

1 **Please cite as:** Pérez-Aranda, J., Vallespín, M., & Molinillo, S. (2019). Hotels' online
2 reputation management: benefits perceived by managers. *International Journal of*
3 *Contemporary Hospitality Management*, 31(2), 615-632.

6 **Hotels' online reputation management: benefits perceived by managers**

8 **Abstract**

9 **Purpose** - This study develops a measurement model to help hotels manage their reputation
10 within the context of online reviews and ratings platforms and evaluate the impact of this
11 reputation management on the benefits derived by the hotels, as perceived by their managers.

12 **Design/methodology/approach** - Partial Least Squares (PLS) was used to assess the model and
13 make a causal predictive analysis, using data from a survey of a random sample of 335 Spanish
14 hotel managers and personnel involved in reputation management.

15 **Findings** – This study shows the operationalization of hotel reputation management as a
16 superordinate second-order construct affecting six individual first-order dimensions, strongly
17 impacting on three key benefits as perceived by hotel managers (i.e. financial benefits, customer
18 relationship benefits and customer-based brand benefits), within the context of online review
19 platforms.

20 **Practical implications** - Based on the results of this study, hotel managers can improve the
21 effectiveness of their management of ratings and reviews. They can also learn which aspects they
22 should focus on when managing ratings and reviews.

23 **Originality/value** - Based on the opinions of hotel managers, a causal model for managing online
24 reviews was developed and validated. This study shows how reputation management affects the
25 benefits derived by hotels as perceived by their managers.

26 **Keywords:** User-generated content, online reviews, reputation management, perceived hotel
27 benefits.

28

29

30

1 **1. Introduction**

2 User-generated content (UGC) has changed tourist decision-making behavior and marketing
3 practices in the hotel industry (Law *et al.*, 2014; Schuckert *et al.*, 2015). Specifically, UGC based
4 on reviews and ratings about products and services has a strong influence on consumer decision-
5 making in the hotel industry (Cantallops and Salvi, 2014; Ladhari and Michaud, 2015) and,
6 therefore, has an indirect influence on performance (Nieto *et al.*, 2014; Phillips *et al.*, 2015). The
7 predominance of different types of comments (positive or negative) regarding a hotel has a
8 positive correlation with the customer's intention to make a reservation at that hotel (Sparks and
9 Browning, 2011), leads to the creation of perceptions about quality (Ladhari and Michaud, 2015)
10 and influences customer expectations (Mauri and Minazzi, 2013). Therefore, companies that
11 effectively manage UGC will have a competitive advantage. Firstly, they will have greater
12 knowledge of how customers perceive their services and those aspects where there is room for
13 improvement. Secondly, they can undertake effective competitor analysis and identify the
14 specific market segments to which they should direct their actions (Loureiro and Kastenholtz,
15 2011; Phillips *et al.*, 2015). Where hotel managers understand how to respond to online reviews
16 and how these responses affect the benefits deriving to the hotel, hoteliers can adjust their
17 management models to fit their business objectives.

18 Many studies have approached the study of online reviews from the consumer's
19 perspective (e.g. influence on the decision-making process, credibility, perception, etc.), but there
20 are very few studies that consider the issue from the perspective of the hotel management (Park
21 and Allen, 2013; Cantallops and Salvi, 2014; Xie *et al.*, 2017). Prior studies focusing on hotel
22 management have been developed in three research areas: (1) types of response to negative
23 comments (e.g. Levy *et al.*, 2013; Sparks and Bradley, 2014; Zhang and Vásquez, 2014); (2)
24 types of response to both positive and negative comments (e.g. Baka, 2016; Park and Allen,
25 2013); (3) the effect of responses to comments (positive and/or negative) on hotel performance
26 (e.g. Kim *et al.*, 2015; Min *et al.*, 2015; Sparks *et al.*, 2016; Xie *et al.*, 2017). Although these
27 studies have made significant contributions to the body of knowledge regarding online review
28 management, several research gaps remain in the hotel industry. Firstly, most of these prior

1 studies describe the response strategies based on variables such as response frequency, speed,
2 number of responses, content (e.g. appreciation, apologies, explanations, compensation, etc.), the
3 repetition of type of response, response length and the person responding (i.e. external staff or
4 internal company staff, and their respective positions). However, few studies have researched the
5 potential dimensions of a reputation management model. The identification and measurement of
6 these dimensions will help companies to understand better the process through which UGC
7 shapes their reputations. With this knowledge, companies can design their online reputation
8 management strategies appropriately, focusing on the key monitoring tasks and responding
9 effectively to the reviews and ratings, which will help them to improve their positions in the
10 rankings of the review sites.

11 Secondly, although prior studies have highlighted the importance of measuring the
12 impact of UGC-based reputation management on organizational performance and benefits (Gu
13 and Ye, 2014; Schuckert *et al.*, 2015), few researchers have analyzed the impact of reputation
14 management on perceived benefits to the hotel. Recently, some authors have studied the impact
15 of specific characteristics of a hotel's responses on its financial performance (Kim *et al.*, 2015;
16 Xie *et al.*, 2017) and on customer confidence and satisfaction (Min *et al.*, 2015; Sparks *et al.*,
17 2016). However, one question that remains unresolved is whether reputation management in the
18 context of online reviews and ratings affects specific types of benefits as perceived by the
19 organization's managers (i.e. financial returns, customer relations improvements and customer-
20 based brand benefits) and any differences in the impacts of each of these aspects.

