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THE EFFECT OF HOTEL ONLINE REVIEWS ON THE BOOKING INTENTION OF

CUSTOMERS

BY

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ABSTRACT

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Title: <u>The Impact of Hotel Online Reviews on the Booking Intention of Customers</u>

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      The motivation behind this research is to examine the impact of hotel online reviews have on a customer's booking intention. The number of hotel bookers that follow online hotel reviews and online bookings are increasing due to the evolution and the expansion of Web 2.0 in the last few decades. This study will talk about the effect of hotel online review volume, expertness, trust and brand familiarity on perceived value and hotel booking intention. Quantitative data was collected through an online questionnaire of 317 respondents from different countries and analyzed via SPSS by using correlation and multiple regression techniques. The results of the research indicate that customer trust, volume of online reviews and expertise have significant and positive impacts on perceived value, which is the mediator that leads to booking intention. On the other hand, we conclude that international hotel brands are not influenced by online reviews and have a negative significant effect on perceived value and a positive significant impact on booking intention. In conclusion, we can say that customers are not influenced by reviews while booking rooms in an international hotel brand.

Keywords: Hotel online review, brand familiarity, perceived value & hotel booking intention

DEDICATION

This project is dedicated to everyone who supported me to complete this MBA program.

A special dedication and regards for my wife and children that I took time from to

continue this program.

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CHAPTER 1: INTRODUCTION

1.1 Research Background

Online hotel reviews are currently the principal resource for travelers. Millions of travelers refer to hotel online review sites when choosing their destination and accommodation. Overall, online hotel reviews influence more than $12 billion in travel purchases (Liu and Park, 2015). This has created a source of information that gives customers the opportunity to evaluate hospitality and tourism before trying them out (Lee and Cranage, 2014). These online review sites allow users to engage in electronic word of mouth (referred to as e-WOM hereafter). e-WOM is classified as a type of information screening that displays quality information sources leading to an increase in the perceived value of the product. These commitments have turned into the fundamental cause of social impact when making a buy (Cisco System Report, 2013).

With the existence of a variety of websites such as TripAdvisor and Expedia, users have been able to electronically exchange opinions amongst themselves about certain hotels for years now (Liu and Park, 2015). E-WOM has a deep influence on customers, especially in the hospitality industry (Serra and Salvi, 2014). As a result of the advancement of technology and the internet, consumers from all parts of the world can rely on the evaluations and opinions of others when forming an intention to make a hotel booking (Sparks and Browning, 2011). Nowadays, users trust and turn to online hotel reviews more than anything else when planning their vacations or when sharing their travel experience regarding accommodations (Filieri and McLeay, 2014). Year by year, consumers have reflected more trust in online hotel reviews as they have indeed, even

progress toward becoming as applicable as individual proposals when booking a hotel (Bright, 2014). Moreover, searching for a well trustworthy accommodation is matched by a trustfully review site to gain relevant information about the property (Guillet and Law, 2011). The allure and benefit of these reviews to consumers has been noted by many researchers. Such online reviews depend on the contributions between users on review sites and aid users in the decision-making process by providing them with the information required to choose between the high-priced numbers of alternatives hotels.

This present study supports the literature on online reviews and adds to it. On an online review platform, there is a lot of information that patrons are exposed to when booking a hotel (Gretzel, 2010), which leads them to researching more so as to obtain the exact information and avoid the bias between feedback (Hotelmarketing.com, 2012). Following this, our study will focus on two aspects: first, how to assist the customer in simplifying the reviews. Second, how to select the right and logical review writer that will lead to having a memorable hotel booking experience and third, how hotel's marketers and managers handle online review segment to maximize their hotel occupancy and avoid the nightmare of negative reviews. The most effective method to help the client in improving the audits and examine what makes online reviews the number one source that most people rely on and trust while making a booking. Beyond that, this study aims at measuring the effect of online feedback on hotel booking aims. The independent variables of volume of online reviews, reviewer expertness, trust in online hotel reviews and brand familiarity will be studied to see how they impact the dependent variable booking intentions as mediated by customers' perceived value.

Customers' perceived value is the center variable and establishment in all social trade exercises and is a basic factor affecting purchasing in web-based shopping settings (Chiu et al., 2014). Therefore, it is crucial to identify the factors that increase consumers' perception of value. Past studies found that value is emphatically connected with social aims in the lodging industry (Ha & Jang, 2010). Regarding brand familiarity, it might have a regulating role such that hotel brands could be more robust to review than unfamiliar brands because of their reputation and internationally well-known name. In general, brands are vital in terms of differentiation as several researches have revealed the effect of brand name on customer conduct in the hospitality field (Aghekyan, Sandra & Chattaraman, 2012). The aftereffects of this investigation can help lodging advertisers and online survey sites in organizing comparative audits to imminent clients, supporting their booking choices, and beating the issue of data over-burden. The findings will also shine a light on the types of antecedents that impact perceived value and how that impacts booking intention.

1.2 Research Objectives

- The following objectives will be demonstrated in our research: Inspect the effect of volume, trust, and expertness of online hotel reviews on the booking intention of the guest.
- Examine brand familiarity to see whether it's affected by hotel online reviews or not.
- Examine the correlation between perceived value and booking intention.

CHAPTER 2: LITERATURE RERIEW

2.1 Conceptual Background and Research Model

This research summarizes how hotel online reviews can influence tourist's hotel booking intentions. This study focuses particularly on four attributes of online reviews and examines their particular effects on tourist's perceived value and online hotel booking intentions.

2.1.1 Volume of Online Review

Volume of reviews simply is the number of remarks from reviewers about a service or the facilities that hotels offer (Khazanchi and Davis 2008). Papathanassis and Knolle (2011) noted that volume of online reviews reflects the level of communication between guests regardless of if the reviews are negative or positive although predictably, positive reviews will have more of a positive impact (Liu, 2006). When looking at reviews, it becomes evident what differences exist from hotel to hotel, especially since hotels differ with regards to facilities, services and level of luxury. Customer awareness and value increase as the level of reviews increase as more reviews give consumers a clearer view of what they are purchasing. Review volume satisfies those who like to have information on every single detail and generally, this all plays an important role in increasing product awareness (Khazanchi and Davis 2008).

