

# THE INFLUENCE OF ONLINE TRAVEL COMPANIES IN SELECTING HOTEL ACCOMMODATIONS

<sup>1</sup>Agdeppa, Danielle John A., <sup>2</sup>Floro, Samara James S., <sup>3</sup>Novillas, Eduardo Martin S.  
<sup>4</sup>Deogracias E. Esplanada

<sup>1,2,3</sup> Proponents, <sup>4</sup> Adviser

---

**Abstract:** Reviews have proven to be a more reliable source of information because it continuous to be updated throughout the years by different people who wants to share their experience with the products offered. In this Study, the researchers have conducted a Qualitative Content Analysis on Online Travel Companies such as Agoda and TripAdvisor where the Researchers have gathered the information needed using the Stimulus Organism Response Theory 4 indicators for Reviews were used Perceived Interactivity, safety and Privacy, Price & Promotion and eWom these 4, are chosen to act as a theme in order to categorize the gathered reviews from Hotel Monticello of Tagaytay, Cavite. As the results has shown Perceived Value was the most common indicator used for hotel reviews and this research will discuss on why it was first on both online booking website. The Researchers limited the gathered data of Online Travel Companies from year 2016-2019 on Hotel Monticello Tagaytay, Cavite. The Researchers decided to not include the year 2020-2021 due to the still going pandemic. After analyzing and chunking the reviews The Researchers had categorized and summarized using QDA (Qualitative Data Analysis Miner Lite) The Researchers data analysis resulted that the indicator that had a major impact when it comes to influencing a customer's choice of Accommodation is Perceived Interactivity & eWOM for both Agoda and TripAdvisor.

**Keywords:** Hotel Reviews, SOR model, QDA miner lite, TripAdvisor, Agoda.

---

## 1. INTRODUCTION

The hotel industry is a very competitive scene and very complicated to market. And sometimes when we see a simple advertisement on a magazine, a newspaper or in some parts of the social media you would think to yourself that this is not very convincing by itself. For most times these days it's not the advertisements that wins people in to buying their product. It is the power of reviews that a past consumer has left for other people to see. Whether they had a likable experience during their use of a product or a bad experience with the customer service or from the product itself. Sometimes people would even leave unfair reviews for a product which could hurt a company. Some people will be sure to leave a review on a product with the intention of helping people if they should or shouldn't patronize a specific a product. Decisions made by potential consumers rely heavily on what they read on online reviews made by guests. Such that when they read negative reviews, they tend to be persuaded in not proceeding with the purchase of a product. On the other hand, when online consumers get to read a lot of positive reviews on a certain site, they are easily persuaded to make the purchase. According to Mateus, (2015), choices made by potential buyers depend intensely on what they examined on online reviews made by customers. Such that when they studied negative electronic word of mouth, they tend to be induced in not continuing with the online booking.

This Research will be about the customer reviews that will be seen on the online booking website TripAdvisor and Agoda. TripAdvisor and Agoda is a big international travel online company with many uses. It can be used as a guidebook for

people who want to eat, travel or just surf through the endless selections of accommodations. And within those selections of accommodation there are people that leave their reviews to serve as a reference for future customers of the accommodation. Brandroom (Inquirer, 2017) stated that using online travel agencies are much more efficient, and easy to use, Travel agencies such as Traveloka, Expedia and Airbnb's offers affordable accommodation, these travel agencies minimized risk because of the rating and review system for you to achieve your best experience in availing your desired accommodation.

Within the age of technology eWOM has certainly helped in the contribution of reviews by spreading them throughout the internet although this can also be a threat since other customers tend to leave a biased review. According to Castillo (2016), eWOM or electronic word-of-mouth is a way of talking to another person without the need of talking face to face. With the use of eWOM consumers can share reviews on their experiences about a product or a service of company. While the technology is advancing eWOM will continue to be on a cycle of revolution. With the study that she conducted it was found that most people would fixate on a negative review than an average or positive review. A problem that every company has is there would be some that would leave some unfair reviews towards the company. This was a problem later found by Castillo. And the only way of ever responding to an unfair negative review is a defensive strategy which will only work if the problem is minor.

The researcher's main objective is to provide a thematic analysis on the reviews found in TripAdvisor and Agoda. And by the end of the research, the researchers will be able to seek the answers to the following questions:

- What indicator on the framework is the most used?
- How will it connect to the perceived value of the customers and lead to the influence of booking the accommodation?

