

The Influence of Google Reviews on Hotel Room Sales: A Case Study of Hotels in Ahmedabad

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ABSTRACT

The era of travel booking over the counter after following long queues and hotel bookings over telephone is not very unfamiliar to us, there was a time people used to avoid travelling just due to the hassle of arranging everything. But today with the help of technology you could get an array of tourism plans like a well-set menu in your drawing room just through the swipe of your mobile phone. Information technology has empowered you just to plan and book your vacation in minutes sitting at your comfort.

Being totally unknown to a place booking vacations just by the picture advertised by the hotel is also not recommendable, that is when Technology came up with check ins and reviews. A method by which visitors could actually write down their experience to recommend the hotel of their choice to others or warn about the hotels to other prospective customers.

Nearly 93% of all searches are re-directed by search engine out of which google holds 95.9% in India. This research study has been conducted to identify the impact of google reviews by customers and how it impacts the room sales, the participants of the study are 45 front desk staffs from 13 hotels and 118 guests from these hotels. The study revealed that 78% of the guest who visited the hotel chose the hotel after reading the google reviews of other customers. Also 76% confirmed that they are going to update their review about the hotel on google review as well.

Today online reviews have become the predominant source of prospective clients that owners once assumed. If not handled professionally you might lose a major stake of your business to your competitors

Keywords: Hospitality Industry, Multilingualism, Hospitality Education

INTRODUCTION

The hotel industry in India has been under remarkable improvements in the use of technological advancement and developments to improve business operations. With the introduction to smart phones, affordable internet services and application even consumers are depending on technology in order to access services. The consumers of today are more dependent on mobile gadgets to shortlist hotels, online reservations and booking from their convenient destination. With most people travelling and tourism industry booming these apps have been most sought after in the mobile applications.

There have been very few studies on the use of smart phones to access hotels services in the past, however studies like this is bound to help and increase the knowledge and awareness of the potential benefits the hotels would be able to benefit from these applications. Continual research on this topic is essential to analyse the information to hoteliers who could use the information to maximize the utilization of such apps. Hotel owners are very much aware of the fact what their customers expectation is, which would create an easy way to access the services and make reservations. Today most hoteliers are using the knowledge they have about the expectation of their customer as a major instrument to develop innovative ways to make the online accessibility as easy and fast as possible for their customers. Whether it is business or leisure, domestic or international, Indian hoteliers are experiencing an ascending growth in the old as well as new consumers. With the current drift in the trend most hotel owners have realized that the keeping up with high number of hotels owners realized that high number of reservations can be highly risky especially for the available staff.

In view of the current trends with internet facility most hotels in Ahmedabad have accustomed and used to the timely and fast response to the demands of reservations from guest through these applications, A good number

of hotels and resorts in and around of all categories have been members of these applications and offering guests facility to book and reserve rooms through these facility. In addition to regular customer even new customer have accessibility to reserving rooms through these applications using smartphones.

Similar to the flip sides of a coin there are negatives also to the same. Today it very easy to share your opinions and view to any potential customers around the world using technology. This study has been conducted to identify the impact of google reviews by customers and how it impacts the room sales, the participants of the study are 45 front desk staffs from 13 hotels and 118 guests from these hotels. The study revealed that 78% of the guest who visited the hotel chose the hotel after reading the google reviews of other customers. Also 76% confirmed that they are going to update their review about the hotel on google review as well.

The reason for selecting google review itself is due to the high volume of searches through google conducted and the visits of people for the reviews and dependency as well as the trustworthiness of people in the reviews provided by Google.

