

Research Article

The Impact of Review Types on Accommodation Decisions of Consumers

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Abstract: This paper investigates the effects of online reviews on consumer decisions for accommodation sites. Customers who traditionally relied on friend's referral and website reviews are now using eWOM (electronic word of mouth communication) and SNS reviews, such as those from Instagram and Facebook, in their accommodation decisions. They now have a wider range of options-people are now exposed to an array of accommodation choices such as Airbnbs. But no existing research comprehensively tracks down customers' decision making in this environment. This research is an attempt to fill this gap. This paper collects survey data and ask how customers identified which accommodation to use, which review mediums they found their information from, and the key drivers that affected customers during their accommodation experience. Research also focuses on the impact of COVID-19 in their decision making process. Using this data allows us to look into the rationale behind many of their consumer decisions. Moreover, it is expected to be useful to those interested in hospitality sectors (such as myself) as this paper focuses on the effect of review's on their hospitality business, and how satisfaction plays an integral role for various accommodation mediums.

Keywords: Online reviews, Accommodation experience, Hospitality, COVID-19.

I. Introduction

Technology is advancing at a rapid rate, morphing the business landscape. This is especially true for those within the marketing sphere-whether it be via websites (such as TripAdvisor and Agoda), SNS mediums (such as Instagram and Facebook), or standard word-of-mouth (WOM) referrals. Those within the hospitality market must learn to adapt quickly to the changing marketing landscape in order to attract new and returning customers. An accommodation's ability to attract potential customers is further tested by the sudden rise of COVID-19 and its effects on hotels: and partially beneficial impact of P2P (peer to peer) accommodation formats. This paper attempt to investigate how reviews affect the satisfaction level of hospitality experience, pre and post accommodation stay, during the years of proceeding and preceding COVID-19.

The paper's particular focus is on the marginal effect of reviews on accommodation experience, where the term 'accommodation' takes into consideration mediums other than hotels such as AirBnBs. To correctly measure this, research ask survey participants to rate their expectations before as well as after the accommodation experience. This paper separately does this to check if the recent COVID-19 pandemic had any impacts on such experience to garner an understanding of its impact on accommodation reviews and experiences, as elements such as poor social distancing management may function as a crucial factor within accommodations. While the method used in this work has some limitations, such as not taking into account brand loyalty and the survey being restricted to particular consumer characteristics (i.e. our sample is 70% South Korean), research expects to assess

the impact of review types on accommodation mediums in a meaningful way. In fact, it turns out that consumers in our survey often find accommodations to stay at via website and word of mouth mediums, however, they do not utilise/follow SNS reviews (such as Instagram) as much.

The rest of the paper is organized as follows. Section 2 review the relevant literature. Section 3 describe the survey data. Section 4 explain the survey results, discuss their implications, and provide some limitations of the survey. The paper concludes in section 5.

II. Literature Review

This section introduces and summarize several articles that are related to the main topic of this research.

A. SNS and website reviews

Previous findings on social media reviews have shown us the impact of customer evaluations and how they act as integral variables for those exploring different product types and opportunities (Ramanathan *et al.*, 2017). These reviews and social media platforms also function as opportunities for both satisfied and dissatisfied customers to voice their opinions (Farooq and Jan, 2012). In a similar vein, mediums help function as filters for those looking for viable products, deterring some from flawed items, and attracting others to their viable counterparts (Banerjee and Chua, 2016). Research and knowledge of a given product becomes imperative when being placed in a situation of purchasing such a product. Whether it be online accommodation review websites such as Agoda, or book review websites, such as GoodReads, these review hubs play a crucial role in providing the knowledge required for consumers. Similarly, Chevalier and Mayzlin (2006) examine the effect of consumer reviews on book sales on the two famous book-selling websites, Barnes and Noble and Amazon. The evidence (data found from website reviews) had suggested that on both websites, reviews had an impact on purchasing behavior. To build upon previous papers, my study examines the after-effects and how prerequisite research and reviews may impact consumer satisfaction within such review sites, and more importantly, how such information differs between mediums: would an SNS website review have a higher impact on consumers?

