



AALBORG UNIVERSITY
COPENHAGEN

Aalborg University Copenhagen

A.C. Meyers Vænge 15

2450 København SV

Semester Coordinator: Henning Olesen

Semester: 4

Title: Online review ecosystem

Online review as a facilitator for decision-making process to its interest groups

Project period: Feb.-Jul. 2017

Semester Theme: Master's Thesis of ICTE

Supervisor:

Morten Falch

Project group no.: 4BUS 4.14

Member:

Gurudatta Lamichhane

Pages: 70, (excl. front pages/appendices)

Finished: 07/09/2018

Abstract:

The era of the information society has empowered consumers, where consumers are in the center part of every product and service innovation. Consumer can now easily gain access to more information, compare services, and generate their demand and make best decision with the help of internet. The web 2.0 technology, particularly social media play an important role in today's society, where users generate huge amount of content, which is then shared or exchanged among communities publicly. These information is taken as recommendation in the e-commerce or e-business communities.

Lately, the popularity of online (peer) reviews is greatly increasing and researcher are mainly focusing on the study of online reviews, and their impact on customer decision process. This thesis identified the major interest groups of online reviews, i.e. consumer, marketer/company and platform provider as an ecosystem and aims to examine how these reviews been perceived by its interest groups.

Consumers are information seekers, who eagerly read/write online reviews to facilitate on buying process. Companies use these information to build or maintain their online reputation as well as improve their product/service offerings. Similarly, platform providers have opportunities to create values to consumers as well as companies/marketers by providing ICT platforms.

At the end of the report, it has been suggested an online reviews organizing model for all interest groups, i.e., Decision-Making-Model through Online Reviews.

All group members are collectively responsible for the content of the project report. Furthermore, each group member is liable for that there is no plagiarism in the report. Remember to accept the statement of truth when uploading the project to Digital Exam.

Acknowledgement

I am extremely thankful to my thesis supervisor Morten Falch, associated professor at department of Communication, Media and Information Technologies (CMI) and my friend, Mukti Ram Chapagain, research assistant at department of Learning, Aalborg University Copenhagen for their continuous guidance and valuable input throughout the thesis processes.

I would also like to thank the experts from companies, business representatives and all other survey and interview participants for their valuable time and their valuable inputs that made to accomplished this.

Finally, I am very grateful to have my family (spouse- Rosa and daughter- Leora) who continuously supported with encouragement and motivation throughout my entire studies.

Thank you all!

Terminology:

BMC - Business Model Canvas

CRM- Customer Relationship Management

ICT- Information Communication Technology

STOF model- Service Technological Organization Finance model

UGC-User-Generated Content

UGF- User-Generated Feedbacks

UGR- User-Generated Review

eWOM- electronic Word-of-Mouth

WOM- Word-of-Mouth

In this report:

- ❖ Consumer, customer, end-user refers to Consumer
- ❖ Company, marketer, service provider refers to Company
- ❖ Review platform systems, platform provider, review platform refers to Review Platform Provider

Table of content

1	Introduction	6
1.1	<i>Research background</i>	7
1.2	<i>Research area and scope</i>	9
1.3	<i>Research questions</i>	10
1.4	<i>Research structure</i>	10
2	Theoretical frameworks	13
2.1	<i>Consumer buying process</i>	13
2.2	<i>Customer relationship management (CRM)</i>	15
2.3	<i>Business models development</i>	18
3	State-of-the-art	23
3.1	<i>Web 2.0, social media and social media marketing</i>	23
3.2	<i>Online consumer (peer) reviews</i>	25
3.3	<i>Review platforms</i>	31
4	Research methods	35
4.1	<i>Consumer surveys and interviews</i>	35
4.2	<i>Company interviews</i>	35
4.3	<i>Expert interviews</i>	36
5	Presentation of findings	38
5.1	<i>Consumer survey result</i>	38
5.2	<i>Consumer in-depth email interview</i>	40
5.3	<i>Case companies</i>	43
5.4	<i>Expert interviews summary</i>	49
6	Analysis	52
6.1	<i>Consumer buying decision process</i>	52
6.2	<i>Customer relationship management for companies</i>	55

6.3	<i>Business model development for platform providers</i>	61
6.4	<i>Summary of the analysis</i>	64
7	Discussion	68
7.1	<i>Decision by consumers</i>	68
7.2	<i>Decision by service providers</i>	68
7.3	<i>Decision by the platform provider</i>	69
7.4	<i>Suggestions for future research</i>	70
8	Research limitation	71
9	Conclusion	73
10	References	74
	Appendices	82
❖	<i>Survey results and highlights:</i>	82
❖	<i>Consumer in-depth email interviews</i>	91
❖	<i>Restaurant interview summary</i>	95
❖	<i>ENCLOSED AUDIO RECORDINGS:</i>	98

Chapter I

Introduction

This chapter introduces the research area along with the research objectives and problems. The chapter is divided into the following topics.

- ⇒ Introduction
- ⇒ Research background
- ⇒ Research area and scope
- ⇒ Research questions
- ⇒ Research structure

1 Introduction

Traditionally, consumers have had difficulties to access information about, for instance, the best place to stay or dine in an unknown destination, where they had to depend on the marketing information provided by the sellers. Furthermore, consumer used to ask personal recommendation, i.e. rely on WOM¹ to facilitate their buying decision. This phenomenon has obsoleted as of online review systems have emerged.

The evolution of ICT has caused many changes in consumer markets. The web 2.0 technologies have disrupted and added new dynamics on the business models as well as customer experience (European Commission, 2014). Businesses have adapted all possible channels, i.e. brick and mortar channel to online to omnichannel to grow and compete (Piotrowicz and Cuthbertson, 2014; Pophal *et al.*, 2015). Similarly, consumer purchase experience has also changed as they heavily rely on online recommendations, i.e. consumer feedback, reviews and rating systems.

Similarly, the fierce competition in the market creates challenges for companies to acquire and retain customers. In order to address these challenges, marketers have to create a suitable marketing strategy by understanding consumer buying behaviours and their needs (Puccinelli *et al.*, 2009). On the other hand, businesses no longer required to spend a massive amount of budget on business promotion alike advertisement in traditional media. eWOM communication substitutes the traditional media, which provides economic and seamless customer experience for both marketers as well as consumers.

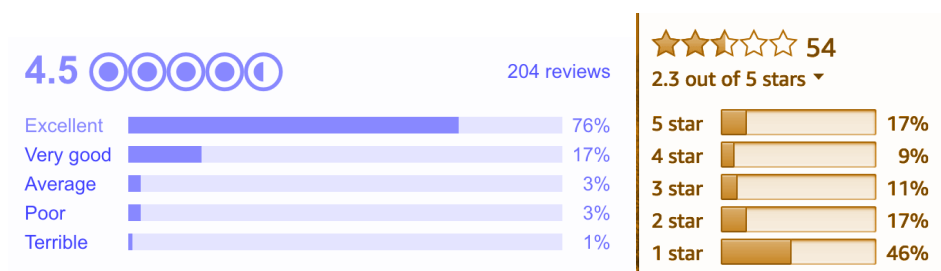
Online consumer reviews are considered as the counterpart of eWOM (Öğüt and Onur Taş, 2012), which exposes the real experience by the real people who like to share and contribute their personal opinions and recommendations. Lately, online reviews are taking huge attention of buyers and sellers. The ecosystem of online review system consists of three major interest groups; i.e. consumers, companies and platform providers. Consumers used online reviews to facilitate their purchase decision, while companies use them to maintain their customer relationship. Similarly, review platform providers facilitate both consumers as well as companies decision-making process seamlessly via the platform, where they provide value by adding new business models.

This thesis attempts thereby to investigate how online reviews are perceived by its interest groups to facilitate their decision-making process.

¹ Word of mouth (WOM) is the act of consumers providing information about goods, services, brands, or companies to other consumers. Such information communicated via the Internet (e.g., reviews, blog posts, likes, pins, images, video testimonials) is called 'electronic word of mouth' (eWOM) (Babić Rosario *et al.*, 2016).

1.1 Research background

Review platform systems facilitate eWOM communications. eWOM is a way to exchange of opinions, experiences, and information, which includes a positive or negative side of a particular product, service or a company, where current, former or potential customers can interact in the form of ratings and reviews (Yaylıc and Bayram, 2012). These review systems contain both ratings and reviews². Ratings are in the numerical form ranging from 1-5 star and reviews are placed in the comment box. (Mudambi and Schuff, 2010) noted that a very low rating, i.e. one star exposes extremely negative opinions of a product or service and the highest rating, i.e. five stars indicate an extremely positive view on that product or service. Similarly, a three stars review, for instance, suggests the moderate point of view.



The rating scale of TripAdvisor

The rating scale of Amazon

Review sites generate hundreds of powerful user-generated review information (Singh *et al.*, 2017). As mentioned earlier, consumers trust more peer-reviews which contain the real-life experience, professional as well as practical information that is easier to understand and imply the decision-making process.

Three major key players, i.e. consumers, companies and platform providers are involved in the platform ecosystem. Having said that, this research attempts to understand the way those key players perceived and facilitate their decision-making process through online reviews.

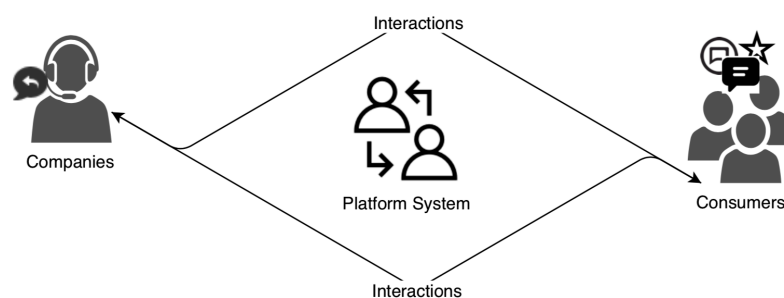


Figure 1: Review Platform System

1. **Consumer (end-user):** individuals who consume services, e.g. tourist or an ordinary consumer

² In this report both ratings and reviews are taken into consideration.

2. **Company/Service provider:** they are service providers who provide services to the consumers, e.g. hotels and restaurants
3. **Platform provider:** these are review sites, e.g. TripAdvisor or Trustpilot

1.1.1 The consumer (end-user)

The consumers are the major contributors of the platform system, where they generate valuable content. Consumer play two fundamental roles in online review system; information seeker and contributor/recommender(Park, Lee and Han, 2007). The messages in the reviews are explicitly motivating for the next potential buyers as well as companies, where they can analyse the content and used for their purpose.

There have been significant studies on the consumer side of those systems. Numerous studies have been focused on the consumer attitude and behaviour, i.e. whether an individual is willing to contribute to post a review (Moe and Schweidel, 2012). The research shows the contributors have certain motivational factors and one of them is consumer would like to help other consumers to make informed decisions.

Consumers are the role player of the review system. Thus this research attempts to understand how consumer perceived online reviews while facilitating their buying process and specifically which stages are impacted by those reviews.

1.1.2 Company/Service provider

Online review systems are transforming the way business operates today. These platforms offer potent tools that each business can maintain and improve their online reputation(RepUvue, no date). The impact of these influential reviews can build or destroy any businesses depending on the review messages (Gligorijevic and Leong, 2011; Burn-Callander, 2015).

The primary motives of companies are to manage their relationship with their customers. Positive and negative reviews may impact businesses while handling online reviews might be an excellent strategy to impress consumers.

It is, therefore, this research attempts to investigate how online reviews can facilitate companies to make their decisions, particularly customer relationship management.

1.1.3 Platform provider

Platform provider itself a great player of the review ecosystem that enables technology to interact between consumers and companies. One of the vital roles of the platform provider is to enable and bring user-generated content up-front and play a neutral role to provide transparent information to the information

seekers. Platform provider provides an open and participative infrastructure and sets governance conditions for them.

Two types of platform system exist, open and closed systems (Murray-Sykes, 2016). Open systems are those which allow any consumer regardless of purchase made or even visited the places, to contribute with content such as Google, TripAdvisor, Trustpilot, etc. while closed systems only allow the consumer who has made purchase an item or service, such as Just Eat, Amazon, Airbnb, etc. via email invitations (Andrews, 2015). Regardless of those system types and roles, this research attempts to investigate how platform providers can be benefited by online reviews to make their decisions.

1.2 Research area and scope

Although the research attempts to draw a general conclusion about online reviews ecosystem and the way it perceived by its stakeholders to make their decisions. In order to narrow down the research area, tourist service has been picked up, which attempts to represent the case. It is, though, to provide certain reflection and not intended to draw a specific conclusion on tourist services. The adoption of online reviews is growing and is applicable in many market sectors, though significance might vary. Tourist sector is considered one of the most investigated area. The researcher argues that online reviews are more important for experience goods³ rather than search goods⁴ (Huang, Lurie and Mitra, 2009; Mudambi and Schuff, 2010). Tourist sector which contains experience goods; is profoundly impacted by online reviews and ratings (Schuckert, Liu and Law, 2015; Chen and Law, 2016; Gunden, 2017). Accommodation and place to eat count as experience goods while the ticket is search good (ibid). It is to emphasize that tourist sector has taken as research area but product categorization (experience vs search goods) is not the part of the research.

As mentioned in the research background, the research solely strive for online reviews ecosystem that consists of three key players and the way they perceived online reviews to make their decisions. For instance, the consumer may use online reviews to facilitate their buying process, and the company may use for CRM and platform providers may use to create new business models or enhance their systems.

³ Experience goods: the goods or services is unknown before consumption

⁴ Search goods: search goods can be predicted prior to purchase

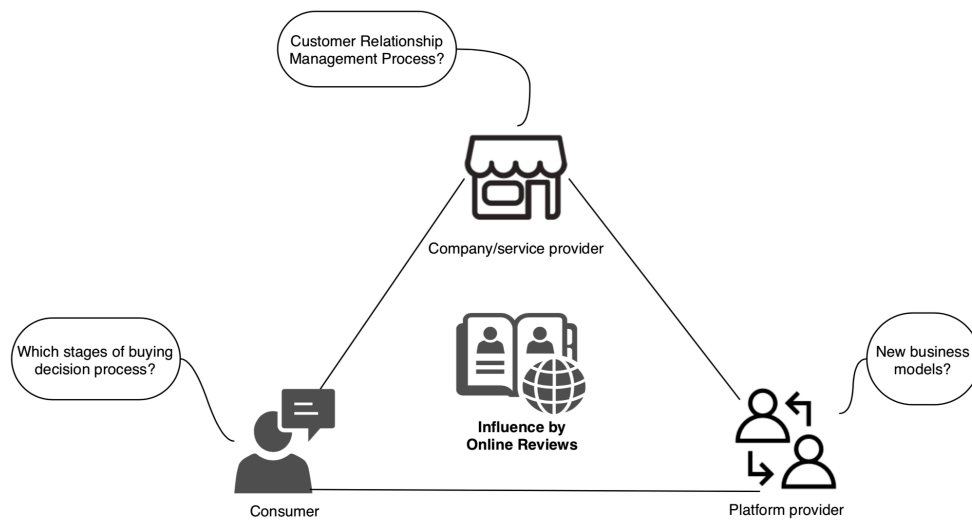


Figure 2: Online review ecosystem, as well as research model

1.3 Research questions

Main research question:

- *How have online reviews facilitated decision-making process to its interest groups, i.e. consumers, companies and platform providers?*

Sub -research questions:

- *How have online reviews facilitated for the consumer buying decision process to the consumer?*
- *How have online reviews facilitated for the customer relationship management (CRM) process to the companies?*
- *How have online reviews facilitated for the business model development process to the platform providers?*

1.4 Research structure

After introducing the research in chapter I, the rest of the report is organized as follows. Chapter II contains theoretical frameworks while chapter III (state-of-the-art) focuses on the foundation of the research, i.e. general supportive information for the theoretical framework.

Chapter IV presents the research methods, while chapter V starts with the presentation of the findings. Chapter VI contains the analysis part of the report, and finally, the final words are included in suggestion/discussion and conclusion chapter (Chapter VII). The following figure contains the graphical structure of the report.

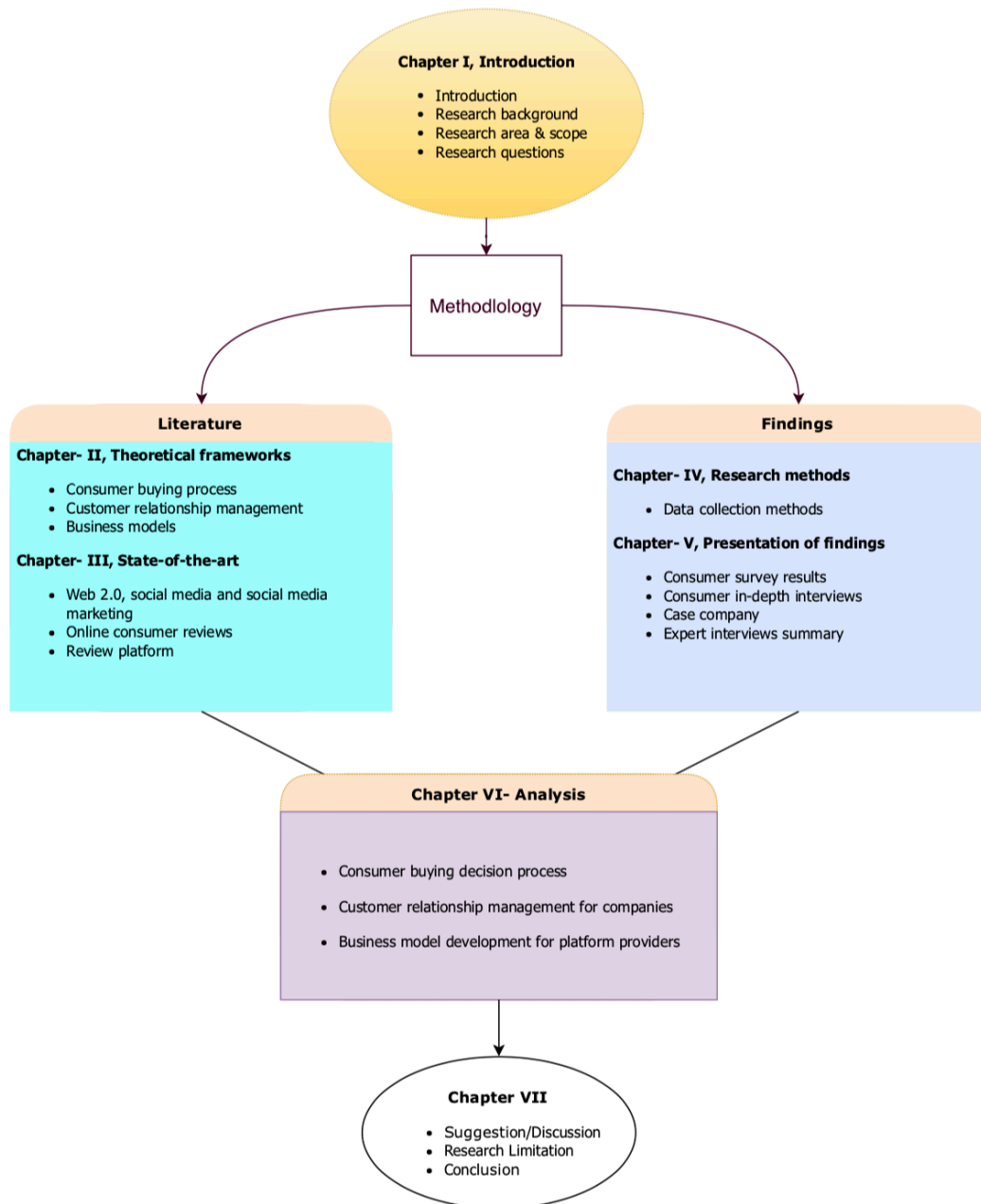


Figure 3: Report structure

Chapter II

Theoretical frameworks

The study attempts to investigate how the ecosystem players perceive online reviews and make their decisions. It has been assumed that each of these interest groups have their interest and consume review-data accordingly. The following chapter aims to identify the corresponding theories that underline the importance of online reviews to achieve corresponding objectives. Consumers are known to consume online reviews for their decision-making process, while service providers may improve their business reputation that eventually accelerate revenue. Similarly, review platform providers may create, innovate and enhance their services, while new business models may emerge.

⇒ Consumers

- Consumer buying process

⇒ Service providers (companies/marketers)

- Customer relationship management

⇒ Platform providers

- Business models

2 Theoretical frameworks

2.1 Consumer buying process

The web 2.0 technologies that enabled social media have facilitated eWOM that have impacted consumer buying decisions. Consumers have easier access to information about products or services they would purchase and provide feedback.

The (Chaffey 2014) outlined the model for online buying process and how the internet can impact on each stages, similarly (p. 98, Kotler 2000) have suggested the five stage model for the decision-making process. The following model is adapted from both of the sources. The study aims to investigate relevant stages of the buying process are influenced by the online reviews and which of the review evaluation factors (quality, quantity and credibility) are considered most useful.

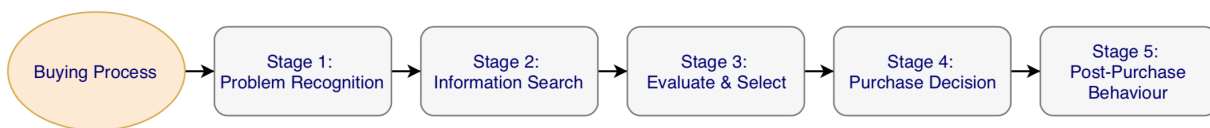


Figure 4: Five stages model of the consumer buying process, adapted from (Kotler 2000; Chaffey 2014).

Despite the numerous research on consumer reviews and consumer buying behaviours. Researcher have tried to gather elements of consumer behaviours, i.e. Information processing, memory, involvement, attitudes, atmospherics, and consumer attributions and choices play important role during consumer decision process (Puccinelli *et al.*, 2009). There is still gap on in which stages of the buying process is influenced by the online reviews, which is going to be one part of this research.

2.1.1 Stage 1: Problem Recognition

Consumers buying process start with the problem recognition, i.e. the buyer identifies his/her needs or problems. These needs can be triggered by internal as well as external factors (seeing ads, or inspired by others- social recommendations). Marketers have to understand to identify the situations and develop online marketing strategies, i.e. inbound marketing to address consumer problems and needs (ibid). This stage is not though the scope of the research as there is less or no influenced by online reviews on internal consumer stimuli.

2.1.2 Stage 2: Information Search

(Sridhar, Ratchford and Talukdar, 1997) noted, information search on the consumer buying process is one of the important factors to avoid individual brand uncertainty. With the help of internet technologies, i.e. web 2.0, social media marketing, online reviews systems, many search-engine platform business models have

emerged. These business models aim to facilitate information retrieval with minimal effort and cost, meanwhile makes the decision-making process more efficient (Peterson and Merino, 2003).

According to assistant professor of Clinical Marketing -Lars Perner, two different factors can affect information search, i.e. internal (via. memory and thinking) and external (via. WOM, media, store visits, etc.) (Perner, 2010). The internal factor, however, concerns relatively low involvement products in information search, since it recalls the previous experience of a product or service. In contrast, the high involvement product needs external information while there is little or insufficient knowledge about it.

(Kotler 2000) pointed out three different sources of information search.

1. Personal (family and friends including social networking sites),
2. Commercial (business websites, search engine marketing, online advertising)
3. Public/eWOM (consumers review & rating platforms, forums, blogs, communities, content aggregators).

The tendency of trust in information that is provided by companies is low, while companies use one-way-channel to sell their products (Park, Lee and Han, 2007). The eWOM is therefore preferred by the consumers, which tends to eliminate unnecessary biases that might occur in one-way marketing channels (Chu and Kim, 2011).

2.1.3 Stage 3: Evaluate and select

In this stage, the required information is collected and assess the value of all possible alternatives from different sources. Making a choice is not an easy task that's why a consumer evaluates buyers' guide, detailed product information, user reviews and ratings of a product or service. User reviews and ratings (feedbacks) can be obtained via seller's site or third-party review platforms (Mudambi and Schuff, 2010).

2.1.4 Stage 4: Purchase decision

As long as stage 3 is done, purchase decision depends on some factors such as attitudes of others (sellers flexibility), risks factors, online shopping experience, terms and conditions including consents between buyers and sellers, etc. This stage is also not the scope of the research.

2.1.5 Stage 5: Post-purchase behaviours

The social networking sites are especially powerful tools that aim to facilitate consumers to share their recent purchase experience. Some consumers return to the company's website or other third party review sites including social media sites and share their experiences by posting comments, rating, writing blogs, answering queries in the forums, etc.(Mudambi and Schuff, 2010). These feedbacks can be used by the next potential buyer to make his/her buying decision, and companies can use to measure their performance and take

subsequent action (Kotler 2000). By this is the way consumers become aware of product/service need and thereby facilitate the ecosystem of the purchase decision process.

2.2 Customer relationship management (CRM)

Consumer buying behaviours and their buying decision are always interesting subjects among marketers. Online reviews became an essential area to study for the marketer, which can be taken as a necessary and powerful marketing tool (Maslowska, Malthouse and Bernritter, 2017). This is because consumer attitudes and intentions influence sales. Consequently, companies have to understand the latest trends in communication media that can influence consumer buying decision (p. 400, Chaffey 2014). Often consumer initiates and seeks information on the internet of their needs, which is also called 'pull' strategy (p. 6, *ibid*). They seek information on blogs, websites and online review sites to understand and get the best possible alternatives, get an impression of the products or services of their needs (Hudson and Thal, 2013). Seeking and sharing information through the internet has also influence customer relationship management (Yaylç and Bayram, 2012; Constantinides and Holleschovsky, 2016). Customer relationship management (CRM) is an approach to build and sustain long-term business relationships with customers. Traditionally, businesses have had old media for marketing such as radio, tv, newspaper and WOM to acquire and retain customers, which is however substituted by digital communication techniques, mainly, social media marketing (see [section 3.1.2](#)). Social media marketing helps to reach the new audience, and then initiate and build relationships with those audiences. The e-CRM can be therefore defined as *"using digital communications technologies to maximise sales to existing customers and encourage continued usage of online services"*. (p. 393, Chaffey et al. 2009)

Such a changing phase of communication has impacted within the domain of CRM. (Kannan and Li, 2017) have outlined the framework for the digital marketing, which represents the marketing processes and strategies in the era of digital technologies. The customer environment that includes consumer behaviour, contextual interactions, platform markets, social media & UGC, and search engines; is essential to understand in order to create value for both customers as well as companies.

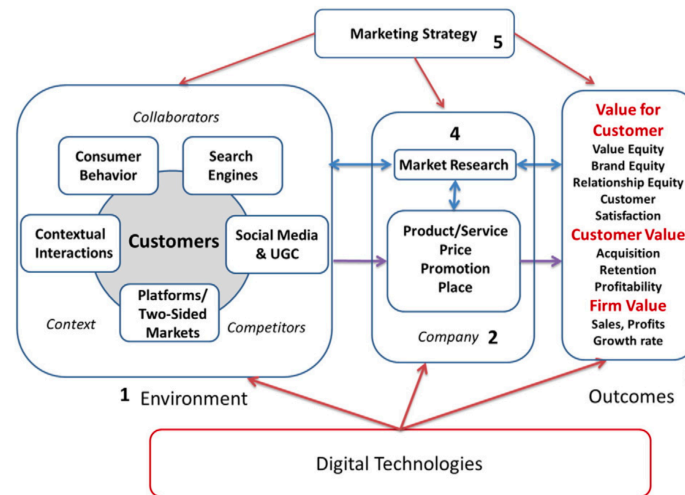


Figure 5, Digital Marketing, Source: (Kannan and Li, 2017)

The old media focuses one-to-many communication model, mass-marketing push model, branding, supply-side thinking and customer as target, whereas the digital media focus one-to-one or many-to-many communication model, individualised marketing or mass customisation with pull model, innovative communication instead of branding and demand-side thinking and customer as a partner approach (p. 55, Chaffey et al. 2009). The website, online presence on various social media sites, customer profiling, data mining, online customer services, managing online service quality and multichannel (Omni) customer experiences are some of the e-CRM concepts.