On other hand, hotel ratings and the number of reviews is important to consider together as one supports the other and vice versa. If a hotel has a high rating but there are only a few reviews, other users will not have confidence in the accuracy of that rating. Alternatively, if a hotel has many reviews but a low rating, that indicates to other consumers that it's likely that most of the reviews are negative. Ratings are normally calculated as the average number of all reviews and it is marked out 10 with most potential customers relying on an above 8 rating. Since the rating is not the only thing consumers will rely on, consumers will proceed to going through other people's reviews to look for more details as the hotel rating alone may not give them all the necessary information when it comes to how the hotel will meet their preferences and needs. The amount of audits gives confirmation of the unwavering quality of the rating, which is critical as specialists found that hotels with great online star evaluations got more online booking (Rob, Markus and Xianwei, 2015), As such, high ratings coupled with a high volume of online reviews increases confidence and perceived value. In a different context, Davis and Khazanchi (2008) focused on review volume and found that book sales had no effect on the volume of online reviews. Alternatively, Zhang et al. (2013) explained that the volume of online hotel reviews positively affects the number purchases made by restaurant goers. These findings alongside the research done in the hospitality industry leads to proposing the following hypothesis:

H1. *Volume of hotel online reviews will positively influence booker's perceived value.*

2.1.2 Review Expertness

Expertise alludes to the reviewer's skills and experience in writing the review. The quality of the review indicates to readers whether it holds valuable and clear information that will be useful to them. Zhiwei (2015) mentioned that bookers are interested in reviews that are useful and comprehensive. The way of communicating their message via social media and some chat rooms related to an online booking website is very important to consumers Gretzel (2010). In the offline world, online review sites regularly welcome definitive sources to compose audits. On the web, audit destinations rate this commentator ability in view of track records (Ridder, 2011). Different sites have different ways to distinguish expert reviewers from others such as the "Elite" badge on Yelp which is given to reviewers that have clear writing, competency, and an expert standing in writing reviews. As the reviewer receives this badge, the community will be more receptive to their posts due to the reputation they have (Baek , 2013). The popularity that comes with such apparent levels of expertise increases the value of the customers towards the product and their role is vital in influencing others in community (Yin , 2013). Through their expertise, consumers can recommend to others which services to purchase and so they play a vital role in the decision-making process (Lee, 2010). Users with more social bonds online and on social networks have stronger power to encourage others to follow their opinion (Susarla, 2012) and this is what is witnessed on Twitter, YouTube, Instagram and other social media networks.

Hence, the structure of the review is also important to consider. Reviews that are straightforward and do not confuse other users allows them to make a decision, especially if there is identity disclosure since identifiable sources upgrade the proficiency of clients' data securing (Rob, 2016). Here we must raise an important point about the possibility of negative reviews existing and having the structure and expertise characteristics mentioned previously. A well-structured negative review will then be more likely to be read and considered than a poorly structured one (Hornik, 2015). The level of expertise in which hotels respond to this negativity will also play a role in how consumers are impacted. By displaying a level of professionalism when it comes to customer service, hotels can gain the respect and admiration of customers and can positively impact them. Since this is pertaining more to customer loyalty though, it will not be considered in this present study. Having a good rating and a high number of reviews makes one an expert and so their reviews are relied on more heavily. Therefore, the following hypothesis will be tested:

H2. Reviewer expertness and structure of online reviews positively affects the booker's perceived value.

2.1.3 Trust of Online Review

Trust is an important tool that helps us to evaluate the level of success and helpfulness of an online review and is one of the most powerful aspects in online sales. In previous studies, it was confirmed that e-reviews are considered trustworthy (Hennig, 2005). Past research has likewise featured the way that trustworthiness, ability, and unwavering quality are key sizes of the lodging confide in idea (Wang, 2014).

Unwavering quality means that hotel guarantees can be depended on while uprightness alludes to the cooperative attitude of the hotel. Capability alludes to the hotel's information, aptitudes and guarantees the first feature identifies a consumer's belief while compassion is based on a consumer's perception that the other party acts at his/her best interest.

Trust assists in decreasing the worry and uncertainty related to any purchase decision. Wang (2014) reported that hotel booking was bound to the level of trust such that any positive comment on social media will increase consumer trust worthiness towards the hotel. Social networking and online reviews have become an informal third-party certification. In the same vein, Sparks and Browning (2011) confirmed that online reviews are likely to lessen the vulnerability identified with booking intention and trust level is strongly determined by opinions. Along these lines, it creates the impression that the readiness to book a lodging room is identified with the assume that customers have in the hotel and that this trust is considerably affected by peer feedback. Finally, integrity refers to the common values between trust and the trustee (Shabsogh, 2013) Hence the following hypothesis will be raised:

H3: Trust positively influences booker perceived value

2.1.4 Brand Familiarity

A brand is a basic factor affecting customers' personal perceptions and buyer behaviors. Aghekyan (2012) argued that a favorable brand image increases the positive attitude towards the branded product. However, in their study on the impact of e-WOM on brand evaluations (Kim, 2015) found that assessment of a well-known brand is less

vulnerable to impact by feelings of different customers on the web. Besides, e-reviews don't remain solitary on the web, yet they are created by various media which can be organization controlled, for example, visitor books or customer's forums, or outsider controlled, for example, newsgroups or virtual supposition platform (Hennig, 2005). Sparks and Browning (2011) state that the publicity to online hotel reviews influences hotel approaches more for less important known hotels than for chain international hotels, making the convincing effect of online reviews stronger in less-known hotels. It follows that brand familiarity will impact perceived value as propose by the following hypotheses:

H4a. Brand hotels positively influence booker's perceived value

H4b. Brand hotels positively influence booker's intention

2.1.5 Perceived Value

In our research we intellectualize booker's perceived value as evaluation the give and get mechanisms (Lei, 2014). To know well customer perceived value, many researches done to liaise between the give and get (Salamiah, 2011). To liaise the link between online hotel reviews and perceived value, we will demonstrate the effect of service quality and experience quality, the validity measure of perceived value analyzed Irena (2013) relying on SERV-PERVAL scale multidimensional components: Quality, price, reputation, and emotional responses. All mentioned factors have been tested and positively significant in term of booking intentions which all belongs to service quality. Here we have to highlight the matter of reputation and emotional responses which belongs to experience quality. In the tourism setting, service quality alludes to benefit

execution at the trait level while experience quality alludes to the psychological result coming about because of client involvement in tourism activities. Therefore, experience quality can be conceptualized as bookers affected by social issues, online responses or people recommendations that elevate perceived value (Naehyun, 2013). In other hand perceived values are the final goals that trigger behavior as well as it's a good predictor of purchase intentions. According to MEC theory (Means-End Chain) which explains how product characteristics and benefits facilitate consumers' achievement of values or goals, value decision from past knowledge assists customers to achieve their goals (Chiu 2014) where he argued that when perceived value increases, the purchase intention will be increased. We can then theorize that in the hospitality industry, a customer's aggregated perceived value via online booking would be positively influence their intention to book

H 5. Perceived value positively influences intention of booking a hotel

2.1.6 Booking Intention

Since online websites are widely available and can be reached easily from anywhere via mobile phones, customers have many options to quietly search and read different types of comments and make judgements about the quality of the hotel services before deciding which hotel to stay at. A hotel's website, online review sites and online bookings elevate the sales via the promotions that are carried out on these sites (Liu, ,2015). These features allow customers to compare the value of the hotel room with regards to price, services available and the comments raised by previous customers' on their experience. Recently, Marios (2013) tested the liaison booking intention and the

value gained from several constructs that increase the value for guests. These interactivity

structures influence customers' online booking intentions. Hotel booking intention is

therefore hypothesized in this study as the probability that a customer is able to reserve

hotel room relying on the effect of all attributes covered by our study and other factors

like ease of use, usefulness.

2.1.7 Research Model
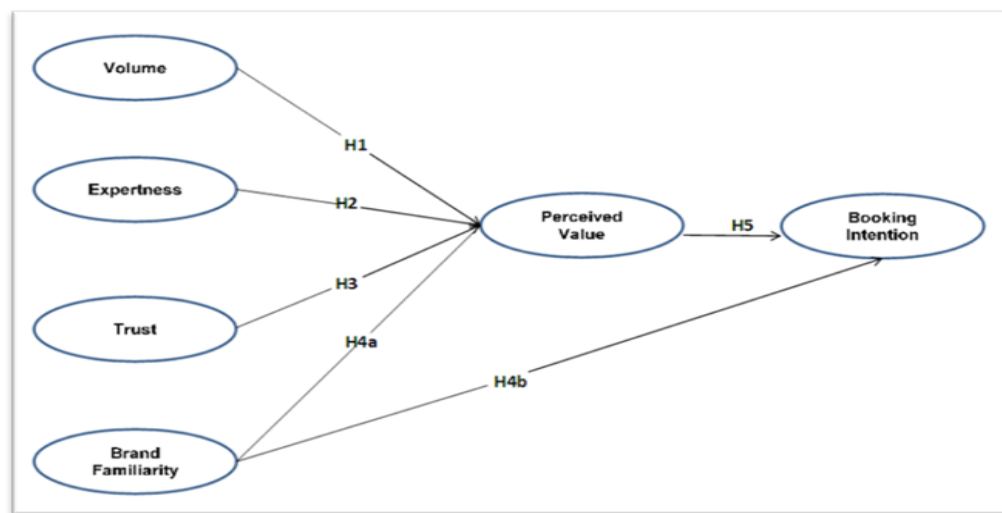
Figure 1. Research Projected Model

CHAPTER 3: RESEARCH METHODOLOGY

3.1 Research Design

The hypotheses proposed in our study will be statistically tested so as to meet the aims of this research. A quantitative survey design was implemented, and data was analyzed using SPSS. The following sections discuss the measures, the sample and the data collection process.

3.2 Measures

Four independent variables will be measured including:

- The volume of online hotel reviews

- Trust in online hotel reviews

- Expertise in writing online hotel review

- Brand familiarity and its effect on online hotel reviews

Dependent variables are:

- The perceived value

- Intention to book a hotel

The definitions of each variable and where the measurement used was obtained from are displayed in Table 1.

Table 1

Variables Definition

Variable	Definition	Measurement
Volume of online hotel review	It measures the total amount of interactive message. High number of online reviews effect the guest choice	(Papathanassis and Knolle, 2011)
Expertness of online review	The degree of expertise of the reviewer, reflect a confidence impact for the booker via professionalism and knowledgeable in writing which show experience on travelling.	(Zhiwei, 2015)
Trust in online review	The degree of trust in online review means competency, compassion and integrity. It is the most important construct in our study	(Ridder , 2016)
Brand Familiarity	Stands for the hotel international chain and the level of customer dependent on online review beside brand hotel where exist.	(Sparks and Browning ,2011)
Perceived Value	Values are the final goals that trigger behavior and explains how product characteristics and benefits facilitate consumers' achievement of values or goals	(Chiu 2014).
Booking Intention	The willingness to book a hotel after a close attention to online review constructs, brand familiarity & perceived value	(Marios ,2013)

3.3 Sample Size & Data Collection Method

An online survey was created using Survey Monkey. The variables were measured through 20 questions, with each construct containing 3 to 5 questions. All constructs were a 5-point Likert scale from strongly agrees to strongly disagree. All questions were highlighted as mandatory so that respondents couldn't skip any part of the survey. This ensured more reliability in the data obtained and limited the need to eliminate responses. A pre-test was carried out wherein two professors at Qatar University and 18 respondents filled out the survey in order to make sure the content and questions were well-designed, clear and reliable. Then the survey was sent out to 450 participants where we received 317 completed responses. The sample is made up of travelers selected from a list of visitors to specific hotels in Doha. This included managerial-level hotel employees including marketers, Qatar University students with an MBA degree and a specific demographic and targeted group from the Survey Monkey database based in the US. Table 2 demonstrates the questions measure for each construct.