21 Thirdly, most of these studies on managing responses to reviews and ratings are based on
22 data collected from online travel review sites (e.g. TripAdvisor) (Schuckert *et al.*, 2015), while
23 very few studies have analyzed these strategies quantitatively based on the opinions of hotel
24 managers. Managers can provide valuable information regarding aspects of reputation
25 management that go beyond the characteristics of the posted responses, and their perception of
26 the benefits that the company might derive from effectively addressing the commentaries, which
27 are inaccessible through secondary information sources.

1 Therefore, the objective of this study is to determine whether hotel reputation
2 management has an impact on organizational benefits, as perceived by hotel managers. More
3 specifically, this study offers: (1) the development of a measurement model based on Baka's
4 (2016) model for hotels to manage their reputation within the online reviews and ratings platforms
5 context and (2) the measurement of the impact of reputation management on perceived hotel
6 benefits from the managers' perspectives, in three areas: perceived financial benefits, perceived
7 customer relationship benefits and perceived customer-based brand benefits. The results are
8 based on data from a survey conducted through telephone interviews with managers of a random
9 sample of 335 Spanish hotels with reviews published on TripAdvisor.

10 Based on these points, we consider that the present study differs from previous
11 management response research and addresses several gaps in the literature. The development of
12 a measurement model that relates hotel reputation management and its impact on the benefits
13 derived by the hotel, from the manager's perspective, is strategically and managerially important
14 to these hotels. Where hotels understand how to manage their online reputations, how they
15 perceive the effects of this management on their results can assist them to decide how much to
16 invest in resources to respond to online reviews.

18 **2. Literature review**

19 *2.1 UGC in tourism*

20 The so-called Web 2.0, or social media sites, includes a wide variety of electronic applications
21 (e.g. social networks, review websites, blogs, photo and video exchange platforms) that facilitate
22 interactions among individuals and between companies and consumers. In the tourism and hotel
23 industry, these kinds of applications are very important sources of information for travelers
24 (Xiang and Gretzel, 2010). Tourists increasingly share their experiences with others by posting
25 recommendations, opinions, photos and videos on the Internet (Law *et al.*, 2014). This
26 information, created and shared by individuals through Web 2.0 applications, is called user-
27 generated content (UGC) (Leung *et al.*, 2013).

1 UGC is a very credible source of information for tourists (Xiang and Gretzel, 2010). Due
2 to the experimental nature of tourism products, potential tourists use UGC in order to form their
3 perceptions of quality (Ladhari and Michaud, 2015) and expectations (Mauri and Minazzi, 2013),
4 among other aspects. In particular, UGC published on hotel review websites (e.g. TripAdvisor,
5 Expedia, Yelp) has developed a growing influence on the decision-making processes of other
6 potential visitors (Leung *et al.*, 2013). Kim and Mattila (2011) found three factors that motivate
7 consumers to read online reviews about hotels: (1) convenience and quality, (2) risk reduction,
8 and (3) social reassurance. This powerful communication tool can persuade consumers to make
9 reservations at certain hotels over others (Sparks and Browning, 2011).

10

11 *2.2 Hotel management of online reviews*

12 From the perspective of the hotel industry, it is necessary to improve the body of knowledge about
13 how to manage users' online comments in order to contribute to the company's objectives
14 (Garrido-Moreno and Lockett, 2016). Up until the present, some authors have suggested that
15 providing a response to online reviews (as opposed to providing no response) improves potential
16 consumers' impressions of the company's trustworthiness and the degree to which they perceive
17 the company as being concerned about the consumer (Sparks *et al.*, 2016). However, other authors
18 have demonstrated that hotel managers' responses to guests' criticisms can have a negative
19 impact on the consumer's purchase intentions (Mauri and Minazzi, 2013).

20 Most of the studies on managing online reviews have focused on different types of
21 responses. For example, Park and Allen (2013) found that hotels that do respond to comments
22 frequently consider reviews to be honest indicators of consumer sentiment, while those that do
23 not respond believe that reviews represent only extremely positive or negative opinions. Levy *et al.*
24 (2013) observed that highly rated hotels often respond to the most negative comments with
25 appreciation, apologies and explanations as to why something has gone wrong, while only
26 infrequently offering the consumer any compensation. More recently, Zhang and Vásquez (2014)
27 identified ten types of responses to online reviews of 4 and 5 star hotels, the most common of
28 which were appreciation and apologies.

1 Some researchers have also analyzed the effects of responses to online reviews on
2 company performance. For example, Xie *et al.* (2017) suggest that effective management of
3 responses to online reviews has implications for the improvement of the hotel's financial
4 performance. Other studies have demonstrated that both responses to negative comments and the
5 time taken to respond have impacts on performance (Min *et al.*, 2015; Sparks and Bradley, 2014).