Managers are required to seek appropriate tools, techniques and strategies to maximize their business opportunities. Keeping in the mind that e-commerce business has higher challenges to acquire new customers meanwhile 20-30% more expensive than the traditional business approach (p. 388, Chaffey et al. 2009).

Today, it becomes essential to have an online presence of businesses in different social networking sites, such as review sites, blogs, Facebook, Google, etc. (Park, Lee and Han, 2007; Maslowska, Malthouse and Bernitter, 2017). These technologies enable customer interactions and facilitate sharing customer experiences, where customers promote companies on their network. These types of communication channels became essential for companies, where they can easily contact and connect customers directly, and benefit via customer endorsement as being advertising strategy (ibid). The practice of publicly responding to online reviews also become inevitable to maintain customer relationship management (Proserpio and Zervas, 2014). The review feedback and response from the associated management team are displayed and last long time in the review system publicly, which has the longer effect on a company's reputation (ibid).

The research found online reviews have contributed to 13% of the total traffic; meanwhile, it ranked top fifth in local finder ranking factor (Mihm, 2017). Online reviews are multi-dimensional sector, where consumer

considered many evaluation factors including review valence, product rankings, perceived usefulness, expert reviews, trust in consumer review, management responses to consumer review (Xie, Zhang and Zhang, 2014). The research gap is still lacking to identify the relationship between some of these factors in customer relationship management, which is going to be a part of this research.

According to (Chaffey et al. 2009), three essential marketing elements are the key to online customer relationship management that leads ultimately to conversion marketing. They are:

1. Customer acquisition management
2. Customer retention management
3. Customer extension

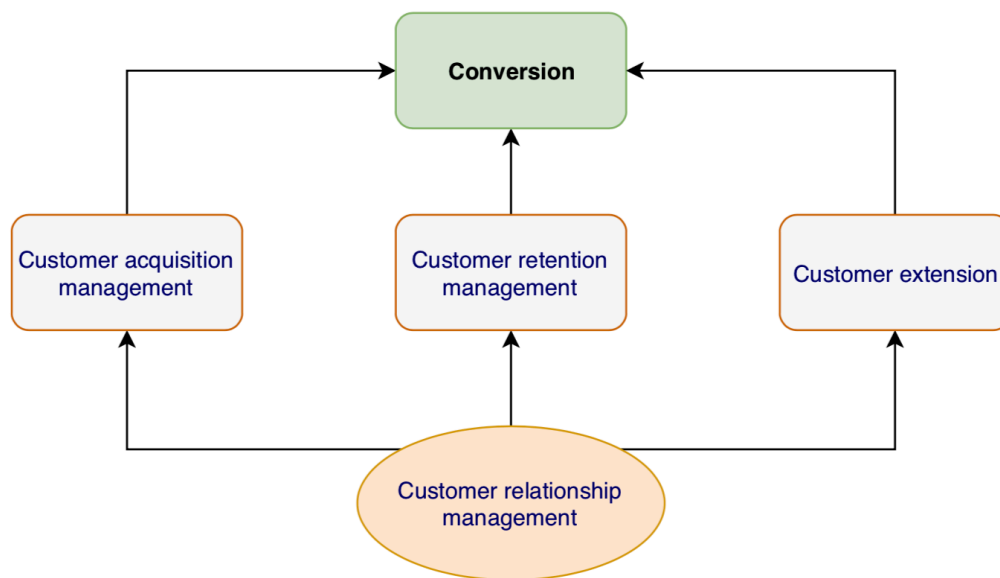


Figure 6: Customer relationship management, source: adapted from (Chaffey et al. 2009)

2.2.1 Customer acquisition management

Customer acquisition is a technique used to gain new customers while minimising acquisition costs and targeting high-value customers (Chaffey *et al.*, 2009, p. 387). It is important to optimize service quality and use right channels for different types of customer. WOM; especially newspaper, user reviews or internet search can be the potential sources to acquire new customers (Villanueva, Yoo and Hanssens, 2004). Villanueva et al., have demonstrated the eWOM tool is slower, however, cheaper, meanwhile an effective way for long-term customer acquisition management.

2.2.2 Customer retention management

Maintaining online customer relationship is not an easy task, where customer retention management is becoming an essential task for the companies. Customer retention is a CRM technique, which facilitates to keep existing customers (repeat customers) otherwise they would go away. Identify individual customer needs, and offering them further services, maximize service quality and use right channels to address them helps to retain customers, whereas customer satisfaction is one of the keys to drive loyalty and thereby profitability (Constantinides and Holleschovsky, 2016).

(Korfiatis, García-Bariocanal and Sánchez-Alonso, 2012) have investigated the three major elements that interplay between online review helpfulness, rating score and the qualitative characteristics, that may determine the reviewer perspectives on company. Many researchers have advocated, handling online reviews professionally is one of the ideal techniques of customer retention management (Ye *et al.*, 2008; Park and Allen, 2013; Proserpio and Zervas, 2014; Sparks, So and Bradley, 2016; Sparks and Bradley, 2017).

2.2.3 Customer extension

Customer extension is another technique to expand products or services, which is also called customer development. Sensing and responding, optimizing service quality and using right channels can facilitate customer extension (Chaffey *et al.*, 2009, p. 387). Online reviews can be another great source for customer extension or in other word service extension for the service industries.

2.2.4 Conversion marketing

All of the above CRM activities facilitate conversion marketing ultimately. For marketing managers, conversion marketing became crucial to understand since it has the significant value if one measure and use right tools correctly that helps to convert web visitors to potential buyers. In conversion marketing, marketing communication will be used to maximise the conversion of potential customer to actual customers and existing customers to repeat customers (Chaffey, 2014, p. 388).

eWOM and online reviews are helpful content to index up on the SEO sites. These techniques play an important role in conversation marketing to increase conversion rate.

2.3 Business models development

“A business model is essentially a description of how organizations offer innovative services in an economically viable way”- (Menko et al., 2013).

“A business model describes the rationale of how an organization creates, delivers and captures value”. - (Osterwalder and Pigneur, 2010)

While searching for an entrepreneurial business model, one comes into the mind of every entrepreneur is “Business Model Canvas (BMC)”, is a strategic management and entrepreneurial tool developed by (Osterwalder and Pigneur, 2010). The framework has nine building blocks represented in the graphical structure, which illustrate fundamental elements of the business. The framework fits new as well as existing businesses, where existing businesses can easily map their resources and adjust their strategy accordingly. It also gives a good overview of the current state of the organization. It is an easy and sophisticated tool to understand different aspect of a firm, such as customers, value proposition, the infrastructure of the business and the revenue side. Only some of the elements are considered in this report. The nine building blocks with description are as follows:

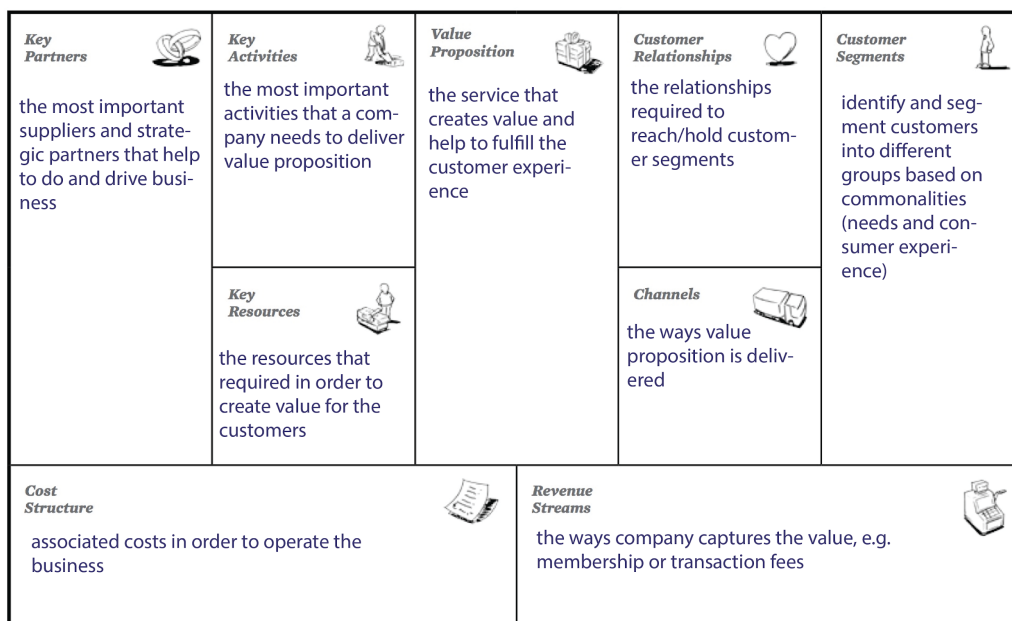


Figure 7: BMC, adapted from (Osterwalder & Pigneur 2010)

Nonetheless, in this report, the STOF model would be preferred as it is more likely to address the ICT service design and development and became common practice among ICT entrepreneurs (De Vos and Haaker, 2008).

2.3.1 STOF model

When it comes to service and service innovation, then an innovative service design business models are required. A STOF model, which mainly targets the service innovation of a mobile domain has developed by (Bouwman *et al.*, 2008). The business model though easily adaptable to other types of services. This framework focuses on the interrelation between four major domains, i.e. Service, Technology, Organization, and Finance. Additionally, the framework focuses on the service instead of the individual firm (Bouwman *et al.*, 2012). This method explicitly helps entrepreneurs and designers to create feasible, viable and robust business models that create value for both customers and service providers (De Vos and Haaker, 2008). All four domains are

interconnected that ultimately creates value for the customers as well as service providers. Each of them is further elaborated below.

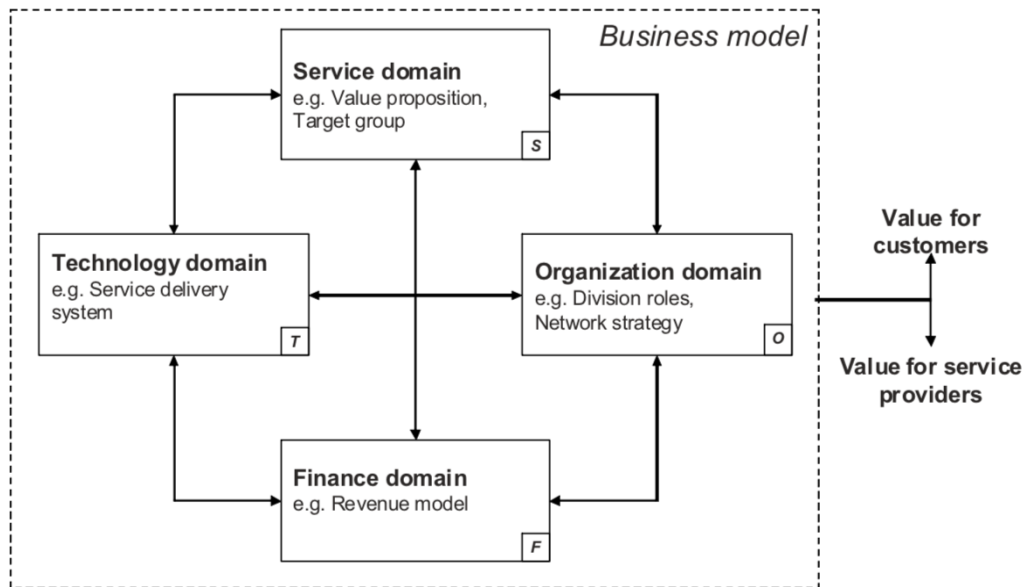


Figure 8: STOP model, source: (Bouwman *et al.*, 2008)

2.3.1.1 Service domain:

The service domain focuses on the service offering, its value proposition and market segment of for the service offering. More importantly, it aims to identify customers that are going to use the intended service. From the consumer perspective there is an expected value vs. perceived value. Moreover, from the provider perspective, there is intended value vs. delivered value. The service domain takes the firms perspective, looking at the firm's value proposition and the market segment with the (potential) customers in this segment.

2.3.1.2 Technology domain

This domain focuses on technology infrastructures, capabilities and resources that are required to develop and deploy the service. For instance, technical architecture, network accessibility, required devices and application. This includes systems, data and applications, network accessibility and required devices are some of the requirements to develop and deliver the service offerings It analyses deeper into these systems and data flows. Since platform business is ICT services, it focuses on the technical functionalities of the proposed service design. These functionalities are the core part of making the value delivery possible.

2.3.1.3 Organization domain

This domain is more into the management side of a business model, which deals with the capabilities. It focuses on activities, actors, resources needed as well as collaboration and partnership between stakeholders to run the service.

2.3.1.4 Financial domain

Finance design is an important domain which addresses the wider range of financial aspects, i.e. revenues, costs, risk, pricing, investments and financial arrangements. It describes the way to generate revenues that could be, for example, subscription or memberships fees. Similarly, it describes the way investments are divided into different sectors, including external actors. Costs analysis are essential to cross-check whether intended service generates sufficient revenue that can compensate associated costs.

Chapter III

State-of-the-art

The purpose of the chapter is to lay down the foundational knowledge of online review systems. The evolution of web 2.0 has fundamentally changed the way we trade, social media has changed we communicate/interact, and this brings us to a massive amount of user-generated-content (online reviews and ratings), which has changed the way we make the decision today regardless consumers decision or companies decisions. Because of this emerging technologies, the new type of business models has emerged, i.e. review platform business.

The chapter includes:

- ⇒ Web 2.0, social media and social media marketing
- ⇒ Online consumer reviews
- ⇒ Review platforms

3 State-of-the-art

3.1 Web 2.0, social media and social media marketing

3.1.1 Web 2.0

“Web 2.0 can be thought of as the technical infrastructure that enables the social phenomenon of collective media and facilitates consumer-generated content.” - (Berthon et al., 2012)

The recent development of internet technologies especially the evolution of web 2.0 has brought significant shifts to the consumer market, especially service-oriented industries (Musser and O'Reilly, 2007). The Social Media is based on 'web as the platform' principle of web 2.0, where user-generated content (the wisdom of crowds) is published. The reliable and useful information can be used as a powerful asset in the businesses, for instance, information can be used in the real-time data-driven decision-making process (Institute for the future (EMC), 2015).

(Constantinides and Fountain, 2008) have identified the technological as well as the commercial foundation of the web 2.0 tools, where social media plays a vital role while developing marketing strategies. The web 2.0 tools have encouraged social aspects, i.e. consumers participation, openness, interactive, harnessing the communities and connectedness. Consumers create contents; become a 'contributor' and consume information; become a 'user or information seeker' (Berthon et al., 2012). The authors discussed three major effects of web 2.0 technologies. For instance, “(1) locus of activity shifts from the desktop to the Web, (2) locus of power shifts from the firm to the collective, and (3) locus of value production shifts from the firm to the consumer”.

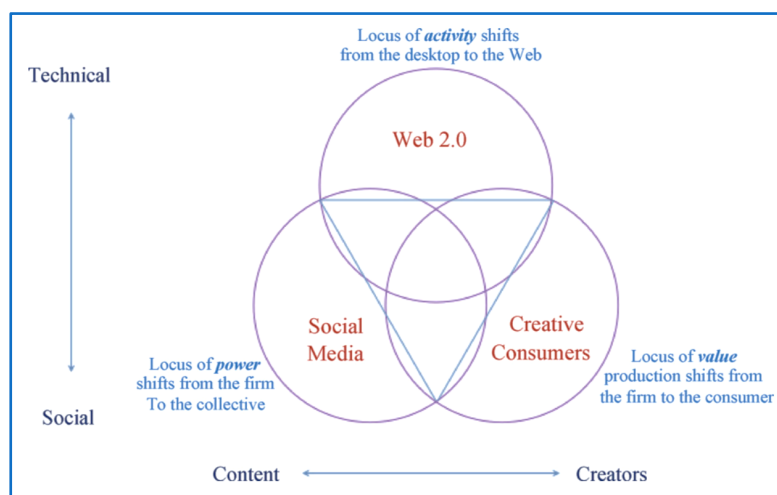


Figure 9: Focus on contemporary marketing: Web 2.0, Social media and Creative consumers, Source: (Berthon et al. 2012)

The technology has enabled to shift the paradigm and brought the user at first rather than firms, while users participate in creating content instead of a company running the website. Overall it has reversed the focus

from companies to consumers, individuals to communities, nodes to networks, publishing to participation, and intrusion to the invitation (ibid). The web 2.0 technology and tools have widened communication spectrum, where an increasing number of consumers participate in online discussion forums, consumer review sites, blogs and social networking sites to communicate and exchange their opinions, experiences and information (Gupta and Harris, 2010).

The web 2.0 technology has brought a massive revolution in ICT development, which has impacted consumer market. Consumers get opportunities to seek more information about the product or services that they are going to purchase and provide feedback on it. By this has brought significant changes in consumer buying behaviour along with transparent and competitive business environment. The growing numbers of smart devices, IOT, web technologies, include e-commerce and social media trends have made our life so simple and comfort that we can order, purchase and control things within a couple of clicks. The technology did not just stop there; it eases on making decisions. Many sector-specific price comparing and recommendations (review sites) are facilitating users, organizations and platform providers to make decisions based on online user reviews (European Commission *et al.*, 2014; Lafky, 2014).

3.1.2 Social media and social media marketing

Today, social media sites, such as Google, YouTube and Facebook ranked the top three popular sites globally (Alexa, no date), which witnesses the craze of social media among online communities. The way people communicate, make the decision, socialise, learn and interact with each other and shopping recommendations are some of the examples of the use of social media sites. This is mainly because social media provides a powerful interactive platform for the users as well as organizations (Mangold and Faulds, 2009). Unlike the traditional one-way communication channel, social media facilitate one-to-one, one-to-many and many-to-many communication. This new form of the channel includes interactive features such as commentary box, star rating, votes, reviews, etc., which are becoming increasingly popular as users can express their experience with a company, product or service freely (Chen and Law, 2016). For instance, these days many people call out new products they have purchased and shared their opinions on social media — by rating the product quality, taking a snap and posting on Instagram, Facebook, or other review sites. Social media become the place for word-of-mouth (WOM), where online user interact, share opinions and ask for recommendations for a product or a service (Meuter, McCabe and Curran, 2013).

The social networking sites or social media is *“a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of UGC”* (Kaplan and Haenlein, 2010). Social media is also considered as a digital goldmine of information, where it generates trillions of bytes user-generated data (Baruh, 2010). This information can be used to make

decisions and considered as the most influential forms of recommendation (Bambauer-Sachse and Mangold, 2011). That is the reason why social media become one of the essential parts of our lives and a critical success factor for businesses.

Similarly, as of rapid development of web 2.0 tools usage by global society, the firms cannot fall behind, they have started to create business profiles in social media sites. The importance of online reviews for firms and marketers is greatly considered an essential factor in digital marketing. (Chen *et al.*, 2008) have noted the online reviews should be monitored and response strategically by the firms. (Kannan and Li, 2017) defined digital marketing as *“an adaptive, technology-enabled process by which firms collaborate with customers and partners to jointly create, communicate, deliver, and sustain value for all stakeholders”*. In digital marketing, customer acquisition, customer conversion and customer retention and growth are the primary operational processes (p. 324 Chaffey 2014), where social media can be the effective medium to acquire and retain customers.

Companies realized the power of social media and identified themselves as the need for being active in various platforms, such as Facebook business page, LinkedIn company page, Google+ business page, etc. (Hanna, Rohm and Crittenden, 2011b). This is due to the social media became an essential component of integrated marketing communications (IMC) channel that allows communicating as well as establish a strong relationship with the consumers (Chu and Kim, 2011; Estanyol, 2012). Social media also provides the way to find informal information about customers, suppliers and competitors (Gligorijevic and Leong, 2011). Today, 93% of consumers expect companies to have an online presence on social media (Gallegos, 2017).

Overall, social media has transformed the paradigm, i.e. public relation, digital campaigns, marketing and advertising strategies of the organizations (Estanyol, 2012). The platforms also facilitate to manage their online reputation, develop trust, build brand awareness (Mangold and Faulds, 2009). The study by (Gligorijevic and Leong, 2011) noted that the businesses were benefited by the online presence in various social media rather than traditional marketing approaches, which is also a dynamic and challenging sector for managers (Phillips *et al.*, 2017).

3.2 Online consumer (peer) reviews

Unlike brick-and-mortar channel, online shopping does not consist of human interaction and personal recommendation (Porter 2001; p. 464 Chaffey 2014). In the virtual environment, you have to depend on the information provided by the seller (seller-created information) and if it is not enough to evaluate a product or service quality, you need to search information in external sites, i.e. mainly web-based opinion platforms

(buyer-created reviews information) (Chen *et al.*, 2008). Buyer-created reviews information⁵ is particularly helpful to gain and fulfil the information gap, which is also trusted information (Papathanassis and Knolle, 2011; Kietzmann and Canhoto, 2013). Buyer-created information is written from a user perspective, whereas seller-created information is more focused on product or service specifications information (Chen *et al.*, 2008; Lackermair, Kailer and Kanmaz, 2013). In order to gain complete product/service experience, customers trust peer reviews where it includes both a positive and negative side of product/service experience. Consumer reviews are trusted nearly 12x more than the descriptions from the manufactures (Price, 2017).

The buyers who have consumed services leave their experience on those platforms are taken as online reviews and online recommendations, which is in the form of eWOM (Phillips *et al.*, 2017). Likewise traditional WOM, eWOM occurs in a digital platform, where consumer share their opinions about what they think and have experienced via web 2.0 technologies, i.e. social networking sites and websites about their recent purchase (Kietzmann and Canhoto, 2013) and that influences purchase decisions (Purnawirawan, De Pelsmacker and Dens, 2012). The buyer-created information also called consumer-generated reviews, which is defined by (Mudambi and Schuff, 2010) as “*peer-generated product evaluations posted on company or third party websites*”, aims to facilitate consumer buying process, i.e. obtaining information of a product/service, make evaluations and facilitate purchase decision (Park et al. 2007; Sparks et al. 2016). The product evaluation can be seen in ratings and reviews form posted by buyers, which is beneficial to a future buyer to make his/her purchase decision.

Companies use eWOM or peer recommendation as an effective marketing technique (Park and Lee, 2008; Ismagilova *et al.*, 2017, p. 23), which is more influential than traditional WOM (Parikh, 2013; Phillips *et al.*, 2017). Online recommendations are one of the powerful and effortless selling tools for companies since consumers trust peer recommendations when purchasing their commodities (Nielsen, 2015).

When a company provides a service, the outcome is whether a customer satisfied or dissatisfied. In the digital era, many consumers bring their experience (outcome) straight to the public, expecting whether to recommend or warn other buyers. The review sites, therefore, are a good source to bring public opinion out. There is growing need for investigation of online reviews as a form of UGC continues to grow in high volume, and at the same time impacts are significant (Zhang *et al.*, 2010; Phillips *et al.*, 2017). Therefore, managing eWOM and company's online reputation is becoming a growing concern for many tourism businesses (Sparks, So and Bradley, 2016). The ratings calculated by the review sites are considered an indicator of online

⁵ In this report, terms buyer-created reviews information, eWOM, online reviews, peer reviews, online customer reviews, consumer reviews, user-generated-reviews (CGR) are used interchangeably

reputation signalling the quality of a product or service (Li *et al.*, 2013). As of popularity of online reviews, the concept of online reputation also has risen. Academic researchers have studied effects of online reviews in various e-commerce applications from movies to books, hotels to restaurant industries.

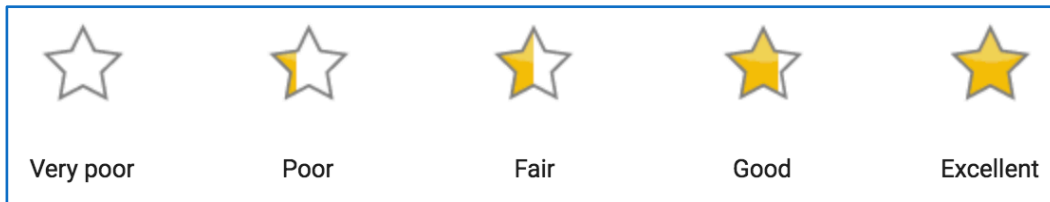


Figure 10: A standard Star Rating that signals online reputation/quality

Today, online consumer reviews constitute a significant element of modern electronic word-of-mouth (eWOM) communication. About 82% of consumers have already influenced by online reviews on their purchase decisions (European Commission, 2014). Similarly, 84% of consumers have trusted and taken online reviews same as the personal recommendation (Valant, 2015). This trend signifies the increasingly important role of online reviews in the consumer market.

3.2.1 Factors for evaluating online reviews

(Walther *et al.*, 2012) discussed three different information sources found in a typical review platform. Firstly, user-generated reviews that include the user experience and opinions, the valence of the recommendation that can be either positive or negative. Secondly, the evaluation of reviews by other users generates helpfulness ratings for the next potential consumer. It reflects the visibility of a helpful user review and therefore taken as a perceived value in the decision-making process. For instance, displaying a simple aggregate rating ("e.g. 90 out of 100 people found this review helpful"). Thirdly, reviews are solicited feedbacks which contain personal user experiences; thereby one can be agreed or disagreed upon the stated statement.

(Cheung, Sia and Kuan, 2012) have studied four information sources to evaluate the online reviews; argument quality, source credibility, review consistency and review sidedness and concluded that argument quality affects review credibility at utmost. (Park, Lee and Han, 2007) have identified three major factors that define the characteristics of online reviews. Review quality, quantity and credibility are essential factors that determine the usefulness of online reviews in the decision process. Other researchers have decomposed online reviews into valence, variance and volume for analytical purposes (Shao, Li and Hu, 2014; Phillips *et al.*, 2017). Nonetheless, this indicates the similar intentions and therefore review quality, quantity and credibility is taken into consideration to be discussed in this report.

3.2.1.1 *Review quality:*

The quality of reviews lies in the content of a review, i.e. authenticity, relevancy, understandability, sufficiency, and objectivity of review message (Park, Lee and Han, 2007; Shao, Li and Hu, 2014). Although there is no such standard to measure review quality, it can be seen short vs long review and subjective vs objective point of views (Shao et al. 2014). According to (Park et al. 2007), the high quality of reviews is logical and persuasive, which is supported by factual information.

A large number of reviews that includes positive-content can signals product popularity and quality (ibid) because it reflects that many consumers have purchased a particular item or consumed service from a service provider. The high quality of online reviews effects positively on the buyer's purchase intention (ibid).

Besides, review quantity is especially beneficial for low-involvement consumers who wish to reduce search costs. In contrast, high-involvement customers perceive reviews quality as an essential factor, where they gain useful arguments, pertinent peer information and convincing product factual information. Similarly, reviews posted in a subjective manner, consisting of emotional and unclear content are considered as low quality (ibid). (Maslowska, Malthouse and Bernritter, 2017) found that when reviews text is shorter, more reviews are required and vice versa.