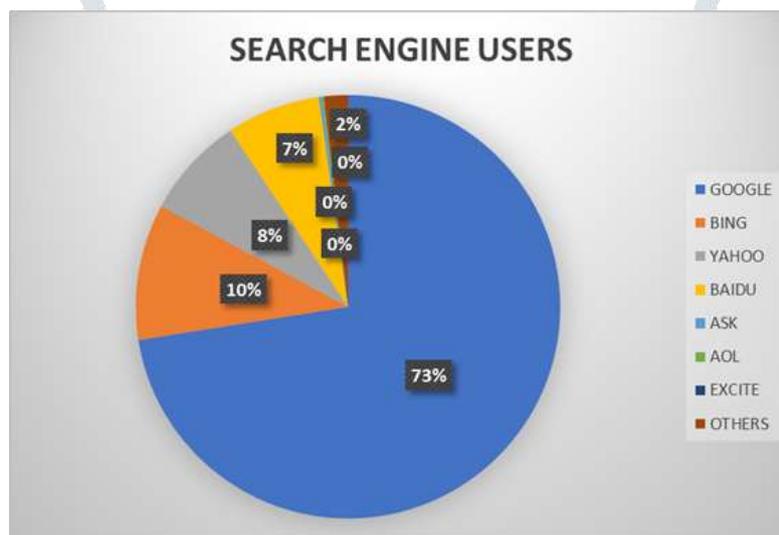


Chart.1 shows the usage of google has been recorded the highest with maximum clients depending on Google to make internet searches. The study also found that being one of the most widely used search engines people depended on google reviews as there were high volume of usage as well posting done on the same.

The study has been conducted in two stages one focusing on the importance of online reviews from the perception of Hotel and Second from the perception of guest. We studied how seriously hotels as well as guest took online reviews in their decision of purchase as well as how importantly hotels took the reviews of the guest in these websites.

The importance of online reviews has far more importance that some hotels has take it into consideration. The study revealed that hotels need to focus on the reviews despite of its nature as good or bad to outrun its competitors in the long run of this cut throat competition. Most top hotels have dedicated teams of software specialist to work on their Search Engine Optimization (SEO) that would rate your hotel at highest, that is when a person searches for hotels in Ahmedabad, SEO's ensure that your name comes in the top list of websites provided by google.

The study showed that people have started taking the reviews of others seriously and it has a high impact over their purchase decision. The hotels on the other side agreed that they started focusing on these reviews and started taking these reviews seriously.

OBJECTIVE

The objective of the study was to identify and study the perception of both guest and the hotels on the impact of online reviews. From guest perception study was conducted on how seriously guest took the reviews of other customers about a hotel and how it impacted their purchase decision. On hotels it was done about their awareness on the impact of google reviews on room sales

Stage 1: Impact of Google Review on Room Sales

- Awareness of Google Review
- Response to Guest reviews
- Addressing to Complaints

Stage 2: Impact of Google Review on purchase decision of a customer

- Booking a hotel that has no reviews
- The impact of other people's experiences over your decision
- Reviewing websites while planning holidays
- Reading other people's reviews
- Review writing

REVIEW OF LITERATURE

Since millennium started, the impact of technology specially internet has revolutionized human living. With the invention of smart phones and internet access to them the convenience and reach of web is today with everyone, that day is not far when Wi-fi would be classified as basic need of Maslow's need hierarchy. With the introduction of smart phones and applications the hotel Industry have great gains in the development of fast and easy rooms reservations in the past few years. In the field of Mobile commerce where there is ferocious competition among hotels, every hotel even international chain like Hyatt, IHG, Hometel etc has developed their mobile application in vast user-friendly manner. Hotels today invest a lot of money and time in developing new and upgraded applications where the customers can access to the facility offered by them through their smartphones with a swipe. Not only luxurious chain hotels every small hotel owner have joined with applications such as Oyo, Fabhotels, Trivago etc.

With Emergence of 4G network in India it has made internet accessibility to every common man with a smartphone, social media networks, message services all made communication and interaction between people easy. Today people communicate with each other using the internet to share their reviews, opinion and experience about any service or product (N Buhalia and Las in 2008. DellCross Chang and Awd 2007) UGC is a term coined to information exchanged between people through net User Generated Content. Or also called E-WOM which is associated to positive or negative comments made by a prospective, current or former customer about a product or services provide by an organization via internet (Henings Tharvau et al 2004) these E-WOMS not only impact the purchase decision made by other customers by capturing the reviews, recommendations and the experience exchanged by users. These also impact on overall effect of product purchase and wish for product purchasing among people revealed a study by Seirra Cantalops and Salvi Mani 2014.

