2014; Wang & Chaudhry, 2015; Waiguny et al., 2014; Wei et al., 2013; Xie et al., 2014; Ye et al., 2011), and the question of whether to respond to negative reviews or not, and which response strategy is best to apply when a company needs to clarify a particular failure, remains uncertain. This study suggests that the inconsistencies of these findings are based on the fact that not all failures are equal in severity, thus it involves the analysis of the role of the severity of the failure when deciding which type of response strategy should be applied.

8.1 Booking intentions

As might be expected, this study indicates that those who read a negative review with an accommodative response from the hotel are more likely to book the hotel than are those who read a defensive response to the negative review. This study therefore indicates that managers should avoid using a defensive strategy, even though the review seems unfair or not true. This fact is in line with the literature (Bradley & Sparks, 2009; Lee & Song, 2010; Min et al., 2014). However, what is interesting in this case, is the role of the severity of failure, as it seems this will only be the case if the problem being addressed is minor and not serious, i.e., accommodative and defensive responses seemed to produce no differences in potential customers’ evaluations of the hotel, and their booking intentions, if the failure was considered serious. These results may explain the discrepancy in previous research; as far as the author is aware, this is the first study that factors severity of the failure into the study. Further research should be done to
expand this study. According to Lee and Cranage (2012), a defensive strategy could even be useful, depending on the level of support the review has from other reviewers.

Furthermore, and not of least interest, the results obtained in this study challenge the existing literature and the idea that managers should respond to negative reviews (Cantallops & Salvi, 2014; Lee & Cranage, 2012; Litvin & Hoffman, 2012; Min et al., 2014). No significant difference was found in the potential customers’ evaluations of the hotel between those who read a review with an accommodative response and those who had read a review with no response. This is also opposed to the study of Lee and Song (2010) and Chang et al. (2015), which indicated that the no-response strategy is similar to the defensive strategy in its effects on customers’ evaluations.

Additionally, the severity of failure plays a very important role in customers’ evaluations (Bhandari et al., 2007). However, this seems to be the case only when the hotel does not respond, or responds in an accommodative manner, to a negative review. Interestingly, this is not the case if a defensive response is made. These results indicate that if hotels adopt a defensive strategy towards a negative review, there will be no difference in the reader’s booking intentions, irrespective of whether the problem they are responding to is minor or serious.

8.2 Attitudes
The next variable analysed in this study was the reader’s attitude towards the hotel. A significant difference was found but only when looking at the effect of the severity of the problem, not the type of response. The results of this study suggest that the attitude of the participants is similar when potential customers read a negative review with no response from the hotel, an accommodative response, or even a defensive response. These results also challenged previous literature that indicates that it is the service recovery strategy that has the biggest impact on the readers’ attitudes towards the company, rather than the failure itself (del Río-Lanza et al., 2009; Litvin & Hoffman, 2012).

The impact of the severity of failure on the reader’s attitude towards the hotel, is similar to that found on booking intentions. Furthermore, the results indicate that the severity of failure plays an important role on customer’s evaluation but only when the hotel does not respond, or responds in an accommodative manner to a negative review, and not if a defensive response is made.
8.3 Trust
The third variable analysed in this study was the reader’s trust in the hotel. The results of this study support the existing literature, suggesting that managers should respond to negative reviews in an accommodative, rather than a defensive, manner, in order to gain trust among potential customers (Litvin & Hoffman, 2012). The results are consistent for both types of failure, indicating that an accommodative response should be made in both minor and serious failure conditions.

Curiously, and opposed to the results regarding booking intentions and attitudes towards the hotel, the results regarding trust in the hotel suggest that when the failure is serious, hotel managers should rather adopt an accommodative strategy, as this results in a more positive effect on the reader’s trust in the hotel, than if no response is made, so the negative effect of a serious failure condition can be reduced by responding in accommodative manner.

Additionally, no difference was observed between cases involving minor and serious levels of failure if the response strategy is accommodative, which could also suggest that the effect of a serious failure could be mitigated if the hotel responds in an accommodative manner. Based on the existing literature and the natural assumption that trust in a hotel will result in positive booking intentions and result in actual booking sales, this study suggests that managers should answer in an accommodative, rather than a defensive, manner since a lack of trust in the hotel will be an important barrier to sales (Sparks & Browning, 2011).