6 Although these studies have made significant contributions, none of them measured
7 reputation management more broadly to include company activities in the different steps of the
8 process. Reputation has been defined as "the perceptual representation of a company's past actions
9 and future prospects that describe the firm's overall appeal to all its key constituents when
10 compared to other leading rivals" (Fombrun, 1996, 72). Williams and Buttle (2011) suggest that
11 very little is known about how organizations manage their reputations, in relation to users' online
12 comments. In the same vein, Cantalops and Salvi (2014) note that few studies have as yet
13 analyzed the management of user comments from the perspective of the hotelier; this analysis
14 would help hotels to decide how best to manage the comments and what they must do to obtain
15 effective outcomes. It is imperative for hotels to understand how and why the management of
16 corporate reputation based on online commentaries affects results (Floreddu *et al.* 2014), so that
17 managers can decide whether and to what extent it is necessary to engage in review management
18 (Schuckert *et al.*, 2015). However, until now, studies have focused on the use of performance
19 indicators of hotel responses to user comments, such as response frequency, speed, number of
20 responses, content and length, among others. In response to the researchers studying reputation
21 who have noted the need to design an integrated management strategy, Baka (2016) proposed a
22 conceptual model for adoption by hotel managers for reputation management in social media,
23 featuring hotel reviews and ratings. Reputation management is defined as "a continuous process
24 above and beyond the segregation between online and offline and it has to be treated as such by
25 merging reputation management practices" (Baka, 2016, p. 160). Baka's reputation management
26 model, adapted from Fombrun (2007), includes six dimensions. In this present study, to measure
27 reputation management within the context of online reviews and ratings in the hotel industry, we
28 propose to use a model based on Baka (2016).

1

2 **3. Hotel reputation management**

3 This study describes a hotel's reputation management (HREPM) as a superordinate second-order
4 construct affecting six first-order dimensions. According to the literature (e.g. Agarwal *et al.*,
5 2015; Fombrun *et al.*, 2015; Walsh *et al.*, 2016), HREPM is modeled as a superordinate second-
6 order construct because "it represents a general concept that occupies the domain of specific
7 dimensions" and "one cannot drop a dimension and retain its conceptual meaning" (Wright *et al.*,
8 2012, 371). The choice of this set of dimensions for defining the domain of the HREPM construct
9 is based on the works of Fombrun (2007) and Baka (2016).

10 The first dimension, identification of the reputation landscape (IRL), is the degree of the
11 hotel's knowledge of the websites where users can comment on or evaluate its performance,
12 important in order to be aware of what is being said about it. Prior research has focused on
13 websites featuring hotel assessments, such as Booking.com, TripAdvisor, Expedia, Hotels.com,
14 Orbitz, Priceline and Yelp, concluding that hotel companies should monitor all of the sites that
15 their customers use (Ott *et al.*, 2012). Additionally, O'Mahony and Smyth (2010) identified areas
16 for general reviews and ratings, and areas for specific reviews and ratings.

17 The second dimension, assessment of changes in the company's ratings and rankings over
18 time (ARR), refers to the use of monitoring mechanisms for changes in the number and content
19 of reviews and ratings. O'Connor (2010) suggested that hotels must actively monitor reviews and
20 manage their online reputations because they have a strong impact on user behavior. In this sense,
21 Nieto *et al.* (2014) showed that the evaluation of changes in ratings and in the number of reviews
22 is important because they affect hotel performance. Park and Allen (2013) argued that, whatever
23 the response pattern to the reviews that hotel managers choose to make, they should consider how
24 to monitor the reviews and evaluate the performance of the hotel.

25 The third dimension, determination of publication reach and readership (DPR), refers to
26 the different ways of responding to a review. For example, TripAdvisor (2015), based on a
27 traveler survey, suggested that hotels that respond sensitively to negative reviews improve their
28 images. Levy *et al.* (2013) identified eight response strategies (i.e. active follow-up, apology,

1 appreciation, compensation, correction, explanation, passive follow-up and a request for future
2 patronage) and recommended that all reviews be responded to quickly, positively and in a
3 personalized way. Kim *et al.* (2015) believe that following operational manuals on how to respond
4 to negative customer reviews is a way to resolve quickly customer complaints, since appropriate
5 responses to online complaints make dissatisfied customers more satisfied.

6 The fourth dimension, comparison with industry competitors (CIC), involves the analysis
7 of the reviews and ratings a company receives in comparison to its competitors. Along these lines,
8 Min *et al.* (2002) maintain that hotel companies cannot achieve customer satisfaction without
9 knowledge of the competitive position of other hotels in this ever-changing market. These authors
10 suggest four steps for applying benchmarking in hotel companies: (1) identifying and prioritizing
11 service attributes for customers that influence perception of service quality, (2) developing
12 service indicators as performance standards, (3) identifying best practice and using this to
13 benchmark the organization, and (4) developing a strategic plan for continuous service
14 improvements.

15 The fifth dimension, review of ranking methodologies (RRM), addresses the body of
16 knowledge regarding evaluation methodologies for rankings on review sites. Baka (2016)
17 suggests that it is important to know what specific elements are included in these rankings. In the
18 case of TripAdvisor, O'Mahony and Smith (2010) identify the scales, and the factors evaluated
19 in the reviews that are taken into account in the rankings.

20 Finally, the sixth dimension, increasing reputational scores (IRS), focuses on actions
21 intended to encourage guests to share their experiences, which will help hotels to understand and
22 satisfy their clients' expectations. Along the same lines, Molinillo *et al.* (2016) argue that hotels
23 can offer their customers, through an assessment platform, free Wi-Fi or the use of computers
24 with free Internet access to encourage them to leave reviews even during their stay. Additionally,
25 Baka (2016) discusses stickers, cards that might be available at the reception area, emails and
26 applications as means of reminding and encouraging guests to contribute their evaluations.