B. Hospitality satisfaction

This paper also relates to a host of literature that investigates hospitality satisfaction. Hospitality satisfaction depends on a number of factors, with price playing a major role as it is an indirect measure of the hotel quality, brand loyalty and many other unmeasurable characteristics that affect the decisions made by consumers (Lockyer, 2005). The accommodation security is also integral (Gerald and Hein, 1994). This factor has wavered to those of differing ages and sexes, as to other demographics (such as females), safety has proved to be a core principle (Jane and Chris, 1982). The security factor is also reflected upon by the quality of the accommodation, as one may consider a hotel with proper safety regulations as a high-quality accommodation. In a sense, safety and security functions as the basic determinants of quality of hotel services. The quality of hospitality sites has been invariably considered as one of the core fundamentals in accommodation satisfaction (Priporas *et al.*, 2017). Contrasting this, the quality of service provided has also been shown to affect customers' opinions on satisfaction. The quality may differ between external services, whether it be a high quality restaurant nearby, or a mall attracting customers to the locale (Strate and Rappole, 1997). These 'feeder locations' help draw in more possible customers, who (naturally) wish to seek out possible areas of stay.

C. COVID-19

The recent global pandemic has brought unprecedented challenges, the tourism industry being the prime example. Potential customers cannot travel abroad, so their accommodation options are limited to domestic choices. Furthermore, certain accommodation options may be closed due to pandemic regulations which differ throughout countries, further limiting customers' options. Other research has shown that the effects of COVID-19 have led to a decrease in customers within traditional hotels,

however, it has led to a slow rise in P2P (peer-to-peer) accommodation methods such as Airbnb (Farmaki *et al.*, 2020). Contrasting from our research, one of the primary limitations held by the previous paper would be the population locale. Furthermore, COVID-19 has resulted in an increase of wariness for consumers, eliminating many accommodation stays during the process of decision-making. This is due to effects such as ‘health and safety’ playing a crucial role due to the rise of the pandemic (Pappas and Glyptou, 2021). The pandemic has also resulted in alterations of reviews, with many customers placing the ‘accommodation’s response to COVID-19’ as a crucial component of accommodation decision-making (Mehta *et al.*, 2021). In order to provide a response and an expansion on the mentioned previous papers, this paper will not only enlarge our survey population, but will also expand the accommodation mediums, as instead of focusing on only P2P accommodation platforms (or on the previously mentioned study, hotels), this paper will focus on all accommodation forms, gaining an understanding on the impact COVID-19 has had on such matters.

Finally, the above-mentioned topics could be intertwined to explore the role of expectation and experience on reviews. When one’s expectation is exceeded by their experience, their ratings tend to reflect their positive encounter with the said product. On the other hand, when one’s expectation is preceded by their experience, their ratings tend to reflect their negative encounter with the product (Banerjee and Chua, 2016). Customer satisfaction can be measured in such a way, by viewing their expectation prior to purchasing a product, then recording their evaluations after using the product. As such, the exploration of reviews found within SNS and websites can be beneficial to both consumers who seek viable products to satiate their pain points, and producers who intend to understand what their consumers like, want, and need. However, contrasting from other previous findings, this paper will hone in on the relationship (both positive and negative) between SNS and website reviews to understand how social media differ between one another.