The significance of the study is to gain understanding of what people often leave as a review after staying in a hotel accommodation. And, to see if these reviews match up with the other online traveling companies. The study can help people to decide if they should focus on a single advertisement only or read on the accommodation services of what the hotel offers if they decide to check in or not. Also, as an academic interest of the study there is still so much to talk about from the field. Whether if it's to help marketing a hotel or using the reviews to maintain sustainability. The researchers hope that this study can help those who want to research this field of study.

## **2. LITERATURE REVIEW AND CONCEPTUAL/THEORETICAL FRAMEWORK**

When booking an accommodation online people usually read online reviews to have a better understanding on what the accommodation offers. According to Sparks & Browning (2011), internet is where people get information about a certain tourism product that influence the choice of a potential customer whether the review given was positive or negative. More often, potential customers tend to side with the reviews of majority online.

With the use of online reviews, the research will be able to further explain the importance of why an online review can be used as a source of information that continuously updates throughout the years. Groeneveld (2015) proclaimed that online review websites have been important to consumers and one of the reasons for this is online review has become a second trusted source of brand information. And people also believe that online reviews is a more updated source of reliable information.

Brandroom (Inquirer, 2017) stated that using online travel agencies are much more efficient, and easy to use, Travel agencies such as Traveloka, Expedia and Airbnb's offers affordable accommodation, these travel agencies minimized risk because of the rating and review system for you to achieve your best experience in availing your desired accommodation.

With the help of the SOR Theory developed by Emir, Halim, Hedre, Abdullah, Azmi and Kamal on 2016 based on Mehrabian and Russell's proposed SOR theory on 1974 the researchers can use the indicators provided as a theme to identify the reviews seen on the website.

The Stimulus Organism Response Theory that was developed by Emir, Halim,

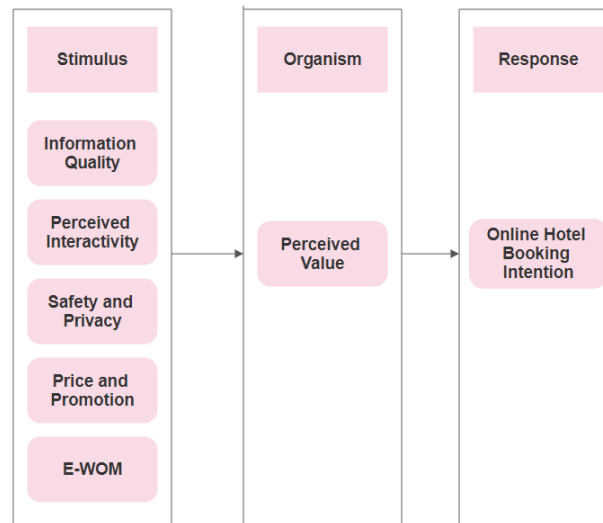


Figure 1: Conceptual Framework

Hedre, Abdullah, Azmi and Kamal has five indicators which are Information Quality suggested as the credibility of the information that will be found on the website. However, the use of information quality will not pursue as every review found in the online booking website is regarded as a information and is too broad to be used as an indicator. Perceived Interactivity is suggested as services to expect from the hotel which is the cleanliness and the customer service. Safety and Privacy suggested as the security that every guest will be provided in terms of the privacy of their data when they input the information of their cards as payment online and also the security they get in their accommodation their items will be safe as long as it's within their room. Price and Promotion is suggested as the discounted price normally that will be offered at the booking website. And the last indicator we have for the stimulus eWOM is suggested as the spread of the message by seeing it virtually on the review list and spreading it to other websites or sharing it to your friends or relatives. Online reviews or Electronic Word of Mouth (e-WOM) is one of the most influential factors in influencing future clients, past clients are usually the ones giving reviews about the service or product that influence the decision making of the potential client Filieri & Mcleay, (2014)

On the organism part of our framework we have the perceived value this is the overall collection of a persons gathered data from the stimulus indicators. Which means that a guest will be connecting the gathered data upon reading the reviews and they itself will be responding whether to book the hotel accommodation or not to. According to Mateus, (2015), choices made by potential buyers depend intensely on what they examined on online reviews made by customers. Such that when they studied negative electronic word of mouth, they tend to be induced in not continuing with the online booking.