27

28 **4. Hypotheses development**

1 This study, in focusing on the perceptions of the hotel managers surveyed, refers to “perceived
2 hotel benefits” as the potential positive outcomes (impacts) of effective reputation management
3 in three different areas: perceived financial benefits, perceived customer relationship benefits and
4 perceived customer-based brand benefits. Perceived financial benefits measure the managers'
5 perceptions of the impact on market share or sales. Perceived customer relationship benefits
6 measures the managers' perceptions of the impact on customer satisfaction and loyalty. Perceived
7 customer-based brand benefits measures the managers' perceptions of the impact on the hotel's
8 brand value and reputation.

9 A hotel’s management of its online reviews and ratings has a positive impact on its
10 performance (Kim *et al.*, 2015; Min *et al.*, 2015; Sparks *et al.*, 2016; Xie *et al.*, 2017). Duverger
11 (2013) suggests that UGC in the hotel industry has a positive impact on market share. Sales
12 performance is affected by the number of reviews received as well as the ratings given in those
13 reviews (Blal and Sturman, 2014). Along these lines, Torres *et al.* (2015) also demonstrate that
14 generating a good TripAdvisor rating and higher review volumes are critical for achieving online
15 bookings. Phillips *et al.* (2015) suggest that reviews should be considered in conjunction with
16 traditional hotel features as important determining factors of hotel performance. Kim and Park
17 (2017) show that social media reviews and ratings are more significant predictors than traditional
18 customer satisfaction for explaining hotel performance metrics. Accordingly, Kim *et al.* (2015)
19 and Xie *et al.* (2017) have determined that managerial responses to reviews and ratings affect
20 hotel performance. Based on all of the above, we propose the following hypothesis:

21 *H1. Reputation management has a positive impact on managers’ perceptions of the hotel’s*
22 *financial benefits.*

23

24 On another note, Jeacle and Carter (2011) indicate that customer review websites such as
25 TripAdvisor appear to serve as means of generating users’ confidence and feelings of comfort.
26 Min *et al.* (2015) look further into satisfaction by analyzing the effect on it of paraphrasing
27 statements in responses, empathic statements in responses and quick responses. Their results
28 show a positive relationship between satisfaction and paraphrasing and empathic statements in

1 responses. Furthermore, according to Ruiz-Mafe *et al.* (2016), loyalty toward the online travel
2 community is defined as the customer's favorable attitude toward the online travel community
3 (e.g. intention to spread positive word-of-mouth, or WOM), which increases future purchase
4 intention through the online travel community. Additionally, Yang *et al.* (2016) found that praise
5 received through WOM plays an important role in travelers' satisfaction and the development of
6 loyalty. Furthermore, Sparks *et al.* (2016) show that providing a response, the use of a human
7 voice and timely responses have positive effects on customer concern and trust. Based on all of
8 the above, we propose the following hypothesis:

9 *H2. Reputation management has a positive impact on managers' perceptions of the hotel's*
10 *customer relationship benefits.*

11
12 Lastly, managing reviews also affects customer-based brand benefits, defined as the positive
13 aspects that the consumer perceives of the brand (e.g. trust, self-identification, commitment,
14 value). Xu and Chan (2010) find that hotels can use word of mouth to generate brand awareness
15 and brand associations. Jakic *et al.* (2017) show that the way in which companies respond to user
16 comments in social media interactions influences brand confidence. In addition, Casidy *et al.*
17 (2018) suggest that when users perceive through their interactions that the brand is oriented
18 toward having good relationships, it increases their brand identification and their positive
19 emotions toward the brand. In this sense, Su *et al.* (2015) showed that aspects of the management
20 of hotel interactions, such as self-disclosure and interaction frequency, positively relate to
21 consumers' perceived good feelings toward the hotel brand. Some researchers argue that online
22 reviews and ratings are good indicators of customer-based brand equity for hotels (Soler and
23 G mar, 2017). In addition, Kwok and Xie (2016) show that the value of online hotel reviews is
24 positively affected by managerial responses, which can positively influence brand perception.
25 Consequently, we believe that managers generally view reputation management as a positive way
26 to create customer-based brand benefits. We therefore propose the following hypothesis:

27 *H3. Reputation management has a positive impact on managers' perceptions of customer-based*
28 *brand benefits.*