III. Data

This research employs survey data to explore how reviews affect satisfaction level of hospitality experience. The survey data was collected as follows: In late July and early August 2021, author created a Google survey in English and distributed the questionnaire online to respondents. To have a balanced response across age groups, a Korean version of the same survey was also distributed (e.g. older groups tend to be more comfortable using their mother-tongue, not English). A total of 43 people (N = 43) responded to the survey. The respondents were all Korean, but their accommodation stays are not limited to South Korea- it ranges from South Korea, China to the United States. Section 4 provides a more in-depth analysis on this issue. This paper collected a Likert scale of 1-5 to measure the satisfaction level of accommodation experience before and after COVID-19: in detail, pre-COVID is defined as from January 2016 to December 2019, and post-COVID is defined as January 2020 and onwards. This research also had several short answer questions in order to unveil the impacts of specific key drivers found within such accommodations, and which factors they would alter to improve their experience. But most importantly, our survey utilized such questions to gauge the impacts of reviews on the actual accommodation experience. It is from this that it is able to deduce the impacts reviews have on consumer decisions within differing accommodation and review mediums.

Those surveyed also provided information regarding their demographics and locales, allowing us to understand whether or not they had experienced the hotel as a foreign tourist (travelling), or as a local resident (stay-cation). This may affect results as the exoticism of certain locales may positively influence some of the respondent’s reactions to their accommodation stay, while the nativeness of other locales may negatively influence some respondent’s reactions. Also, by honing in on factors ranging from cost and quality, to external service, it is able to understand the key drivers to customer satisfaction, and the magnitude of its effects on consumer decisions.

To the best of my knowledge, most existing works on hospitality satisfaction measures the overall satisfaction, whereas this paper adds to this line of work by measuring both pre-and post-

accommodation satisfaction. By doing so, researchers can understand which provides additional information on customers' satisfaction level.

IV. Empirical results

A. Summary statistics of the respondents

This section is started by presenting Table 1 that describes the percentage of respondents that fall into each category-gender, age, demographics, and occupation. The sample respondents are balanced in that each sex represents almost the half of the participants, men taking up 37.2% and women 60.5%. The survey also shows quite an even distribution in terms of age: there is a balanced mix of respondents between 10-19, 30-39, and 50 and above. The majority of the respondents were either high school students or workers, being 27.9% and 41.9%, respectively. However, the sample respondents do have an imbalance in region: A huge majority of those surveyed come from South Korea (70.7%), which is substantially higher in comparison to those surveyed in the US and other regions (19.5% and 9.8% respectively). Those surveyed within the US tended to locate in areas such as Sugar Hill Georgia, Maryland Baltimore, Louisiana Lake Charles, and New York Boston, whilst the other regions mentioned tended to revolve around regions such as England (Reading), China (Shanghai, Macao, etc), Hong Kong, and Thailand. Many surveyed respondents tended to visit regions such as Seoul (South Korea), Boston (New York), London (England), and Italy. This ensures that the hospitality experience is not severely biased toward one country, hence generalizing the findings documented in this paper.

Table 1. Demographic Profiles for the Survey Respondents

Variable	Percentage (%)
Gender	
Male	37.2
Female	60.5
Prefer not to say	2.3
Age	
10-19	30.2
20-29	11.6
30-39	25.6
40-49	7.0
50 and above	25.6
Country of residence experience	
South Korea	70.7
United States	19.5
Others	9.8
Occupation	
Student (High school)	27.9
Student (University/College)	14.0
Student (Graduate)	2.3
Working	41.9
Homemaker	14.0

B. In-depth analysis of survey respondents

This research next focuses on a qualitative analysis using the survey responses. The main interest points of this subsection are as follows: (1) how does a specific form of referral have impacts on customers' decision making? (2) how did COVID-19 affect customers' choice of accommodation, and (3) what would have respondents done differently if they had a second chance.