Table 2

Variable Items

Variable	Items
Volume of online hotel review	A large number of online reviews reflect the popularity of the hotel.
	A Large number of online reviews reflect an interest of guests in a hotel.
	A Large number of reviews assist in selecting a right choice of accommodation.
Expertness of online review	I rely on reviewers who are active in online hotel review websites.
	Detailed online review the more I believe it.
	The more point by point an e-survey the more I believe it
	I trust e-reviews written in a friendly manner.
	I see myself to be proficient about Internet sites.
	I am proficient to assess reliability of web sites
Trust in online review	Before booking a hotel, I read other e-user's experiences.
	While booking a hotel, I believe that online reviews are more important than hotel advertising.
	If a hotel is promoted by tourists, I am more willing to book it.

Brand Familiarity	If a hotel is an international and well-known chain, I don't rely on online review.
	I have high interest in brand hotel.
	If the hotel has a high customer's rating, reviews by others are not important.
Perceived Value	Positive online reviews increase the value of the hotel
	During my hotel's stay I always experience the same detail of what I read in online hotel reviews.
	I would consider online reviews a good source of hotel booking.
Booking Intention	My willingness to book a hotel relying on online hotel review is very high.
	My willingness to book a high Customer's rating hotel is very high.
	The likelihood of recommending a hotel booking with regards to online hotel review is very high.

CHAPTER 4: RESULTS

4.1 Demographic Analysis

The 317 obtained responses were first cleaned, and invalid surveys were eliminated. The following respondents that were eliminated were:

- Respondents that don't rely on online hotel reviews to book a hotel.

- Respondents that book their hotels via travel agencies.

- Respondents that answered the full survey with less than one minute.

The final sample size obtained after elimination is 253. The sample was made up of 60.9% male respondents and 39.1% female respondents. 83.4% of the respondents were below the age of 44 years. Most of the travelers at least travel one time for pleasure (54.7%), but for business, most travel less than one time (77%). The majority of the participants make their hotel booking via online booking sites (92%) while the remaining percentage make their hotel bookings via travel agencies and the recommendations of friends. Regarding the popularity of the website visited to check the feedback about hotels, 42% rely on Booking.com, 40% on TripAdvisor, 15% on Expedia and the rest rely on other resources. All the demographic information is displayed in Table 3 below.

Table 3

Demographic Characteristics & Descriptive Information of the Sample (N=253)

Demographic		Frequency	Percentage
Age	18 - 24	43	16.9
	25 - 34	82	32.6
	35 - 44	86	33.9
	45 - 54	42	16.6
Gender	Female	99	39.1
	Male	154	60.9
Travelling for pleasure per year	One Time	138	54.7
	Two Times	69	27.2
	More than 2 Times	46	18.1
Travelling for Business per year	One Time	33	13
	Two Times	20	8
	More than 2 Times	5	2
	Less than 1 Time	195	77
Source of Info for Booking Hotel	Internet	233	92
	Travel Agency	15	6
	Peers Relation	5	2
Popular Usage of Hotel Online review Sites	Trip Advisor	101	40
	Booking.com	106	42
	Expedia	38	15
	Other	8	3

As shown below in figure 2, 89% of respondents hold at least a university degree or equivalent.
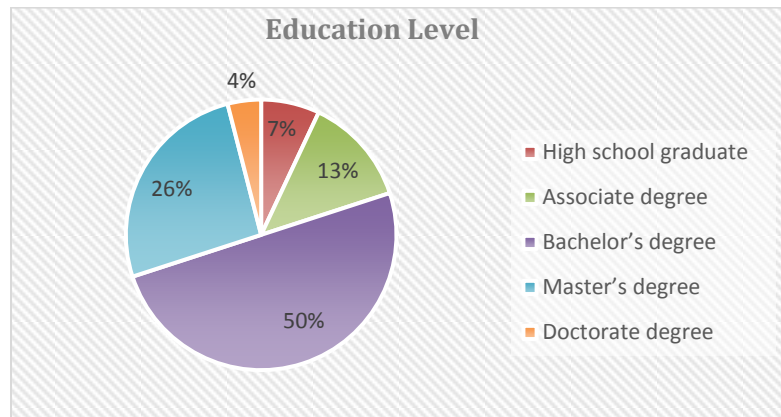
Figure 2. Respondents' distribution according to education level

In reference to employment status, it is shown in Figure 3 that all categories of employment status are involved in traveling. This highlights the wide range of expansion of online hotel reviews and its integration in many segments in society. Besides the income category, this assists in drawing an idea those travelers from a variety of income group's book online.