1

2 **5. Methodology**

3 *5.1 Measures*

4 To measure the management of reputation and its perceived potential benefits, a questionnaire
5 was developed based on the existing literature. Reputation management was measured through a
6 superordinate second-order construct with six dimensions (i.e. IRL, ARR, DPR, CIC, RRM, and
7 IRS). Thus, the concept of HREPM is represented through its dimensions, with the relationships
8 from HREPM flowing to its dimensions (Edwards, 2001). Identification of the reputation
9 landscape (IRL) was measured using 4 items based on Baka (2016). Assessment of changes in
10 the company's ratings and rankings over time (ARR) was measured using four items adapted
11 from Baka (2016), Chan and Guillet (2011), Nieto *et al.* (2014). Determination of publication
12 reach and readership (DPR) was measured using twelve items borrowed from various studies
13 (Baka, 2016; Kim *et al.*, 2015; Levy *et al.*, 2013; Park and Allen, 2013; Sparks *et al.*, 2016; Zhang
14 and Vásquez, 2014). Comparison with industry competitors (CIC) was measured using a four-
15 item scale adapted from Baka (2016) and Min *et al.* (2002). The review of ranking methodologies
16 (RRM) was measured using four items adapted from Baka (2016) and O'Mahony (2010).
17 Increasing reputational scores (IRS) was measured using a four-item scale based on Baka (2016)
18 and Molinillo *et al.* (2016). The perceived benefits of reputation management were measured
19 through three constructs: perceived financial benefits, perceived customer relationship benefits
20 and perceived customer-based brand benefits. Perceived financial benefits (PFB) were measured
21 based on four items adapted from Cheng-Hua *et al.* (2012). Perceived customer relationship
22 benefits (PCRB) were measured based on four items adapted from Cheng-Hua *et al.* (2012).
23 Perceived customer-based brand benefits (PCBB) were measured using seven items borrowed
24 from Çifci *et al.* (2016), De Chernatony *et al.* (2004), Mintz, and Currim (2015). All items were
25 measured on a 10-point Likert scale, where 1 represented "strongly disagree" and 10 "strongly
26 agree", to obtain the precise opinions of the interviewees and avoid possible central tendency
27 bias. Additionally, a "no opinion" option was provided to collect the responses from participants
28 who did not have an opinion regarding the item in question.

1 The measurement scales were originally in the English language. As the participants were
2 Spanish, the scales items were translated into Spanish. The phraseology and terms used in the
3 measurement instrument were assessed during six meetings held with hotel managers, marketing
4 professionals and academics selected because of their experience, accessibility and proximity to
5 the researcher. The average duration of these interviews was forty minutes. Once this process was
6 completed, some item wordings were modified, adding, eliminating or changing words as
7 necessary to improve the survey respondents' comprehension. Then, a bilingual researcher back
8 translated the scale items into English to assure accuracy and consistency. Afterwards, a pilot test
9 was carried out with a group of 201 students in undergraduate business administration programs.
10 As the population size was relatively small (1978 hotels), we chose to use a sample of students
11 to avoid using hotels that might take part in the main study. The pilot test allowed us to assess
12 and refine the questionnaire and verify the acceptance level, dimensionality, reliability and
13 validity of the measurement instrument. The scales used to test the research model are in
14 Appendix.

16 *5.2 Sample and data collection*

17 This study is based on data collected from a survey conducted through telephone interviews with
18 a systematic random sample of Spanish lodging establishments, with reviews published on
19 TripAdvisor, using the key informant methodology. For these purposes, we selected the workers
20 (directors, managers and personnel) most closely associated with UGC management for the
21 establishments. Considering that non-response tends to be associated with sample bias, interview
22 dates were arranged according to the selected participants' availability. This allowed us to collect
23 data from a representative sample of the hotel industry. The telephone interviews were conducted
24 during April and May of 2016 with the participation of a total of 335 out of the 1978 hotels listed
25 as "recommended" on TripAdvisor in Spain. As to the hotel categories, 31.1% have 2 or less
26 stars, 35.2% have 3 stars, 28.3% have 4 stars and 5.4% have 5 stars. As to their sizes, 47% have
27 100 beds or less, 23.3% between 101-150, 21.6% between 151-300, and 4.6% more than 300
28 beds. The interviewees were given information about the objectives of the study, the duration of

1 the interview and guarantees as to the confidentiality of the data provided and their anonymity.
2 The average length of the telephone interviews was twenty minutes. Of the participants, 70%
3 were men, with an average age of 35, with three years of professional experience of online
4 reputation management and 6 years of experience in the hotel industry.

5

6 *5.3 Data analysis*

7 In order to test the research model a variance-based structural equation modeling technique was
8 used. The Partial Least Squares (PLS) method was applied with the assistance of SmartPLS 3.0
9 (Ringle *et al.*, 2015). PLS is advantageous for data analysis with models based on covariance
10 structures. Roldán and Sánchez-Franco (2012) state: (1) “PLS is more suited for predictive
11 applications and theory building (exploratory analysis)” (p. 201), and (2) “PLS would be the best
12 option if the researcher needs to use latent variable scores in subsequent analysis for predictive
13 relevance” (p. 202). The latent variable scores provided by the PLS were used to build the second
14 order construct, hotel reputation management (HREPM). To operationalize the multidimensional
15 construct, we applied a two-stage approach (Wright *et al.*, 2012). First, the dimensionality of the
16 first-order construct was confirmed and, then, using the latent variables scores as indicators of
17 HREPM, a measurement model was developed.

18

19 **6. Results**

20 *6.1 Measurement model*

21 The measurement model was examined in order to ensure instrument quality. The reliability and
22 convergent and discriminant validity for each of the first-order (IRL, ARR, DPR, CIC, RRM and
23 IRS) and second-order (HREPM) constructs was assessed. In terms of individual item reliability,
24 in order to consider an indicator as an integral part of a construct, it must have a factor loading
25 greater than 0.7. In this research, the reflective indicators and dimensions satisfy this requirement
26 (Table I). The assessment of construct reliability was made based on composite reliability (CR)
27 and Cronbach’s alpha. CR and Cronbach’s alpha in this case was always greater than the
28 minimum limit of 0.7, which demonstrates high internal consistency (Table I). With respect to

1 convergent validity, the average variance extracted (AVE) was always above the limit of 0.50
2 (Table I).