B-1. Friend's referral

Of the respondents who relied on 'Friend's referrals' for reviews, many have gone to their respective accommodations due to the reliability of their friend's reviews. Some utilize the consistency of positive reviews, with one respondent stating that, *"I kept hearing phrases such as 'It was good', 'I want to go again', 'I recommend this place' from others, and even my family members enjoyed that stay"*. Similar to this, others use the relations and reliability of their friends. One particular respondent stated that *"I am a close friend to the owner so I was offered to use the house free of charge"* and another stating *"My friends told me about Airbnbs. It feels a lot better than hotels in my opinion"*. From these responses, the result can elicit that the reliability and fondness help entice many possible customers into going to said accommodation locales, acting as a strong form of referral. This is further consolidated by another respondent's comment, regarding the efficiency of friend's referral reviews, mentioning how it *'saves time to compare other website reviews'*. The additional impact of time efficiency also plays a key role, especially for those who are unwilling to pour excessive amounts of energy onto research for accommodation types and methods. This idea is further consolidated by research from Murphy *et al.*, (2007) that finds the impact of 'word-of-mouth' (WOM) advertising, and the differences between advertising via friends and family, and other travellers. In this work, WOM in general was shown to have a significant impact in portraying a pre-existing image onto the consumers, but the specific impact of friends/family was shown to be significantly motivating on consumer decision.

Furthermore, previous research such as Day (1971) has shown that the impact of WOM is a much stronger form of product endorsement in comparison to other mediums such as media/print marketing. Such research has shown that a brand's ability to gain a favorable reputation via WOM is crucial in providing a beneficial advertising image, concluding that WOM mediums are nine times more effective in changing a consumer's perspective on a product (compared to print or media).

B-2. Website referral

The second largest review medium utilised (41.46% pre-COVID and 34.38% post-COVID), website referrals were also often utilised as a form of accommodation research. As formerly mentioned, the outbreak of COVID-19 negatively impacted the utilisation of website reviews, dissuading people from using websites as a form of accommodation research (the number of users dropped from 18 to 11 people). The 17 people who used website referrals during pre-COVID times did so due to the vast amount of easily compiled information via websites such as agoda. One respondent in particular mentioned how by *'with further research, I found a cheaper option for the accommodation'*. As such, although not prioritised as a primary source for accommodation type, websites are utilised for gathering further information to see whether or not an alternative solution is possible for their stay. Previous research confirms this notion, stating that electronic reviews via websites significantly impact customers and their perceptions on subjective norms, indirectly benefiting/harming pre-existing ideas/reviews (Goh *et al.*, 2015).

B-3. SNS Referral

Although consisting of a minority (19.51% pre-COVID and 15.63% post-COVID), SNS referrals still had some influence in others' research regarding accommodation forms. As explored previously, the number of respondents who used online SNS reviews for accommodations dropped from 8 people to 5 between COVID/post-COVID years. The 8 people who were influenced by SNS reviews during pre-COVID years experienced quality on par with their expectations. One respondent in particular noted how *'The SNS reviews did not oversell my potential experience at the hotel'*, stating that the pricing and quality of the hotel itself was *'not different from what was written in the reviews'*, emphasising the mid/lower tier properties of the experience. This may be due to the influence of being online on such hotel types, as one can be more critical and truthful regarding experiences, utilising the internet as a visage. This is reflected by other research which explores the theme of valence and quantity of online reviews on accommodation groupings. Accommodations with lower/mid-tier quality (such as the one stated within our example), tend to contain more

quantity (a higher number of reviews), and less valence (intrinsic attractiveness/inherent bias). As such, they are more truthful regarding the information typed within SNS mediums, (Filieri and McLeay, 2013).

B-4. COVID-19 Effects

COVID-19 is a global pandemic that negatively affected many industries. Hospitality sector is one of the industries that had the worst impact, as potential customers were prohibited from travelling outside their own countries. During this uncertain era, one relies more on trustworthy sources, such as WOM, when booking accommodations. This is indeed what this research observes in the survey. When looking at the effects of COVID-19 on the research methods of the survey respondents, this paper sees a clear rise in WOM methods, and a slight decrease in online forms of accommodation research. With an approximate 11% increase in WOM during COVID-19, many of the survey respondents have relied on friends and family members for accommodation methods. This may reflect the trustworthiness of friends and family members (as unlike a stranger online) during moments of uncertainty, some may desire a close relative's input on where to go for a comfortable stay. This is further shown by others' analysis on the 2003 SARS outbreak where there had been a similar decrease of travel and inclination towards leisure trips and stays, for example, the decision to stay at a nearby AirBnB instead of a hotel within another country (Wen *et al.*, 2005). As such, it can be reasonably considered that pandemic-like scenarios have the additional effect of making consumers rely upon personal references for accommodation stays and travel plans due to factors revolving around safety and distance (i.e. domestic hotels instead of flying abroad where infection rates may be higher, or areas may be quarantined).