### 3. METHODOLOGY

In this study, the researchers chose Qualitative research which aims to identify the secondary data found on the relationship based on the data gathered and observed on the booking websites. By using thematic analysis, the researchers will use the stimulus indicators as a theme on the reviews found on the online booking websites TripAdvisor and Agoda which has been given by the guests. Online reviews from the period of 2016-2019. 2016 to 2019 are the years that the researchers have chosen because 2016 has been the year where people have been using their gadgets nonstop searching for things to do online up to 2019 where the pandemic started and caused stop on the Hotel industry.

The sampling method that was used is purposive sampling which allows the researchers to have their own judgement on the selection of the reviews. Reviews gathered will be from a hotel offered in TripAdvisor and Agoda with a 4-star rating and is in Tagaytay, Cavite. Upon reviewing the contents inside the hotels that was offered in both TripAdvisor and Agoda, it was decided that the hotel to conduct the research with was Hotel Monticello a 4-star rated hotel in Tagaytay, Cavite. The reason for choosing Hotel Monticello was it had reliable information with a guarantee that the people who had left the review of their experience was someone who stayed in the accommodation.

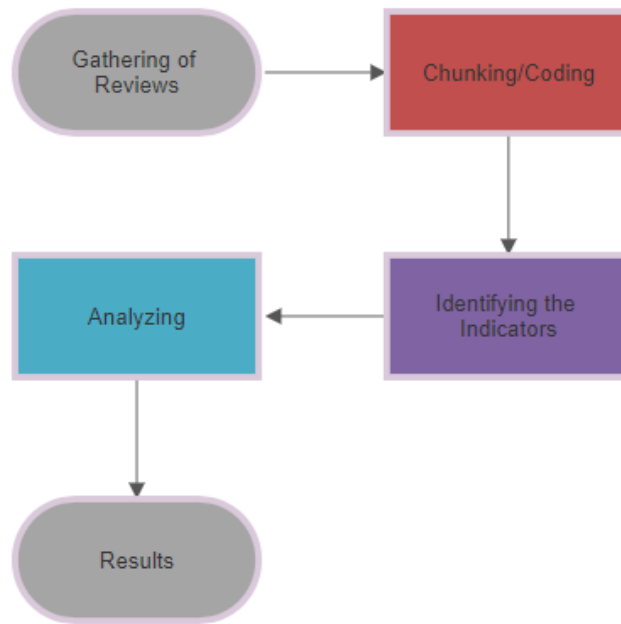


Figure 2: Data Gathering process

- **Gathering of reviews**

The first method is the gathering of data. The researchers familiarized themselves with the data found on the online booking website. They made sure to only get the reviews that is credible and full of information that will help the cause of the researchers. Upon gathering the collected data the total reviews that the researchers found on TripAdvisor was 47 while the total reviews found in Agoda was 66 reviews within the year of 2016-2019 the gathered data will be able to help to proceed in the next step of the research.

- **Chunking/Coding**

After the familiarization within the gathered data. The next step is the chunking and coding. Chunking helps the researchers by reducing the information found on the reviews which only leaves out the part of the reviews that will be connected by our indicator. While coding helps in searching for different patterns within the negative reviews and positive reviews. With this the researchers can identify if there is a repeated circumstance within the customers experience.

- **Identifying the Indicators**

<p>Hotel Monticello has maintained its cleanliness knowing that the property has been in Tagaytay for a couple of years now. The rooms were really spacious <b>Hotel staff was very helpful from the moment of our group check in until we had to say goodbye.</b> Unfortunately for the meal the buffet was not available at that time being a <b>weekday</b> it is just a few minutes drive to the malls of Ayala and Robinsons. <b>I will highly recommend Hotel Monticello and will definitely come back</b></p>	<ul style="list-style-type: none"> <li>• Positive             <ul style="list-style-type: none"> <li>○ Perceived Interactivity</li> <li>○ e-Wom</li> </ul> </li> <li>• Negative             <ul style="list-style-type: none"> <li>○ Perceived Interactivity</li> </ul> </li> </ul>
--	---

Figure 3: Identifying the indicators

After successfully chunking and coding, the reviews that the researchers gathered has enabled them to put the chunked reviews in to the different stimulus indicators which has been used as a theme. While the coding of the reviews helped them have an idea of the overall thoughts of the guest who stayed in the hotel.