3.2.1.2 *Review quantity:*

A high volume of reviews is essential and volume can be more important for information seekers than the opinions contained in the reviews (Park, Lee and Han, 2007). As mentioned earlier, review quantity is especially beneficial to eliminate search costs and get quick overview of a product or service status, while many reviewers may not either have motivation or ability to put effort and use enough time for searching entire information in a large portion of the review dataset (Shao, Li and Hu, 2014). It is, however, can be seen more reviews contain more information, which leads better information arguments in message content where information seekers can perceived factual information and recommendations (Park and Lee, 2008; Shao, Li and Hu, 2014). For recommendation purpose, there is always a need for the higher number of reviews, where positive reviews play a significant role (ibid). For instance, a study by (Chevalier and Mayzlin, 2006) indicated that 68.31 book reviews considered enough to evaluate for the recommendation. Similarly, in a report by (Pesce, 2017) indicated at least 20 and up to 50 reviews are enough to reflect a product evaluation and provides consumer confidence that there were enough people who tried the product. The high average rating indicates a high product or service quality (Sun, 2012); meanwhile it increases the purchase probability (Maslowska, Malthouse and Bernritter, 2017). Research by (Maslowska, Malthouse and Bernritter, 2017) suggested the ideal average star rating for purchase probability is between 4.2 to 4.5.

3.2.1.3 Review credibility:

Information credibility is one of the major concerns among online consumer reviewers, which determines information adoption (Zhang *et al.*, 2014). (Cheung, Sia and Kuan, 2012) found that reviews that include argument quality affect review credibility. The reviewer status (reputation) would also impact the online review influence. For instance, (Shao, Li and Hu, 2014) elaborates the reviewer types. Reviewer rankings, reliability and his network level in online communities would reflect his behaviours, and that would significantly influence consumer purchase intention. She further explains that a reviewer with professional capability judge a product or service in a professional way, by means they provide correct information with quality and practicality perspectives. This would eventually reduce search cost.

3.2.2 Reviews impact on business

Once the product or service consumed, the consumer will develop certain reactions, i.e. feelings of satisfaction or dissatisfaction according to his pre-purchase expectations. Expectations can be based on consumer's prior experience, reviews and endorsements/recommendation/criticism and marketing efforts made by the companies (Öğüt and Onur Taş, 2012; You *et al.*, 2012; Stubkjaer, 2015).

A research by (Maslowska, Malthouse and Bernritter, 2017) shows that the relationship between the average star rating and sales does not linear. Rating between 1 to 3, has little effect on purchase, while rating surpasses 3 then a customer is more likely to purchase an item or a service. The perfect purchase likelihood is when companies get rating between 4.2 to 4.5 stars. When it peaks over 4.5 then the likelihood drops.

The reviews and its quality determines helpfulness on businesses. Online reviews contain review messages that signal a positive, negative or neutral opinion of a product/service (Mayzlin, Dover and Chevalier, no date; Chatterjee, 2001; Clemons, Gao and Hitt, 2006). The positive reviews have a positive impact, i.e. increase in revenue and negative reviews have a negative impact, i.e. decreasing in revenue or eventually breaking down business (Nieto, Hernández-Maestro and Muñoz-Gallego, 2014; *Do Yelp Reviews Really Affect Businesses / Yelp Reputation Management - YouTube*, 2015; Smith-Squire, 2015; Arevalo, 2017). Within these content, there is also the existence of fake reviews (Stubkjaer, 2015).

3.2.2.1 Positive review

Similarly, the valence of online reviews has positive effect on purchase intention, every additional increase in star rating increases the purchase probability, and thereby can predict sales. A research by (Öğüt and Onur Taş, 2012) found positive reviews have effected hotel room sales. The result shows that 1% increase in online rating increases sales per room up to 2.68% in Paris and 2.62% in London. Another similar research by assistant

professor Michael Luca at Harvard Business School found *“each rating star added on a Yelp review translated to anywhere from a 5 percent to 9 percent effect on revenues”* (Luca, 2011).

3.2.2.2 Negative reviews

The impact of the negative reviews are significant, for instance, 86% of consumers hesitate to purchase from a business that has negative online reviews. Businesses that have 1-star or 2-star reviews fail to convert about 90% of prospective customers (Luca, 2011; Levy, Duan and Boo, 2013). A bad review reaches nearly 2x as many people as a positive one (Price, 2017). 40% of buyers make a judgement on business after reading just 1 to 3 reviews (ibid).

It is, however, advocated by many researchers, only positive reviews do not function to accelerate sales since it can be easily proliferated by businesses (Chevalier and Mayzlin, 2006). In this situation, negative reviews play a significant role to add credibility on reviews aggregation.

A large number of negative reviews on the review site can be noted, which is posted by the unsatisfied consumers, for instance, hotel and tourism service sector is one of the most impacted sector (Sparks, So and Bradley, 2016). In most cases, negative reviews have a negative business impact; for instance, a single negative review can drive away 22% of customers. By definition, negative publicity should lower product/service evaluation, and therefore decrease consumer choice. Negative reviews are not always bad though. (Berger, Sorensen and Rasmussen, 2010) have investigated the negative publicity of online reviews. The study, in contrast, found that negative publicity increases awareness and have higher attention from the public, which helps ultimately to grow sales (ibid).

Even negative reviews can be powerful assets under the right conditions and can be taken as a positive impact on the business, for instance, negative reviews can exposure businesses. (Berger, Sorensen and Rasmussen, 2010; Berger, 2012) have demonstrated that using polite and professional language while responding negative reviews can have the positive impact on the business. Responding negative reviews in such manner adds credibility, i.e. caring of their customer and fixing their problems reflect the professionalism and genuine business image (Sparks, So and Bradley, 2016). The research found that negative reviews add trust credibility if reviews are a mix of few 1, and 2-star reviews among 4 and 5-star, seems more trustworthy (Maslowska, Malthouse and Bernritter, 2017). (Chevalier and Mayzlin, 2006) found that 1-star reviews have a higher impact than 5-star reviews in sales.

Negative reviews can be a gift; company can show their positive feedback relationship with the online community. There are several examples of malicious or completely untrue reviews written by the competitors aiming to defame the business.

3.2.2.3 Fake reviews

Fake reviews are considered as false advertising and illegal, unfair and deceptive business practices (Malbon, 2013), which will eventually effect on review credibility. The late issue of fake reviews is growing and adding more significant challenges to companies as well as platform providers (Bright Local 2017; Valant 2015; Learmonth 2012). According to telegraph.co.uk, more than half of the enterprises in the UK are affected by unfair and malicious online reviews (Burn-Callander, 2015). The researchers suggest that there are 10-30% fake reviews (Attorney General of USA, 2013; Belton, 2015; Crawford, 2015). A BBC investigation has found the global trade of fake reviews including commercial review writers and fake reviews can be purchased as little as 5\$ (Crawford, 2015). There are examples of how Amazon top reviewers made money and been offered the products in exchange for a positive review (Pinch and Kesler, 2011; Chen, 2017).

The practice of unfair competition is increasing, which aims to boost likes, ratings and followers in social media. Some investigations indicate that there are many ways to purchase fake reviews. For instance, some companies use stolen identities to post reviews or freelance writers who can professionally post fake reviews on demand. A BBC report highlights that vendors are interested in paying pay up to £500 for a blog post of their products or services and up to £50 for a tweet. Furthermore, many companies pay for positive reviews with cash, coupons and discounts to increase their sales, business value, brand and customer loyalty through eWOM (Gartner, 2012). Even some exchange gifts, vouchers, a ticket to events or hospitality (Peachey, 2015). As early in 2012, the Gartner research has forecasted about 10-15% of social media reviews would be fake by 2014, which are employed by the companies (Gartner, 2012).

3.3 Review platforms

Today, we can find uncountable review sites for almost every sector. Travellers can utilize TripAdvisor, Expedia, Hotels.com, and Yelp.com for hotel and hospitality services; Trustpilot, Google local business, Facebook can help to find the best local businesses and companies. Similarly, the jobseeker can overview Glassdoor for employees environment in a given company, and Consumer Reports exposes the professional evaluation of consumer products. User-generated content/community feedback is the truly leading new business models where consumer participation brings significant innovation to the industry (Schröder, 2012).

Some of the reviews platforms have adopted free platforms-strategy, also called the freemium business model, where the economics of free service is offered. A freemium business model is based on web 2.0 principle, where participants get user-friendly user interface and services for free and charges for the exclusive tools and value-added services (Teece, 2010). A freemium business model is the newest popular model among digital service communities (Despot, Ljevak Lebeda and Tomašević, 2015). In this model, adding a user increases the value of the platform, however, adds costs. The value of the platform gets higher though cost

sinks. The value of adding a user becomes higher than the cost of servicing a user. The value of the platform grows when user participation increases (network effect). The rise and the key success of these platforms is the network effect, where bigger the network is higher the value of the platform (Belleflamme and Peitz, 2018). Trustpilot, TripAdvisor, Google, etc. have adapted such a business model.

The following sites are the trending consumer reviews sites, where 64% of consumers visit Google and followed by TripAdvisor and Facebook (see appendix 1.2).

3.3.1 TripAdvisor:

TripAdvisor became one of the largest and most used travel review site, where people plan and book tourist services. The platform offers user-generated-content and aggregated ratings about accommodation, attractions, destinations and restaurants. TripAdvisor gets 139 reviews each minute and receives 455 million unique monthly visitors and host over 630 million authentic reviews, opinions and photographs of accommodations, restaurants, and tourist attractions (TripAdvisor, 2017). TripAdvisor has core entities in the network i.e., the user, the platform and the advertisers (service providers: hotels, restaurants, etc.). Indirect network effect, i.e. more reviewers attracts more advertisers made TripAdvisor even stronger.

Business model: content driven/freemium

Revenue source: cost-per-click advertising model, display advertising (lesser extend display -banners and pop-ups), business subscription, transaction-based offerings and content licensing,

Value proposition: ranking systems, advertisers promote deals and convenient booking (instant booking) directly on the TripAdvisor site, Just for You (personalization or recommendation based on personal preferences and trip history)

Reviewer motivation: ranking, reviewers are rated based on their contribution; eventually one can be 'destination experts'.

Key partners: hotels, restaurants, airlines

3.3.2 Google local business

Lately, Google review system (Google+ Local) is hitting the market, where 64 percent of consumer prefer to check Google reviews before visiting a business (see appendix 1.2). Google has a mega giant ecosystem, where it offers local businesses platform to engage with their customer through its Google Local Business site that is integrated with google maps. The customer can search service providers in google search engine and on the right side it displays the companies info including reviews, which makes convenient information search. Its review system is open for everybody, who wish to post reviews.

Business model: content driven/free

Revenue source: Ad-based advertising

Reviewer motivation: profile badges including levels and points to get exclusive services.

Value proposition: convenient interface, location-based mobile tracking (sends queries to review as of visiting places)

3.3.3 Facebook

Facebook is a social networking site, that host billions of active users including 50 million+ business pages and customer reviews for businesses. It consists of an information ecosystem where marketers have opportunities to promote their businesses via Facebook advertising system. According to Review Trackers (see appendix 1.2), Facebook is the fourth largest (24%) review site of consumer choice.

Business model: Multi-sided platform, content-driven

Revenue source: Ad-based revenue model (Facebook advertising)

Reviewer motivation: None

Value proposition: Convenient interface, location, age gender or preference-based services, recommendation by friends in the network

3.3.4 Just-eat

Just-eat is a commercial marketplace for online food delivery and restaurants search engine platform. The business model is driven by commission per transaction, i.e. 12% and service charge annually from its members.

It is a closed platform, means only the customers who purchased via platform can post reviews. Just-eat system sends an email reminder to its customers as of post-purchase to post their experience. There have been more than 32 million reviews hosted on the platforms. It has 'order-driven', transaction-fee (commission) business model that makes 92% of revenue is covered by order with 82,000 restaurant partners.

Business model: Platform economy (search + ordering system)

Revenue source: Transaction cost + annual membership fee

Reviewer motivation: None

Value proposition: Convenient interface with an easy and secure way to order cuisine, location-based search results

Chapter IV

Research methods

The chapter explains the way research was accompanied. Besides, the literature review, some of the empirical data collection methods were taken into consideration. A mixed-method for primary data collection, i.e. qualitative and quantitative technique was applied to gather pieces of evidence. These methods meet the purpose of the study, that aims to compile the relationship between various factors and variables.

The chapter consists of:

⇒ Data collection methods

4 Research methods

A mixed method, i.e. qualitative and quantitative data collection methods, has been applied with three different techniques. The techniques are consumer surveys and interviews, companies interviews and expert interviews are focused on three different interest groups of online review ecosystem, i.e. consumers, companies, and platform providers, respectively.

4.1 Consumer surveys and interviews

The online survey was rolled out to the consumers for three weeks. It aimed to understand the consumer buying decision process including the influence of online reviews and the way they perceived online reviews. The survey participants were them who have planned and purchased holidays or used tourist services (ticket, accommodation and a place to eat) recently. The survey carried out for three weeks via online distribution channels, especially social media sites, personal contacts.

Similarly, the same survey via the offline channel (street visit) was conducted. The street visit was carried out in the touristic area (Nyhavn, Copenhagen), which aimed to represent offline information seekers as well.

There were 112 responses, among them 80% responses were collected via online channels, and the remaining 20% responses were offline (street visit).

Besides that, six in-depth email interviews were held where ten questions including several sub-questions were queried to understand how consumer perceived online reviews while making the purchase decision and what motivates them to contribute posting reviews and impact by these reviews on their decision making. The review factors such as quality, quantity and credibility were the focused elements in the interview.

The consumer surveys and interviews aimed to understand the influence of online reviews on the stages of the consumer buying process. The survey and in-depth interview results and highlights can be found in Appendix 1 and 2 respectively.

4.2 Company interviews

At least ten restaurant owners/managers were inquired via email and telephone call; the success rate was just 3 out of 10. Half of them have not responded, yet some of who responded however were not able to participate and laid the reason to time management due to the high summer session. The three interviews were conducted face-to-face at the restaurant premises. Based on the interviews data and other information from social media platforms were presented to establish case studies. The interview aimed to understand how companies perceive online reviews on their customer relationship management process. All interviews were

conducted in the Nepali language since the interviewees desired in their language, the summary of the interview is provided in [Appendix 3](#).

Similarly, at least seven platform companies (Trustpilot, Gomore, Hungry, Just-eat, TripAdvisor, Google and Worksom) were contacted via email as well as LinkedIn network, and none of them were finally able to participate in the interview. One of them was hesitated and did not want to disclose any information, another of them replied positively and showed interest though it was impossible to reach him via telephone, and the follow-up messages were being ignored by then. The planned interview aimed to understand how platform provider perceived customer reviews and how online reviews have facilitated them to make business development decisions.

4.3 Expert interviews

At least six reputations/digital marketing companies (Online Synglighed, AW-media, Selected Media, Seonaut, Simongrevang and Market Sanjal) were contacted, and two of them (Selected Media and Market Sanjal) were delighted to contribute on this report. An interviewee from Selected Media was a rating and review specialist, and from Market Sanjal was digital and marketing specialist. The interview aimed to understand how reputation management companies help companies in building the online reputation, which is closely related to customer relationship management. Similarly, to understand how online reviews have impacted customer and company's behaviours. Furthermore, to understand how platform providers make sure to understand the needs of customers and companies.

Chapter V

Presentation of findings

The following chapter presents major results from the primary data collection methods.

Consumer surveys are carried out to generalize and validate with the secondary data. Additionally, consumer in-depth email interviews were carried out to understand how consumer perceive online reviews and the role of reviews in their decision-making process.

Similarly, companies interviews were conducted in order to gain insight of digital marketing and the role played by online reviews on customer relationship management.

At last, two expert interviews were conducted; digital marketing strategies and review and rating specialist to understand and gain insight into digital marketing trends, online reviews and ratings and its impact on customer decision-making process, the usefulness of reviews for companies and eventually platform providers.

The chapter includes:

- ⇒ Findings on consumers
- ⇒ Findings on case companies
- ⇒ Findings from expert interviews

5 Presentation of findings

5.1 Consumer survey result

The survey (see Appendix 1) shows that a considerable number of respondents make information search via the internet (almost 85%). Within them, nearly 90% of the respondents purchase online ticket and 75% accommodation, while 80% of respondents buy food on the go. It can also be seen that majority of tourists (75%) make the internet search for a place to eat though do not order or book restaurant 'place to eat' online.

The following graph illustrates the respondents' information search methods, i.e. online search, travel agency or friends and family recommendations, for their tourist services. There is no or very less information provided by travel agency while the online search is the most used method.

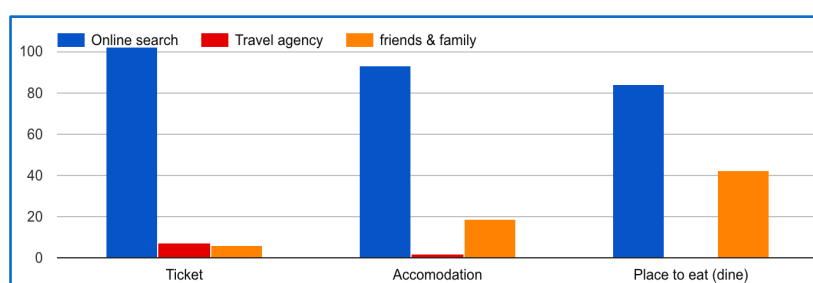


Figure 11: Information search methods for tourist services

The survey also indicates that 95% read online reviews before making any purchase decision. Similarly, 85% of respondents trust online reviews above the average while 7% do not trust.

Similarly, on the linear question (1-5 scale) how likely respondents can spot fake reviews, 7% of respondents could (rated 1) and 12% couldn't (rated 5) spot the fake reviews. There were 29% who rated 2, 33% rated 3, and 20% rated 4. A significant number of respondents, i.e. 70% contributed to post online reviews while 52% post only when they are extremely satisfied or dissatisfied with their purchase.

The following graph indicates that the majority of the survey respondents visit 1-2 review sites to evaluate the service. 50% of total respondents seek at least 1-2 review sites to evaluate and select their tourist services.

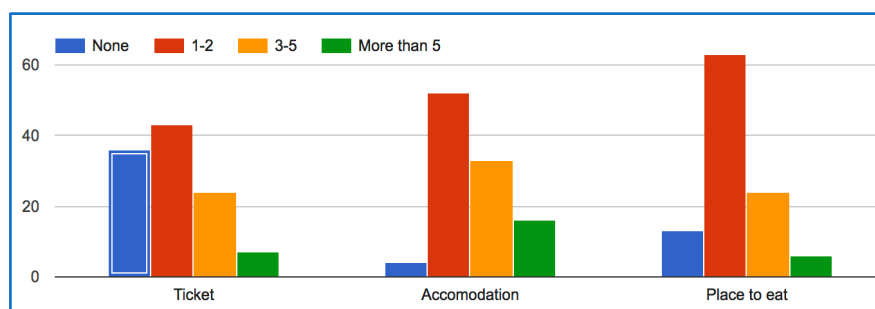


Figure 12: Number of review sites visited before making final buying decision

33% of respondents do not visit review sites for travelling ticket, in contrast, 6% visit more than 5 review sites to evaluate travelling ticket. 39% look for at least 3-5 review sites for the ticket. Similarly, 50% visit 1-2 review sites and one-third visit 3 to 5 review sites for evaluating accommodation services. In addition to that, 15% of the respondents pick a service as they visit more than 5 review sites.

The data also revealed that the greatest motivational factors to post reviews online were to help other buyers, to help companies to improve their service and to show their emotions, frustration and gratitude respectively.

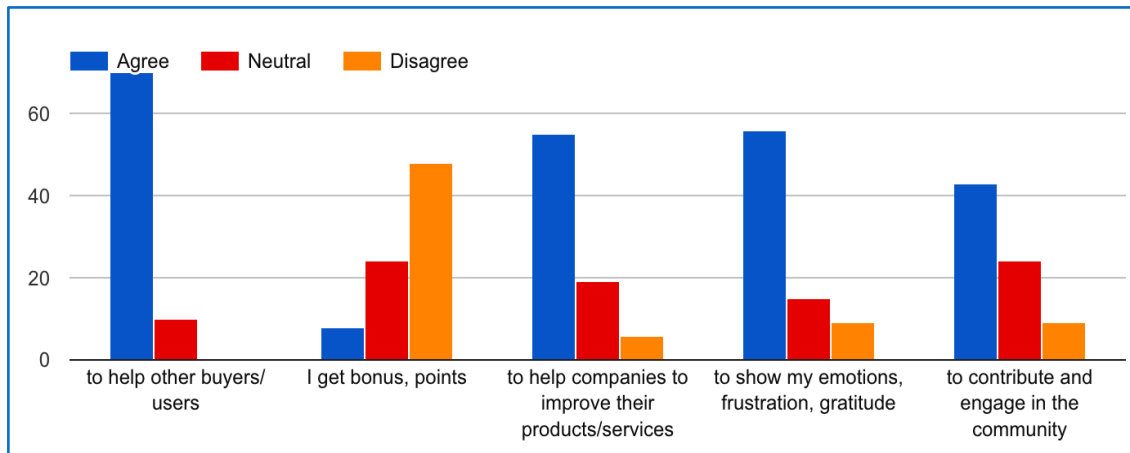


Figure 13: Motivational factors to write reviews

Type of reviews was also asked whereas slightly more than 70% write short reviews and use 1-5 minutes for that; moreover, 24% write long with details description and use 5-10 minutes.

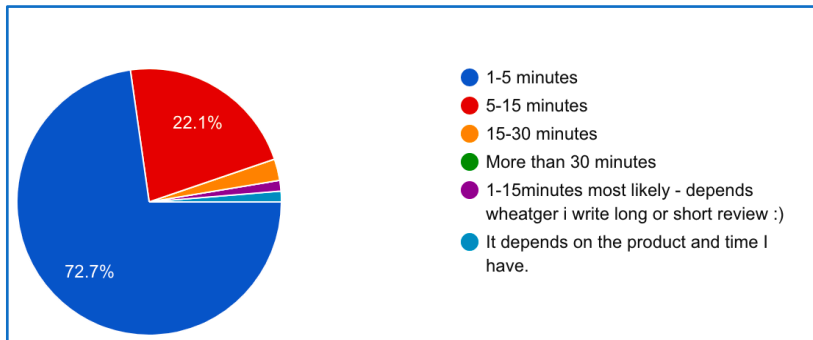


Figure 14: Time spent on writing reviews

Another interesting question was to see how consumer's motivational behaviour impacts online review regarding modifying or deleting of a review, whereas 15% are willing to alter or remove reviews they wrote earlier if they get incentives from service providers. Similarly, 30% would consider modifying it. However, there are about 54% do not wish to alter their reviews even if it has been requested and compensated.

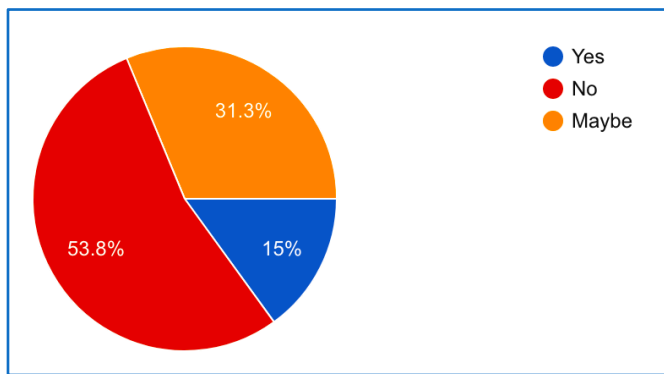


Figure 15: Respondents tendency to delete or modify of their past reviews if they get incentives

5.2 Consumer in-depth email interview

Consumer in-depth email interviews (see Appendix 2.) have been conducted to examine how consumer perceive online reviews and the role played by online reviews on their buying decision.

It can be seen that the entire respondents read online reviews while making their buying decision. Even one respondent has provided details of why and what condition he reads online reviews. For instance, one of the respondents considers any products and services he purchases to go through online reviews though expect regular and grocery items. Similarly, some respondents read reviews for unknown purchases, to be confident with their investment.

"It is almost always the case for me unless it is a case of daily use item such as potato, vegetables and such. Online review is part of my life whenever there is a new product, item or anything that i do not purchase regularly. It is obviously also a case for buying holiday package as you have mentioned."- Respondent 4 (Q.1)

TripAdvisor is the choice of travelling guide and recommendations for most of the respondents, while Google, Facebook, Hotels.com and Airbnb are among others that facilitate information search. Though all of the respondents read reviews for their purchase process, yet do not trust them completely. Some respondents are still in doubt with the trustworthiness and review credibility.

"While reading reviews, i started to think are they real. If the review have detail explain, i feel more trustworthy. Some of the review are helpful and written in objective format explained that what the person think about the service about some of the review are just subjective and you can not get anything from the review." – Respondent 3 (Q.3)

One respondent particularly feels comfortable with the reviews that written in details, that can be divided subjective as well as objective views of the peer reviewer, whereas he thinks reviews written in objective manners are more helpful than the subjective manner.

"I read all kind of reviews. I generally look into ratings, then positive and negative comments / reviews. I always make sure to read at least some negative comment before i make my final decision. If there is no bad comment in the review section, then i simply do not believe on that side. Peer review is bit more trustworthy to me compare to other reviews." –

Respondent 4 (Q.3)

One of the respondents dynamically takes reviews that he makes a decision based on the rating scale and takes into consideration negative reviews. It seems he gives important to review quantity; rating scale gives the overall impression of product evaluation instead looking into the content of the reviews. Similarly, a single negative review can impact the buying decision, as well as the content of the reviews written differently, makes believable reviews rather than reviews are written similarly.

Regarding the legitimacy of the reviews, where most of the respondents do not think all reviews are legitimate. Consumers have a growing concern about fake reviews, where polished and exaggerated reviews are impacting consumer buying decision. The ever-increasing challenges of fake reviews can challenge the platform providers, where platform providers have to implement the latest innovative software tools to detect them. The given example of review manipulation by the professional fake reviewer (see [section 3.2.2.3](#)) impact the buyers' decision, where platform providers are required to take appropriate action to diminish such activities on their platforms.

The content or message of the review matters for entire respondents that play an important role in the decision-making process. The review that has details information seems helpful in decision-making. One of the respondents particularly commented that he particularly cares the way review is written, including the language used.

"I care contents of reviews . As i am student of critical analysis , i can critically analyze the language, comments and mode of writing." - Respondent 3 (Q.5)

"It matters to me alot. As i have mentioned earlier also, people can not post their true review if they do not know how to write it. Motivational factors also play vital role here. People do not bother writing review unless they feel very bad, very excited or get incentive such as discount / bonus." – Respondent 4 (Q.5)

"Yes it matters, because it does not make sense just writing "perfect or terrible" without explaining why it is "perfect or terrible". – Respondent 6 (Q.5a)

No question reviews quality differs depending on the individuals and their knowledge and expertise. As reviews contain both subjective and objective opinions, some consumers may give their opinions on the objective manner, where some consumer may find the facts are useful, while others may provide their subjective opinions where some consumer may find this information useful and practical.

Regarding review quality, four out of six respondents have a clear answer that they would not purchase if company has only 1 or 2 star ratings due to the poor quality of the service, though two of the respondents may be considered to buy from them as they might be new or selling cheaper and therefore has low rating.

Some respondents state the following on the question that aimed to see if the respondents prefer only high star rating service providers.

"5 star rating will bring my apatee, and to make decision to purchase it also have to have good comments. It mean rating alone do nothing but it will support with reviews."- respondent 3 (Q.6b)

"It can be because some newly opened service provider may not have many reviews and few customers could have great experience from them. Some company can have really great service, thus can have 5 star rating." – respondent 4 (Q.6b)

"not necessarily, some things can be subjective and also there other aspects to be concerned."- respondent 6 (Q.6b)

About 50% of the respondents agree on review quantity matters on service evaluation and selection, while others do not think that might have much effect on their buying decision. One respondent claimed that there should be at least 10 reviews listed on the business to evaluate the service offering and that could facilitate his decision making. Similarly, another respondent has strong believe on the review quantity, and the impact is greater on buying decision.