B 5. After the Accommodation

Many of the respondents, approximately 70.7%, mentioned that they were satisfied with their stay, and would not do anything differently: had they been given the opportunity to re-experience their accommodation prior to the effects of COVID-19. The same theme was present for accommodation stays during COVID-19, with 71.9% of the survey respondents stating that they were satisfied. For both pre and during COVID-19, the majority of the remaining complaints spanned around the theme of further accommodation research. Most respondents tended to be satisfied due to the convenience of the locale. In particular, one respondent enjoyed the seclusion of the locale, as well as the guest-to-host interaction available via peer-to-peer accommodations (such as Airbnbs), stating, *"The last Airbnb I stayed in was wonderful and secluded. The host even made us desserts"*. Another respondent disliked the accommodation itself, claiming it had uncomfortable bedding and limited activities in the hotel itself; however, the aspect of quality was negated by the accommodation's locale as, to them, *"the real thing that mattered was the location and how convenient it was being near family friends"*.

V. Limitation and guideline for future research

Throughout this paper, two major limitations, alongside numerous other possible explorations should be explored by future works. First of all, the number of reviews researched functions as a major restriction, as the sample number of 43 was dispersed across numerous nations, leading to some locales having a large sample size, and others having a miniscule amount. As such, further research can mitigate this limitation by either increasing the sample size as a whole. Alternatively, honing in on specific regions would unveil patterns that are specific to the residents in that sample area. Secondly, the reviews provided by the survey respondents may be biased, especially due to the large amount of time which has elapsed. As such, when looking back at certain memories, respondents may reminisce such moments in an idealistic manner, which can be a crucial flaw in limiting the validity of the responses. As such, future papers should explore different methods to mitigate bias. Furthermore, unexpectedly, one of the largest forms of accommodation discovered was elicited from 'Friends' referrals'. Although this was ascertained by this paper, the nature of these reviews was not as heavily explored, with vague responses. This may have been caused by the large amount of time which elapsed between COVID-19 and pre-COVID19 times. As such, future explorations should

take into consideration the recentness and memorableness of such reviews when exploring further avenues. Furthermore, out of the 43 respondents, approximately 14 respondents responded in total (the question appeared 2 times per survey, garnering approximately 7 respondents per question between the two survey types). As such, future explorations should increase the sample size for 'friend's referral' reviews in order to gain a better understanding of its impact on accommodation selection and stay. Finally, another factor that future explorations should explore is the effect of price ranges on reviews: determining the impact of hotel pricing on peoples' opinions on quality of service. These explorations will further expand current knowledge on factors which affect accommodation decisions and experiences, thereby benefiting consumers' quality of stay by allowing hoteliers to identify major pain/pleasure points.

VI. Conclusion

In this paper, the primary factor explored was the impact of review types (Websites, SNS, WOM, etc.) on accommodation experiences, pre and post COVID-19. According to the survey results, the primary message is that a majority of people gather information regarding their accommodation via referral of friends and websites. However, due to COVID-19, nowadays more people rely on friend referrals over website reviews, which has decreased by 7%. Supplementing this, another primary message garnered from the survey is that COVID-19 has had a significant impact on expectations, experiences, external service quality, and forms of accommodation research, with the minimum experience rating dropping from 3 pre-COVID19, to 2 post-COVID 19, and the average expectation of hotels dropping from 4.5 (pre-COVID) to 4 (post-COVID). Finally, based upon the qualitative results within the survey, another message is that c: accommodation research is typically done via friend's referral due to consumer desire for efficiency: they do not want to expend excessive amounts of energy on additional research.

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