3 **[Please, insert TABLE I about here]**

4
5 Discriminant validity showed that each construct is intended to measure a different concept.
6 Following the criterion of Fornell and Larcker (1981), in order for there to be discriminant
7 validity, the square root of the AVE should be greater than the correlations between each pair of
8 constructs. Table II shows that this condition was fulfilled for the first-order constructs.

9 In regard to the second-order construct, the correlation between HREPM and perceived
10 financial benefits, perceived customer relationship benefits and perceived customer-based brand
11 benefits, was less than the square root of the AVE for HREPM (0.87 as opposed to 0.83, 0.79 and
12 0.80, respectively), which showed that this condition was also fulfilled for the second-order
13 construct. Following the criterion of heterotrait-monotrait ratio of correlations (HTMT) (Henseler
14 *et al.*, 2016), it was also concluded that there is discriminant validity as this ratio was significantly
15 smaller than one (Table II).

16
17 **[Please, insert TABLE II about here]**

18 19 *6.2 Structural model*

20 Bootstrap analysis was conducted with 5000 subsamples to evaluate the statistical significance of
21 the path coefficients. Based on this and following the recommendations of Wright *et al.* (2012),
22 a model was built using the standardized latent variable scores for each of the HREPM
23 dimensions as indicators of the second-order construct. Finally, it was found that none of the
24 hypotheses specified in the study were rejected for the proposed model.

25 Figure 1 presents the results of the structural model and, as can be seen, the standardized
26 coefficients of IRL, ARR, DPR, CIC, RRM and IRS were very high (0.83, 0.87, 0.79, 0.93, 0.90
27 and 0.75, respectively). Consequently, these constructs were regarded as dimensions of HREPM.
28 Additionally, the results of the structural model confirmed that better hotel reputation

1 management based on UGC (HREPM) was associated with higher perceived financial benefits
2 (H1), greater perceived customer relationship benefits (H2) and greater perceived customer-based
3 brand benefits (H3). The magnitude and significance of these path coefficients showed that all of
4 these hypotheses were supported (Figure 1). The path coefficient from HREPM to PFB was
5 $\beta=0.83$ ($t=47.10$), from HREPM to PCRB was $\beta=0.78$ ($t=27.15$), and from HREPM to PCBB was
6 $\beta=0.79$ ($t=27.54$). Considering these path coefficients, it was concluded that hotel reputation
7 management of UGC has a similar impact on the three types of perceived benefits.

8
9 **[Please, insert FIGURE 1 about here]**

10
11 As shown in Figure 1, the results of the model demonstrate strong predictive power. Explained
12 variance for the endogenous variables indicated that the path model provides a substantial
13 explanation of the variance in terms of PFB, PCRB AND PCBB. The results indicated that
14 HREPM explains 70.0 % of the variance in terms of PFB, 60% in PCRB and 62% in PCBB.
15 Moreover, following a blindfolding procedure, the Stone-Geisser test was used to analyze
16 predictive relevance (Chin, 1998). This test showed that the proposed model had predictive
17 capacity for the three endogenous constructs ($Q^2 > 0$ for PFB, PCRB AND PCBB); specifically,
18 Q^2 had values of 0.54, 0.53 and 0.53, respectively.

19 Finally, an overall assessment of the model was conducted using the standardized root
20 mean square residual (SRMR), which, as its name indicates, measures the difference between the
21 observed correlation matrix and the model-implied correlation matrix. Therefore, the lower the
22 value, the higher the model's goodness-of-fit. In this case, the SRMR had a value of 0.075, which
23 was considered an adequate fit as it was under 0.08 (Henseler *et al.*, 2016).

24 25 **7. Discussion and conclusion**

26 *7.1 Conclusions*

27 This study develops a measurement model based on Baka's model (2016) to help hotels manage
28 their reputations within the online reviews and ratings platforms context. It also evaluates the

1 impact of this reputation management on the benefits derived by the hotels, as perceived by their
2 managers. The results validate the measurement of the hotel's reputation management (HREPM)
3 as a superordinate second-order construct affecting six first-order dimensions, namely, (1)
4 identification of the reputation landscape (IRL), (2) assessment of changes in the company's
5 ratings and rankings over time (ARR), (3) determination of publication reach and readership
6 (DPR), (4) comparison with industry competitors (CIC), (5) review of ranking methodologies
7 (RRM) and (6) increasing reputational scores (IRS). In addition, the results show the positive
8 influence of company management of UGC on its perceived financial benefits, perceived
9 customer relationship benefits and perceived customer-based brand benefits to an equal extent.
10 Hence, it can be concluded that reputation management is a multidimensional concept that can
11 be measured through a construct with six dimensions. Furthermore, reputation management
12 affects the benefits derived by hotels as perceived by their managers.

14 *7.2 Theoretical implications*

15 This study operationalizes hotel reputation management as a superordinate second-order factor
16 with six individual first-order dimensions, within the context of review platforms. Based on the
17 conceptual model proposed by Baka (2016), the literature review allowed us to propose a model
18 to measure each of the six dimensions of hotel management of online reviews and ratings. Prior
19 to this study, no other study had developed a measurement model for the integrated management
20 of reputation on review sites, making this a significant contribution to the field of hotel marketing.
21 Furthermore, the model can be recreated and applied in fields other than the hotel industry, as it
22 includes variables that are widely applicable to other services and organizations, such as the
23 restaurant industry and tourist destination management.