8.4 Assumption of locus and controllability
The last two variables in this study were the assumptions of locus and controllability, however, contrary to the literature of Chang et al. (2015) and Waiguny et al. (2014) this study did not observe any difference in the assumptions of locus and controllability depending on the response strategy adopted, suggesting that customers may have already made a decision on the involvement of the hotel in the failure. However it cannot be ignored that the Cronbach’s alpha for the assumption of controllability was too low, so the results of this variable cannot be generalised.
8.5 Conclusions

The findings of this study have brought forward interesting points and implications for the hospitality industry. Managers are unsure of how to respond to unfair negative reviews that could damage a hotel’s reputation and affect its performance. Many types of responses can be found on TripAdvisor. Taking account of the discrepancy in the existing literature and aiming at finding the best way to clarify a problem and protect a hotel’s reputation online, the current study raised the following research question:

“When responding to negative reviews, which of the following three response strategies - no response, an accommodative response, or a defensive response - will have the most positive impact on consumers’ evaluation of a hotel, their booking intentions, attitudes and trust towards the hotel? Moreover, this study seeks to examine and understand the role of severity of failure, in connection to different response strategies and nWOM”.

The results of this study indicate that the role of the severity of the failure is very important when deciding which type of response strategy to apply. The worst strategy that a hotel can use to answer negative reviews is a defensive strategy. However, an interesting point is that when the severity of failure is factored into the analysis, this seems to be the case only when the failure is minor and not when a serious failure is involved, regarding the effect on the reader’s booking intentions. However, and as observed in the results when analysing the reader’s trust in the hotel, an accommodative response could likely help to mitigate a serious failure. Based on the existing literature, trust is directly connected to sales (Hennig-Thurau et al., 2004; Sparks & Browning, 2011; Wang et al., 2014); in the light of this and of the results of this study, it is suggested that answering in an accommodative manner is the best strategy a hotel can apply.

Nevertheless, if no difference is observed when a defensive response is made (in either level of failure), this raises the question of whether another type of defensive strategy could be adopted that could help correct a negative, or even unfair, review. In this study, the defensive response used was built based on all elements previously mentioned, denial of a problem, blame-shifting and attacking the reviewer.
Moreover, even though the results of this study suggest that applying an accommodative strategy or, alternatively, making no response, will not produce different effects on potential customers; further studies should be conducted before recommending to hotels a strategy on how to answer. Considering the above conclusions, this study concludes that there are ample opportunities for future research; these are highlighted in the next section.

8.6 Study limitations and future research

This study contains some limitations that need to be taken into account before generalizing on the basis of the results. The sample used in this study was a convenient and rather small sample of about 200 participants. To make the study as realistic as possible, it was decided to make the (fictitious) reviews look like reviews from TripAdvisor. The review pages used in this study were long, and contained a lot of information; as a result, a large number of participants did not pass the control question for the final study. Further studies should consider enlarging the sample, as this could result in greater reliability.

Even though the results of this study suggest that whether the hotel adopts an accommodative or a no-response strategy will make no difference in terms of potential customers’ evaluation of the hotel, further studies should be conducted before a recommendation is made on whether to answer negative reviews, and if so, then how. A future study could, for example, consider whether customers’ evaluations would vary depending on whether or not the hotel replied to all reviews, or only to selected ones, or to understand what type of problems it is most important to address. Future work could consider comparing two or three hotels, as there may be some potential impacts when customers choose between hotels. According to TripAdvisor (2013) potential customers usually looked into six to seven hotels before making their final booking decision, so further studies should consider whether potential customers would be more likely to book a hotel that responds to negative reviews after comparing it to a hotel that does not. Additionally, this study was applied to a fictitious hotel, so further work could analyse the effects on hotels of different classes, from middle to top rankings (three, four or five-star hotels) or even include hotels that are a part of a known chain in the analysis.
Another limitation of this study is the fact that the dependent variables analysed consisted of intentions rather than real actions: It could be interesting to see the results of a field study looking into real booking attitudes rather than intentions.

