



# Reservations

by Eric Barber

## Online reviews: What every hotelier should know

*Another great article from The Rooms Chronicle, the #1 journal for hotel rooms management! \*\*\*Important notice: This article may not be reproduced without permission of the publisher or the author.\*\*\* College of Hospitality and Tourism Management, Niagara University, P.O. Box 2036, Niagara University, NY 14109-2036. Phone: 866-Read TRC. E-mail: editor@roomschronicle.com*

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The Internet has become the most powerful tool available to consumers to access information on any topic. The travel industry has blossomed online and has experienced unheralded growth for all segments of the hospitality industry. Hotels are now able to market themselves to consumers worldwide that they previously had no access to. However, what potential guests preview on a computer screen and what they experience firsthand upon arrival may drastically differ from property to property.

Hoteliers must recognize that when guests' expectations are not met or exceeded after booking a reservation online, chances are that these same guests will become circumspect about future reservations booked online. They will become less willing to believe website descriptions, touted amenity offerings, or offered promises, without verification from external sources such as recognized rating agencies.

### Guests are in the driver's seat

However, the tides have turned and consumers are now empowered to select their accommodation based on the feedback left by others who have stayed at the property. This is already starting to have a tremendous effect on hotels.

Travelocity was one of the first websites that allowed consumers to post remarks about the quality of their stay at a hotel. Customers can rate the hotel on a scale from 1 to 5, and rate a variety of services and amenities at the hotel. A traveler's review link is posted right next to the star rating of the hotel. However, consumers need not stay at the hotel or book via Travelocity to enter a review.

Resultantly, this has become a very powerful tool for consumers as the star or diamond ratings revealed on many websites were often ambiguous or inconsistent. In many situations, the participating hotels actually self-designate their star or diamond ratings. In another scenario, one of the leading third party Internet companies arbitrarily designated star ratings by committee without even having personnel visit properties!

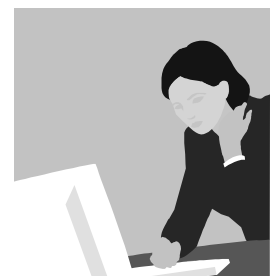
Some websites such as Travelhero.com send an email to each guest asking them to rate the hotel after their stay. The ratings on Travelhero were perhaps more relevant as it was only guests who had booked via Travelhero and actually stayed at the hotel that could give feedback. There are now many websites that offer a similar venue for feedback to prospective guests from those who have booked a reservation via these websites.

### A new twist on an existing approach

Over the last 18 months, a new type of website has become more prominent. These are websites that offer reviews of hotels, airlines and destinations for hotels and cities around the world. TripAdvisor, which is owned by IAC Travel, is probably the best known site offering traveler reviews. It has been joined recently by MyTravelGuide, which is owned by Priceline.

TripAdvisor provides information and photographs of a hotel, and then allows consumers to post comments, feedback and photographs of the property. The postings are approved before insertion on the site, but this is only to ensure that there are no profanities or statements that would have legal implications.

From a consumer's perspective, actual guest feedback can be considered beside star/diamond ratings and the online hotel description. Elements such as service, cleanliness, the neighborhood location, etc., that are not always a factor in standardized ratings can now be considered. Potential guests now are armed with additional information to ensure that they can get the most value for their dollar.



## **Not everything is perfect**

Some hoteliers have grave concerns about the content of these sites. One of the main issues is that there is no process to ensure that the person posting a review or comment actually stayed at the hotel. Competing hotels may, without consequence or vetting, post negative feedback about their peer's product or service. Hotel managers and owners can also post very favorable feedback or reviews about their own properties, which dilutes the integrity of the postings.

Very frequently, guests write feedback, positive or negative, about the wrong property. For branded hotels with more than one location, this is a common issue. Again, this causes the integrity of the reviews to be questioned. The removal of these postings can be long and arduous for properties. The delay can often have very negative effects on a property's business.

The best way to avoid such negative feedback is to ensure that a hotel creates a memorable experience for every guest, always delivering the highest quality guest stay.

However, a hotel that consistently receives excellent feedback can benefit greatly from feedback on third party websites. An example of this is a non-branded hotel in one of the four largest metropolitan areas in North America. This hotel is in position number one on TripAdvisor, and enjoys the highest ADR and occupancy in this city. Coincidence? Perhaps, but keeping in mind that it is located in a very competitive market and has no brand affiliations, the TripAdvisor positioning must have a strong impact on the decision making of potential guests.

## **Hotels fight back**

Hoteliers do have empowerment with some guest ratings on some third party sites. For example, TripAdvisor has a management response form where the hotel may comment on guest feedback. Many hotels use this management response form as a tool to reduce the impact of negative feedback. It is unreasonable to expect no negative comments from guests. The absence of complaints does not allow a hotel to progress its service and quality of stay levels.

Many hotel general managers will submit an online apology to the guest, providing contact information so that they may be contacted to resolve the issue. If there is enough guest information left with the review, some GM's will indicate in the management response form about how the hotel tried to resolve the issue while the guest was at the property. When they are in doubt potential guests often use the contact information listed in management responses to make inquiries themselves prior to booking.

It is essential that the management response is professional, polite, factual and not aggressive. A poor management response can validate the negative guest feedback and taint the perception of potential clients.

## **Opportunity is knocking**

Hoteliers should check third party sites on a regular basis to view what customers are saying about their properties. Consider negative feedback on third party sites as opportunities to demonstrate the proactive management of the hotel whenever possible. The lodging industry has been dealing with rate transparency for the last five years; now it must deal with customer feedback transparency, which also has a tremendous impact on the bottom line. The most successful hotels in the online world will be cognizant of the usage of customer review sites.

Hoteliers should consider these sites as a tool, and an opportunity to be more competitive. These sites are here to stay and will continue to grow in popularity among Internet users as their online features are enhanced. ✧

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