Employment Status

- Full time student
- Full time employee
- Part time employee
- Self Employed
- Retired
- Unemployed

2% 3%
5%
5%
18%
68%
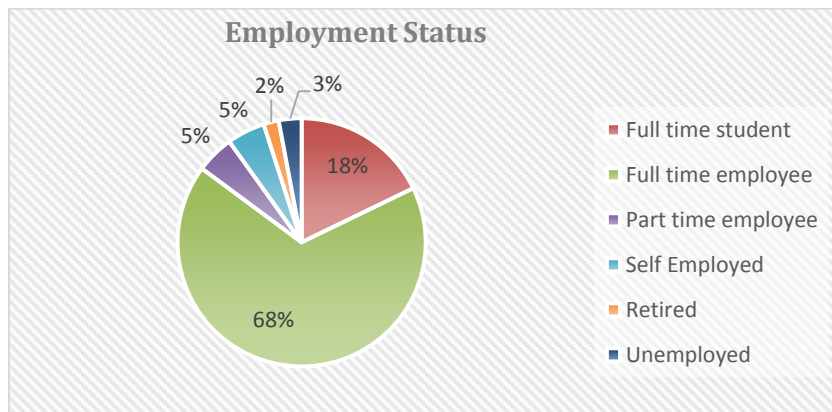
Figure 3. Respondent's distribution according to employment status

Moving to popularity of using online sites to book hotels, the surprisingly result is that all respondents use online booking sites. None of the respondents said they never use online booking sites. This again illustrates the evolution of online booking and the wide distribution for this trend among the environment. Illustrating these statistical data has a great benefit to hotels to implement more technological factors on their premises.
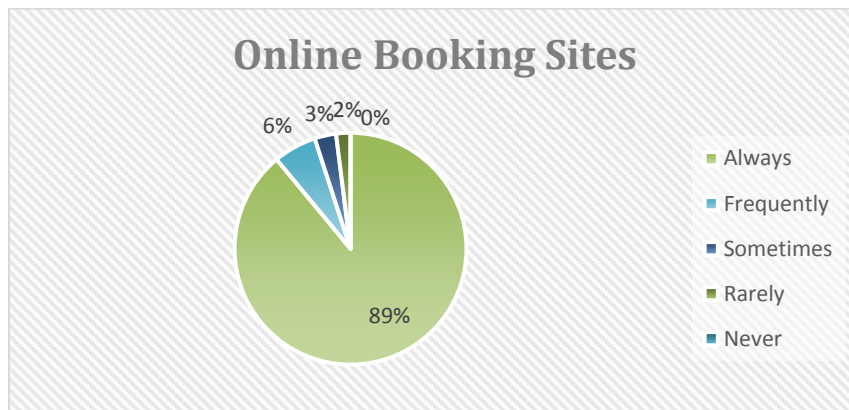
Figure 4. Respondents' distribution according to online booking site frequency

4.2 Reliability Analysis and Cronbach's Alpha

To test reliability, we looked at the Cronbach's alpha for each construct. As shown in the table below, the Cronbach's alpha of all constructs is above 0.7., thus, all the variables have an acceptable level of reliability (Pallant, 2002). Cronbach's alpha, mean and standard deviation are presented in Table 4.

Table 4

Descriptive Statistics

Variable	Mean	Std. Deviation	Cronbach α
Volume of Review	2.12	0.708	0.846
Expertise	2.15	0.521	0.761
Trust	1.88	0.842	0.759
Brand Familiarity	5.595	0.726	0.722
Perceived Value	2.05	0.568	0.787
Intention to Book	2.37	0.479	0.706

4.3 Factor Analysis

We performed principal components analysis (PCA) for the 20 items by using SPSS 22. The Kaiser Meyer Olkin was 0.85 and its greater than the accepted level of 0.6. Kaiser, 1970; 1974) and according to (Bartlett, 1954) test of Sphericity was shown to be statistically significant (p=0.000).

Table 5

KMO and Barlett's tests

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.850
Bartlett's Test of Sphericity	Chi Square	3120.11
	df	300
	Sig	.000

Table 6

Factors Analysis

Item	Component					
	1	2	3	5	6	6
VAL1	.707					
VAL2	.703					
VAL3	.718					
EXP1		.676				
EXP2		.699				
EXP3		.785				
EXP4		.43				
EXP5		.35				
TRU1			.590			
TRU2			.700			
TRU3			.39			
BRA1				.48		
BRA2				.711		
BRA3				.699		
VAL1					.765	
VAL2					.785	
VAL3					.731	
INT1						.706
INT2						.787
INT3						.815

Three items (VOL1, VOL2, VOL3) were loaded on factor one, which describes volume of online review. Three items (EXP1. EXP2, EXP3) were loaded on factor two, which measures Expertness of writing the review. Two items (TRU1, TRU2) loaded on factor three, which measures trust. Two items (BRA2, BRA3) loaded on factor four, which describes brand familiarity. Three items loaded on factor five (VAL1, VAL2, VAL3) which describe brand familiarity. Three items loaded on factor six (INT1, INT2, INT) which describes booking intention. (EXP4, EXP5, TRU3, BRA1) did not load on any of the factors and were dropped from the study as their loading is less than 0.5 (Hair et al. 2006).

4.4 Correlation

Correlations between variables were tested with Pearson's correlation test. The constructs volume (VOL), Expertise (EXP) and Trust (TRU) were moderately correlated with perceived value (VAL) which provides support for H1, H2 and H3. As shown in Table 7, brand familiarity is negatively correlated with perceived value (H4a) and has a low positive correlation with booking intention (INT, H4b). Finally, the perceived value has a moderate positive correlation with booking intention (H5).

Table 7

Factors Correlations

Correlations

		VOL	EXP	TRU	BRA	VAL	INT
VOL	Pearson Correlation	1	.526[**]	.434[**]	-.010	.484[**]	.360[**]
	Sig. (2-tailed)		.000	.000	.906	.000	.000
	N	145	145	145	145	145	145
EXP	Pearson Correlation	.526[**]	1	.440[**]	-.066	.531[**]	.261[**]
	Sig. (2-tailed)	.000		.000	.433	.000	.002
	N	145	145	145	145	145	145
TRU	Pearson Correlation	.434[**]	.440[**]	1	-.165[*]	.466[**]	.321[**]
	Sig. (2-tailed)	.000	.000		.048	.000	.000
	N	145	145	145	145	145	145
BRA	Pearson Correlation	-.010	-.066	-.165[*]	1	-.153	.110
	Sig. (2-tailed)	.906	.433	.048		.065	.187
	N	145	145	145	145	145	145
VAL	Pearson Correlation	.484[**]	.531[**]	.466[**]	-.153	1	.425[**]
	Sig. (2-tailed)	.000	.000	.000	.065		.000
	N	145	145	145	145	145	145
INT	Pearson Correlation	.360[**]	.261[**]	.321[**]	.110	.425[**]	1
	Sig. (2-tailed)	.000	.002	.000	.187	.000	
	N	145	145	145	145	145	145

Significant correlation at the 0.01 level (2-tailed).
Significant correlation at the 0.05 level (2-tailed).