Moreover, this study included a defensive strategy in order to defend the hotel from an unfair review; this strategy included a denial of the problem, blame shifting and attacking the reviewer. Further work should analyse whether there are any special defensive responses that work better than others when correcting a particular situation, as maybe applying only one of these factors would result in higher total evaluation of the hotel. Another possibility for further studies would be to consider the effect of proportion in types of reviews (i.e. whether there are more negative than neutral reviews, or more positive reviews), as it is suggested that potential customers usually look for a pattern in the review section. Managers could then choose between answering all reviews, or only those that complain about the same problem, and see the effects on potential customer’s evaluation of the hotel.

There are plenty of interesting ways to expand this study. Future researchers could consider the effect of different types of review sites and determine the best one to use in order to interact with the consumers. Are results obtained from review sites like Facebook, or from the hotel websites themselves, any different?

Moreover, based on the importance of the degree of severity of failure, further studies should take into consideration other types of failure, maybe the difference between core system and interpersonal failures and the effect different response strategies have on potential customers. It is also interesting to examine whether the results obtained in this study would be the same for business or holiday travel purposes, or for other hospitality services like restaurants.

Finally, further research should analyse the effect of an international environment, and see the differences between cultures, for example who addresses the problem, or how it is answered as this could have different influences depending on cultural differences, on who answers, and the type of answer applied. Additionally, some nations have more online-buying experience, and the results could vary depending on their level of expertise, so future researchers could look into that.
References


Appendix

Appendix 1. Positive review

"Lovely hotel, excellent location, great staff"

Reviewed 4 days ago NEW

My husband and I stayed at The Center Hotel Washington DC from October 8th to 12th 2015 and can not fault anything about this hotel. All staff were very friendly and helpful, in particular Barrie on the front desk, she booked us in and although we were early for check in allocated us a really nice room on the 5th floor. Bed and pillows very clean and comfortable Housekeeping also very friendly and thorough during our stay, asked for room refrigerator and this was delivered super quick. Hotel very well situated for all sights and museums, and despite fire station next door we never had an issue with noise. Excellent location! Hotel has rooftop pool and fitness centre. This was our 1st visit to Washington and can't wait to come back and do it all again at The Center Hotel Washington DC next year.

Thank you to everyone for making our stay such fun.

Lorraine & Paul, Leicestershire

Stayed October 2015, traveled as a couple

🔍 Value
🔍🔍🔍🔍 Cleanliness
🔍🔍🔍🔍 Service

Less -

Wore this review helpful? Yes

Ask Lorraine W about The Center Hotel Washington DC

This review is the subjective opinion of a TripAdvisor member and not of TripAdvisor LLC.
Appendix 2. Neutral review

"Good location, nice hotel"

5/5 Reviewed 1 week ago

The Center Hotel Washington DC is excellently located for the Capitol, Union Station and the museums of the Smithsonian Institute - all easy walking distance. The hotel itself is comfortable, with large rooms, friendly staff and a great roof bar and pool. We were on Floor 3, so we didn’t have the greatest of views (the rear car park and office buildings opposite) and the decor was a little tired in places, but the bed was comfortable and the room was spotless. Unfortunately, there was no chiller or fridge in the room and even the basic wi-fi was $10 per day however, this didn’t detract from a great four night stay and we thoroughly enjoyed our visit.

Stayed October 2015, traveled as a couple.

Location 4.5/5 Service 3.5/5 Sleep Quality 4.5/5

Less -

Was this review helpful? Yes 1

Ask s255 about The Center Hotel Washington DC

This review is the subjective opinion of a TripAdvisor member and not of TripAdvisor LLC.
Appendix 3. Negative review with a minor failure

Not what we expected!

We just checked in. When we got to our room my wife and I found out it had two double beds (we asked for a king size bed). We called the front desk and asked for a king and was told there wasn't any left. We asked if there was anything they could suggest and I was told to keep calling and when one became available I could get it, but probably not until tomorrow! Poor customer service, we won't be returning!