"It may impact my decisions if it has less reviews. If buying intensity is high , i would seek other business service provider too."- respondent 5 (Q.6c)

Similarly, one of the respondents thinks review quantity might depend on the business type, for instance, travel agencies might not have reviews or have very little. Another respondent thinks new business or service offerings might not obtain reviews at all and in this case, it won't affect his buying decision. That may conclude the nature of service and its establishment are also undeniable factors to be considered when it comes to review quantity.

Five out of six respondent do not or partially trust reviews. One respondent has elaborated on cross-checking reviews on multiple sites helps to get better service evaluation. One other respondent takes reviews as a primary source to obtain service information though trust on reviews is only 50%. There is the tendency on more trust on third-party review sites rather than reviews from the service providers' website.

"I don't trust the reviews done in their own domain. For instance, a product review done on ebay can be manipulated but if it is done by trustpilot chances are low that the reviews are manipulated." – respondent 1 (Q.7)

Almost all of the respondents agreed on there is not enough action taken by review provider to keep reviews transparent. Respondents claimed that platform providers are required to develop better algorithms to detect fake reviews.

"Well, some of them are fake and also some owners of companies delete the bad reviews".- respondent 2 (Q.8)

"I think, they should do better job to detect fake reviews as it is against ethic of customer service." – respondent 5 (Q.8)

"i dont think they are doing their best to stop the fake reviews, they should be better because in the age we are in everything is online." – respondent 6 (Q.8)

All respondents have contributed on review posting although some of them write only sometimes. The frequency of posting reviews occurs when respondents are extremely satisfied or extremely dissatisfied with the services.

"Specially when i think service is very good or very bad then expected one. The motivation behind is that other do not need to find what you have found after using the service."- respondent 2 (Q.9a)

In addition to that 50% of the respondents are encouraged to post more reviews if they see others are doing so. Similarly, economic incentives would further encourage respondents posting more reviews, where 4 out of 6 respondents were encouraged to post more reviews if they been offered incentives.

"Definitely it will encourage to write more."- respondent 3 (Q.9d)

The last question was to understand any legal consequences that lead to hesitate to post online reviews, especially by negative reviews. 4 out of 6 respondents do not hesitate to post negative reviews while being extremely disappointed with the services. Some of the respondents were though aware of any legal consequences that can be taken by service providers concerning their extremely negative or inappropriate reviews.

"Yes i really wanna write review when i do not satisfied with the the service they promises, and yes sometimes i start to think that i might be in legal trouble so why i should risk myself to inform other which is not job and business." – respondent 3 (Q.9d)

"I am aware that if i use abusive language ,i may have legal sanctions . However, I am not scared to write my experience during purchase or use of products." – respondent 5 (Q.9d)

5.3 Case companies

Three similar small-sized restaurants are selected for the case company. The idea is to understand how these restaurants use digital platforms, social media and review sites and perceive online reviews to make their decisions. Each restaurant adopts different platforms, however, in the case study common platforms are taken into account.

5.3.1 Case company 1, Restaurant Nepali Bhanca⁶

Nepali Bhanca was started in 2015 and located 4 km away from the city center with the good public transportation. The restaurant has the online presence among social media as well as commercial search engine platforms that include, Google, TripAdvisor, Facebook, Just-eat, Yelp, Trustpilot and own website. According to the owner, these platforms have contributed 80% of the customer flow, while remaining by offline. He believes that platform systems have alleviated business, where positive reviews (eWOM) were the success factors. As he further elaborates Google became an important tool among customers that they can find restaurant instantly by pressing a button on google maps, 'find a restaurant near me', then a customer can choose the restaurant they prefer.

The management team read and take action of negative reviews. Lack of time is the reason for not responding to every single review. The business acquires most of the customer through organic search (nonpaid) from Google and TripAdvisor, and alternatively some from paid platform Just-eat. The restaurant has excellent rating and reviews in TripAdvisor with 'Certification of Excellence' and ranked 14 out of 2211 restaurants in Copenhagen. The majority of the Nepali Bhanca's customers have rated 5 stars for their services, and written positive feedbacks where it gained 4,6 star on average ratings, and ranked on top of its kind. However, the business has also encountered some suspicious reviews in his Google review system, which the management team think some competitor has left intentionally to defame the business. The management team was able to remove this suspicious review by reporting to Google.

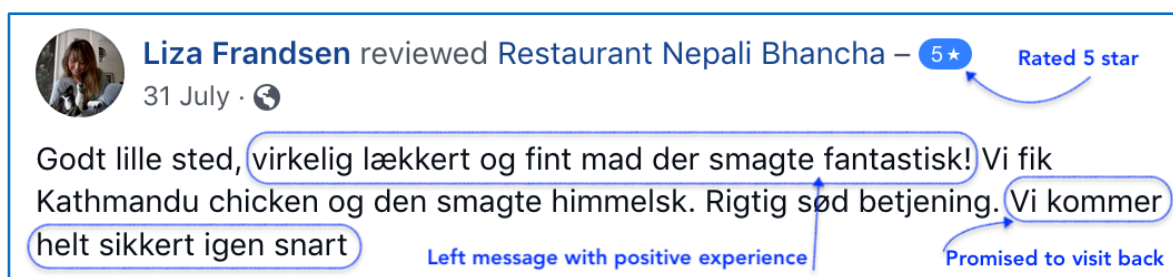


Figure 16: A rating & review by a satisfied customer of Restaurant Bhanca Source: Facebook/RestaurantNepaliBhanca

The above figure demonstrates a satisfied customer that has rated 5 stars and would revisit.

⁶ <http://nepalibhanca.dk>

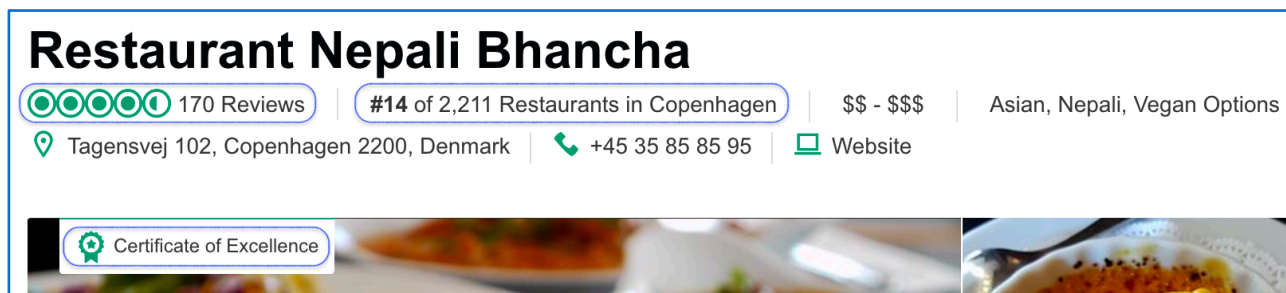


Figure 17: Nepali Bhancha in TripAdvisor

Above figure illustrates some visual artefacts of TripAdvisor review system, which provides the certification of excellence for the well-known and high ranked restaurants. This signals the business trustworthiness and quality assurance which will eventually impress and ease on the consumer decision-making process. The following table is the rating and reviews distribution of Restaurant Bhancha.

<i>Platform</i>	<i>Joined in platform</i>	<i>Aggerated Rating (out of 5)</i>	<i>Number of Reviews</i>
<i>TripAdvisor</i>	2015	4.5	170
<i>Facebook</i>	2015	4.8	108
<i>Google</i>	2015	4.6	135
<i>Just-Eat</i>	2015	4.5	322
<i>Average</i>		4.6	184

Table 1: Rating and review distribution of Restaurant Bhancha, data obtained on 15th August 2018

TripAdvisor counts 40% of the traffic while 80% of total traffic generated via digital platforms. In addition to that, the traffic generated via TripAdvisor is entirely organic, meaning no further advertisement has been made to promote business.

"I have customers who visit our business through social sites like Google, TripAdvisor are completely organic and it counts 80% of our total customers".- owner of the Nepali Bhancha

The below example figure indicates the peer-reviewer's recommendation with the details of her experience during her restaurant visit. Moreover, the reviewer herself indicated that she looks for at least 4.5 star rating service providers.

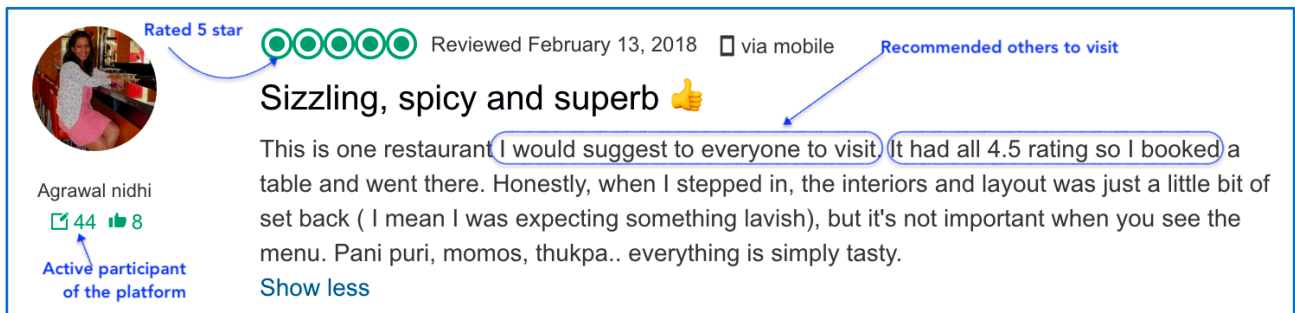


Figure 18: A satisfied customer of Restaurant Bhanchha recommending others to try their service, source: TripAdvisor/RestaurantNepaliBhancha

5.3.2 Case company 2, Restaurant Himalayan

Restaurant Himalayan was started since 2006, and located in the heart of (Nyhavn) Copenhagen. It has presence in most of the social media sites though not actively involved. Restaurants has listed their business in many platforms such as TripAdvisor, Facebook, Google, Just-Eat, Hungry, Menucart, and Dinnerbooking, which generates 35% of customer flow while 65% are offline.

Restaurant Himalayan has choose to neglect responding reviews to save time and effort for other tasks, though they read reviews and use them to improve their services. The overview of rating and review distribution in various platforms are as follows.

<i>Platform</i>	<i>Joined in platform</i>	<i>Aggerated Rating (out of 5)</i>	<i>Number of Reviews</i>
<i>TripAdvisor</i>	2008	4.0	49
<i>Facebook</i>	2013	4.6	53
<i>Google</i>	2013	4.3	47
<i>Just-Eat</i>	2016	4.2	30
<i>Average</i>		4.3	44

Table 2: Rating and review distribution of Restaurant Himalaya, data obtained on 15th August 2018

The below example of negative review shows, an extremely dissatisfied customer spread negative experience and warn other customers. It can be understood that he is active in the platform since he has written 8 reviews and three of other fellow customers endorsed his message.



Figure 19: A review by a dissatisfied customer of Restaurant Himalaya Source: TripAdvisor/RestaurantHimalaya

Despite being passive in digital platforms, lately, the management team has realized the potential of online reviews and has taken initiation to be active in the review platforms where the management even initiated a special visiting card that includes TripAdvisor recommendation link and QR code. In addition to that, at the end of the customer service, customers are requested to share their dining experience on their social networking sites.

5.3.3 Case company 3, Restaurant Danasia⁷

Danasia is a newly established (2016) Thai restaurant and takeaway that is situated Valby, Copenhagen. The business has the online presence in various review platforms - Just-eat, Hungry, Google and TripAdvisor. According to the owner, restaurant gains 50% customer flow via online platforms while 50% telephone call as well as street visit.

Having 199 reviews in the Just-eat platform and only 2 reviews in TripAdvisor can signal, the restaurant is popular among local consumers instead among tourists. The overview of the rating and review distribution is listed below.

Platform	Joined in platform	Aggerated Rating (out of 5)	Number of Reviews
TripAdvisor	2017	4.5	2
Hungry*	2016	3.9	25


⁷ <http://danasia.dk>

Google	2017	4.2	13
Just-Eat	2016	3.8	199
Average		4.1	60

Table 3: Rating and review distribution of DanAsia, data obtained on 15th August 2018

*Platform Facebook is replaced by Hungry.dk, since Facebook ratings and reviews were not available.

The restaurant has encountered two extreme negative reviews in the Google review system, which, however, the management team was unaware of it at the beginning. Lately, the management team was able to detect and started to investigate. The management team think these reviews have impacted business badly. The management team read but not yet responded to all the reviews except two extreme reviews of Google review system.


Line Sørensen
1 review
★ ★ ★ ★ ★ 8 months ago

Maden kom 15 min forsent, den var kold da vi fik den, posen knækkede da vi fik maden så halvdelen af den ene ret blev spildt, kyllingen var tør og sej, tror ikke vi fik nudler med gummi, de stegte ris smagte som en frost ret der ikke var tøet op, alle grøntsagerne smagte af vand. Peanutsovsen var god.

(Translated by Google)
The food came 15 minutes late, it was cold when we got it, the bag broke when we got the food so half of one dish was spilled, the chicken was dry and cool, do not think we got noodles of rubber, the fried rice tasted like a frost Right that was not thawed up, all vegetables tasted of water, Peanutsovsen was good.

Figure 20: An extreme negative review on Google

The management team is thankful for some of the negative reviews, which helped business improving service and thereby business opportunities.






D. 11/10/2017 af Rikke P.

Kan ikke anbefales. Enormt kedelig mad. Intet smag. Kedelig oplevelse.

Figure 21: A negative review of Danasia in Hungry Platform

DanAsia was able to gradually increase their revenue as it started to gain customer reviews on the listed social platforms. The management team use social media as well as other commercial platforms to acquire new customers.

“Those platforms became a very important source to generate web traffic to our business as we are new start-up in the area. As a start-up company, we faced many challenges where customer reviews became the golden source to improve our activities and solve some of the challenges, that’s why we are still sustaining in this competitive markets.”- owner of the DanAsia

5.4 Expert interviews summary

5.4.1 Rating and reviews specialist

A semi-structured interview with a rating and reviews specialist -Philip Mortensen from Selected Media A/S (online reputation management) was held via telephone. Online reputation management companies, which assist businesses/marketers to get better visibility (SEO) on online media, have good knowledge of online review ecosystem. The interview aimed to find out current trends in online reviews consumption, as well as technological challenges faced by companies and review platform providers.

According to Mr. Mortensen, companies are gradually taking online reviews seriously and request for consultation on online customer relationship management. The main takeaways from the interview are mentioned as follows.

- Online reviews deliver messages for the information seekers, and these messages can be useful in the consumer buying decision process as well maintaining customer relationships by responding to them.
- Positive reviews help to create a company brand and thereby generates more web traffic.
- Several companies have suffered from negative reviews, where certain tricks and tips can be used to handle those activities. Two types of strategies can be implemented; short term and long term. In the short term, it’s always a good idea to request happy customers to write more positive reviews, where the volume of positive reviews lowers negative reviews score down.
- Companies should keep monitoring reviews on every platform, that consumers write where they are actively participating.
- Companies required to respond every review, if possible be professional, for instance, being thankful for positive one and be polite and excuse in case of negative one, especially negative reviews must respond as quickly as possible that’s because reviews are public, and that reflect the company’s behaviours toward its customers This may help to repair service failures and brand image.
- Companies can also talk to platform providers to filter those awful reviews (though this situation varies on the platform provider).
- Encourage customers to leave positive reviews. Sending an email with a direct link to post reviews may be a great way to gain more reviews.

- In the long term, a company has to improve their product/service quality and use better product development strategy. Consumers are powerful as demand-side economies of scale is hitting the wall rather than supply-side where companies are forced to change their push strategy to pull strategy.
- Platform providers manipulate customers reviews. In the example of Trustpilot, a bad performing company had a high score when they pay for it. Manipulating customer reviews work for only short-term, while to sustain in the market, company has to focus on their weaknesses and improve their services.
- The platform providers have to work on the better algorithms that can detect fake reviews and eradicate from the system to gain better trust among users.

5.4.2 Digital marketing specialist

Another semi-structure expert interview with Prakash Regmi (digital marketing specialist) from Marketsanjal.com was held via Skype. The interview aimed to find the recent trends of digital/social media marketing and the role of online reviews in digital marketing.

He explained not only the difference between traditional (tv, radio and newspaper) advertisement vs digital/social media advertisement but also, the impact of them. The social media has the power to expose various information including rating and reviews rather than traditional media where a small portion of information is pushed. Today, social media marketing is getting popular among companies and gaining better trust from consumers.

Consumers take If buying process is heavy or if the product or service cost is higher than the search cost, they consider long decision-making process, means consumer take considerable time to analyse reviews in various social media platforms before making an actual buying decision. The reviews have significant role on the consumer buying process if the product/service is substantial for the consumers.

Companies are using bad reviews to improve their services and analyse their business reputation because ignoring them impacts on sales.

Chapter VI

Analysis

The chapter aims to answer the raised research questions based on the findings from the primary data. The chapter is further divided into three sections to answer three sub-questions respectively.

The first part of the analysis aims to identify the consumer decision stages that are influenced by the online reviews.

The second part of the analysis consists of CRM activities on a company that can be potentially influenced by the online reviews.

Similarly, the third part of the analysis consists of how platform providers make business development decision while considering online reviews as their business model.

The chapter consists of:

- ⇒ Consumer buying decision process
- ⇒ Customer relationship management for companies
- ⇒ Business model development for platform providers (STOF Business model)

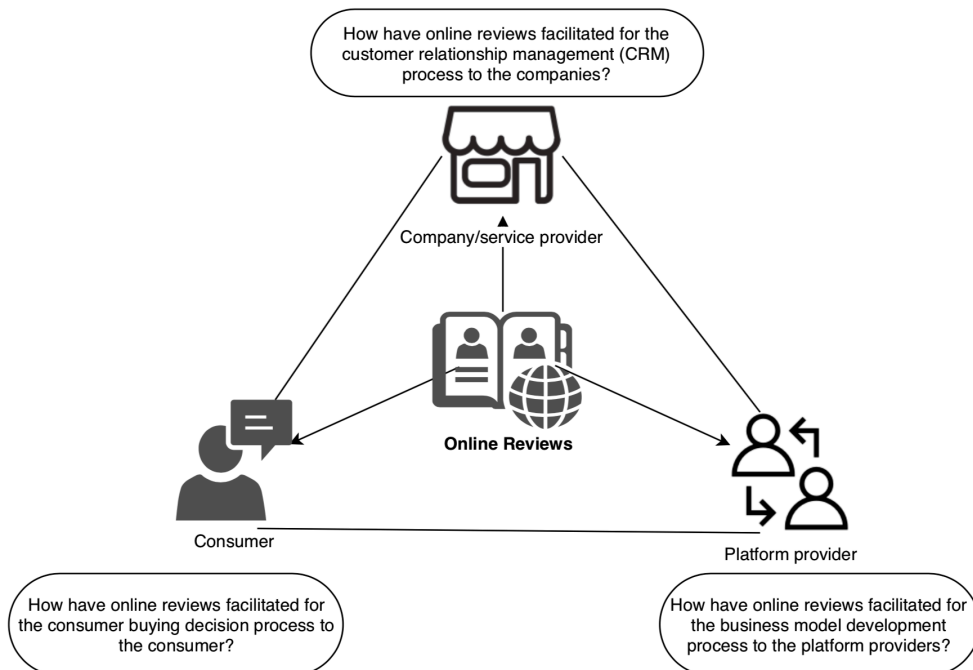


Figure 22: Visual diagram of analysis chapter

6 Analysis

6.1 Consumer buying decision process

The results from the consumer survey and in-depth interview, as well as literatures highlights that internet became the facilitator for buying decision. The result also highlighted that 95% consumer perceived online reviews to facilitated purchase decisions. It can be seen that the internet allows primarily to seek information about tourist services without the need for intermediaries, for instance, travel agencies. It can be understood that respondents eventually became aware of the services in regards to quality, price or other associated factors that help them to make the best decision.

Besides, that respondents take online reviews seriously, where they care more review quality, review quantity and the review credibility especially while evaluating product or service.

Many consumers have also shown interest in post-purchase activities, where they go to review sites to give opinions regarding their recent purchase experience. They would like to help others, and they feel satisfied doing so.

The results can be therefore sum up that online reviews facilitate online consumer buying process. Referring to theoretical framework- consumer buying process (see section 2.1), online reviews have contributed three out of five stages of consumer buying process, for instance, information search (stage 2), evaluate and select (stage 3) and post-purchase behaviour (stage 5) are most affected.

It was assumed that the first (problem recognition) and fourth (purchase decision) stages were among that the online review has less or no influenced on consumer buying decision. The reason for that could not be identified, as research was not focused on these stages. It may be customer problems or needs (stage 1) are the internal stimuli and therefore other factors such as influenced by online/offline ads, own desire, friends or family recommendation, etc. may affect it. Similarly, purchase decision (stage 4) may have the similar reason, yet different factors, for instance, economic factor, the service does not fulfilling buyer's requirements, etc. therefore there is no or very less influenced by online reviews (Puccinelli *et al.*, 2009).

The remaining three stages are analysed below.

6.1.1 Information search

Online reviews have facilitated information seekers to search information efficiently. Information search can be though significantly varied among users and type of services. For instance, one-quarter of our respondents still seek information via friends and families on decision making for dining (place to eat) meanwhile 85% seek

ticket and accommodation information online. Dining is an experience good, while the quality of service cannot be predicted as individual taste differs.

The tendency of information search also varies depending on economic value and importance of product or service. Respondents aim to reduce uncertainty and perceived risks via online review information search. It can be seen that they specifically seek reviews for high involvement services rather than low involvement services. In-low risk situations, it can be seen that respondents apply simple search with 1-2 reviews sites or no search at all (case of the ticket), whereas high-risk situation (accommodation), consumer do an in-depth search with more 3-5 review sites or more.

95% of survey respondents made internet search to seek information of their travelling itinerary search, similarly 85% for accommodation and 80% for the place to eat. Among them, 95% read online consumer reviews to seek further information about the uncertain purchases. The online search is a cheap and convenient method for information search and can instantly get results instead of consuming a huge amount of time to visit physical premises for decision making. Besides, there is the possibility to get better and detailed information about services, facilities and other relevant practical information as peer posts are among trustable. The web 2.0 application has made more accessible information along with consumer feedback, which makes online booking a preferable method to purchase services.

6.1.2 Evaluate and select

After understanding the product or service information, consumer compares information on different review sites to evaluate services or brands at this stage. Depending on the service they are looking for, they visit many review sites until they are satisfied with their information evaluation.

Majority of the consumers visit 1-2 review sites for their tourist services. The highest percentages of 'more than five review sites' were evaluated by accommodation searcher, while the significant number of information seeker does not even look at review sites for ticket evaluation.

Evaluating review information to select a service requires significant time and confidence. The more review sites an information seeker visits, the more time it requires, which is then compared to the perceived cost and benefits of doing so. It does not make sense to purchase a dinner that may cost less than an hour salary and spent an hour to evaluate the service, and food quality may not sound wise.

Online reviews help build consumers' confidence for the high priced item while previous understanding buyers had a good experience with it. Involvement is another factor that influences the evaluation and selection process, which involves risk factors. High risks services require high-involvement and low risks services require low-involvement. For instance, ratings (a numerical form of product/service evaluation) was used to facilitate

low-involvement services, and both ratings and reviews were used to facilitate high-involvement services. High-involvement services have higher financial risks thus requires more time to evaluate many sources that eventually aimed to minimize the financial risks.

Review evaluation factors also play a role on this stage. Review quality, review quantity and review credibility were taken into consideration when it comes to service evaluation and selection. Quality of the reviews can be seen in the way review was written (subjective or objective manner), the person and his profile may impact. Reviews written in objective manner than subjective manner are more helpful for some consumers, while subjective opinions may vary among individual preferences. Likewise, reviews written an objective manner may be helpful for the information seeker that are looking for factual information. Depending on individual experience, ability to express his opinions, knowledge or expertise may impact on the review messages.

Reviews written in longer text with details of service experience is helpful to consumers ultimately effect at this stage. Longer reviews contain more information that could be eventually helpful to evaluate services rather than the shorter that mentioned only 'great' or 'terrible' service etc. The term 'great' or 'terrible' do not say anything meaningful and therefore add no value to review messages.

Similarly, At least 50% of the respondents think review quantity is helpful for service evaluation and selection. It can be seen that review quantity with aggregate rating matters on decision making. Ratings are helpful for the immediate impression and especially for the low-involvement services. Rating scale has 1 or 2 stars indicates the low and 4 or 5 stars indicate the high-quality services that can also impact the purchase decision. It should not always judge service providers on the fact of review quantity. Newly started service providers may not have sufficient ratings and reviews to obtain the proper evaluation. Similarly, neither all types of services require reviews to evaluate services. For instance, purchasing ticket might not be necessarily important to go through reviews as finding a place to stay or a place to dine. The research by (Powell *et al.*, 2017) shows the similar results that making a service judgement through only a handful of reviews with lower rating score may not reflect the product quality. There might be just a few bad reviews which can easily break the curve and bring down the overall rating score.

It shows that negative reviews have added credibility on reviews, that some consumer seeks to analyse negative feedback of the particular service offerings. Similarly, third-party reviews are more credible than reviews systems that are provided by the service providers via their websites. Fake reviews have impacted on the review credibility, and thereby affected on the decision making.

6.1.3 Post-purchase behaviours

Consumers like to come back to leave their feedback on the review sites, particularly with the intention to help other peer reviewers. 70% of the survey respondents and the entire respondents from the in-depth interview have contributed to writing purchase experience after their purchase.

The majority of the respondents have though posted reviews in the situation whether they were extremely satisfied or dissatisfied with their recently consumed services, which means the frequency of posting reviews occurs as customer satisfaction happens.

Several motivational factors influence on writing reviews whereas one of the motives is to fulfil basic human needs⁸, i.e. to be part of the society and get recognition (Koh, Hu and Clemons, 2010). Similarly, (Lafky, 2014) shows evidence for review and ratings motivational factors on his paper 'why do people rate', where he found people rating behaviours primarily are driven by the normative desires to satisfy altruistic needs.

Consumers like to punish or reward the sellers so that the potential buyer will take the appropriate decision (Parikh, 2013; Lafky, 2014). Similarly, the study by (Hennig-Thurau *et al.*, 2004) has identified different motivational factors of the online reviewer, i.e. concerns for others (altruism), expressing emotions, helping the companies (another form of altruism), self-enhancement (self-esteem) and economic incentives. The findings show that 68% of reviewers want to guide others to make the informed decision and agreed to help other buyers. 55% of reviewers are seeking the way to express their anger, frustration or disappointment or even exchange gratitude by reporting and complaining poor service experience. About 52% also want to promote the company by recommending peers, helping companies to improve their services. One of the reasons for contributing and engaging in the community is to get recognized and become an expert. The respondents have rejected the economic incentives as a strongest motivational factor of writing reviews, while previous research showed otherwise (Hennig-Thurau *et al.*, 2004).

So, the analysis showed that writing reviews have affected by many different factors that eventually influenced consumer buying decision making.

6.2 Customer relationship management for companies

Social media sites and search engine applications became an ideal source for companies for marketing. Marketers attractively publish their service offerings on social media sites as most of the consumer spent

⁸ Maslow's law: "A Theory of Human Motivation" that includes belonging (social) and esteem (recognition)

enough time on social media sites to interact and ask for recommendations (Hanna, Rohm and Crittenden, 2011a).