4.5 Linear Regression

4.5.1 Perceived Value vs Independent Variable

The dependent variable Perceived Value will be tested with the four independent variables, volume, expertise, and trust and brand familiarity. The ANOVA test in the below table 8 shows that the results are significant (p-value < 0.000). This reading proves that at least one variable influences perceived value

Table: 8

ANOVA- Perceived Value

ANOVA[a]

	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	18.156	4	4.539	22.344	.000[b]
	Residual	28.439	140	.203		
	Total	46.595	144			

a. Dependent Variable: Perceived Value
b. Predictors: (Constant), Brand, Volume, Trust, Expertise

Table:9

Model Summary - Perceived Value

ANOVA[a]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.624[a]	.390	.372	.45071

a. Dependent Variable: Perceived Value

b. Predictors: (Constant), Brand, Volume, Trust, Expertness

Table: 10

Coefficients - Perceived Value

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	.869	.228		3.815	.000
	VOLUME	.181	.065	.225	2.784	.005
	EXPERTISE	.341	.088	.312	3.862	.000
	TRUST	.146	.052	.216	2.788	.005
	BRAND	-.074	.053	-.095	-1.418	.158

a. Dependent Variable: Perceived Value

b. Predictors: (Constant), Brand, Volume, Trust, Expertise

The adjusted R2 is 0.372 which means that 37.2% of the variance in the sample is explained by the model. From the examination in table 8 , it's shown that almost all the variables were found to be significant except for brand familiarity which has a significance level above 0.05. The test was repeated by excluding brand familiarly from the analysis. As shown in the following table, the adjusted R2 dropped slightly to 0.367, but the three independent variables still had the same significant effect.

Table: 11

Model Summary, Perceived Value with the Presence of Three Dependent Variables

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.617[a]	.382	.367	.45232

a. Predictors: Trust, Volume, Expertness

b. Dependent Variable: Perceived Value

4.5.2 Intention of booking vs Perceived Value

The dependent variable booking intention will be tested with the independent variable perceived value. The ANOVA test in the below table 11, shows that the results are significant (p-value <0.05). This reading proves that at least one variable influences booking intention.

Table: 12

ANOVA- Perceived Value

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5.973	1	5.973	31.505	.000[b]
	Residual	27.112	143	.190		
	Total	33.085	144			

a. Dependent Variable: Booking Intention

b.Predictors: (Constant), Perceived value

From the examination of table 12, perceived value and booking intention are positively significant as the p-value was below 0.05.

Table: 13

Coefficients - Booking Intention

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.640	.136		12.070	.000
	VAL	.358	.064	.425	5.613	.000

a. Dependent Variable: Booking intention

4.5.3 Brand Familiarity vs Booking Intention

The dependent variable booking intention will be tested with the independent variable brand familiarity. The ANOVA test in the below table 14, shows that the results are significant (p-value <0.05). This reading proves the presence of a significant relationship which explains that brand hotels are negatively influenced by hotel online reviews due to the value gained from the brand name.

Table: 14

ANOVA- Brand Familiarity-Booking Intention

		ANOVA[a]				
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7.016	2	3.508	19.109	.000[b]
	Residual	26.069	142	.184		
	Total	33.085	144			

a. Dependent Variable: Booking intention
b. Predictors: (Constant), Brand Familiarity

As shown in table 15, the adjusted R2 is .201 which means that 20.1% of the variance in the sample is explained by the model.

Table: 15

Model Brand Familiarity-Booking Intention

Model Summary

R	R Square	Adjusted R Square	Std. Error of the Estimate
.461[a]	.212	.201	.42847

a. Predictors: (Constant), Brand familiarity – Booking intention

Table: 16

Coefficients - Brand Familiarity - Booking Intention

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.260	.208		6.063	.000
	VAL	.381	.064	.452	6.002	.000
	BRA	.118	.050	.180	2.384	.018

a. Dependent Variable: Booking intention

Table 17

Summary of Hypothesis Testing and Final Model

| Hypothesis	Result
H1: Volume of hotel online reviews will positively influence booker's perceived value.	Supported
H2: Reviewers expertness and structure of online reviews positively affects the booker's perceived value	Supported
H3: Trust positively influences booker's perceived value	Supported
H4a: Brand hotels are positively influence booker's perceived value	Not Supported
H4b: Brand hotels positively influence booker's intention	Supported
H5: Perceived value positively influences intention of booking a hotel	Supported
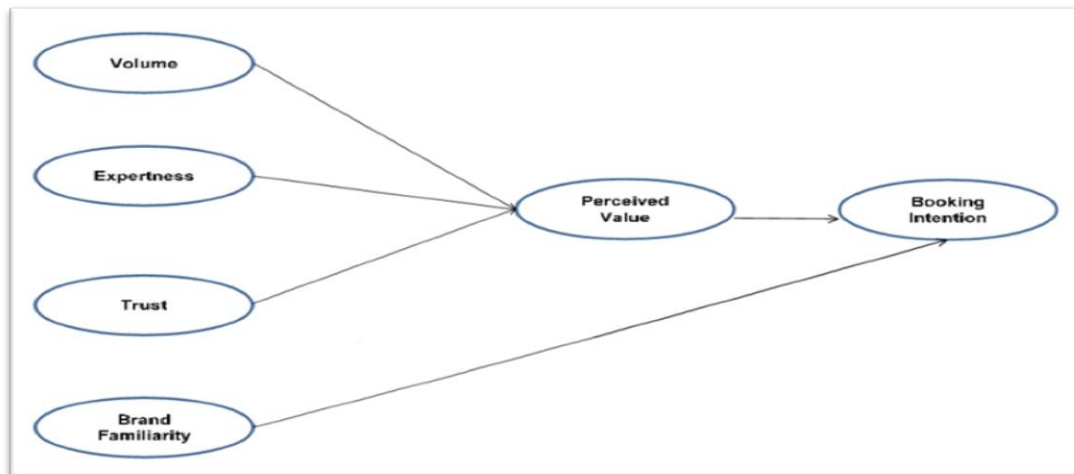
Figure 5. Final Model