24 Additionally, this research demonstrates the correlation between the effective
25 management of information published on review sites and the perceived benefits for the company.
26 This study therefore complements other studies on UGC regarding tourism establishments.
27 Specifically, it covers the need, expressed in various studies on hotel establishments (Baka, 2016;
28 Garrido-Moreno and Lockett, 2016), to increase the body of knowledge regarding the impact of

1 review management. Therefore, we have provided information regarding the relationship
2 between a review management model and its influence on three types of perceived benefits:
3 financial benefits, customer relationship benefits and customer-based brand benefits. To the best
4 of the knowledge, no other study had associated the management of review sites with these three
5 types of benefits. The findings are consistent with the literature in terms of the impact of review
6 management on financial performance (Phillips *et al.*, 2015; Xie *et al.*, 2017), customer
7 relationships (Min *et al.*, 2015; Sparks *et al.*, 2016) and brand performance (Xu and Chan, 2010).
8 In addition, no statistically significant differences were found among the path coefficients that
9 reflect the impact of reputation management on the three types of perceived benefits in the model
10 (perceived financial benefits, perceived customer relationship benefits and perceived customer-
11 based brand benefits). This indicates that, in the opinion of the participants in the study, reputation
12 management contributes to generate these benefits to an equal extent.

14 *7.3 Practical implications*

15 Hoteliers should actively manage their hotels reputations on review websites. First, it is important
16 to know what aspects of the hotel are being commented on, what is being said and where. To do
17 this, managers can use free tools (e.g. Google Alerts) and pay to use advanced software (e.g.
18 ReviewTrackers, ReviewPro, KePSLA), that provide services ranging from simply reporting any
19 comments made on the Internet about the hotel, to a detailed analysis by area (e.g. rooms,
20 restaurant, spa, etc.). These tools are also useful for monitoring the changes in websites that have
21 the greatest influence on users (e.g. the Yelp platform is important in the USA, while TripAdvisor
22 is important in Spain), so that the hotel can respond quickly to any crisis that might damage its
23 reputation, as well as to analyze the correlation between the evolution of the scores and key
24 performance indicators (e.g. occupation, conversion rate).

25 Effective reputation management also requires competitor analysis and comparison.
26 Hotel managers can draw on the services offered by the review platforms' websites (e.g. Owner's
27 Center on TripAdvisor) or global reputation management software (e.g. ReviewPro offers the
28 industry-standard Global Review Index TM). Comparisons with industry competitors help to

1 identify strengths and weaknesses and provide opportunities to prioritize operational and service
2 improvements that might improve guest experience and, therefore, ratings on the review sites.
3 Hotel managers should be able to understand in precise detail the criteria and algorithms of
4 evaluation of each platform to help in their daily review management. For example, TripAdvisor
5 uses three criteria: the quality of the overall guest experience, quantity of reviews, and how
6 recently the reviews were posted. Additionally, in reputation management, the response to the
7 reviews is key. Reputation management requires the development and implementation of an
8 instruction manual with guidelines as to how to respond to all comments (positive and negative),
9 so that the company's behavior is consistent and does not change depending on who manages the
10 response. Review sites (e.g. Yelp, TripAdvisor) and reputational management software (e.g.
11 ReviewTrackers), offer recommendations on how to respond to customers. In addition, the
12 necessary corrective mechanisms must be established so that an analysis of the negative criticisms
13 can lead to improvements in service, if applicable.

14 Finally, it is important to invite guests to share their experiences on the Internet. To
15 encourage them so to do, the hotel managements might place posters in common areas, provide
16 information in bedrooms, place advisory notices that appear when the guest connects to hotel Wi-
17 Fi, and by using the review sites (e.g. Review Express from TripAdvisor allows the hotel to send
18 e-mails to thousands of guests requesting their reviews and evaluations). They might also use
19 companies specialized in online reputation management (e.g. Customer Alliance collects
20 customer feedback through various means, integrates reviews into the hotels' websites and
21 distributes them to the main review sites).

22 Efficient management of online reputation will have important benefits for the hotels,
23 according to their managers. The accurate identification of strengths and weaknesses, the
24 monitoring, and comparison with the competition, will facilitate the development of appropriate
25 corrective actions and improve the allocation of resources and customer satisfaction. Moreover,
26 appropriate responses to reviews will improve customer relationships and the image of the
27 company. As a result, the hotels will raise their positions in the rankings, increase their occupancy
28 rates, improve customer loyalty and enhance their financial results.

1

2 7.4 Limitations and future research

3 This study has some limitations that should be considered in future research. Firstly, the data was
4 collected from a survey of hotel managers and personnel involved in reputation management, so
5 there is the possibility of a certain bias in the responses. Future works should also consider the
6 opinion of other key informants who are not directly involved in reputation management.
7 Moreover, future studies could measure the benefits for hotels based on other sources of
8 information, such as company balance sheets or consumer perceptions. Secondly, the data was
9 analyzed without assessing the possible moderating effect of the internal characteristics of the
10 establishments. Future studies could analyze the influence of characteristics such as the size of
11 the establishment, whether or not it belongs to a hotel chain, the type of the manager in charge
12 and the type of review management (internal or external) they undertake. Finally, the sample was
13 taken in only one country; future studies could expand the research to include other cultural
14 environments.