The case companies use multiple social media sites such as; Google, Facebook, TripAdvisor, and search engine platforms; Just-eat, Hungry, to become visible in the market. These platforms are supported by consumer-driven feedback systems, which helped companies to get feedback on their products and services. Two of the case companies (1 and 3) mostly used the Just-eat platform; similarly, case companies 1 and 2 mainly were used TripAdvisor platform. It showed that case company 1 actively engaging in both platforms while the other two companies were mainly engaging in one platform.

Three key activities of CRM are essential for companies to maintain relationship with the customers.

6.2.1 Customer acquisition:

The customer acquisition is mainly led by online platform presence and thereby driven by positive reviews and higher ratings in the platform. So, getting positive reviews and higher ratings would be the main concern of companies (Öğüt and Onur Taş, 2012; Maslowska, Malthouse and Bernritter, 2017).

Case company 1 (Restaurant Bhancha) was able to gather 322 and 170 reviews with 4.5 stars rating in Just-eat and TripAdvisor respectively. If we inline the rating with the research by (Maslowska, Malthouse and Bernritter, 2017), the perfect purchase likelihood occurs when a company obtain the rating between 4.2 to 4.5 stars. In addition to that, in our in-depth interview (see [Appendix 2](#)), respondents have indicated to seek service providers who gained above average star or between 4 and 5 stars. Restaurant Bhancha's ratings in Google (4.6) and Facebook (4.8) is slightly surpassed above the threshold, where studies suggest that too positive or only 5-star reviews becomes suspicious and the consumer may become sceptical, thereby excessively positive reviews can ultimately drive negative effect (Mudambi and Schuff, 2010).

Nonetheless, the restaurant has though gained very satisfactory ratings, and reviews status compare to the other two restaurants. The average reviews are 184 in four different platforms meanwhile average rating is 4.6 stars out of 5 (see [Table 2](#)), which is just as perfect as it may require to attract new customers. Higher rating signals that the company is trustworthy, popular or more reputable.

In a way, TripAdvisor along with Google and Facebook reviews are helping them to acquire new customers without spending a penny for its promotions. Customers are endorsing and recommending others to try their meal, which is promotional (peer-to-peer) marketing (Zhang *et al.*, 2010). In addition to that, Restaurant Bhancha ranked top 14 restaurants in Copenhagen in TripAdvisor platform (See

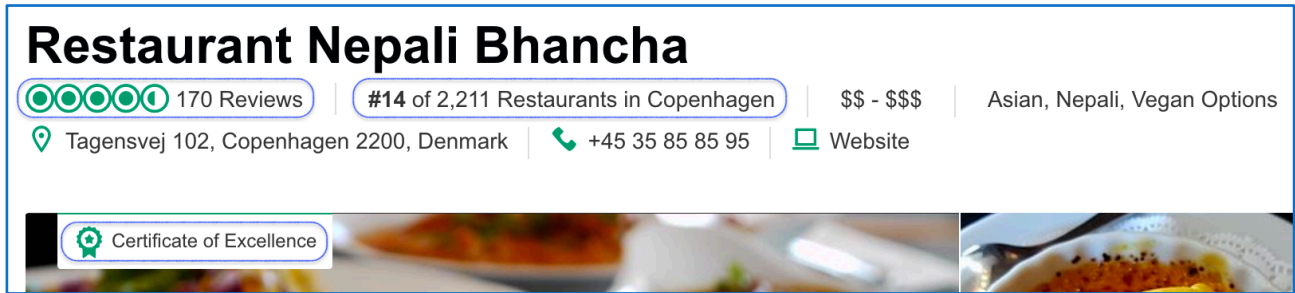


Figure 17) and appears at least first or second page of the search result in other search platforms, which also has a significant impact on customer acquisition, as consumers look reputed companies for avoiding uncertainties.

For that, Restaurant Bhancha was actively involved in all types of associated platforms as of business establishment and gained 80% customers via those platforms. Secondly, the management team was keen to provide the best customer experience, that means maintaining their standards high, thirdly customers were encouraged to share experiences in review platforms.

Similarly, referring to the case company 2; Restaurant Himalaya has adopted digital platforms latterly and started to generated traffic (35%) via those platforms. The restaurant gained 4.0 rating in TripAdvisor with 49 reviews, Facebook 4.6 with 53, Google 4.3 with 47 reviews, Just-eat 4.2 with 30 reviews. This indicates that Google and Just-eat platform ratings in-lines with the (Maslowska, Malthouse and Bernitter, 2017)'s research, while TripAdvisor has under perfect rating scale and Facebook's average ratings have slightly surpassed the theory of perfect purchase likelihood. Having said that some extremely positive reviews are not problematic as long as it contains some moderate (or negative) reviews that help to sort out possible scepticism (ibid). Restaurant Himalaya has nevertheless an average rating score of 4.3 that meets our respondents' preferred rating threshold (ratings between 4-5).

Although the restaurant located in the heart of the tourist attraction, good rating score, i.e. 4.3 out of 5, however not having enough customer reviews (see Table 2) could be the reason that restaurant does not attract as many customers as it should. In average 44 reviews in 4 platforms seem not being much active in the platforms while business was started more than a decade ago. Even Just-eat platform had only a few handfuls of reviews (30 reviews, joined in the platform 2016) as compared to Restaurant Bhancha (322 reviews, enlisted in the platform 2015) and DanAsia (199 reviews, enlisted in the platform 2016). Studies have shown that the number of review postings is evidently correlated with the product/service performance (Zhang *et al.*, 2010).

This shows that being slow adaptor or passive in digital platforms may impact on overall business performance. According to the interview, the management team have just started taking initiation on customers involvement and encouraged for sharing opinions in online platforms.

Despite being new in the market, the third case company (DanAsia) made the presence in various online platforms as of business establishment and was able to acquire some customers (50%) through these platforms. Danasia has not yet displayed Facebook reviews, This would impact on their conversion, as having no reviews to having some reviews will experience a higher conversion rate. For instance, joint research by (Power Reviews, 2015) and (Northwestern Univeristy, 2016) findings show 270% increase in conversion rate of a product while displaying reviews in the website than not having reviews at all. Similarly, the first five reviews have the most significant impact on online conversion, and more reviews are the better for conversion(ibid). Just-eat (rating 3.8) and Hungry (rating 3.9) are the local finder though contain below the rating score of perfect purchase likelihood (4.2-4.5) theory. From this result, it can be concluded that DanAsia is still struggling to maintain its quality, and improve rating scores.

Review sites have impacted service industries along with new start-ups. According to Philip Mortensen (rating and review specialist), the positive reviews support long-term customer acquisition as well as customer retention, while negative reviews are helpful to maintain and improve services. The research by (Villanueva, Yoo and Hanssens, 2004) supports the similar conclusion, where users reviews have the significant impact on the customer acquisition on the growth of customer equity, i.e. the long-term firm value.

Advertisement/promotion is the source for customer acquisition, and online consumer reviews become one of the highly trusted forms of advertising. More than two-thirds of consumers use online reviews as a source of advertisement inspiration (Nielsen, 2015). Meanwhile, 68% of the consumers are willing to leave a review if asked by the service provider (Bright Local, 2017). Additionally, in our survey, even 70% have posted online reviews on tourist services. There is the tendency of 48% of customers visit a company's website after reading positive reviews, and 23% even visit the business premises (Shrestha, 2018).

6.2.2 Customer retention

Continues customer satisfaction could lead customers to keep engage as a loyal customer. Usually, satisfied customers provide a higher rating and positive review whereas dissatisfied one provides a lower rating and negative review. The rating scale 1-2 contains mostly disappointments, while 3 is considered moderate and 4-5 star rating contains mostly positive messages (Mudambi and Schuff, 2010; Lafky, 2014; Nieto, Hernández-Maestro and Muñoz-Gallego, 2014). The content of the messages is valuable as they could contain warnings, awareness, spread positivity, recommendations and endorsements which is crucial for customer retention.

Nonetheless, companies can collect these messages, organize and analyse them to improve their mistakes and address the issues raised by the customers.

The data shows that majority of the respondents leave reviews when they are extremely satisfied or dissatisfied with the services, which means the dissatisfied consumers are the one, company needs to take special care to understand reviewer's intention, attitude, and their disappointments.

The case company 1 (Restaurant Bhancha) is one of the examples that acquires not only new customer but also keeping satisfied customers engage and convert them into loyal customers. It has been noted that there are several satisfied customers, repeatedly visited the restaurant and recommended other customers on various social review sites (see Figure 16). That signals the satisfied customers are reoccurring and spread positive eWOM, which is beneficial to retain even more customers. The review sites especially Facebook (4.8), Google (4.6), TripAdvisor and Just-eat both (4.5) have the higher ratings and positive reviews that have helped to retain customers as customers shared positive messages of the service they offered. This also indicates that overall excellent service performance, and thereby customers satisfaction is high. Overall, it can be seen Nepali Bhancha gaining a better online reputation as it was able to maintain its service quality.

The restaurant has a high volume of reviews, within it there is the existence of negative reviews. The management team respond to negative reviews and discard the positive one, as they lack time to respond to every review. The management team initiate with the identification of the customer by tracing their order, then they prefer telephone communication to understand their disappointments in details, as it is quick and can be detailed. If the telephone is not available, they write an email to the customers. As customer disappointment understood, they offer compensation as per level of disappointment, for instance, 50% discounts for next purchase. According to the interview, it was understood this technique has helped to regain some of the disappointed customers.

Another case company 2 (Restaurant Himalaya) is not able to collect sufficient reviews though managed to keep rating score above average (4.3). The business joined TripAdvisor platform in 2008 and just able collected 49 reviews; similarly, it joined Facebook and Google in 2013 and able to obtain 53 and 47 respectively.

The management is passive on online reviews platforms since it did not take any action, particularly responding to reviews. There could be though several factors that did not allow to gather a high volume of reviews. For instance, the customer flow might be quite minimal; customers are not encouraged to post reviews, management is not aware of the consequences of customer feedback etc.

The third case company (DanAsia), unable to gather desirable ratings and reviews (see Table 3). It has obtained average rating 4.1 stars, which is though below than threshold rating by the theory of perfect purchase

likelihood (rating 4.2-4.5 stars). The business was able to gather ratings in Google 4.2 with 13 reviews, Just-eat 3.8 with 199, Hungry 3.9 with 25 reviews and TripAdvisor 4.5 with just 2 reviews. Google and TripAdvisor cannot provide the proper evaluation result as they contain less than 20 reviews. From the data, it understood that the business is struggling and have many disappointed customers especially in the Just-eat and Hungry platform (see an example in Figure 21). In this case, both review quantity and quality are significance to provide purchase confidence to new as well as repeating customers.

To address customer issues, the management team take the only initiation for the customers who are extremely disappointed. The customer who left neutral and positive feedback was ignored, as management team does not have resources to handle the situation. The management team trace the customer orders in those platforms and make a phone calls to understand their extreme disappointments. As it followed the issues, the team offers a free meal for the next visit.

Being a new start-up, the restaurant has faced many challenges from the beginning, where they had to change their entire business strategy in accordance with the online customer feedbacks. They had improved their service quality and even altered the restaurant menu as per customer reviews, by then improved rating scores reviews volume as well. Improved service quality has helped them to survive and keep their customer remain.

An unhappy customer influence other faster than a satisfied customer. Research shows 34% of consumers are likely to leave a review after they had the negative experience (see [Appendix 1.2](#)), in contrast, only 28% write after the positive experience. Companies should resolve any issues raised by the customer would retain 45% customer back (see [Appendix 1.2](#)). Management responses are critical activities in service industries. Hence practice of responding public customer reviews became an inevitable strategy for companies to maintain their online reputation (Li *et al.*, 2013). Responding to online reviews carefully (in sweet tone) adds credibility while it shows a responsible company. Furthermore, the study by (Kwok and Xie, 2016) shows responding to negative reviews by management team brings positive effect. Besides, consumers are also anxious to get their responses on time, expecting a reasonable response to address the problems they have raised in case of the negative review. As mentioned in the case of Restaurant Himalaya, the consequences of not being able to address and respond to consumer reviews are significant. Studies show that 45 percent of customers are more likely to visit the business if they hear back from the business of their critical reviews (see [Appendix 1.2](#)). Similarly, a study by (Ye *et al.*, 2008) found that a hotel that provides managerial responses increases 60% more online bookings than a similar hotel that ignores online reviews. Related research by (Chan and Guillet, 2011) found that lack of interaction between customers and hotel management on review sites hindered on building customer loyalty and consequently earning future business. Sensing and responding online reviews eventually increases customer interactions and thereby increases is conversion rate.

According to digital marketing strategist, negative reviews that are not only answered but also not being timely and wisely responded can give a negative signal to other customers and in-turns it damages the company's reputation. Both positive and negative reviews affect the company's online reputation, and thereby impact on revenue generation. Certain strategies can lead to increase company's ratings and reviews. According to review and rating specialist, investing resources to improve product and service quality can result in positive product/service experience, and thereby increases better ratings and reviews. According to (Proserpio and Zervas, 2014), hotels that started respond to reviews in TripAdvisor regularly increased their ratings by 0.12 stars and 12% increase in the review volume. Not just responding to reviews matters, but it also matters the way reviews are responded. Reviews responded professionally are more likely to attract and retain customers (Kwok and Xie, 2016).

6.2.3 Customer extension:

Online reviews are useful tools to understand customer needs, and thereby develop newer services. Customer extension can be done by introducing a new product or service to the existing customers. In this scenario, the customer would be eager to try the extended product and service. This can be only possible if the customers are very satisfied and loyal to the companies' existing product and services.

DanAsia has extended their service offerings as of consumer feedback started to popped. The restaurants had added new service (dinner menu) that have increased customer flow.

Restaurant Bhancha utilizes online reviews to understand if there are newer type of demand. Usually, the management team, for instance, initiates to develop a newer services if customers have expressed a need for new dining experiences. Besides that, online reviews became useful to see the effect of newly initiated services, that can eventually assist whether the service should continue or stop.

6.3 Business model development for platform providers

The platform providers always could analyse the activities of the reviewers, needs of the business, and market trends to deliver new offers for the market. The customer voice and their needs expressed in customer feedback can help to identify new demand. Customer feedback is one of the great sources of the new product development, which means new business models could be developed.

As more than 95% consumer depends on the online reviews for their purchase decision, it can be assumed that online review systems fit every corner of the e-commerce business. Having said that, existing businesses may innovate their services while newer start-ups may emerge. Nonetheless, review platforms may facilitate their business development process by studying online reviews.

STOF model, i.e. service design, technological design, organizational design and finance design, could be the basis for how platform providers can be inspired from consumer-generated feedback and company's needs.

6.3.1 Service design

The research has been shown that understanding customer needs is an essential part of business development, where online reviews play a significant role. Our findings shows, the majority of the online consumers and their buying process are influenced by the opinions expressed by peer reviewers and companies can utilize those opinions to improve their customer relationship management.

As the modern economy is shifting from push to pull strategy, the platform providers can also inspired by the online reviews to create value for companies and end-users. In order to do so, platform providers have to create new services or innovate existing services meanwhile be better than competitors offer (Bouwman, Vos and Haaker, 2008).

Opinion mining facilitates companies with the customer relationship management and brand valuation. Additionally, the feedback information facilitate them to estimate predictions and assist managers to make inform decisions. As per expert interview (see Rating and reviews specialist) and literature (Xu *et al.*, 2011; Bucur, 2014, 2015), the following services could be developed, that ultimately creates value to end users as well as companies.

Online reviews help to understand customer needs, and

- *Features designs and development*

Customers always seek for a convenient way of interactions. Platform providers have possibilities to design and develop systems and features that facilitate innovative interaction platforms.

- *Sentiment analysis*

Consumer opinions contains a variety of information, detecting and extracting them can be valuable knowledge for the companies. For instance, determination of customer sentiment in newly launched services is a way to identify the success of these services, which is beneficial for companies decision support activity (Bucur, 2015). Sentiment analysis facilitates these tasks, which is the new way of understanding end-users' needs and expectations.

6.3.2 Technological design

The technological design is a complex stage as it requires extensive analysis of each application while designing and developing a complete system. The analysis is therefore scoped within the surface analysis of the online review domain. Platform application itself an important application that consists of a number of applications

with users roles and management, data security, application security, device security, etc. Platform interlinks consumer (end-users) and companies, where interactions have to flow seamlessly.

The growing concern of consumer deception by fraudulent and unethical business practice, consumer are required to be protected in the platform with such activities (Malbon, 2013). There is growing attempts to manipulate reviews by the firms to increase their sales (Hu *et al.*, 2012). The late issue faced by review platform systems is, therefore, fake reviews, and the way to detect it. Platform providers suffer from bias reviews as a major technological challenge, as mentioned 20-30% of reviews count fake (see section 3.2.2.3). According to Philip Mortensen (review and rating specialist), the biggest challenges for the platform provider is to detect bias reviews and eliminate from the system, as they impact on consumers trust.

Both humans and algorithms can make mistakes while detecting deceptive reviews. These days most of the renowned review sites implemented different processes to identify and report by flagging such reviews found fraudulent or illegitimate. This is not though considered an efficient and best practice. A system that monitors, detect, notify, and eventually eliminate from the system could be a great technological advantage for the platform provider.

(Ott *et al.*, 2011) have found the way to detect deceptive reviews where 90% of the fake reviews could be detected. They have used three specific techniques to achieve this goal. Text categorization (classifying the opinions into labels as either deceptive or trustful), then detect psycholinguistic deception (to find the psychological effects of lying, i.e. distance between negative emotion and phycological instance) and identification of problem genre, which is to find the deceptive (imaginative) or trustful (informative) information.

Such fraudulent practice has impacted consumers buying decisions as well as, along with a strong consumer protection law, the technological solutions (fraud detection techniques) are vital to be implemented(Dohse, 2013; Malbon, 2013).

6.3.3 Organizational design

There must be many entities working together, since the platform business is depended on the various stakeholder, the organizational design must be critical. Most of the freemium business are dependent for revenue generation on the features created and sold out to the companies, for instance, business intelligence tools. So the platform providers are more dependent on the companies who buy the tools to be used. Meanwhile, end-users are encouraged to use the platform. The organization has to have at least a management team is required to deploy for handling online reviews, i.e. monitoring, gathering, organizing and analysing reviews, and finally responding to them.

6.3.4 Finance design

A large scale of user-generated-reviews is unstructured data and therefore challenges marketers to make use of it straightaway. The challenges are among collection, store and process them effectively. (Bucur, 2015) explains *“...In this context is becoming important to have an automated system for collecting and processing data, capable of presenting to users relevant information”*(Bucur, 2015).

Understanding consumer needs through their feedbacks; the platform owner can identify possible new revenue streams by continuously evolving the systems and new features.

As reviews sites generate value through interactions, whereas these interactions interpreted via business intelligence tools. The following revenue sources are discussed.

6.3.4.1 Business intelligence tools

Consumer opinions contain a variety of information that could be used in opinion mining and sentiment analysis to design and develop business intelligence systems for companies (Bucur, 2014). Consumer opinions contain people's sentiments, attitudes, or emotions towards specific entities in the form of unstructured data. The platform provider can organize them and extract useful knowledge to determine different patterns, which is also called sentiment analysis or opinion mining(Fang and Zhan, 2015).

Platform providers have opportunities to bring new values to both consumers as well as marketers by identifying their needs. Companies are always seeking the better way to engage with their customers. The CRM tools are great to optimize SEO, conversion tools and communicative tools to solve customers' issues efficiently. Online management tools can advise service provider to respond to online reviews based on the nature of review (specifically negative reviews) (Sparks and Bradley, 2017).

Platform providers can analyse the sentiment of the reviewers and module specific strategic tools to handle those consumers variety of expressions. These tools might beneficial to increase customer lifetime value.

6.3.4.2 System to monitor online reviews

System provider, on the other hand can innovate their system and add values to their customers. Platform providers have to engage with the consumers (reviewers) as well as with the companies (marketers). Consumers participation is one of the essential in two-sided network, where they need motivations to engage in the platform. More essential tools, such as a mobile app that sends notifications to review as of visiting places could be greater way to encourage consumer participation, where consumers are encouraged to submit reviews regularly instead they seek businesses in the platform only when they are satisfied or dissatisfied with their recent experience.

6.4 Summary of the analysis

The rapid development of web 2.0 application has enabled interactions between consumers and companies. A substantial number of online consumers incorporate with peer-reviews and ratings while making their purchase decision. Consumer became aware and equally like to seek and contribute opinions in online review platforms. Review evaluation factors, i.e. review quality, quantity and credibility plays a role while making a purchase decision based on online reviews. Consumers analyse various information sources (multiple review sites) to find relevant information about the desired product/service, evaluate rating score and review volume while evaluating a product/service and leave feedback based on the expected and perceived desire of service experience. The mostly affected buying stages by online reviews are information search, evaluate and select, and post-purchase behaviours.

The conversion through online platforms is 80, 35 and 50 percent for restaurant Bhancha, Himalaya and DanAsia respectively, which supports the online performance of their services. Restaurant Bhancha is very active in social media sites and gains enormous popularity, while restaurant generates 80% of total customer flow; similarly DanAsia is new but trying all possible online platforms to attract new customers and it has eventually gained 50% of customers via those platforms. Similarly, the Restaurant Himalaya gained 35% of customers as it is least active in those platforms.

Online reviews have facilitated decision support in the case company. A company that understand how consumers use new media particularly web 2.0 applications in their purchase decision can develop integrated communication strategies to ease the consumers buying process, and thereby increase conversion rate. One of the important aspects of modern communication is consumers are saturated around the web, where omnichannel (mix-channel) is required to support the changing phase of communication channels. Customers leave feedbacks and reviews everywhere possible or in those sites where they actively participate, such as social networking sites Facebook, Google, Instagram, and other third-party review sites TripAdvisor, Trustpilot, Just-eat and so on. All of the case company perceived the value of online reviews to some extent though they lack indeed strategical and managerial implement.

Online reviews are the good source to identify problems and engage with the valuable customers. Online reviews are helpful tools to understand how customers feel newly initiated services as well as any improvement needed. Understanding customer needs, sensing and responding customer feedbacks and reviews are equally important in the CRM activities. Based on those feedbacks companies can make important decisions, for instance, assessment of impacts and decision of service development and innovation, and improve customer relationships and correct service failures.

Review quantity and quality can have the significant impact on consumer behaviour and thereby conversion. Via CRM applications companies can track customer behaviour (review valence) to gain insight into customer preferences and their ever-evolving needs.

Consumers care about the rating status of a company, which reflect the company's brand value. The rating facilitates companies to acquire as well retain customer as it signals the company's overall standard. Companies can use online reviews not only to acquire new customers, but also keep existing customers with them, and eventually to drive them to become loyal customers. Customer satisfaction becomes the key to success of customer retention, while satisfied customers deliver positive eWOM messages. The positive messages will attract new customers which eventually increase and reinforce customer loyalty, and thereby increase online conversion.

At last, platform providers have opportunities to investigate the growing demand of online reviews platform business, as every type of e-commerce business required a certain degree of evaluation before adding a product in the cart. Massively generated user-contents becomes big data, where platform provider have opportunities to extract, analyse and develop a new type of services using opinion mining techniques.

Chapter VII

Discussion/suggestion and conclusion

The chapter raised the discussion about three key player of online review ecosystem and the way they make decisions of their interest.

The discussion part is followed by the suggestion for future research and the restriction and limitation during the research process. Finally, the conclusion section outlined the research conclusion.

The chapter consist of:

- ❖ Discussion
- ❖ Suggestion for the future research
- ❖ Research limitation
- ❖ Conclusion

7 Discussion

7.1 Decision by consumers

The enormous popularity of the internet (web 2.0) has enabled eWOM on social media and thereby facilitated information seeking and sharing among online communities. Online reviews became a meaningful way to evaluate a product or service, which eventually facilitate on purchase decision process.

Having said that theories of trust in the internet always seem vital issues that strangers leave opinions and their intentions are unknown. Although the majority of consumers have the willingness to help others buyers, there might always be certain interest groups for different purposes, for example, getting incentives for positive reviews. Consumers are therefore required to pay close attention to the dimensionality of online reviews, for instance, the comments by other reviewer and their motivations. As researchers suggest, the role played by positive reviews are less significant than negative (Phillips *et al.*, 2017). Negative reviews would have a stronger message, and the influence is higher. It can also be added that most of the companies would like to avoid negative reviews and substitute them with positive to build a stronger online reputation. Companies may eventually want to hide negative side of their business.

While searching for information, consumers are suggested seeking third-party review sites rather than companies own sites. The researcher found that third-party reviews are more likely authentic than companies own sites. The third-party review system host many companies online reviews, where companies do not have control over. Companies can easily manipulate reviews on their favour if reviews are hosted by themselves.

7.2 Decision by service providers

The importance of online reviews are proven to facilitate companies to improve customer relationships. Having said that, it is essential to analyse the components of online reviews more in-depth to extract the usefulness of it. Positive reviews are seen to encourage service providers while negative reviews push companies to do better jobs. Companies should yet understand the reviewer's motivation and behaviours while making strategic decisions. For instance, researchers have shown reviewer who is self-motivated to post reviews without being promoted by the companies are more likely to leave extreme, i.e. more often negative opinions (Power Reviews, 2015; Northwestern Univeristy, 2016).

Service providers are required to adopt multi-channel communications where companies need to develop strategies to handle online customers feedback that would eventually help to boost conversion. Online review sites enable two-way communication where management can efficiently respond to reviews response. Management responses are essential to solve service related issues and recover and re-gain service failure that would eventually increase consumer recommendation probability (Xie, Zhang and Zhang, 2014).

Some company hesitate to displays reviews on the website as they seem not performing well enough, that may, however, impact on customer acquisition as well as retention. Consumers want to get the certain impression before visiting service providers or purchasing goods and services online.

Companies not having any strategic management that takes action regarding online reviews may not realize the consequences as well as opportunities. Social media online reviews provide the cost-effective way to listen to customers voice, understand their behaviours and eventually facilitate to gain competitive advantages for companies (Phillips *et al.*, 2017).

From the case companies, it is understood that companies have major managerial challenges as well as reputation management issues. To gain maximum benefits with customer relationship management process, it can be suggested that companies need to pay special attention to identifying consumer reviews on various platforms, continuously access their impact on consumer purchasing decision, business reputations and business profitability.