Stayed October 2015, traveled as a couple

Was this review helpful? Yes

See all 3 reviews by Teresa for Washington DC
Ask Teresa about Center Hotel Washington, DC

This review is the subjective opinion of a TripAdvisor member and not of TripAdvisor.
Appendix 4. Negative review with a serious failure

“Mold, Cockroaches, Musky Odor, Oh My! ”

Be warned! After reading several positive reviews we booked this place for our trip to Washington DC. What we first noticed upon entering our small “Superior” Room was the musky, dank smell. Not shortly after, it was clear there was mold covering various parts of the ceiling. This prompted a call to management and we moved rooms. The following night after a long day of sightseeing we got into our beds and started to watch TV when we noticed 3 gigantic cockroaches in our bed. We spent the next 30 minutes tracking and killing these cockroaches. Needless to say, enough was enough, we got a refund and went to another hotel. Sorry to have to write this but some things you just have to do. It was terrible, awful, the worst hotel experience ever and we will never return to this hotel!

Stayed October 2015, traveled as a couple

Was this review helpful? Yes

See all 3 reviews by Teresa for Washington DC
Ask Teresa about The Center Hotel Washington DC

This review is the subjective opinion of a TripAdvisor member and not of TripAdvisor.
Appendix 5. Accommodative response to a serious failure

Carolyn J., Front Office Manager at Center Hotel Washington, DC, responded to this review, 5 days ago.

Dear Teresa,

Thank you for taking the time to share your experience about our Center hotel Washington DC.

We are very sorry that our services did not meet your expectations, on behalf of all the staff I would like to express my sincerest apologies. I can personally agree with you that this issue you had in your room is certainly not acceptable, it is not what we want our guests to experience. We did have some problems last Saturday due to very bad weather, but I can assure you, this issue has been addressed and it will not happen again.

I would like to talk to you directly so that we can discuss a resolution regarding your stay. Please reach out to my office directly at carolyn@centerhotelwashington.com or by phone, 00 1 202-759-456905 when it is convenient for you.

Again thank you for bringing these issues to our attention as we always appreciate any feedback that will help us grow and improve. We hope this will not deter you from choosing Center Hotel Washington DC in the future. I would be glad to personally assist you with your next reservations and oversee all the details.

My best regards,
Carolyn Jonsson

Hotel Manager

Report response as inappropriate

This response is the subjective opinion of the management representative and not of TripAdvisor LLC.
Appendix 6. Accommodative response to a minor failure

Carolyn J., Front Office Manager at Center Hotel Washington, DC, responded to this review, 5 days ago.

Dear Teresa,

Thank you for taking the time to share your experience about our Center hotel Washington DC.

We are very sorry that our services did not meet your expectations, on behalf of all the staff I would like to express my sincerest apologies. I can personally agree with you that the answers you got are not acceptable; it is certainly not what we want our guest's to experience. We didn't have any room with one bed available at the time you checked in, but the service you got was definitely not acceptable.

I would like to talk to you directly so that we can discuss a resolution regarding your stay. Please reach out to my office directly at carolyn@centerhotelwashington.com or by phone 00 1 202-759-456695 when it is convenient for you.

Again thank you for bringing these issues to our attention as we always appreciate any feedback that will help us grow and improve. We hope this will not deter you from choosing Center Hotel Washington DC in the future. I would be glad to personally assist you with your next reservations and oversee all the details.

My best regards,
Carolyn Jonsson
Hotel Manager

Report response as inappropriate
This response is the subjective opinion of the management representative and not of TripAdvisor LLC.
Appendix 7. Defensive response strategy

Carolyn J., Front Office Manager at Center Hotel Washington, DC, responded to this review, 5 days ago

Dear Teresa,

First of all, thanks for your review. I apologize if you didn't like our hotel, fortunately not everybody thinks the same. As you can see from the numerous reviews before yours, 93% of all reviews for our Center hotel Washington DC, are very positive (3 stars or more). We welcome all comments or criticism our guests may have, but in this case we unfortunately don't agree with you, this issue was totally not our fault and it is unfair to be exposed in this way.

For the readers of TripAdvisor, I can assure you that the claims of this guest are not something that we can agree with. If there are any readers that are concerned about this review, please contact me directly at carolyn@centerhotelwashington.com. I would be glad to assist you with your reservation and personally oversee all the details.