• **Analyzing**

With the use of QDA miner lite. The chunked data was put in the document section of the QDA miner lite application. as for the next step the researchers had to put the Stimulus Indicators as a code which was the positive and negative of Perceived Interactivity, Safety and Privacy, Price and Promotion, E-WOM. The researchers were able to accurately analyze the percentage and the number of how frequent the indicators were used in a hotel review. And was able to receive the results afterwards to make the conclusion and recommendation.

**4. RESULTS AND DISCUSSION**

Table 1. Theme Analysis on the stimulus indicators for Agoda (Positive & Negative)

Table 2. Theme Analysis on the stimulus indicators for TripAdvisor (Positive & Negative)

<b>Stimulus (Positive)</b>	<b>Count</b>	<b>Percentage</b>
Perceived Interactivity	37	34.9%
Price and Promotion	16	15.1%
Safety and Privacy	3	2.8%
eWOM	30	28.3%
<b>Stimulus (Negative)</b>	<b>Count</b>	<b>Percentage</b>
Perceived Interactivity	17	16%
eWOM	3	2.8%
Total number of indicators counted = 106		

The total of the data gathered from the online booking website of Agoda was 106 Indicators. From Positive Perceived Interactivity which had 37 counts, followed by eWom with 30 counts, Price and Promotion a total of 16 and 3 from Safety and Privacy which was the last place for the Positive reviews side of stimulus. From the negative reviews we have, perceive interactivity with 17 and eWOM which had a count of 3.

<b>Stimulus (Positive)</b>	<b>Count</b>	<b>Percentage</b>
Perceived Interactivity	64	42.1%
Price and Promotion	6	21.7%
Safety and Privacy	3	3.9%
eWOM	15	2.0%
<b>Stimulus (Negative)</b>	<b>Count</b>	<b>Percentage</b>
Perceived Interactivity	33	9.9%
Price and Promotion	2	1.3%
Safety and Privacy	7	4.6%
eWOM	22	14.5%
Total number of indicators counted = 152		

For table 2 we have the data gathered from TripAdvisor which had the same placing of indicator with Agoda. We have 64 count of total for the chunked review who had a connection with perceived interactivity. While eWOM also stayed second with a 15 count. For price and promotion, we have 6 and for safety and privacy there was 3. For the stimulus indicator that was connected on the negative side of the review we have perceived interactivity with 33, eWOM with 22, security and privacy with 7 and last is price and promotion with 2.

After analyzing the tables of result for the indicators. The researchers have started to compare the two online booking websites and what follows is the similarities found on why the placing of the indicators did not change for both online booking website.

The indicator that was most used for both online booking website was the positive and negative for the stimulus indicator perceived interactivity. The reason why perceived interactivity was the most used on a positive and negative standpoint is because, this is where the customer service and the cleanliness of the hotel falls as proposed by Emir, Halim, Hedre, Abdullah, Azmi and Kamal. And this is also the characteristics that future guests of the hotel usually fixate on. An example for this is many people from the website were asking if the condition of the pool was good or if the sheets were clean. The answers for those questions was found on the reviews which was discovered by the researchers that the most

mentioned review were about how the room and sheets is clean. While the common complaint which was on the negative side of perceived interactivity was there were frequent issues within the amenities of the hotel.

For the second most used indicator for both online booking website the result showed that it was eWOM. EWOM as a stimulus indicator was proposed as something that spreads the message from websites to another website or even to a friend or family. The researchers know that the review itself was a form of eWOM but it was made as a form of recommendation itself for the readers. An example of this is when a guest states that “She would definitely share this experience with her friend and family”. This can be perceived as a positive review for eWOM. But for a negative example the common saying on the reviews was they would not recommend others to stay here due to a bad experience.

For the third indicator it was shown that price and promotion had the same placement with the two other indicator which was perceived interactivity and eWOM. However, from the negative side of the price and promotion the data has shown that there was nothing to compare it to due to Agoda not having any complaints about the pricing. The researchers take on this is Agoda has a better discount on prices which can influence a guest on to booking an accommodation from them.

For the fourth used indicator it was safety and privacy both had a total count of 3 for positive and 7 for negative. The common complaints about the hotels safety and privacy was the noise beside the rooms of the guest can be heard and the closing of the doors was said to be loud.