7.3 Decision by the platform provider

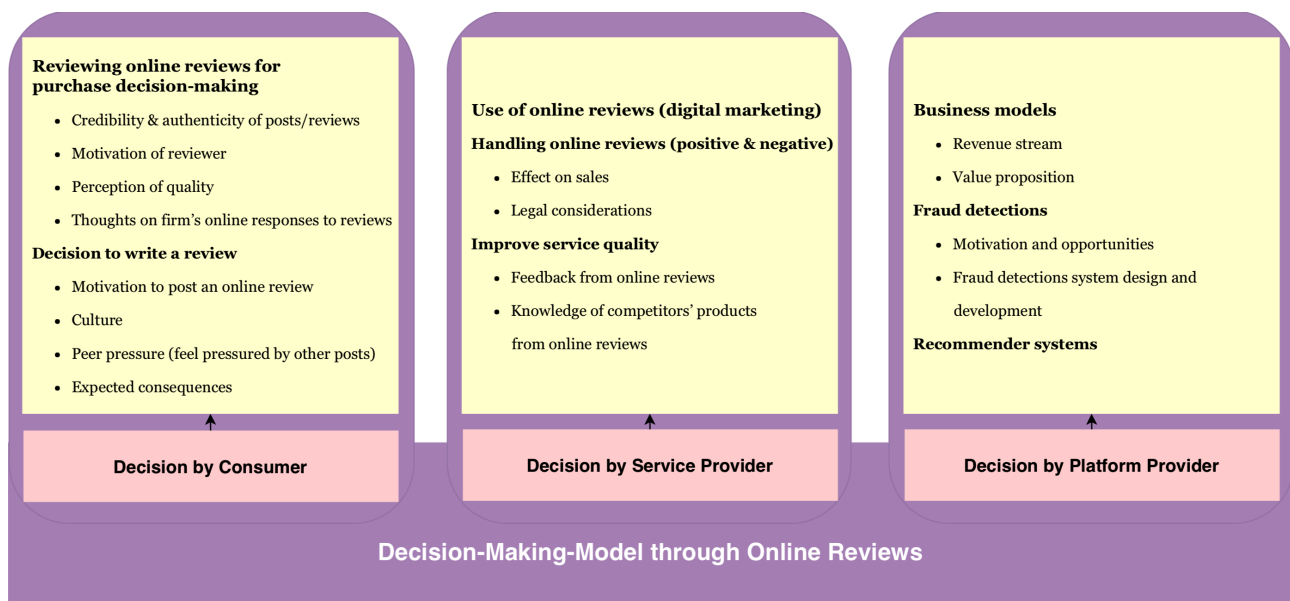
Ever increasing consumer demands is the driven force for business development, so is platform businesses. Review platforms are also required to adapt pull strategy where consumer feedback play the significant role on creating values, which will add value to platform businesses that are dependent on the network effect. The rise of social media and newer way of interactions between consumer to consumer or peer-to-peer and consumer to business or vice-versa presents exciting opportunities for the new innovators and entrepreneurs.

Online reviews have facilitated consumers to democratize content for sharing and added new relational dynamics between companies and consumers. Since this shifts have allowed new forms of intermediaries that would potentially create newer revenue streams.

7.4 Suggestions for future research

Despite the numerous studies within online reviews domain, the focus is more on the consumer parts rather than companies and the platform providers. Meanwhile, it lacks a stand-alone model that could easily understand the ecosystem of online reviews by its interest groups.

The following conceptual model is intended to cover and fill the missing gap of the issue mentioned above and taken as an organizing model for decision making through online reviews by its interest groups. The idea is to understand, 'how these interest groups perceived online reviews and make decisions based on those reviews'.



Having said that, the previous research has primarily focused on the consumer part while some of the efforts have made on the company side, though not necessarily focusing on the customer relationship management. A very little studies can be seen on the platform side. But all of them are standalone research, which does not touch on online review ecosystem. Modelling elements of online reviews based on the ecosystem and basing the investigation would be interesting future research area.

8 Research limitation

The study has numbers of limitation. At first, the nature of online reviews is the multi-dimensional and broad area. Besides, the research aimed to unfold the ecosystem of online reviews which consists of threefold, i.e. consumer, companies (service) provider and platform providers. There have been a number of studies on consumer part; however, service providers and platform providers part lack the studies, that makes almost new research domain. Moreover, the following limitations have been identified on each topic.

Consumer surveys and interviews:

First of all, all survey and interviews participants could have been higher in sample size. Secondly, it could have been better to scope research questionnaires by narrowing down to meet the research objectives. It could have been better if consumer surveys and interviews could specifically be targeted only for the decision-making process, more specifically just for five stages of the consumer buying process, rather diverging to cover broader perspectives.

Case company and selection:

More case companies could have been better for the result, let's assume at least 10. It could have been selected better-established restaurants for case studies that are existed a bit longer in the market. It would have better to record ratings and reviews status in time-interval with corresponding financial data that might better reflect impacts. For the future research, it can be suggested that keeping rating and review statistics for the specified time interval and consequently measure the effects.

The case company lacks several data, for instance, financial data. It couldn't be possible to obtained financial data, which could be compared and measured the financial impact on the businesses that would eventually reflect possible effect by online reviews. Some degree of financial impact could be understood as expressed by the restaurant owners in the interview, and this wouldn't be thought sufficient to judge and conclude.

Furthermore, none of the case companies have responded online reviews strategically, and they do not have any strategic and managerial planning, no tools were used to measure traffic source, revenue source, etc. that has brought no conclusion, which was not expected. The effect of online reviews could not be measured adequately as they lack managerial tools and planning that would eventually facilitate to measure and analyse, for instance, the impact before and after reviews were responded. Hence this exploratory study may not accurately and properly reflect the companies making a decision based on online reviews.

Platform providers:

The preliminary plan to interview with the platform providers was not succeeded, where the gap was fulfilled in the surface by rating and review specialist, so the bias may exist, and there may not have the specific conclusion on business model development part. It could not obtain sufficient data from the secondary interview (Rating and review expert). It would have given better insight results with the associated experts rather than other experts.

9 Conclusion

The research aimed to establish online reviews ecosystem, identify the key players, and investigate how those key players perceived online reviews to make their decisions.

The first part of the research was to investigate, if online reviews have facilitated consumer buying decisions, more specifically, the stages of the consumer buying decision process. The result shows that three out of five stages (information search, evaluate and select, and post-purchase behaviors) of the consumer buying decision process have influenced by the online reviews. Consumers give special attention to the third stage (evaluate and select) of the consumer buying process. Consumers perceive online reviews to avoid uncertainties that may occur in e-commerce and feel best possible purchase experience.

Similarly, the second part of the research was to investigate, if online reviews have influenced customer relationship management (CRM) process of a company. The result shows that online reviews can benefit companies if they actively participate on those platforms. For instance, case company 1 (Restaurant Bhancha) was active on the review platform, and thereby benefited on all of CRM activities, i.e. customer acquisition, retention and extension. Similarly, a new start-up company (DanAsia) was benefited by the online reviews to improve its customer relationship management process.

The last part of the research was to investigate if online reviews have influenced the business model development process to platform providers. It can be concluded that online reviews facilitate some part of the business development process, most importantly service, technology and finance design domain.

10 References

- Alexa (no date) *Alexa Top 500 Global Sites*. Available at: <https://www.alexa.com/topsites> (Accessed: 28 June 2018).
- Andrews, J. (2015) 'Amazon sues 1,114 people for leaving fake reviews – 5 ways to spot the real ones - Mirror Online', *Mirror*. Available at: <https://www.mirror.co.uk/money/shopping-deals/amazon-sues-1114-people-leaving-6631819> (Accessed: 1 July 2018).
- Arevalo, M. (2017) *How Do Online Reviews Impact Businesses? Find Out Pros and Cons*. Available at: <https://www.brightlocal.com/2017/03/15/the-impact-of-online-reviews/> (Accessed: 13 April 2018).
- Attorney General of USA (2013) 'A.G. Schneiderman Announces Agreement With 19 Companies To Stop Writing Fake Online Reviews And Pay More Than \$350,000 In Fines | New York State Attorney General'. Available at: <https://ag.ny.gov/press-release/ag-schneiderman-announces-agreement-19-companies-stop-writing-fake-online-reviews-and> (Accessed: 29 June 2018).
- Babić Rosario, A., Sotgiu, F., De Valck, K. and Bijmolt, T. H. A. (2016) 'The Effect of Electronic Word of Mouth on Sales: A Meta-Analytic Review of Platform, Product, and Metric Factors', *Journal of Marketing Research*, 53(3), pp. 297–318. doi: 10.1509/jmr.14.0380.
- Bambauer-Sachse, S. and Mangold, S. (2011) 'Brand equity dilution through negative online word-of-mouth communication', *Journal of Retailing and Consumer Services*. Pergamon, 18(1), pp. 38–45. doi: 10.1016/J.JRETCONSER.2010.09.003.
- Baruh, L. (2010) *Social Media Marketing: Web X.O of Opportunities*. doi: 10.4018/978-1-60566-368-5.ch004.
- Belleflamme, P. and Peitz, M. (2018) 'Inside the Engine Room of Digital Platforms : Reviews , Ratings , and Recommendations Inside the engine room of digital platforms ', (06).
- Belton, P. (2015) 'Navigating the potentially murky world of online reviews - BBC News', *BBC*. Available at: <https://www.bbc.com/news/business-33205905> (Accessed: 29 June 2018).
- Berger, J. (2012) *Bad Reviews Can Boost Sales. Here's Why*, *Harvard Business Review*. Available at: <https://hbr.org/2012/03/bad-reviews-can-boost-sales-heres-why> (Accessed: 28 June 2018).
- Berger, J., Sorensen, A. T. and Rasmussen, S. J. (2010) 'Positive Effects of Negative Publicity: When Negative Reviews Increase Sales', *Marketing Science*. doi: 10.1287/mksc.1090.0557.
- Berthon, P. R., Pitt, L. F., Plangger, K. and Shapiro, D. (2012) 'Marketing meets Web 2.0, social media, and creative consumers: Implications for international marketing strategy', *Business Horizons*, 55, pp. 261–271. doi: 10.1016/j.bushor.2012.01.007.
- Bouwman, H., Faber, E., Haaker, T., Kijl, B. and De Reuver, M. (2008) 'Conceptualizing the STOF model', in *Mobile Service Innovation and Business Models*. Berlin, Heidelberg: Springer Berlin Heidelberg, pp. 31–70. doi: 10.1007/978-3-540-79238-3_2.
- Bouwman, H., Reuver, M. De, Solaimani, S., Daas, D., Haaker, T., Janssen, W., Iske, P. and Walenkamp, B. (2012) 'Business Models Tooling and a Research Agenda Harry', *25th Bled eConference*, (July 2012), pp. 1–28. Available at: http://aisel.aisnet.org/bled2012_special_issue/7/.
- Bouwman, H., Vos, H. de. and Haaker, T. (2008) *Mobile service innovation and business models*. Springer.
- Bright Local (2017) *Local Consumer Review Survey | The Impact Of Online Reviews*. Available at: <https://www.brightlocal.com/learn/local-consumer-review-survey/> (Accessed: 29 June 2018).

- Bucur, C. (2014) 'Opinion Mining Platform for Intelligence in Business', *Economic Insights – Trends and Challenges*, 3(3), pp. 99–109.
- Bucur, C. (2015) 'Using Opinion Mining Techniques in Tourism', *Procedia Economics and Finance*. Elsevier, 23, pp. 1666–1673. doi: 10.1016/S2212-5671(15)00471-2.
- Burn-Callander, R. (2015) *Bad reviews and online 'trolls' cost UK businesses up to £30,000 a year*, *Telegraph*. Available at: <https://www.telegraph.co.uk/finance/businessclub/11635195/Bad-reviews-and-online-trolls-cost-UK-businesses-up-to-30000-a-year.html> (Accessed: 28 April 2018).
- Chaffey, D. (2014) *Digital Business and E-Commerce Management*. 6th edn. Pearson. Available at: <http://catalogue.pearsoned.co.uk/educator/product/Digital-Business-and-ECommerce-Management-6E/9780273786542.page>.
- Chaffey, D., Ellis-Chadwick, F., Mayer, R. and Johnston, K. (2009) *Internet Marketing: Strategy, Implementation and Practice*, Practice.
- Chan, N. L. and Guillet, B. D. (2011) 'Investigation of Social Media Marketing: How Does the Hotel Industry in Hong Kong Perform in Marketing on Social Media Websites?', *Journal of Travel & Tourism Marketing*. Taylor & Francis Group, 28(4), pp. 345–368. doi: 10.1080/10548408.2011.571571.
- Chatterjee, P. (2001) 'Online reviews: Do consumers use them?', in *Advances in Consumer Research*, Vol Xxviii, pp. 129–133.
- Chen, Y.-F. and Law, R. (2016) 'A Review of Research on Electronic Word-of-Mouth in Hospitality and Tourism Management', *International Journal of Hospitality & Tourism Administration*. Routledge, 17(4), pp. 347–372. doi: 10.1080/15256480.2016.1226150.
- Chen, Y. (2017) *Confessions of a paid Amazon review writer - Digiday*, *Digiday*. Available at: <https://digiday.com/marketing/vendors-ask-go-around-policy-confessions-top-ranked-amazon-review-writer/> (Accessed: 30 June 2018).
- Chen, Y., Xie, J., Author, M., Chen, Y. and Xie, J. (2008) 'Online Consumer Review: Word-of-Mouth as a New Element of Marketing Communication Mix', *Management Science*, 54(3), pp. 477–491. doi: 10.1287/mnsc.1070.0810.
- Cheung, C. M.-Y., Sia, C.-L. and Kuan, K. K. Y. (2012) 'Is This Review Believable? A Study of Factors Affecting the Credibility of Online Consumer Reviews from an ELM Perspective', *Journal of the Association for Information Systems*, 13(8), pp. 618–635. Available at: <http://search.ebscohost.com/login.aspx?direct=true&db=buh&AN=87717498&site=ehost-live>.
- Chevalier, J. A. and Mayzlin, D. (2006) 'The Effect of Word of Mouth on Sales: Online Book Reviews', *Journal of Marketing Research*, 43(3), pp. 345–354. doi: 10.1509/jmkr.43.3.345.
- Chu, S. C. and Kim, Y. (2011) 'Determinants of consumer engagement in electronic Word-Of-Mouth (eWOM) in social networking sites', *International Journal of Advertising*, 30(1), pp. 47–75. doi: 10.2501/IJA-30-1-047-075.
- Clemons, E. K., Gao, G. 'Gordon' and Hitt, L. M. (2006) 'When Online Reviews Meet Hyperdifferentiation', *Journal of Management Information Systems*. doi: 10.2753/MIS0742-.
- Constantinides, E. and Fountain, S. J. (2008) 'Web 2.0: Conceptual foundations and marketing issues', *Journal of Direct, Data and Digital Marketing Practice*. Palgrave Macmillan UK, 9(3), pp. 231–244. doi: 10.1057/palgrave.ddmp.4350098.
- Constantinides, E. and Holleschovsky, N. I. (2016) 'Impact of Online Product Reviews on Purchasing Decisions', in *Proceedings of the 12th International Conference on Web Information Systems and Technologies*. SCITEPRESS - Science and Technology Publications, pp. 271–278. doi: 10.5220/0005861002710278.
- Crawford, A. (2015) 'Fake online reviews "for sale" - BBC News'. BBC. Available at: <https://www.bbc.com/news/av/business-33186836/fake-online-customer-reviews-for-sale-bbc-finds> (Accessed: 29 June 2018).

- Despot, I., Ljevak Lebeda, I. and Tomašević, N. (2015) ‘“Freemium” business models in publishing. New packaging for the needs of readers in the digital age’, *Libellarium: journal for the research of writing, books, and cultural heritage institutions*, 8(1), p. 81. doi: 10.15291/libellarium.v8i1.216.
- Do Yelp Reviews Really Affect Businesses | Yelp Reputation Management - YouTube* (2015) Anthea May SEO. Available at: <https://www.youtube.com/watch?v=N3xdDoaSDz8> (Accessed: 28 June 2018).
- Dohse, K. A. (2013) ‘Fabrication Feedback: Blurring the Line between brand Management and Bogus Reviews’, *Journal of Law, Technology & Policy*, 1, pp. 363–392. Available at: <http://illinoisjltip.com/journal/wp-content/uploads/2013/12/Dohse.pdf> (Accessed: 18 April 2018).
- Estanyol, E. (2012) ‘Marketing, public relations, and how Web 2.0 is changing their relationship: A qualitative assessment of PR consultancies operating in Spain’, *Public Relations Review*, 38(5), pp. 831–837. doi: 10.1016/j.pubrev.2012.04.006.
- European Commission (2014) *Study on online consumer reviews in the hotel sector*. doi: 10.2772/32129.
- European Commission, Floyd, P., Nwaogu, T., Simittchieva, V., Whittle, M. and Richardson, M. (2014) *Study on online consumer reviews in the hotel sector*. doi: 10.2772/32129.
- Fang, X. and Zhan, J. (2015) ‘Sentiment analysis using product review data’, *Journal of Big Data*. Springer International Publishing, 2(1), p. 5. doi: 10.1186/s40537-015-0015-2.
- Gallegos, J. A. (2017) *6 Clever Ways to Drive New Revenue Opportunities with Social Media Content | Social Media Today*. Available at: <https://www.socialmediatoday.com/news/6-clever-ways-to-drive-new-revenue-opportunities-with-social-media-content/506527/> (Accessed: 28 June 2018).
- Gartner (2012) *Gartner Says By 2014, 10-15 Percent of Social Media Reviews to Be Fake, Paid for By Companies*, Gartner Inc. Available at: <https://www.gartner.com/newsroom/id/2161315> (Accessed: 18 April 2018).
- Gligorijevic, B. and Leong, B. (2011) ‘Trust, reputation and the small firm: building online brand reputation for SMEs’, *Proceedings of the Fifth International AAAI Conference on Weblogs and Social Media*, pp. 494–497. Available at: <https://pdfs.semanticscholar.org/17f2/28fb7c3020ad8cd8cc086e657457d5954b04.pdf> (Accessed: 28 April 2018).
- Gunden, N. (2017) ‘How Online Reviews Influence Consumer Restaurant Selection’. Available at: <http://scholarcommons.usf.edu/etd> (Accessed: 3 May 2018).
- Gupta, P. and Harris, J. (2010) ‘How e-WOM recommendations influence product consideration and quality of choice: A motivation to process information perspective’, *Journal of Business Research*, 63(9–10), pp. 1041–1049. doi: 10.1016/j.jbusres.2009.01.015.
- Hanna, R., Rohm, A. and Crittenden, V. L. (2011a) ‘No Title’, *Business Horizons*. Elsevier, 54(3), pp. 265–273. Available at: <https://www.sciencedirect-com.zorac.aub.aau.dk/science/article/pii/S0007681311000243> (Accessed: 25 April 2018).
- Hanna, R., Rohm, A. and Crittenden, V. L. (2011b) ‘We’re all connected: The power of the social media ecosystem’, *Business Horizons*. Elsevier, 54(3), pp. 265–273. doi: 10.1016/J.BUSHOR.2011.01.007.
- Hennig-Thurau, T., Gwinner, K. P., Walsh, G. and Gremler, D. D. (2004) ‘Electronic word-of-mouth via consumer-opinion platforms: What motivates consumers to articulate themselves on the Internet?’, *Journal of Interactive Marketing*, 18(1), pp. 38–52. doi: 10.1002/dir.10073.
- Hu, N., Bose, I., Koh, N. S. and Liu, L. (2012) ‘Manipulation of online reviews: An analysis of ratings, readability, and sentiments’, *Decision*

Support Systems, 52(3), pp. 674–684. doi: 10.1016/j.dss.2011.11.002.

Huang, P., Lurie, N. H. and Mitra, S. (2009) 'Searching for Experience on the Web: An Empirical Examination of Consumer Behavior for Search and Experience Goods', *Journal of Marketing*, 73(2), pp. 55–69. doi: 10.1509/jmkg.73.2.55.

Hudson, S. and Thal, K. (2013) 'The Impact of Social Media on the Consumer Decision Process: Implications for Tourism Marketing', *Journal of Travel & Tourism Marketing*. doi: 10.1080/10548408.2013.751276.

Institute for the future (EMC) (2015) 'The Information Generation: Transforming the Future, Today'. Available at: http://www.iftf.org/fileadmin/user_upload/downloads/ourwork/ITF_Outlook_Report_FINAL.pdf (Accessed: 12 April 2018).

Ismagilova, E., Dwivedi, Y. K., Slade, E. and Williams, M. D. (2017) *Electronic Word of Mouth (eWOM) in the Marketing Context A State of the Art Analysis and Future Directions*, *SpringerBriefs in Business*. Cham: Springer International Publishing (SpringerBriefs in Business). doi: 10.1007/978-3-319-52459-7.

Kannan, P. K. and Li, H. "Alice" (2017) 'Digital marketing: A framework, review and research agenda', *International Journal of Research in Marketing*, 34(1), pp. 22–45. doi: 10.1016/j.ijresmar.2016.11.006.

Kaplan, A. M. and Haenlein, M. (2010) 'Users of the world, unite! The challenges and opportunities of Social Media', *Business Horizons*, 53(1), pp. 59–68. doi: 10.1016/j.bushor.2009.09.003.

Kietzmann, J. and Canhoto, A. (2013) 'Bittersweet! Understanding and Managing Electronic Word of Mouth', *Journal of Public Affairs*, 13(2), pp. 146–159. doi: 10.1002/pa.1470.

Koh, N. S., Hu, N. and Clemons, E. K. (2010) 'Do online reviews reflect a product's true perceived quality? An investigation of online movie reviews across cultures', *Electronic Commerce Research and Applications*, 9(5), pp. 374–385. doi: 10.1016/j.elerap.2010.04.001.

Korfiatis, N., García-Bariocanal, E. and Sánchez-Alonso, S. (2012) 'Evaluating content quality and helpfulness of online product reviews: The interplay of review helpfulness vs. review content', *Electronic Commerce Research and Applications*. Elsevier, 11(3), pp. 205–217. doi: 10.1016/J.ELERAP.2011.10.003.

Kotler, P. (2000) 'Marketing Management , Millenium Edition', *Marketing Management*, 23(6), pp. 188–193. doi: 10.1016/0024-6301(90)90145-T.

Kwok, L. and Xie, K. L. (2016) 'Factors contributing to the helpfulness of online hotel reviews', *International Journal of Contemporary Hospitality Management*. Emerald Group Publishing Limited , 28(10), pp. 2156–2177. doi: 10.1108/IJCHM-03-2015-0107.

Lackermair, G., Kailer, D. and Kanmaz, K. (2013) 'Importance of Online Product Reviews from a Consumer's Perspective', *Advances in Economics and Business*, 1(1), pp. 1–5. doi: 10.13189/AEB.2013.010101.

Lafky, J. (2014) 'Why do people rate? Theory and evidence on online ratings', *Games and Economic Behavior*, 87, pp. 554–570. doi: 10.1016/j.geb.2014.02.008.

Learmonth, M. (2012) 'As Fake Reviews Rise, Yelp, Others Crack Down on Fraudsters | Digital - Ad Age', *Adage*. Available at: <http://adage.com/article/digital/fake-reviews-rise-yelp-crack-fraudsters/237486/> (Accessed: 29 June 2018).

Levy, S. E., Duan, W. and Boo, S. (2013) 'An Analysis of One-Star Online Reviews and Responses in the Washington, D.C., Lodging Market', *Cornell Hospitality Quarterly*, 54(1), pp. 49–63. doi: 10.1177/1938965512464513.

Li, X., Brynjolfsson, E., Hauser, J., Madnick, S., Tucker, C., Simester, D. and Zhang, J. (2013) 'How Does Online Reputation Affect Social Media Endorsements and Product Sales? Evidence from Regression Discontinuity Design', pp. 1–54. Available at:

<http://www.krannert.purdue.edu/academics/MIS/workshop/2014/xitong.pdf>.

Luca, M. (2011) 'Reviews, Reputation, and Revenue: The Case of Yelp.Com', *SSRN Electronic Journal*. doi: 10.2139/ssrn.1928601.

Malbon, J. (2013) 'Taking Fake Online Consumer Reviews Seriously', *J Consum Policy*. Springer US, 36(2), pp. 139–157. doi: 10.1007/s10603-012-9216-7.

Mangold, W. G. and Faulds, D. J. (2009) 'Social media: The new hybrid element of the promotion mix', *Business Horizons*, 52(4), pp. 357–365. doi: 10.1016/j.bushor.2009.03.002.

Maslowska, E., Malthouse, E. C. and Bernritter, S. F. (2017) 'Too good to be true: the role of online reviews' features in probability to buy', *International Journal of Advertising*. Routledge, 36(1), pp. 142–163. doi: 10.1080/02650487.2016.1195622.

Mayzlin, D., Dover, Y. and Chevalier, J. (no date) 'Promotional Reviews: An Empirical Investigation of Online Review Manipulation'. Available at: <https://www.marshall.usc.edu/sites/default/files/mayzlin/intellcont/MCD1104-1.pdf> (Accessed: 31 January 2018).

Menko, R. A., Visser, S., Janssen, R., Hettinga, M. and Haaker, T. (2013) 'Applying the STOF Business Model Framework in eHealth Innovations', *eTELEMED 2013: The Fifth International Conference on eHealth, Telemedicine, and Social Medicine*, (c), pp. 108–113. Available at: https://www.researchgate.net/publication/259289191_Applying_the_STOF_Business_Model_Framework_in_eHealth_Innovations (Accessed: 28 June 2018).

Meuter, M. L., McCabe, D. B. and Curran, J. M. (2013) 'Electronic Word-of-Mouth Versus Interpersonal Word-of-Mouth: Are All Forms of Word-of-Mouth Equally Influential?', *Services Marketing Quarterly*. doi: 10.1080/15332969.2013.798201.

Mihm, D. (2017) *Moz - Local Search Ranking Factors Study 2017 - Local SEO | Moz*, Moz.com. Available at: <https://moz.com/local-search-ranking-factors#local-pack-finder-ranking-factors> (Accessed: 30 August 2018).

Moe, W. W. and Schweidel, D. A. (2012) 'Online Product Opinions: Incidence, Evaluation, and Evolution', *Marketing Science*. doi: 10.1287/mksc.1110.0662.

Mudambi, S. M. and Schuff, D. (2010) 'What makes a helpful online review? A study of customer reviews on Amazon. com', *MIS Quarterly*, 34(1), pp. 185–200. doi: Article.

Murray-Sykes, H. (2016) *6 reasons to opt for a closed review system | Reevo*, Reevo.com. Available at: <https://blog.reevo.com/6-reasons-you-should-opt-for-a-closed-review-system/> (Accessed: 2 July 2018).

Musser, J. and O'Reilly, T. (2007) *Web 2.0: principles and best practices*. O'Reilly Media. Available at: https://books.google.dk/books/about/Web_2_0.html?id=MeM2AQACAAJ&redir_esc=y (Accessed: 27 April 2018).

Nielsen (2015) 'Global Trust in Advertising Report: Winning Strategies for an Evolving Media Landscape', *Nielsen Insights*, 1(September), pp. 1–22. Available at: <http://www.nielsen.com/content/dam/corporate/us/en/reports-downloads/2015-reports/global-trust-in-advertising-report-sept-2015.pdf>.

Nieto, J., Hernández-Maestro, R. M. and Muñoz-Gallego, P. A. (2014) 'Marketing decisions, customer reviews, and business performance: The use of the Toprural website by Spanish rural lodging establishments', *Tourism Management*. Pergamon, 45, pp. 115–123. doi: 10.1016/J.TOURMAN.2014.03.009.

Northwestern University (2016) 'From Reviews to Revenue', 3, pp. 1–17. Available at: http://spiegel.medill.northwestern.edu/_pdf/Online_Reviews_Whitepaper.pdf.