Even though there are a mass volume of online reviews available in the net it is necessary for every organization to perform an in-depth review and analysis of the contents, as this has proven successful in dealing with the volume, variance and valence. A detailed study has revealed the impacts of positive and negative and neutral comments on businesses. However, drawing a streamlined relation to the reviews and actual performance has been always challenging to most organizations due to the difficulty in matching the same. The study by Kim Lee and Brymar in 2016 provided mixed results in the area of study conducted by them, invariantly we can argue that there would be a vast differentiated reviews into customer preferences as shown in the valence of online review as they can provide more detailed view of the relationship between reviews and performance. The major chunk of researchers of today has largely ignored the potential interaction effects among hotel attitudes and their impact on the performance of their business a study by Xie Chang Lee and Zhao Cathy in 2014 revealed.

To limit the distance between actual review and the performance the study has been conducted on dual levels both from the perspective of the guests as well as from the point of view of the hotel operators. The study cannot assure that it was successful in bringing the gap entirely nullified but however can guarantee the similarity in decisions made by the Hotels and the impact of their decisions on the guest choice of opting hotels. The Study also revealed that now a days most hotel guest take time to upload their reviews in google where negative or positive as part of their satisfaction in either supporting the hotel or warning other prospective clients from the service. It also showed that people not only read the negative comments but also explore the positive comments uploaded.

RESEARCH METHODOLOGY

A cross-sectional descriptive study of randomly selected hotels was conducted to analyse the impact of google reviews on hotel sales in Ahmedabad area. A total of 28 hotels were shortlisted for the study but permission was obtained from only 13 hotels, others feared the effects and impacts of the research. The study was conducted in 2 Phases, Phase 1 was conducted with interviews and discussions with Hotel Staffs during low guest periods of the day. And the second phase was conducted with in staying guests who were willing to provide their feedback, of 178 guest approached 118 guest participated in the study with full support.

Table.1 Hotels staff

Number of Hotels	Average Staff	Total Number
13	5	65

Table. 2 Guests

Number of Hotels	Average Guests	Total Number
13	9	118

Before the starting of the survey, observational visits were made to the study the hotels to understand the type of guests and staffs comprising the parts of this study as well as to achieve the support and cooperation of the Hotels. The study was conducted by executing Interviews supported by questionnaires, Observations supported by observation checklists as well as interactions with the staff and guests through personal as well as telephonic conversation. We conducted the survey which included to the basic socio-demographic details, awareness about the awareness of Google review and the impact of reviews on sales and future purchase decision of the guest. A total of 13 Hotels were selected from the Ahmedabad location representing 100% of the Study Area.

Data Collection

The data was collected in two different ways: direct observation and interview. For the direct observation, a checklist with close-ended questions was used to guide the points to be observed. An interview was conducted in-person, guided by a close-ended questionnaire. The direct observation was used primarily at the location of the Hotel and guided by a checklist. The interview was mostly used to uncover the views, knowledge and interest over google review of both staff and guests. The data was collected to present an overall picture of the Impact of google review on hotel Sales.

Table. 3 Basic Demographics of Hotel Staff

Parameters	Frequency (n)	Percentage
Age (n=65)		
>20 Years	1	2%
20 TO 35 Years	28	43%
36 TO 45 Years	21	32%
46 TO 55 Years	9	14%
<55	6	9%
Gender (n=65)		
Male	53	82%
Female	12	18%
Internet Literacy (n=65)		
Social Networking Sites	63	97%
Emails	58	89%
Google Reviews	57	88%
Never Used Internet	2	3%

Table.3 showed the overall general information about the demographic of the staff selected from the 13 hotels it shows maximum staff 43% (n=28) belonged to the age group of 20 to 35 years old, 32% (n=21) belonged to the age group of 36 to 45 and 14% (n=9) between the age of 46 to 55 and 9% (n=6) belonged to age group of above 55 years old and only 2% (n=1) belonged to age group of below 20years.

As far as male to female domination is concerned a majority of 82% (n=53) was male staff and 18% (n=12) was female staff.

It was important for us to analyse the knowledge of internet as our study was primarily based on the internet-based reviews, the study revealed that 97% (n=63) used social networking sites, 89% (n=58) used internet facilities and frequently used email communication. 88% (n=57) was using google review or uploading reviews for the product or service they availed and trusted the reviews. Only 3% (n=2) replied they never used internet.