CHAPTER 5: DISCUSSION AND IMPLICATIONS

According to our analysis, it was found that the volume of hotel online reviews, expertise of the writing and trust all had a significant impact on customers' perceived value which is the mediating variable between the independent variables and hotel booking intention. Brand familiarity did not have an important influence on perceived value; on the other hand, hotel booking intention significantly depends on perceived value. As for brand familiarity, it is shown that it is correlated with hotel booking intention proving that international brands are not influenced by online reviews.

In the past, customers used to make bookings via travel agencies or by calling the hotel. Nowadays, thanks to the evolution of the web, online booking systems replaced the traditional mentality of hotel bookings and vacation planning and made the process easier. Therefore, to have the same quality of service, online booking needs to outperform the capability of the service personnel in executing the booking service. The customer should find suitable information characterized by trustworthy and expert reviewers that deliver the right feedback and quality information to avoid confusing customers, since volume, expertise and trust were all found to significantly impact perceived value and booking intention.

According to our results hotel managers need to make sure their reviews online reflect a level of professionalism when dealing with consumers. They should interact with guests online by responding to any comments that were raised so as to reflect a good image and increase the value of the hotel. Managers must work hard in the process of turning guests into loyal cliental so as to minimize the effect of fake reviews. Managers

could also use online reviews themselves to see what things their previous customers enjoyed and what they had issues with. From our research we can obtain that online reviews can be a form of free marketing research for hotels and can help them determine how they can gain and maintain the trust of their consumers. This will in turn create value for them and increase the booking intention and sales of the hotel.

In terms of expertise and as we have noticed the importance of expertness hypothesis, hotels must reflect expertise by replying and responding to negative reviews. This kind of reply will impact customers in a positive way. Customers look for a management that cares for their preferences and consider management response as a type of professionalism in customer service. We are experiencing a lot of negative cases every day, most of which could be solved by gently talking to customers, giving them a sincere apology and listening to their recommendations. Hennig-Thurau (2005) argued about controllable and uncontrollable reviews and discussed how fake reviews were used by competitors to reflect a negative image about the property. Readers and followers are unable to differentiate between fake and real reviews and so it is important for managers to build trust with guests via good customer relationship management.

The marketing department should assume an imperative part in online business too. They have to be more creative by implementing more IT tools for getting feedback from guests while they are in house. This process will give the operation team the opportunity to solve any problems that might exist. For instance, it could prove useful to let customers have access to post any complaints from their rooms via smart TV or via any technological tool that can be placed in their room so as to get feedback from them before checkout. This scenario of offline solving will minimize the negative reviews

posted online and minimize the consequences of online negative reviews on websites. Negative reviews raised by unsatisfied guests don't only result in customers not returning to the hotel property again, but revenue will be lost since many guests will be influenced by their negative reviews and would not book the hotel. A better solution is to avoid any mistakes with guests that lead to similar scenarios and put preventive procedure to do so. A hotel doesn't mean only a room as there are a lot of services included such as recreation, food and beverage, housekeeping, lounges and many entertainment outlets. All of these departments should be interconnected as a chain to provide a higher customer service. A meaningless mistake or misunderstanding could ruin the reputation of a hotel because of online review sites so it is important to try and avoid these issues as much as possible. Some guests may write reviews that are misleading or are exaggerated so it is important to make sure these guests don't mislead others. A guest who hates the smell of smoke could write a bad review criticizing the entire service of the hotel just because they passed an area where there was smoke. Other customers could avoid the hotel because of this one review so managers need to make sure they know what issues customers face and how to overcome them.

With regards to brand familiarity and as we have noticed the importance of brand, chain hotels have highly credited names and can be the number one influencer for purchasing any product. Nowadays, in the presence of online booking and as shown in our research that more than 85% of hotels bookers use online sources, this means that private hotels have a golden opportunity to show more on online reservation websites and show accompanying positive comments. This will create more competitiveness against the brand. The hotel industry is different than other industries as hotels can't compete too

much if the customer is loyal for any brand since the chance of exploration for a new brand is low and there are less competition barriers. Looking more to the nearby future, we notice that brand hotels are working on their online review systems on their websites and investing a lot on their mobile applications in order to prevent the guest from going to random online review sites. This is what has been avoided by chain hotels.

CHAPTER 6: LIMITATIONS & FUTURE RESEARCH

As with any study, there are some limitations. First, some random answers existed which could be the result of the target group being partially chosen from Survey Monkey and not concentrating on travelers. Second, we didn't include all the factors that could affect booking intention. For instance, the nature of the reviews, whether positive or negative was not considered (Kim, 2015), as well as the price factor and how online reviews can affect the hotel's room price. Third, some past studies found conflicting results with regards to brand familiarity as some research found it significant while others did not. This give us the motivation to test this hypothesis based on online hotel reviews.

Future studies should cover a larger sample size and carefully distribute the survey to groups with a high intention to travel and book hotels online. It would also be interesting to include some brand names so as to see how the participants respond when a specific brand is named. In the future, studies should concentrate on one online review site, for instance Trip Advisor and analyzed separately aside from other online review websites Last but not least, future research should explore other variables to see what other factors could have a greater influence on booking intention than the variables analyzed here for instance comparing GCC respondents by USA and Europe. Important issues should be inserted in future studies is to put recommendation and solution for hotelier about the topic., rarely that we saw in the previous literatures what is the solution for the raised problem that been tested. In my part we have concentrated to ads more helpful solution in the implications chapter to elaborate a maximum usefulness for both sides customer and hotel how to deal, get and make action.