- Öğüt, H. and Onur Taş, B. K. (2012) 'The influence of internet customer reviews on the online sales and prices in hotel industry', *The Service Industries Journal*. Routledge, 32(2), pp. 197–214. doi: 10.1080/02642069.2010.529436.
- Osterwalder, A. and Pigneur, Y. (2010) *Business Model Generation: A Handbook for Visionaries, Game Changers, and Challengers*, A handbook for visionaries, game changers, and challengers. doi: 10.1523/JNEUROSCI.0307-10.2010.
- Ott, M., Choi, Y., Cardie, C. and Hancock, J. T. (2011) 'Finding Deceptive Opinion Spam by Any Stretch of the Imagination', pp. 309–319. doi: 10.1145/2567948.2577293.
- Papathanassis, A. and Knolle, F. (2011) 'Exploring the adoption and processing of online holiday reviews: A grounded theory approach', *Tourism Management*. Pergamon, 32(2), pp. 215–224. doi: 10.1016/J.TOURMAN.2009.12.005.
- Parikh, A. A. (2013) *User-generated restaurant reviews: examining influence and motivations for usage*.
- Park, D.-H. and Lee, J. (2008) 'eWOM overload and its effect on consumer behavioral intention depending on consumer involvement', *Electronic Commerce Research and Applications*. Elsevier, 7(4), pp. 386–398. doi: 10.1016/J.ELERAP.2007.11.004.
- Park, D.-H., Lee, J. and Han, I. (2007) 'The Effect of On-Line Consumer Reviews on Consumer Purchasing Intention: The Moderating Role of Involvement', *International Journal of Electronic Commerce*, 11(4), pp. 125–148. doi: 10.2753/JEC1086-4415110405.
- Park, S.-Y. and Allen, J. P. (2013) 'Responding to Online Reviews', *Cornell Hospitality Quarterly*, 54(1), pp. 64–73. doi: 10.1177/1938965512463118.
- Peachey, K. (2015) 'Online reviews "used as blackmail" - BBC News', *BBC*. Available at: <https://www.bbc.com/news/business-33184207> (Accessed: 29 June 2018).
- Perner, L. (2010) 'Information Search and Decision Making', *Marshall School of Business University of Southern California*, pp. 1–5. Available at: http://www.consumerpsychologist.com/cb_Introduction.html.
- Pesce, N. L. (2017) *This is exactly how many reviews it takes to get someone to buy something*, *Moneyish.com*. Available at: <https://moneyish.com/ish/this-is-exactly-how-many-reviews-it-takes-to-get-someone-to-buy-something/> (Accessed: 1 August 2018).
- Peterson, R. A. and Merino, M. C. (2003) 'Consumer Information Search Behavior and the Internet', *Psychology and Marketing*, pp. 99–121. doi: 10.1002/mar.10062.
- Phillips, P., Barnes, S., Zigan, K. and Schegg, R. (2017) 'Understanding the Impact of Online Reviews on Hotel Performance', *Journal of Travel Research*. SAGE PublicationsSage CA: Los Angeles, CA, 56(2), pp. 235–249. doi: 10.1177/0047287516636481.
- Pinch, T. and Kesler, F. (2011) 'How Aunt Ammy Gets Her Free Lunch: A Study of the Top- Thousand Customer Reviewers at Amazon.com', *New York*. doi: 10.1.1.474.3695.
- Piotrowicz, W. and Cuthbertson, R. (2014) 'Introduction to the Special Issue Information Technology in Retail: Toward Omnichannel Retailing', *International Journal of Electronic Commerce*, 18(4), pp. 5–15. doi: 10.2753/JEC1086-4415180400.
- Pophal, L., May, W., Pdf, H., Mayne, L., Brock, H., Bieberstein, I., Challenges, C., Myron, D., Hansen, R., Sia, S. K., Tompkins, B. J., Ground, U. P. S., International, T., Piotrowicz, W., Cuthbertson, R., Bates, S., Bankston, B. K., Demands, O., Saucier, T. J., Maboudian, R., Snow, R., Howell, K., S, S. K., To, H. O. W., Customer, E., Expectations, S., On-demand, I. N. A. N., World, D., Bajorek, J., Insights, D. C., Express, A., Barometer, C. S., Think, V., Of, I. N. T., In, C. T., Sluis, B. Y. S., Bell, B. D. R., Gallino, S., Moreno, A., Brynjolfsson, E., Hu, Y. J., Rahman, M. S., Trends, M. and Watch, S. T. O. (2015) 'Competing in the Age of Omnichannel Retailing', *MIT Sloan Management Review*. doi: 10.1017/CBO9781107415324.004.

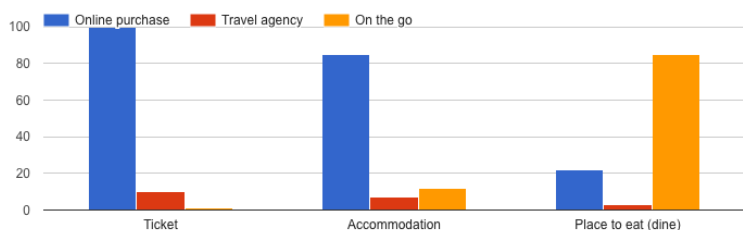
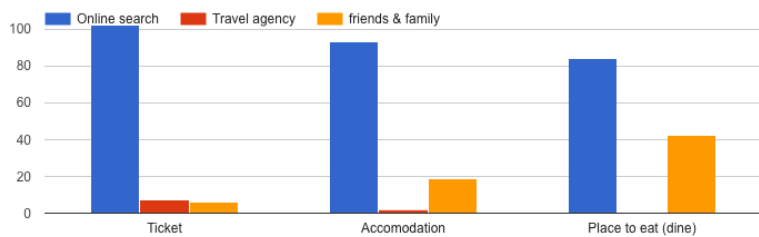
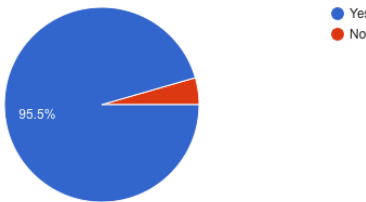
- Porter, M. E. (2001) 'Strategy and the Internet.', *Harvard Business Review*. doi: 10.1108/eb025570.
- Powell, D., Yu, J., DeWolf, M. and Holyoak, K. J. (2017) 'The Love of Large Numbers: A Popularity Bias in Consumer Choice', *Psychological Science*. SAGE PublicationsSage CA: Los Angeles, CA, 28(10), pp. 1432–1442. doi: 10.1177/0956797617711291.
- Power Reviews (2015) 'From Reviews to Revenue'. Available at: http://spiegel.medill.northwestern.edu/_pdf/Online_Reviews_Whitepaper.pdf.
- Price, W. (2017) *The Economics of a Bad Review [Infographic] | Social Media Today, Social Media Today*. Available at: <https://www.socialmediatoday.com/news/the-economics-of-a-bad-review-infographic/511795/> (Accessed: 20 August 2018).
- Proserpio, D. and Zervas, G. (2014) 'Online Reputation Management: Estimating the Impact of Management Responses on Consumer Reviews', *Ssrn*. doi: 10.2139/ssrn.2521190.
- Puccinelli, N. M., Goodstein, R. C., Grewal, D., Price, R., Raghubir, P. and Stewart, D. (2009) 'Customer Experience Management in Retailing: Understanding the Buying Process', *Journal of Retailing*. JAI, 85(1), pp. 15–30. doi: 10.1016/j.jretai.2008.11.003.
- Purnawirawan, N., De Pelsmacker, P. and Dens, N. (2012) 'Balance and Sequence in Online Reviews: How Perceived Usefulness Affects Attitudes and Intentions', *Journal of Interactive Marketing*. Elsevier, 26(4), pp. 244–255. doi: 10.1016/j.intmar.2012.04.002.
- RepUvue (no date) *Online Restaurant Reviews Significantly Impact Business | REPUVUE*. Available at: <https://repuvue.com/2016/12/online-restaurant-reviews-significantly-impact-business/> (Accessed: 3 May 2018).
- Schröder, S. (2012) *A business model approach to Web 2.0*. Available at: http://studenttheses.cbs.dk/bitstream/handle/10417/2987/sebastian_schroeder.pdf?sequence=1 (Accessed: 6 February 2018).
- Schuckert, M., Liu, X. and Law, R. (2015) 'Hospitality and Tourism Online Reviews: Recent Trends and Future Directions', *Journal of Travel & Tourism Marketing*. Routledge, 32(5), pp. 608–621. doi: 10.1080/10548408.2014.933154.
- Shao, J., Li, Z. and Hu, M. (2014) 'The impact of online reviews on consumers' purchase decisions in online shopping', in *2014 International Conference on Management Science & Engineering 21th Annual Conference Proceedings*. IEEE, pp. 287–293. doi: 10.1109/ICMSE.2014.6930242.
- Shrestha, K. (2018) *50 Important Stats You Need to Know About Online Reviews [Infographic], Vendasta Blog*. Available at: <https://www.vendasta.com/blog/50-stats-you-need-to-know-about-online-reviews> (Accessed: 29 June 2018).
- Singh, J. P., Irani, S., Rana, N. P., Dwivedi, Y. K., Saumya, S. and Kumar Roy, P. (2017) 'Predicting the "helpfulness" of online consumer reviews', *Journal of Business Research*. doi: 10.1016/j.jbusres.2016.08.008.
- Smith-Squire, A. (2015) *Patient who posted bad review of B Dental on Yelp sued for £125k by practice | Daily Mail Online, Mailonline*. Available at: <http://www.dailymail.co.uk/news/article-2934801/Patient-posted-bad-review-dentist-Yelp-sued-125-000-practice-legal-slammed-poor-substitute-customer-service.html> (Accessed: 28 June 2018).
- Sparks, B. A. and Bradley, G. L. (2017) 'A "Triple A" Typology of Responding to Negative Consumer-Generated Online Reviews', *Journal of Hospitality & Tourism Research*. SAGE PublicationsSage CA: Los Angeles, CA, 41(6), pp. 719–745. doi: 10.1177/1096348014538052.
- Sparks, B. A., So, K. K. F. and Bradley, G. L. (2016) 'Responding to negative online reviews: The effects of hotel responses on customer inferences of trust and concern', *Tourism Management*. Pergamon, 53, pp. 74–85. doi: 10.1016/j.tourman.2015.09.011.
- Sridhar, M., Ratchford, B. T. and Talukdar, D. (1997) 'Consumer Information Empirical Search Analysis Revisited : Theory and Empirical Analysis', *Journal of Consumer Research*.

- Stubkjaer, J. F. (2015) *eWOM and the existence of fake reviews*. Available at: <http://studenttheses.cbs.dk/handle/10417/5122> (Accessed: 23 July 2018).
- Sun, M. (2012) 'How Does the Variance of Product Ratings Matter?', *MANAGEMENT SCIENCE*, 58(4), pp. 696–707. doi: 10.1287/mnsc.1110.1458.
- Teece, D. J. (2010) 'Business Models, Business Strategy and Innovation', *Long Range Planning*. Pergamon, 43(2–3), pp. 172–194. doi: 10.1016/J.LRP.2009.07.003.
- TripAdvisor (2017) *About TripAdvisor*, *TripAdvisor.mediaroom.com*. Available at: <https://tripadvisor.mediaroom.com/us-about-us%0Ahttps://tripadvisor.mediaroom.com/us-about-us%0Ahttps://tripadvisor.mediaroom.com/> (Accessed: 1 July 2018).
- Valant, J. (2015) *Online consumer reviews: The case of misleading or fake reviews*, *European Parliamentary Research Service*. Available at: <http://www.eesc.europa.eu/resources/docs/online-consumer-reviews---the-case-of-misleading-or-fake-reviews.pdf> (Accessed: 6 February 2018).
- Villanueva, J., Yoo, S. and Hanssens, D. M. (2004) 'The Impact of Acquisition Channels on Customer Equity', *Ssrn*, 45(1), pp. 48–59. doi: 10.2139/ssrn.459200.
- De Vos, H. and Haaker, T. (2008) 'The STOF Method', in *Mobile Service Innovation and Business Models*. Berlin, Heidelberg: Springer Berlin Heidelberg, pp. 115–136. doi: 10.1007/978-3-540-79238-3_5.
- Walther, J. B., Liang, Y. J., Ganster, T., Wohn, D. Y. and Emington, J. (2012) 'Online Reviews, Helpfulness Ratings, and Consumer Attitudes: An Extension of Congruity Theory to Multiple Sources in Web 2.0', *Journal of Computer-Mediated Communication*. Wiley/Blackwell (10.1111), 18(1), pp. 97–112. doi: 10.1111/j.1083-6101.2012.01595.x.
- Xie, K. L., Zhang, Z. and Zhang, Z. (2014) 'The business value of online consumer reviews and management response to hotel performance', *International Journal of Hospitality Management*. Pergamon, 43, pp. 1–12. doi: 10.1016/j.ijhm.2014.07.007.
- Xu, K., Liao, S. S., Li, J. and Song, Y. (2011) 'Mining comparative opinions from customer reviews for Competitive Intelligence', *Decision Support Systems*, 50(4), pp. 743–754. doi: 10.1016/j.dss.2010.08.021.
- Yaylc, A. and Bayram, M. (2012) 'e-WOM: the effects of online consumer reviews on purchasing decisions', *International Journal of Internet Marketing and Advertising*, 7(1), p. 51. doi: 10.1504/IJIMA.2012.044958.
- Ye, Q., Gu, B., Chen, W. and Law, R. (2008) 'Measuring the Value of Managerial Responses to Online Reviews - A Natural Experiment of Two Online Travel Agencies', *ICIS 2008 Proceedings*, p. 115. Available at: <http://aisel.aisnet.org/icis2008/115>.
- You, W., Xia, M., Liu, L. and Liu, D. (2012) 'Customer knowledge discovery from online reviews', *Electron. Mark.* doi: 10.1007/s12525-012-0098-y.
- Zhang, K. Z. K., Zhao, S. J., Cheung, C. M. K. and Lee, M. K. O. (2014) 'Examining the influence of online reviews on consumers' decision-making: A heuristic–systematic model', *Decision Support Systems*, 67, pp. 78–89. doi: 10.1016/j.dss.2014.08.005.
- Zhang, Z., Ye, Q., Law, R. and Li, Y. (2010) 'The impact of e-word-of-mouth on the online popularity of restaurants: A comparison of consumer reviews and editor reviews', *International Journal of Hospitality Management*. Pergamon, 29(4), pp. 694–700. doi: 10.1016/j.ijhm.2010.02.002.

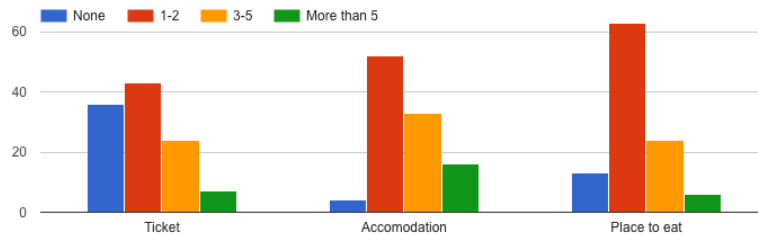
Appendices

❖ Survey results and highlights:

➤ Primary survey:

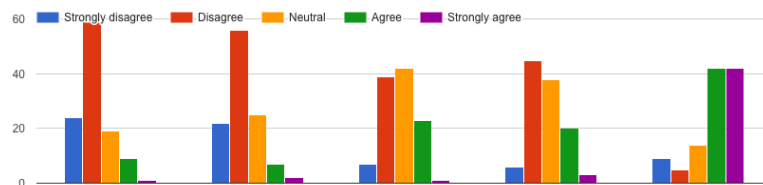
Buying process (information search and purchase)																	
<p>1. How did you buy your past or recent holiday (ticket, accommodation, food)?</p>  <table><thead><tr><th>Category</th><th>Online purchase</th><th>Travel agency</th><th>On the go</th></tr></thead><tbody><tr><td>Ticket</td><td>95%</td><td>5%</td><td>0%</td></tr><tr><td>Accommodation</td><td>85%</td><td>5%</td><td>10%</td></tr><tr><td>Place to eat (dine)</td><td>20%</td><td>5%</td><td>75%</td></tr></tbody></table>	Category	Online purchase	Travel agency	On the go	Ticket	95%	5%	0%	Accommodation	85%	5%	10%	Place to eat (dine)	20%	5%	75%	<p>Ticket purchase- there are nearly 95% respondents who purchase online.</p> <p>Accommodation- more than 80% started to buy accommodation via internet.</p> <p>Place to eat (dine)- however contrast and nearly 80% buy food on go.</p>
Category	Online purchase	Travel agency	On the go														
Ticket	95%	5%	0%														
Accommodation	85%	5%	10%														
Place to eat (dine)	20%	5%	75%														
<p>2. Referring to question 1, how did you search information?</p>  <table><thead><tr><th>Category</th><th>Online search</th><th>Travel agency</th><th>friends & family</th></tr></thead><tbody><tr><td>Ticket</td><td>95%</td><td>5%</td><td>0%</td></tr><tr><td>Accommodation</td><td>85%</td><td>5%</td><td>10%</td></tr><tr><td>Place to eat (dine)</td><td>75%</td><td>0%</td><td>25%</td></tr></tbody></table>	Category	Online search	Travel agency	friends & family	Ticket	95%	5%	0%	Accommodation	85%	5%	10%	Place to eat (dine)	75%	0%	25%	<p>Ticket - Almost 95% make internet search .</p> <p>Accommodation- 85% search accommodation via internet.</p> <p>Place to eat (dine)- 75% make internet search and the rest 25% ask for friends and family.</p>
Category	Online search	Travel agency	friends & family														
Ticket	95%	5%	0%														
Accommodation	85%	5%	10%														
Place to eat (dine)	75%	0%	25%														
<p>3. While searching information, do you consider reading online reviews in review sites? (like: TripAdvisor, Airbnb, Yelp, Google, Facebook, etc.)</p> <p>112 responses</p>  <table><thead><tr><th>Response</th><th>Percentage</th></tr></thead><tbody><tr><td>Yes</td><td>95.5%</td></tr><tr><td>No</td><td>4.5%</td></tr></tbody></table>	Response	Percentage	Yes	95.5%	No	4.5%	<p>95% read online reviews</p>										
Response	Percentage																
Yes	95.5%																
No	4.5%																
Online review influence																	

4. How many review sites do you visit before making the final buying decision?

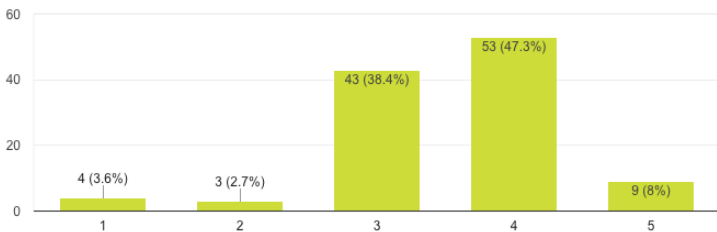
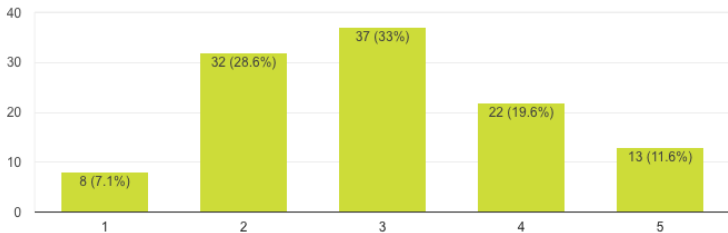
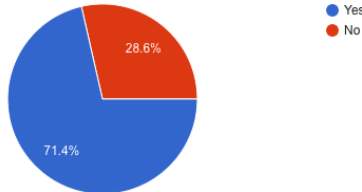


The survey reveals that majority of the respondents seek only 1-2 review sites before making a final decision. About 35% of respondents do not seek information on any review sites while 40% look for 1-2 reviews site while searching for the ticket information. Quite many respondents (30%) seek 3-5 review sites while booking an accommodation. There are just 3% and 10% who wish not seeking any review information while booking accommodation and place to eat respectively.

5. Consumers take online reviews seriously. To what extent do you agree or disagree to the following statements?

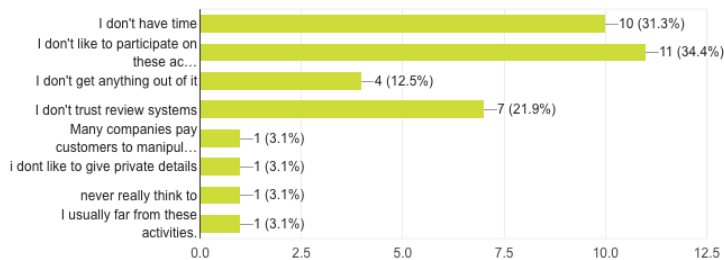


I only read positive reviews- 60% disagrees whereas 20% agrees.
 I only read negative reviews- 55% disagree whereas almost 20% even strongly disagrees.
 I read more positive than negative reviews- almost 40% are disagree and neutral
 I read more negative than positive reviews- almost 45% are disagree on reading more negative than positive reviews though 33% read more negative reviews than positive reviews.
 I think both reviews are equally important
 Almost none of the respondents neither read only positive nor only negative reviews. Similar amount of respondents (37%) read more positive than negative and vice versa.

Trust on online reviews																			
<p>6. To what extent do you trust online reviews?</p> <p>112 responses</p>  <table><tr><th>Extent</th><th>Count</th><th>Percentage</th></tr><tr><td>1</td><td>4</td><td>3.6%</td></tr><tr><td>2</td><td>3</td><td>2.7%</td></tr><tr><td>3</td><td>43</td><td>38.4%</td></tr><tr><td>4</td><td>53</td><td>47.3%</td></tr><tr><td>5</td><td>9</td><td>8%</td></tr></table>	Extent	Count	Percentage	1	4	3.6%	2	3	2.7%	3	43	38.4%	4	53	47.3%	5	9	8%	<p>Almost 57% trust higher than average trust, while 36% rated average trust. There is though very tiny percentage (6%) have low trust on the online reviews.</p>
Extent	Count	Percentage																	
1	4	3.6%																	
2	3	2.7%																	
3	43	38.4%																	
4	53	47.3%																	
5	9	8%																	
Fake reviews:																			
<p>7. How likely you are to spot fake reviews?</p> <p>112 responses</p>  <table><tr><th>Likelihood</th><th>Count</th><th>Percentage</th></tr><tr><td>1</td><td>8</td><td>7.1%</td></tr><tr><td>2</td><td>32</td><td>28.6%</td></tr><tr><td>3</td><td>37</td><td>33%</td></tr><tr><td>4</td><td>22</td><td>19.6%</td></tr><tr><td>5</td><td>13</td><td>11.6%</td></tr></table>	Likelihood	Count	Percentage	1	8	7.1%	2	32	28.6%	3	37	33%	4	22	19.6%	5	13	11.6%	<p>12% cannot spot fake reviews at all. And only 8% can easily spot it. The majority of them are in between.</p>
Likelihood	Count	Percentage																	
1	8	7.1%																	
2	32	28.6%																	
3	37	33%																	
4	22	19.6%																	
5	13	11.6%																	
<p>8. Have you ever written online reviews?</p> <p>112 responses</p>  <table><tr><th>Response</th><th>Percentage</th></tr><tr><td>Yes</td><td>71.4%</td></tr><tr><td>No</td><td>28.6%</td></tr></table>	Response	Percentage	Yes	71.4%	No	28.6%	<p>70% of respondents contributed to online reviews</p>												
Response	Percentage																		
Yes	71.4%																		
No	28.6%																		
Writing reviews																			
	<p>31% do not have time to write, and almost 38% do not like to participate on these activities, 12% don't think to write due to not getting anything out of it. 21% of respondents do not trust the review</p>																		

9. Would you mind to mention the reason for it?

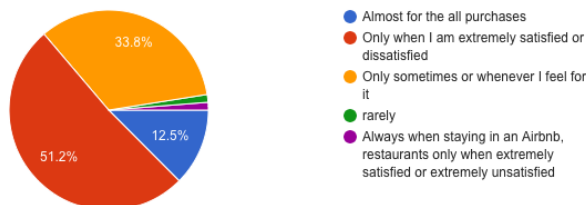
32 responses



systems. At least one of the respondents have mentioned that he/she wouldn't like to disclose his/her private information.

10. How often do you write online reviews?

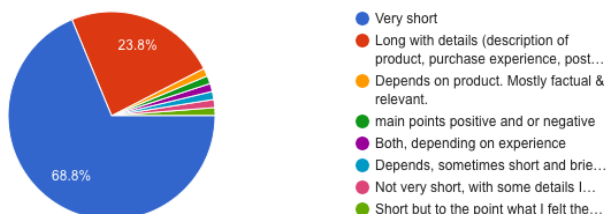
80 responses



About 50% write reviews when they are extremely satisfied or dissatisfied. Similarly, 35% write sometimes only when they feel for it.

11. What type of reviews do you often write?

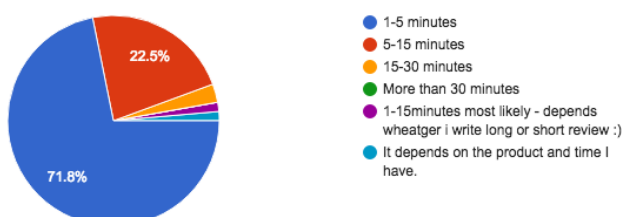
80 responses



Almost 70% respondents answered that they write short reviews.

12. How much time do you spend to write a review?

71 responses

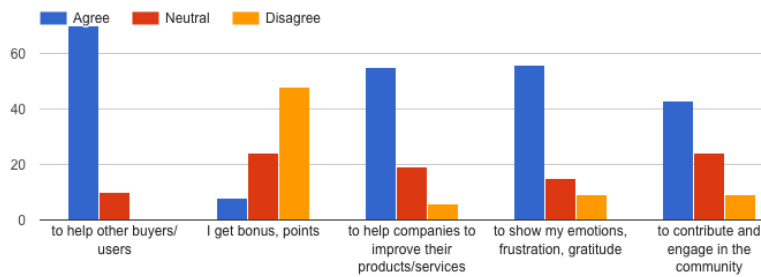


And again more than 70% spend only 1-5 minutes, and 23% 5-15 minutes. There are only very few (35) who spends 15-30 minutes.

Some even explained that it depends on the situation, sometimes it takes longer and it depends on the product and the time he/she has.

Motivational factor for writing reviews

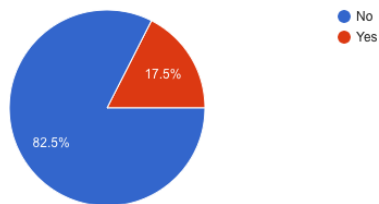
13. What motivates you to write a review?



More than half (65) respondents are agree on helping other buyers, whereas only 8 has expectation to get bonus or points. Majority of the respondents are agree on helping companies to improve their services as well. While 50% respondents agree to show their emotions, frustration and gratitude, 40% shows their interest to contribute and engage in the online community.

14. Have you ever received an enquiry (calls or emails) from companies regarding your negative reviews? (fx. to modify or delete the review)

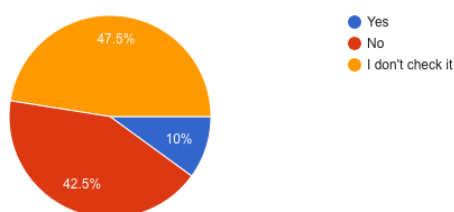
80 responses



About 80% haven't experienced it, though nearly 20% have faced this challenge.

15. Do you ever experience the deletion of the review you made earlier?

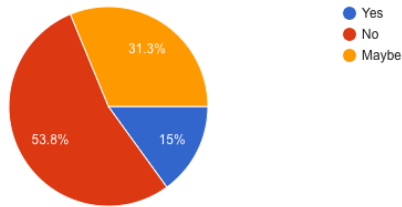
80 responses



Small percentage (10%) have experience the deletion of the reviews, while almost 50% do not check back if it has been deleted. Similarly, more than 40% have not experienced the deletion of their existing reviews.

16. Do you consider to modify or delete a review if a company offers incentives, such as free products, disco...ee ticket or meal, free voucher, etc.)

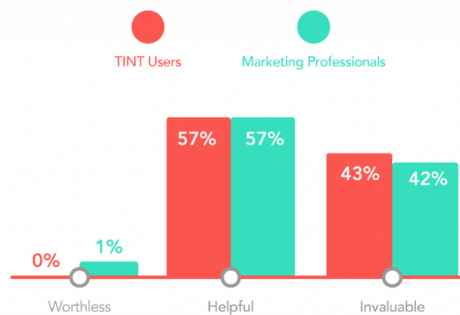
80 responses



More than 50% dislike the idea, whereas 15% feels good on the offers, likewise 30% may consider the idea.