Table. 4 Basic Demographic of Guests interviewed

Parameters	Frequency (n)	Percentage
Age (n=65)		
>20 Years	0	0%
20 TO 35 Years	22	34%
36 TO 45 Years	31	48%
46 TO 55 Years	10	15%
<55	2	3%
Gender (n=65)		
Male	37	57%
Female	28	43%
Internet Literacy (n=65)		
Social Networking Sites	64	98%
Emails	61	94%
Google Reviews	61	94%
Never Used Internet	0	0%

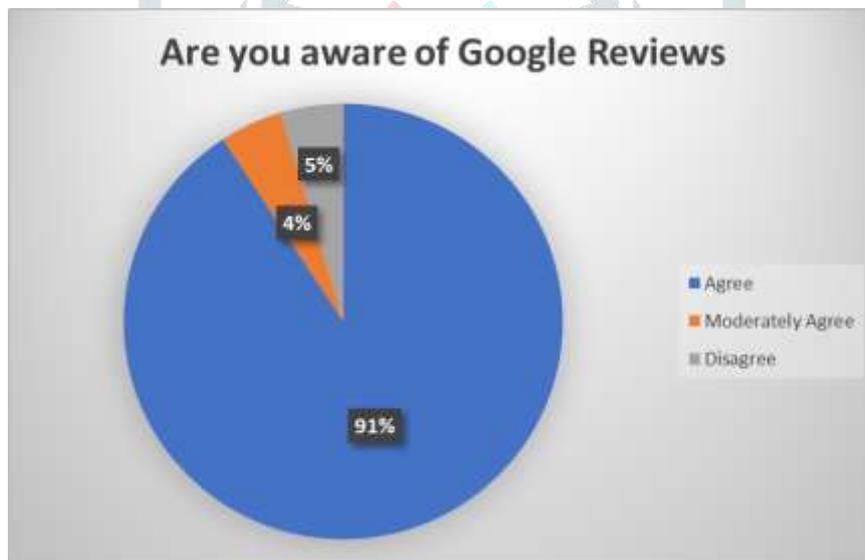
Table. 4 showed the demographic details of guest interviewed the chart shows that majority of the guest 48% (n=31) belonged to the age group of 36 to 45, 34% (n=22) guest belonged to the age group of 20 to 35 years old, 15% (n=10) belonged to the age group of 46 to 55 years old and only 3% (n=2) belonged to the age group above 55 years old.

In comparison to the staff we were able to get a more gender balanced review from the guest interviewed, as 57% (n=37) were males and 43% (n= 28) were females. The internet literacy was very high in the guests with no one responding to the question never used internet. And with a 98%, 94% using social networking sites, email and google review respectively.

Stage -1

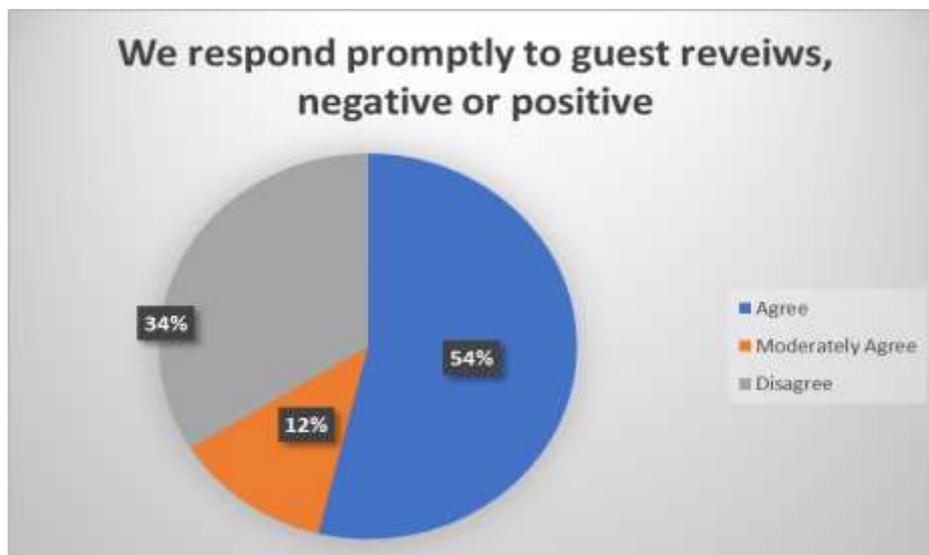
This stage was studying the impact of google reviews on the hotel sales form the perception of the staff working the study was conducted with the questions in the questionnaire was evaluated with a Likert scale rating of 3 points 1= Agree, 2= Moderately Agree, and 3 = Disagree.