CHAPTER 7: CONCLUSION

This research identifies the various factors and influences on hotel booking intention regarding online reviews such that the volume of online reviews, expertness and trust significantly affect perceived value and lead to booking intention. International hotel brands are not influenced by online hotel reviews as empirically tested in our research. Customers have a strong attraction on booking intention where brand hotels exist.

The marketing department should assume an imperative part in online business too. They have to be more creative by implementing more IT tools for getting feedback from guests while they are in house. This process will give the operation team the opportunity to solve any problems that might exist. For instance, it could prove useful to let customers have access to post any complaints from their rooms via smart TV or via any technological tool that can be placed in their room so as to get feedback from them before checkout. This scenario of offline solving will minimize the negative reviews posted online and minimize the consequences of online negative reviews on websites. Negative reviews raised by unsatisfied guests don't only result in customers not returning to the hotel property again, but revenue will be lost since many guests will be influenced by their negative reviews and would not book the hotel. A better solution is to avoid any mistakes with guests that lead to similar scenarios and put preventive procedure to do so. A hotel doesn't mean only a room as there are a lot of services included such as recreation, food and beverage, housekeeping, lounges and many entertainment outlets. All of these departments should be interconnected as a chain to

provide a higher customer service. A meaningless mistake or misunderstanding could ruin the reputation of a hotel because of online review sites so it is important to try and avoid these issues as much as possible. Some guests may write reviews that are misleading or are exaggerated so it is important to make sure these guests don't mislead others. A guest who hates the smell of smoke could write a bad review criticizing the entire service of the hotel just because they passed an area where there was smoke. Other customers could avoid the hotel because of this one review so managers need to make sure they know what issues customers face and how to overcome them.

Policies should be strictly implemented that satisfy guests and address their complaints and problems before they check out. This will reduce the chance of them leaving the hotel dissatisfied and resorting to online review sites to voice their negative opinions. Also, international hotel brands should carefully look at online hotel reviews, even if they are less influenced. In the nearby future, there will be a competition between private and international hotel brands via review websites. Customers will look for positive comments and consider online reviews the ample resource to helping them make their bookings.

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APPENDICES

Appendix: A: Questionnaire

QATAR UNIVERSITY		**COLLEGE OF BUSINESS & ECONOMICS**

Dear Participant,

I would like to invite you to participate in my research study which is a part of MBA graduation project titled Hotel Online Reviews. The purpose of the study is to check the level of trust and value toward reading and considering online reviews when booking a hotel. This study involves your participation; it should not take more than 5 minutes of your time.

The information collected will be kept entirely private. Your participation is completely voluntary, and you may withdraw from the survey at any time or skip any question you like.

If you have any questions you may contact me at aa1512218@qu.edu.qa.

Thank you for your cooperation.

Ali K. Ammar

Please, identify to what degree you agree or disagree with the following questions					
	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
1. A large number of online reviews reflect the popularity of the hotel					
2. A Large number of online reviews reflect an interest of guests in a hotel					
3. A Large number of reviews assist in selecting a right choice of accommodation					
4. I rely on reviewers who are active in online hotel review websites					
5. The more detailed an e-review the more I trust it					
6. I trust e-reviews written in a friendly manner					
7. I Consider myself to be quite knowledgeable about Internet sites in general					
8. I am confident in my ability to assess trustworthiness of web sites					
9. Before booking a hotel, I read other e-user's experiences					
10. While booking a hotel, I believe that online reviews are more important than hotel advertising					
11. If a hotel is promoted by tourists, I am more willing to book it					
12. If a hotel is an international and well-known chain, I don't rely on online review					
13. I have high interest in brand hotel					
14. If the hotel has a high Customer's rating, reviews by others are not important					
15. Positive online reviews increase the value of the hotel					
16. During my hotel's stay I always experience the same detail of what I read in online hotel reviews					
17. I would consider online reviews a good source of hotel booking					
18. My willingness to book a hotel relying on online hotel review is very high					
19. My willingness to book a high customer's rating hotel is very high					
20. The likelihood of recommending a hotel booking with regards to online hotel review is very high					
21. Most people who are important to me think I should read online hotel review before booking					
22. Most people who are important to me would want me to read online hotel review before booking					
23. People whose opinions I value would prefer that I read online hotel review before booking					

Please, provide us with the following information:	
1. Your gender	☐ Male ☐ Female
2. Your age	☐ Under 18 ☐ 18-24 years ☐ 25-34 years ☐ 35-44 years ☐ 45-54 years ☐ 55 and over
3. How often do you travel for business per year?	☐ Never ☐ One time ☐ Two times ☐ More than 2 times
4. How often do you travel for pleasure per year?	☐ Never ☐ One -two times ☐ Three-five times ☐ More than 6 times
5. How often do you use online booking site to book a hotel room?	☐ Always ☐ Frequently ☐ Sometimes ☐ Rarely ☐ Never
6. Which source of information do use when booking a hotel room?	☐ Online booking site ☐ Travel agency (in person) ☐ Friends
7. Which hotel online review sites do you mostly use to get feedback about hotels?	☐ Trip Advisor ☐ Booking.com ☐ Expedia ☐ Hotels.com ☐ Others_____
8. What is your marital status?	☐ Married ☐ Single
9. What is your educational level?	☐ High school graduate ☐ Associate degree ☐ Bachelor's degree ☐ Master's degree ☐ Doctorate degree
10. What is your Employment Status?	☐ Full time student ☐ Full-time employee ☐ Part-time employee ☐ Self Employed ☐ Retired ☐ Unemployed
11. What is your approximate average household income?	☐ $0-$25,000 ☐ $26000-$50,000 ☐ $51,000-$75,000 ☐ $76,000-$100,000 ☐ $100,000 and up

Thank you