## **5. CONCLUSION**

Perceived interactivity and eWOM really had the major impact when it comes to influencing a customer’s choice of accommodation. Perceived interactivity has secured the first overall used indicator in the booking website TripAdvisor and Agoda while eWOM secured second in both websites. However, they also had the most negative use of indicator. which was somehow expected by the researchers while gathering the data since they were the common indicator that has been used repeatedly. But still having to read a review about a clean lobby, bedroom and other amenities and how well the customer service can really be enticing to a person reading a review maybe that is why the reviews of people normally revolves around perceived interactivity which had cleanliness and customer service. But the other indicators still play a part on how a website review can influence people depending on their needs and wants. As every person has their own standards.

After finding the results of which was the most used indicator and trying to analyze on why they were at their respective places the researchers begun to think on how it connects to the perceived value which could lead to a potential guest in to booking the accommodation.

The perceived value which is found at the SOR theory is proposed as the collective data of what the stimulus indicators offers. This meant that upon reading the positive and negative review. The potential guest will now have an idea of what the hotel is like and what to expect. Within the reviews the researchers monitored the year of how much guest stayed on the hotel for the year of 2016-2019 but most of the review was decided not to be put since it lacked data to be analyzed but. But the occupancy rate from 2016 to 2017 has increased slightly while for 2018 to 2019 the occupancy was higher than the occupancy of the year 2016 and 2017 and it was where the researchers concluded that online booking website reviews really had an influence on a person’s choice of accommodation.

The study is limited to the reviews within the year of 2016-2019 found in Hotel Monticello located in Tagaytay, Cavite. And made the use of the stimulus indicators as its main objectives. The researchers have decided to not include the year of 2020-2021 due to the pandemic that has put a halt on the tourism industry specially during the lockdown. The reviews that was gathered will be found only from the website of TripAdvisor and Agoda. The researcher recommends that the future studies to analyze another hotel of their interest but will use the same methods that was used in gathering data.

## **REFERENCES**

- [1] BrandRoom, I. (2017, October 18). Online travel agencies seen as future of Philippine tourism. Retrieved October 28, 2020, from <https://technology.inquirer.net/68136/online-travel-agencies-seen-future-philippine-tourism>
- [2] Cantalops, A., & Salvi, F. (2014, January). New consumer behavior: A review of research on eWOM and hotels (Master's thesis, 2014). *International Journal of Hospitality Management*, 36(0278-4319), 41-51. doi: <https://doi.org/10.1016/j.ijhm.2013.08.007>.

- [3] Castillo, M. (2016). *Online Hotel Reviews and Potential Customers: Does the Response Strategy Matter?* (Master's thesis, Faculty of Business Administration School of Social Sciences at the University of Iceland, 2016) (pp. 1-81). Reykjavík: Félagsvísindasvið Háskóli Íslands. Retrieved October 26, 2020, from <https://skemman.is/bitstream/1946/23497/1/Online%20Hotel%20Reviews%20and%20Potential%20Customers%20-%20Does%20the%20Response%20Strategy%20Matter.pdf>.
- [4] Emir, A., Hedre, A., Azmi, A., Abdullah, D., Halim, H., & Kamal, S. (2016). *Factors Influencing Online Hotel Booking Intention: A Conceptual Framework from Stimulus-Organism-Response Perspective* (thesis). International Academic Research Journal, Pilau Pinang.
- [5] Filieri, R., & McLeay, F. (2014). E-WOM and accommodation: An analysis of the factors that influence travelers' adoption of information from online reviews. *Journal of Travel Research*, 53(1), 44-57
- [6] Gretzel, U., & Yoo, K. (2008). *Use and Impact of Online Travel Reviews* (Master's thesis, Texas A&M University,) (pp. 1-12). College Station: Laboratory for Intelligent Systems in Tourism. doi:10.1007/978-3-211-77280-5\_4
- [7] Mateus, F. (2015). *Online Reviews and Reserva de Hotéis: Análise dos factores que influenciam a adopção de informação disponibilizada pelas online reviews no site booking. com.* Thesis. Universidade Europeia.
- [8] Sparks, B. a., & Browning, V. (2011). The impact of online reviews on hotel booking intentions and perception of trust. *Tourism Management*, 32(6), 1310–1323. <http://doi.org/10.1016/j.tourman.2010.12.011>
- [9] Vermeulen, I., & Seegers, D. (1880). *Tried and Tested: The Impact of Online Hotel Reviews on Consumer Consideration* (Master's thesis, VU University, 2009) (pp. 1-5). Amsterdam: Elsevier. doi: 10.1016/j.tourman.2008.04.008