➤ Secondary surveys:

How valuable do you think UGC is to marketers?



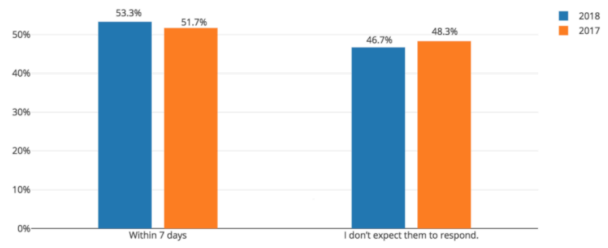
For 43% businesses think UGC is already a vital component of their marketing strategy, while 57% thinks UGC is very helpful.

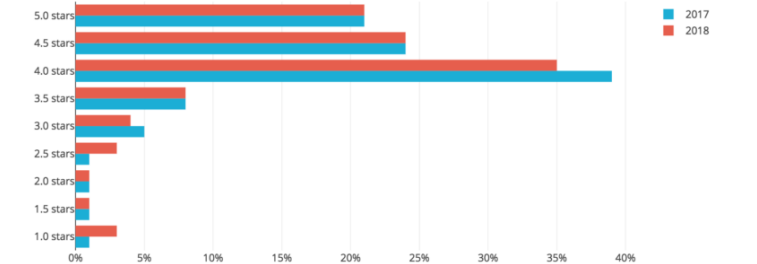
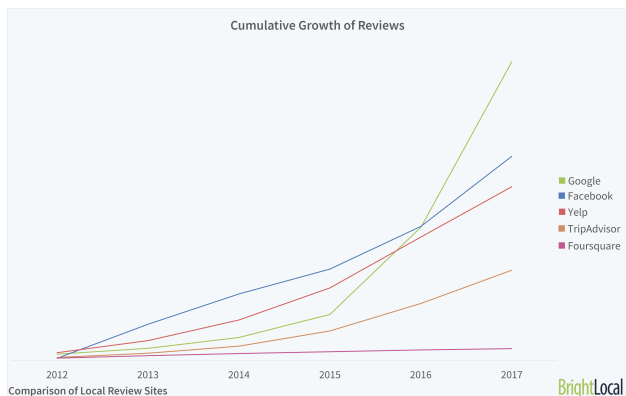
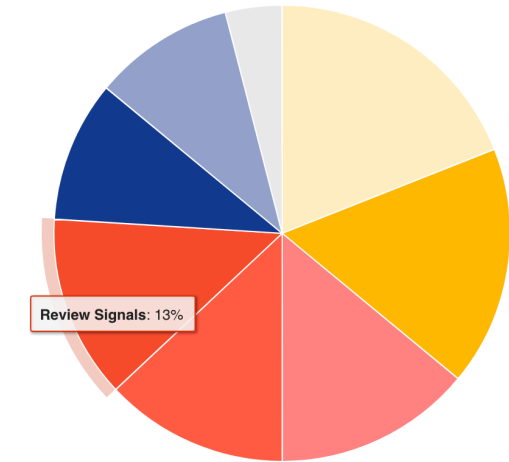
Source: Socialmediatoday.com

Which of the following review sites are you most likely to check before visiting a business?



Google is the review site of choice. 64 percent of consumers say they are likely to check online reviews on Google before purchase or visiting a business.

<p>ReviewTrackers</p> <p>How quickly do you expect a business to respond to a negative review?</p>  <table><thead><tr><th>Response Expectation</th><th>2018</th><th>2017</th></tr></thead><tbody><tr><td>Within 7 days</td><td>53.3%</td><td>51.7%</td></tr><tr><td>I don't expect them to respond</td><td>46.7%</td><td>48.3%</td></tr></tbody></table>	Response Expectation	2018	2017	Within 7 days	53.3%	51.7%	I don't expect them to respond	46.7%	48.3%	<p>More than half customer customers expect businesses to respond to their online review within a week.</p>
Response Expectation	2018	2017								
Within 7 days	53.3%	51.7%								
I don't expect them to respond	46.7%	48.3%								
<p>ReviewTrackers</p> <p>How much more likely are you to visit a local business if the business owner responds to negative reviews?</p>  <table><thead><tr><th>Response Likelihood</th><th>Percentage</th></tr></thead><tbody><tr><td>Not more likely</td><td>18.2%</td></tr><tr><td>Neutral</td><td>37.2%</td></tr><tr><td>More Likely</td><td>44.6%</td></tr></tbody></table>	Response Likelihood	Percentage	Not more likely	18.2%	Neutral	37.2%	More Likely	44.6%	<p>45 percent are more likely to visit business if they hear back from the business of their critical reviews.</p>	
Response Likelihood	Percentage									
Not more likely	18.2%									
Neutral	37.2%									
More Likely	44.6%									
<p>ReviewTrackers</p> <p>Has a negative review convinced you to avoid a business?</p>  <table><thead><tr><th>Response to Negative Review</th><th>Percentage</th></tr></thead><tbody><tr><td>Yes</td><td>94.3%</td></tr><tr><td>No</td><td>5.7%</td></tr></tbody></table>	Response to Negative Review	Percentage	Yes	94.3%	No	5.7%	<p>A very critical issue for marketers and business owners that negative reviews have convinced 94 percent of consumers to avoid a business.</p>			
Response to Negative Review	Percentage									
Yes	94.3%									
No	5.7%									
<p>ReviewTrackers</p> <p>Percent of consumers who say they are likely to leave a review after...</p>  <table><thead><tr><th>Experience Type</th><th>Percentage</th></tr></thead><tbody><tr><td>Positive experience</td><td>28%</td></tr><tr><td>Negative experience</td><td>34%</td></tr></tbody></table>	Experience Type	Percentage	Positive experience	28%	Negative experience	34%	<p>34% of consumers are likely to leave review after the negative experience than 28 percent with a positive one.</p>			
Experience Type	Percentage									
Positive experience	28%									
Negative experience	34%									

<p>The star rating I trust most is ...</p> <p>ReviewTrackers</p>  <table><caption>The star rating I trust most is ...</caption><thead><tr><th>Star Rating</th><th>2017 (%)</th><th>2018 (%)</th></tr></thead><tbody><tr><td>5.0 stars</td><td>21</td><td>21</td></tr><tr><td>4.5 stars</td><td>24</td><td>24</td></tr><tr><td>4.0 stars</td><td>38</td><td>35</td></tr><tr><td>3.5 stars</td><td>8</td><td>8</td></tr><tr><td>3.0 stars</td><td>5</td><td>5</td></tr><tr><td>2.5 stars</td><td>3</td><td>3</td></tr><tr><td>2.0 stars</td><td>1</td><td>1</td></tr><tr><td>1.5 stars</td><td>1</td><td>1</td></tr><tr><td>1.0 stars</td><td>3</td><td>3</td></tr></tbody></table>	Star Rating	2017 (%)	2018 (%)	5.0 stars	21	21	4.5 stars	24	24	4.0 stars	38	35	3.5 stars	8	8	3.0 stars	5	5	2.5 stars	3	3	2.0 stars	1	1	1.5 stars	1	1	1.0 stars	3	3	<p>Majority of the consumer seek and trust review above 4 star.</p>
Star Rating	2017 (%)	2018 (%)																													
5.0 stars	21	21																													
4.5 stars	24	24																													
4.0 stars	38	35																													
3.5 stars	8	8																													
3.0 stars	5	5																													
2.5 stars	3	3																													
2.0 stars	1	1																													
1.5 stars	1	1																													
1.0 stars	3	3																													
<p>Cumulative Growth of Reviews</p>  <p>Comparison of Local Review Sites</p> <p>BrightLocal</p>	<p>According to BrightLocal, Google became the biggest review platform, followed by Facebook, Yelp and TripAdvisor</p>																														
<p>Local Pack/Finder Ranking Factors</p>  <p>Review Signals: 13%</p> <p>Source: (Mihm, 2017)</p>	<ol style="list-style-type: none">1. My Business Signals (Proximity, categories, keyword in business title, etc.) 19%2. Link Signals (Inbound anchor text, linking domain authority, linking domain quantity, etc.) 17%3. On-Page Signals (Presence of NAP, keywords in titles, domain authority, etc.) 14%4. Citation Signals (IYP/aggregator NAP consistency, citation volume, etc.) 13%5. Review Signals (Review quantity, review velocity, review diversity, etc.) 13%6. Behavioral Signals (Click-through rate, mobile clicks to call, check-ins, etc.) 10%7. Personalization 10%8. Social Signals (Google engagement, Facebook engagement, Twitter engagement, etc.) 4%																														

--	--

❖ Consumer in-depth email interviews

1. DO YOU READ ONLINE REVIEWS BEFORE YOU MAKE A PURCHASE DECISION OF YOUR HOLIDAY (TICKET, ACCOMMODATION AND PLACE TO EAT)?

RES 1	Yes, I do read the online reviews before making online purchases.
RES 2	yes
RES 3	Yes, i read online review but only for accomodation search. For Ticket i search for price and suitable time schedule and for eating place i just chose on the go without looking any recommendation.
RES 4	It is almost always the case for me unless it is a case of daily use item such as potato, vegetables and such. Online review is part of my life whenever there is a new product, item or anything that i do not purchase regularly. It is obviously also a case for buying holiday package as you have mentioned.
RES 5	Yes , I go through reviews before i make a purchase decision . It gives us confidence in purchase as i can understand previous buyers' experience on it.
RES 6	Yes I do read online reviews, especially when I buy a product that I dont know much about .

2. WHICH SITE DO YOU READ MOST? E.G TRIPADVISOR, AIRBNB, YELP, GOOGLE, FACEBOOK OR ANY OTHERS? (IT COULD BE DIFFERENT SITES FOR DIFFERENT SERVICES).

RES 1	I use hotel.com to read the reviews about the hotels. Normally, I don't read reviews for the restaurants.
RES 2	tripadvisor
RES 3	I use mostly tripadviser whenever i need to used recommendation.,
RES 4	I normally start my search with google and momondo with accommodation option. Then i read whatever it leads me to. I never go directly to the sites you have mentioned here. I occasionally go to the homepage of hotel directly when i know i am going to stay on that specific hotel.
RES 5	It depends on my needs - I primarily use Facebook Reviews, Google Reviews, Youtube, Airbnb and Online sites.
RES 6	It depends on what I buy or search, for example I would read airbnb when I travel and need a room or an apartment, and i will check the reviews on tripadvisor when i would go to a restaurant , or check some local sites like -AOK in DK.

3. WHAT COMES IN YOUR MIND WHILE READING THOSE REVIEWS? (REVIEWS SEEMS TRUSTWORTHY, WRITTEN BY PEER REVIEWERS, INSPIRING, ETC.)

RES 1	Some seems trustworthy and some not.
RES 2	i tend to trust the reviews, but i also know by experience tha some people lie and exaggerate
RES 3	While reading reviews, i started to think are they real. If the review have detail explain, i feel more trustworthy. Some of the review are helpful and written in objective format explained that what the person think about the service about some of the review are just subjective and you can not get anything from the review.
RES 4	I read all kind of reviews. I generally look into ratings, then positive and negative comments / reviews. I always make sure to read at least some negative comment before i make my final decision. If there is no bad comment in the review section, then i simply do not believe on that side. Peer review is bit more trustworthy to me compare to other reviews.
RES 5	When i see reviews , it gives in power in making decision to buy or not to buy. One single negative review can influence my decision.
RES 6	The first -thing comes to my mind is about whether the reviews are fake or not? the more varied the reviews the more trustworthy it is to me. For example if there are so many reviews that written with same way and shows the product or place is perfect then It is not so trustworthy to me..

4. DO YOU THINK ALL THE REVIEWS CONTAIN LEGITIMATE REVIEWS?

RES 1	—
RES 2	no
RES 3	I do not think that all review are legitimate. There could be some review that business owner write themself some good word about themself or competitor write bad word about their competitor.
RES 4	—
RES 5	I think so ! I have heard that Nowadays businesses are buying Reviews but it is not difficult to sort out fake reviews personally for me as every business have positive and negative reviews.
RES 6	I dont think all the reviews have legitimacy.

4B. FOR YOU WHAT CAN BE THE FAKE REVIEWS?

RES 1	Obviously, which contradicts the service provided by the providers.
RES 2	Exaggeration by the customer
RES 3	It can be both positive and negative review.
RES 4	When comment is not constructive. For example, when somebody writes very short comment such as "fantastic seller, can recommend it", or "it is a best of the line hotel i ever come across". I also consider it as a fake review if there is more similar comment in the section. Bad language is also a sign of bad review as i do not believe people can post their true feeling when they do not know how to write properly. By constructive i mean that people should mention both positive and negative aspects emphasizing on what can they do better to summon negative part.
RES 5	Polished Reviews, Exaggerated Reviews , Inappropriate profile
RES 6	a fake review could be if one writes " the X budget airlines is so comfortable to fly with". That is fake. It is cheap but it is not comfortable, as they have very little space and old plains etc....

5. DO YOU CARE THE CONTENT OF THE REVIEWS? FOR INSTANCE, THE LANGUAGE USED, THE MOTIVATION OF THE REVIEWERS?

RES 1	Of course the quality matter because I am never going to book a hotel which has bad reviews.
RES 2	yes
RES 3	Yes, the content mean something, sometime it tell the story that we should know.
RES 4	It matters to me alot. As i have mentioned earlier also, people can not post their true review if they do not know how to write it. Motivational factors also play vital role here. People do not bother writing review unless they feel very bad, very excited or get incentive such as discount / bonus.
RES 5	I care contents of reviews . As i am student of critical analysis , i can critically analyze the language, comments and mode of writing.
RES 6	for me it is important how sincere the review is written,

5A. DOES REVIEWS QUALITY MATTERS TO YOU? VERY SHORT REVIEWS MIGHT NOT HAVE ENOUGH DESCRIPTION THAN THE LONG ONE.

RES 1	The motivation of the reviewers are equally important. It will help to distinguish how the review is formulated meaning whether the reviewer is diligent or not.
RES 2	no
RES 3	Ofcourse , quality matter, otherwise i will waste my time reading that tell nothing.
RES 4	It matters a lot to me as it denotes true nature of the service. Knowing bad aspects allows me to be prepared what not to expect or what to avoid.
RES 5	Review quality matters - sometime very short reviews also does not ensure my confidence and the other time long . I believe , genuine reviews contains detailed description.
RES 6	Yes it matters, because it does not make sense just writing "perfect or terrible" without explaining why it is "perfect or terrible".

6. DOES STAR RATING IMPACT YOUR BUYING DECISION?

RES 1	–
RES 2	yes and no
RES 3	Not really. I do not trust star rating.
RES 4	–
RES 5	–
RES 6	–

6A. DO YOU PURCHASE IF THE SERVICE PROVIDER ONLY HAS LESS THAN 1, 2 STAR? ANY REASON FOR THAT?

RES 1	Of course not, I will always aim for higher stars.
RES 2	I have it doesnt mean anything, maybe they are just new or they are not very good at sellin g themselves.
RES 3	If star is only 1-2, it make me skeptic so i have to be convince by reading very good review otherwise i will not risking to buy this product or service as i always can find other place to buy.
RES 4	I do not consider buying it unless it holds 4 star in average. Service quality is simple not good enough to consider below this.
RES 5	No , i would not buy if service provider has only 1, 2 stars . I would effort to buy new provider.
RES 6	for me there there different aspects of buying, if the product does not have many stars on the other hand has very cheap price then I can consider buying it but as i mentioned about it depends what I am looking for.

6B. DO YOU PURCHASE IF THE SERVICE PROVIDER ONLY HAS 5 STAR RATING? ANY REASON FOR THAT?

RES 1	Yes, I will always purchase the product which has 5 rating, it gives me a positive impact about the product.
RES 2	I think about it. Is it true?
RES 3	5 star rating will bring my apatee, and to make decision to purchase it also have to have good comments. It mean rating alone do nothing but it will support with reviews.
RES 4	It can be because some newly opened service provider may not have many reviews and few customers could have great experience from them. Some company can have really great service, thus can have 5 star rating.
RES 5	I would read reviews and if i feel it is genuine business , i would make purchase decision.
RES 6	not necessarily, some things can be subjective and also there other aspects to be concerned.

6C. WHAT ABOUT IF THE SERVICE PROVIDERS HAS ONLY FEW REVIEWS LISTED (LET'S SAY LESS THAN 20 REVIEWS? DOES THIS IMPACT TO YOUR BUYING DECISION?

RES 1	It depends if the reviews are good, however, it should not be less that 10.
RES 2	No, i buy it anyway.
RES 3	More review is the better but it depend how the review is written. If they have very few review and very short and descriptive like, "its very good", "its very nice", which will tell nothing and i will not bother to read more or buy their service.
RES 4	It depends. Baby companies can have fewer reviews. Or in some businesses it may not be common to write reviews. Travel agencies can be an example to this.
RES 5	It may impact my decisions if it has less reviews. If buying intensity is high , i would seek other business service provider too.
RES 6	it will not affect so much, it could be the product is new in the market, then in this case i would look at the content of the reviews.

7. DO YOU TRUST REVIEW SITES?

RES 1	I don't trust the reviews done in their own domain. For instance, a product review done on ebay can be manipulated but if it is done by trustpilot chances are low that the reviews are manipulated.
RES 2	yes
RES 3	partially.
RES 4	Not fully. Internet is full of scammer in a sense.
RES 5	Not always ! But sometime . Recently it has become issue. So it has lowered my trust .
RES 6	50/50, but i still believe it is important source to gain some information.

8. DO YOU THINK REVIEW SITES ARE ENOUGH RESPONSIBLE TO PROVIDE TRANSPARENT AND AUTHENTIC REVIEWS? OR DO THEY NEED TO DO BETTER JOB TO DETECT FAKE REVIEWS?

RES 1	Obviously, they should develop certain algorithm to do this job.
RES 2	Well, some of them are fake and also some owners of companies delete the bad reviews.
RES 3	Yes, they have to do. If they can not provide authentic review and sport fake review, i will take it like crime. They have to do.
RES 4	They are responsible to certain degree but not fully.. However at the end of the day they are there to make business. I do not think it is necessary to do anything from review sites as i think service provider is more responsible to address this.
RES 5	I think, they should do better job to detect fake reviews as it is against ethic of customer service.
RES 6	i dont think they are doing their best to stop the fake reviews, they should be better because in the age we are in everything is online.

9. DO YOU WRITE ONLINE REVIEWS AS WELL?

RES 1	yes
RES 2	yes
RES 3	I write sometime.
RES 4	Yes, when it necessary
RES 5	I write reviews as well.

RES 6 | i write very rare.

9A. WHAT MOTIVATES YOU TO WRITE IT?

RES 1	Of course if I am positively or negatively satisfied with the product.
RES 2	To tell people what they can find
RES 3	Specially when i think service is very good or very bad then expected one. The motivation behind is that other do not need to find what you have found after using the service.
RES 4	If i am very satisfied or very disappointed from their service. Added benefit such as discount / coupon can encourage me as well.
RES 5	If i like service or product or if i strongly or moderately like or dislike the service / Products .
RES 6	either I am extremely satisfied of unsatisfied

9B. HOW OFTEN DO YOU WRITE, ONLY WHEN YOU ARE EXTREMELY SATISFIED OR DISSATISFIED WITH THE SERVICE OR MOST OF THE TIME?

RES 1	No only when I am satisfied or unsatisfied to some extent.
RES 2	It depends
RES 3	Only when extremely satisfied or dissatisfied.
RES 4	it depends upon my mood as well as length of service i have received. The longer the service time the lesser it is likely i write review.
RES 5	I write only when i am extremely satisfied or dissatisfied .
RES 6	answer written in a

9C. ARE YOU ENCOURAGED TO WRITE MORE REVIEWS, IF YOU SEE OTHERS ARE ALSO WRITING?

RES 1	No, not at all.
RES 2	Not really. I wrote them if i feel like it
RES 3	Yes i will encourage to write more review whenever possible.
RES 4	Not necessarily
RES 5	Yes, I am moved by reviews numbers..
RES 6	only if see they something common to my experience

9D. ARE YOU ENCOURAGED TO WRITE MORE REVIEWS, IF SERVICE PROVIDERS OFFER YOU ECONOMIC INCENTIVES? (POINTS, BADGES FREE TICKETS TO EVENTS, ETC.)?

RES 1	Yes, i will do that in such case.
RES 2	Of course
RES 3	Definitely it will encourage to write more.
RES 4	Can happen sometimes.
RES 5	I had not experienced this kind of situation . So i can not answer this .
RES 6	i dont think I write mis-inform others just because i get some economic incentives, because it is not ethic.

10. DO YOU HESITATE TO WRITE NEGATIVE REVIEWS? FOR EXAMPLE, YOU WERE EXTREMELY DISAPPOINTED WITH THE SERVICE AND WANTED TO WRITE VERY BAD REVIEWS. BUT SUDDENLY, IT CAME TO YOUR MIND THAT COMPANY COULD TAKE ANY LEGAL ACTION FOR IT?

RES 1	No, I really don't care about the company because writing review is my right. Of course, I am not going to write too offensive and vulgar words.
RES 2	Not at all. I have written them already.
RES 3	Yes i really wanna write review when i do not satisfied with the the service they promises, and yes sometimes i start to think that i might be in legal trouble so why i should risk myself to inform other which is not job and business.

RES 4	I do not care what company does to my review/s. If i feel threaten i will make it even more public and expand my negative review to various channels. However i do consider that human error or individual behaviour can affect service as well. If i conclude that service is affected due to individual person or his/her attitude/characteristics that is dealing with my service then i do not write bad reviews. It is due to the consideration that people can have bad day.
RES 5	I am aware that if i use abusive language ,i may have legal sanctions . However, I am not scared to write my experience during purchase or use of products.
RES 6	I will not hesitate to write about my experience, but that should not be with insulting way.

❖ Restaurant interview summary

1. [INTERVIEW WITH SUBORNA GAUTAM](#)

- Date: 05.05.2018
- Interview type: face-to-face, semi-structured
- Interviewee: Suborna Gautam
- Designation: Restaurant owner, Restaurant DanAsia A/S

General information

DanAsia is a newly established (2016) Thai cafe and takeaway that is situated offside of the Copenhagen city. The business has online presence in various platforms including commercial- Just-eat.dk, Hungry.dk, and TripAdvisor, Google, Facebook. The management is neither much active nor that passive in social media platforms including review sites.

The ratio for customer flow for online and offline is 50/50.

Use of online reviews:

The management is aware of online reviews, read reviews but have not responded reviews, though tried to make some offline contact with the customer who left extremely negative reviews. At the beginning, the management was though unaware of reviews in Google.

The management is aware on the negative reviews, have taken them seriously to improve their services including food quality, pricing and the delivery services as per customer feedbacks. The management was thankful to some of the online reviews including negatives which contained suggestions, that helped them to turn their service failures into business opportunities. For instance, they took these reviews to improve food quality, even modified and replaced different services.

The restaurant have not yet implemented any CRM tools to keep track, analyze or respond online reviews.

Effect of online reviews:

Some of the extremely negative reviews have impacted business. For instance, the management thinks that the negative reviews on Google are extreme and that cause enormous negative effect.

The management was able to spot one extreme and inappropriate and unjustifiable review in Just-eat platform and reported for possible intentional misuse to defame business. The just-eat platform system had removed such review which was against consumer law.

The management is aware that consumer are becoming powerful, which shouldn't neglect at any cost. It was noted that only numerical ratings would not help service providers unless customer leave rating with opinions. Ratings would indicate the customer satisfaction though becomes hard to figure out the reason behind it. That would eventually not help company to take any actions.

Customer rewards, incentives and loyalty program

The management yet do not have any rewards program, though there is discounts for regular customers and SMS ordering.

2. [INTERVIEW WITH PRAKASH BISTA](#)

- Date: 07.06.2018
- Interview type: face-to-face, semi-structured
- Interviewee: Prakash Bista
- Designation: Restaurant owner, Restaurant Nepali Bhancha A/S

General information

The restaurant was established in 2015 and is located 4 km away from the city center with the good public transportation. As of start date, it has made good impression throughout online platforms. The restaurant has presence on Google, TripAdvisor, Facebook, Yelp, Trustpilot and Just-eat platforms.

The ratio for customer flow for online and offline is 80/20. Customer flow is generated through organic search such as Google and TripAdvisor, and alternatively from commercial platform Just-eat.

Use of online reviews

The management is aware of online reviews, read reviews and responded only negative reviews. The negative reviews were given priority to respond. The reason not responding every single reviews was given not to have sufficient time to reply. From the start, management was considerably active on reviewing online reviews. The management disregards those rating star specially left without any opinions, meaning only numerical ratings (1 or 5) doesn't tell anything whether customers were satisfied or dissatisfied with personnel or food or something else.

The management seems to be alert on the possible impact of online reviews, and therefore have taken them seriously to manage their internal services. The interviewee emphasize that online reviews were the success factor behind their business development.

The restaurant have implemented analytical tool (Google Analytics) to keep track, and study web traffic.

It was emphasized that Google became an important tool for customers that customers can find restaurant instantly by pressing a bottom on google maps, 'find restaurant near me', read listed reviews and ratings and choose the restaurant that preferred.

Effect of online reviews

The interviewee has emphasis that many platform systems have alleviated sales. From the beginning, online reviews became an important tool to make peer-to-peer promotions.

In addition to that, the owner has experienced some suspicious reviews in his Google review system, which he thinks some competitor has left intentionally to defame his business. He was able to remove this review by reporting to Google, where at least 10, 15 people has to report for it.

Customer rewards, incentives and loyalty program

There has been no incentives provided for loyal customers.

Some key take way from the interview:

- Online reviews become extremely important specially for the service industries.
- Satisfied customers are motivated to express their gratitude on the review sites, while it works as peer-to-peer promotions.
- Negative review should be taken seriously only if the content of review is realistic and details, meanwhile it should not intend personally to defame businesses.
- Ranking of the restaurant in review platform become also important as customer tends to choose the top listed service providers.

3. [INTERVIEW WITH RAM MAHARJAN](#)

- Date: 25.05.2018
- Interview type: face-to-face, semi-structured
- Interviewee: Ram Maharjan
- Designation: Restaurant owner, Restaurant Himalaya A/S

General information

Restaurant Himalaya existed since 2006, in the heart of Copenhagen (Nyhavn). The business has online presence in various platforms including commercial- Just-eat.dk, Menucard, Dinnerbooking, TripAdvisor, Google, Facebook. Even though the presence in various platform, the interactions on those sites is null. The management have never responded a single reviews.

The ratio for customer flow for online and offline is 35/65.

Use of online reviews:

As being passive on online reviews sites, the management neither read all reviews nor respond them. The significance of online reviews were not understood and therefore neglected.

Despite having both negative and positive reviews, the management have not make any use of it. Lately, the management has started to encourage restaurant visitors to post reviews via TripAdvisor link on its visiting card as well as tried to make some offline contact to understand and make apologies for the disappointed customers.

The restaurant have not yet implemented any CRM tools to manage customer relationship management process.

Effect of online reviews

The effect of the reviews could not be identified as the management is not much active in those platforms.

Customer rewards, incentives and loyalty program

ENCLOSED AUDIO RECORDINGS:

1. Interview with Phillip Mortensen, Rating and review specialist, Selected Media A/S
2. Interview with Prakash Regmi, Digital marketing strategist, Market Sanjal P. Ltd.
3. Interview with Suborna Bista, Restaurant owner, Restaurant DanAsia A/S
4. Interview with Prakash Bista, Restaurant owner, Restaurant Nepali Bhancha A/S
5. Interview with Ram Maharjan, Restaurant owner, Restaurant Himalaya A/S