My best regards,
Carolyn Jonsson

Hotel Manager

Report response as inappropriate
This response is the subjective opinion of the management representative and not of TripAdvisor LLC.
Appendix 8. Questionnaire

Dear participant

I am a master’s student in Strategic Management at the University of Iceland and I am currently working on my final project. It focuses on online hotel reviews. I would appreciate it if you could take 5 - 10 minutes to answer the survey. After completing the survey, and by registering your e-mail address, you will have the chance to win one of the following: accommodation for two at a Fosshotel in the countryside, dinner for two at the seafood grill, airport express tickets with Grayline Iceland and whale watching for two. Replies will not be traced to the participants. To start the survey click on the button below.

Thanks in advance for your participation!

Carolina Castillo

carocast84@gmail.com
Scenarios 1,2,3,4,5 and 6

Imagine that you are planning a trip and you use Tripadvisor to choose a hotel. In the document attachment you can see reviews posted about a hotel that fits the sort of hotel you are looking for.

To view the reviews, you can press the button "Open file" below. After you've read the reviews, press the button "continue" to answer some questions and to be a part of the project. Thanks for your participation!

Open file

---------------------------------------------------------------

Ímyndaðu þér að þú sért á leið í ferðalag og þú nýtir Tripadvisor til að fræðast um og velja hótel. Í viðhenginu eru umsagnir sem voru settar inn um hótel sem kemur til greina hjá þér.

Til að skoða umsagnir um tiltekið hótel geturðu ýtt á takkann „opna skjal” hér að neðan. Eftir að þú hefur lesið umsagnirnar ýtirðu á takkann „ófram” til að svara nokkrum spurningum og taka þannig þatt í verkefninu. Takk fyrir þátttökuna!

(Opna skjal)

---------------------------------------------------------------
1. Was there a response from the hotel to the negative consumer review? - (Svaraði hótelið neikvæðri umsögn?)
   1. Yes - (Já)
   2. No - (Nei)
   3. I don’t know - (Ég veit ekki)

2. After reading the reviews of the hotel, how unlikely or likely is that that you would book this hotel? – (Eftir að hafa lesið umsagnir um hótelið, hversu ólíklegt eða líklegt er að þú myndir bóka þetta hótel?)

<table>
<thead>
<tr>
<th></th>
<th>Very unlikely (Mjög ólíklegt)</th>
<th>Rather unlikely (Fremur ólíklegt)</th>
<th>Neither unlikely or likely (Hvorki ólíklegt né líklegt)</th>
<th>Rather likely (Fremur líklegt)</th>
<th>Very likely (Mjög líklegt)</th>
</tr>
</thead>
<tbody>
<tr>
<td>I would book a room at this hotel (Ég mun bóka þetta hótel)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3. How much do you disagree or agree with the following statements? - (Hversu ósammála eða sammála eftirfarandi fullyrðingum?)

<table>
<thead>
<tr>
<th></th>
<th>Strongly disagree (Algjörlega ósammála)</th>
<th>Rather disagree (Fremur ósammála)</th>
<th>Neither disagree or agree (Hvorki ósammála né sammála)</th>
<th>Rather agree (Fremur sammála)</th>
<th>Strongly agree (Algjörlega sammála)</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Hotel described is good - (Hótelið virðist vera Gott)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I have a positive opinion about the hotel - (Viðhorf mitt gagnvart hótelinu er jákvætt)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>After having read the reviews I can say that I like this hotel - (Eftir að hafa leisið þessa umsagnar get ég sagt að mér líki vel við hótelið)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Strongly disagree (Algjörlega osammála)</td>
<td>Rather disagree (Fremur osammála)</td>
<td>Neither disagree or agree (Hvorki osammála né sammála)</td>
<td>Rather agree (Fremur sammála)</td>
<td>Strongly agree (Algjörlega sammála)</td>
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<td>-----------------------------------</td>
<td>--------------------------------------------------------</td>
<td>-----------------------------</td>
<td>-----------------------------------</td>
</tr>
<tr>
<td>I think this hotel would have high integrity - (Ég tel að petta hótel sé heiðarlegt)</td>
<td>❏</td>
<td>❏</td>
<td>❏</td>
<td>❏</td>
<td>❏</td>
</tr>
<tr>
<td>I believe this hotel would be reliable - (Ég tel petta hótel áreiðanlegt)</td>
<td>❏</td>
<td>❏</td>
<td>❏</td>
<td>❏</td>
<td>❏</td>
</tr>
<tr>
<td>I would have trust in this hotel - (Ég treysti þessu hóteli)</td>
<td>❏</td>
<td>❏</td>
<td>❏</td>
<td>❏</td>
<td>❏</td>
</tr>
<tr>
<td>This appears to be a good quality hotel - (Petta virðist vera gæðahóteli)</td>
<td>❏</td>
<td>❏</td>
<td>❏</td>
<td>❏</td>
<td>❏</td>
</tr>
<tr>
<td>I believe this hotel will be responsible - (Ég tel að petta hótel sé ábyrgt)</td>
<td>❏</td>
<td>❏</td>
<td>❏</td>
<td>❏</td>
<td>❏</td>
</tr>
<tr>
<td>I would have confidence in this hotel - (Ég hef trú á þessu hóteli)</td>
<td>❏</td>
<td>❏</td>
<td>❏</td>
<td>❏</td>
<td>❏</td>
</tr>
</tbody>
</table>
### 5.