Chart. 2 Awareness of Google Review



As the chart shows majority of the people that us 91% (n=59) agreed that they are aware of the google reviews and how it is uploaded in the internet and how accessible it is to the general public who uses internet, 4% (n= 3) agreed they only know little about the Google review and 5% (n=3) agreed that they don't have any idea about google review.

Chart. 3 Responses to Guest Review



This chart shows the reaction of hotel staff to the guest comments and reviews on google, 54% (n=35) agreed that they respond promptly to the guest reviews on google and take it seriously and showed interest that these

reviews impacted the room sales. 12% (n=8) agreed they would respond to some of the reviews if they are negative only. To our surprise 34% (n=22) agreed they mostly ignored guest responses despite the knowledge that they knew it impacted the hotel sales.

Chart. 4 Addressing to Complaints



This was another revelation that was made during the study, 57% (n=37) agreed that they never address complaints on google reviews online and find a solution. Only 34%(n=22) agreed that they would address the complaints in the online platform showing how serious are to guest complaints to other review readers and they agreed that their promptness in replying would positively impact their prospective clients.

Stage – 2

Stage 2 was mainly focusing on the guest and their perception to google review, this study was basically conducted so that the hotel owners and management would understand the importance and how powerful google reviews are to their prospective clients the study was based on five simple questions and supporting answers and discussions

Chart. 5 Choosing a Hotel with no Google Review



Majority of the guest interviewed that is 92% (n=60) agreed they would never book a hotel without any reviews, either google or trip advisor or some sort of reviews 5% (n=3) agreed that online reviews rarely affected their booking. 3% (n=2) agreed that it hardly matter, of which one guest was regular and loyal customer of the hotel.

Chart. 6 Impact of Other peoples review on Decision making

94% (n=59) agreed that the reviews and experience of previous guest played a very important role in their decision of staying in the hotel. It also showed that their purchase decision varied on negative to positive review.



Chart. 7 Reviewing Websites while planning for Holidays



The chart .7 shows the impact of google over general public's vacation planning. 85% (n=55) agreed that they would search google to give them best options to stay during the vacations, 6% (n=4) moderately agreed and 9% (n=6) disagreed that they depend on travel agents and travel websites more than google.

Chart. 8 Reading Hotel Responses

In chart. 8, 76% (n=49) of the guest agreed that they take the response of hotels promptly to the customer review whether it is negative or positive shows a positive sign of the hotels priority to guest importance, they also said that they would choose a hotel that has boldly faced the review and found a satisfactory solution for the guest.



Chart. 9, Review Writing



This is one of the major cross roads in our study, 74% (n= 48) agreed that they would definitely write a review about the hotel they stay for prospective guest to know the experience. 20% (n=13) showed interest in uploading review if it is negative only. 6% (n=4) disagreed on uploading any type of review.

CONCLUSION

The Study showed a very broad and transparent truth that the impact of majority of the clients depends on reviews on public platforms. Google with a major share of search engines, and people dependence on searches is a game changer in purchase decision of the prospective guests who plan to stay with the hotels located in Ahmedabad. The study also revealed that the guest does not fully depend on the negative reviews by previous patrons, but they definitely look in to the response of the hotel on the negative review registered and their action or promise of action to the patron to refer the matter professionally. The Study also showed that most guests today despite of websites and travel arrangers still prefer to search the hotel reviews through Google reviews.

The limitation of the study is the number of hotels considered to represent the hotels of Ahmedabad as well as the limitation of geography as the reviews on hotels on certain geographical locations depends also on the type of clientele.

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