<table>
<thead>
<tr>
<th>Strongly disagree (Algjörlega ósammála)</th>
<th>Rather disagree (Fremur ósammála)</th>
<th>Neither disagree or agree (Hvorki ósammála né sammála)</th>
<th>Rather agree (Fremur sammála)</th>
<th>Strongly agree (Algjörlega sammála)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>I think the hotel caused the complainer´s unpleasant experience</strong> - (Ég tel að hótelin hafi valdið viðskiptavini sínnum óþægindum)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td><strong>I think the hotel is responsible for what happened</strong> - (Ég tel að hótelin sé ábyrgt fyrir því sem gerðist)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
</tbody>
</table>

### 6.

<table>
<thead>
<tr>
<th>Strongly disagree (Algjörlega ósammála)</th>
<th>Rather disagree (Fremur ósammála)</th>
<th>Neither disagree or agree (Hvorki ósammála né sammála)</th>
<th>Rather agree (Fremur sammála)</th>
<th>Strongly agree (Algjörlega sammála)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>I think the problem the guest had was controllable by the hotel</strong> - (Hótelin hefði getað staðið sig betur í að leysa vandamálíð)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td><strong>I think the problem the guest had was preventable by the hotel</strong> - (Ég tel að hótelin hefði getað komið í veg fyrir vandamálíð)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
</tr>
</tbody>
</table>
7. Have you visited TripAdvisor to read traveler reviews when planning to book a hotel? – (Hefur þú heimsótt TripAdvisor til að lesa umsagnir áður en þú bókar hötel?)
   1. Yes
   2. No

8. Have you written a hotel review in TripAdvisor? – (Hefur þú skrifað umsagnir um hötel á TripAdvisor?)
   1. Yes
   2. No

9. What is your gender? - (Hvert er kyn þitt?)
   1. Female - (Kona)
   2. Male - (Karl)

10. What is the highest level of education you have completed? - (Hvert er hæsta stig menntunar sem þú hefur lokið?)
    1. Primary School - (Grunnskólapróf)
    2. High School - (Stúdentspróf/iðnskólapróf)
    3. University degree - (Grunn háskólapróf (BS/BA/BEd))
    4. Master’s Degree - (Meistarapróf (MS/MA/MBA))
    5. Ph.D. - (Doktorspróf)
    6. Others - (Annað, þá hvað?) ______________________

11. Age? - (Hver er aldur þinn?)
    1. 17 years or younger - (17 ára eða yngri)
    2. 18 – 24 years - (18 -24 ára)
    3. 25 – 34 years - (25-34 ára)
    4. 35 – 44 years - (35 -44 ára)
    5. 45 – 54 years - (45-54 ára)
    6. 55 – 64 years - (55 -64 ára)
    7. 65 years or older - (65 ára eða eldri)

Thank you very much for your participation - (Ég þakka þér kærlega fyrir þátttökuna)

If you have any questions or comments feel free to send me an e-mail – (Ef þú hefur einhverjar spurningar eða athugasemdir er þér velkomið að senda mér þöst)

Carolina Castillo
Carocast84@gmail.com