15

16 References

- 17 Agarwal, J., Osiyevskyy, O. and Feldman, P. M. (2015), "Corporate reputation measurement:
18 Alternative factor structures, nomological validity, and organizational
19 outcomes", *Journal of Business Ethics*, Vol. 130 No. 2, pp. 485-506.
- 20 Baka, V. (2016), "The becoming of user-generated-reviews: looking at the past to understand the
21 future of managing reputation in the travel sector", *Tourism Management*, Vol. 53, pp.
22 148-162.
- 23 Blal, I. and Sturman, M.C. (2014), "The differential effects of the quality and quantity of online
24 reviews on hotel room sales", *Cornell Hospitality Quarterly*, Vol. 55 No. 4, pp. 365-375.
- 25 Cantalops, A. S. and Salvi, F. (2014), "New consumer behavior: A review of research on eWOM
26 and hotels", *International Journal of Hospitality Management*, Vol. 36, pp. 41-51.
- 27 Casidy, R., Wymer, W. and O'Cass, A. (2018), "Enhancing hotel brand performance through
28 fostering brand relationship orientation in the minds of consumers", *Tourism
29 Management*, Vol. 66, pp. 72-84.
- 30 Chan, N.L. and Guillet, B.D. (2011), "Investigation of social media marketing: how does the
31 hotel industry in Hong Kong perform in marketing on social media websites?", *Journal
32 of Travel & Tourism Marketing*, Vol. 28 No. 4, pp. 345-368.
- 33 Cheng-Hua, W., Kuan-Yu, C. and Shiu-Chun, C. (2012), "Total quality management, market
34 orientation and hotel performance: the moderating effects of external environmental
35 factors", *International Journal of Hospitality Management*, Vol. 31, pp. 119-129.
- 36 Chin, W. W. (1998), "The partial least squares approach to structural equation modeling". In G.A.
37 Marcoulides [ed.]. *Modern Methods for Business Research* (pp. 295-336). Mahwah, NJ:
38 Lawrence Erlbaum Associates, Publisher.

- 1 Çifci, S., Ekinci, Y., Whyatt, G., Japutra, A., Molinillo, S. and Siala, H. (2016), “A cross
2 validation of Consumer-Based Brand Equity (CBBE): Driving customer equity in retail
3 brands”, *Journal of Business Research*, Vol. 69, pp. 3740-3747.
- 4 De Chernatony, L., Harris, F. and Christodoulides, G. (2004), “Developing a brand performance
5 measure for financial services brands”, *The Service Industries Journal*, Vol. 24 No. 2,
6 pp. 15-33.
- 7 Duverger, P. (2013), “Curvilinear effects of user-generated content on hotels' market share: a
8 dynamic panel-data analysis”, *Journal of Travel Research*, Vol. 52 No. 4, pp. 465-478.
- 9 Edwards, J. R. (2001), “Multidimensional Constructs in Organizational Behavior Research: An
10 Integrative Analytical Framework”, *Organizational Research Methods*, Vol. 4 No. 2,
11 pp.144-192
- 12 Floreddu, P. B., Cabiddu, F. and Evaristo, R. (2014), “Inside your social media ring: How to
13 optimize online corporate reputation”, *Business Horizons*, Vol. 57 No. 6, pp. 737-745.
- 14 Fombrun, C.J. (2007), “List of lists: a compilation of international corporate reputation ratings”,
15 *Corporate Reputation Review*, Vol. 10 No. 2, pp. 144-153.
- 16 Fombrun, C. J. (1996), *Reputation: realizing value from the corporate image*. Cambridge, MA:
17 Harvard Business School Press.
- 18 Fombrun, C. J., Ponzi, L. J. and Newburry, W. (2015), “Stakeholder tracking and analysis: The
19 RepTrak® system for measuring corporate reputation”, *Corporate Reputation*
20 *Review*, Vol. 18 No. 1, pp. 3-24.
- 21 Fornell, C. and Larcker, D.F. (1981), “Evaluating structural equation models with unobservable
22 variables and measurement error”, *Journal of Marketing Research*, Vol. 18 No. 1, pp.
23 39-50.
- 24 Garrido-Moreno, A. and Lockett, N. (2016), “Social Media Use in European Hotels: Benefits and
25 Main Challenges”, *Tourism & Management Studies*, Vol. 12 No.1, pp. 172-179.
- 26 Gu, B. and Ye, Q. (2014), “First step in social media: Measuring the influence of online
27 management responses on customer satisfaction”, *Production and Operations*
28 *Management*, Vol. 23 No. 4, pp. 570-582.
- 29 Henseler, J., Hubona, G. and Ray, P.A. (2016), “Using PLS path modeling in new technology
30 research: updated guidelines”, *Industrial Management & Data Systems*, Vol. 116 No. 1,
31 pp. 2-20.
- 32 Jakic, A., Oskar, M. and Meyer, A. (2017), “The impact of language style accommodation during
33 social media interactions on brand trust”, *Journal of Service Management*, Vol. 28 No.
34 3, pp.418-44.
- 35 Jeacle, I. and Carter, C. (2011), “In TripAdvisor we trust: Rankings, calculative regimes and
36 abstract systems”, *Accounting, Organizations and Society*, Vol. 36, pp. 293-309.
- 37 Kim, S. and Mattila, A.S. (2011), “An examination of electronic video clips in the context of
38 hotel Websites”, *International Journal of Hospitality Management*, Vol. 30 No. 3, pp.
39 612-618.
- 40 Kim, W.G. and Park, S.A. (2017), “Social media review rating versus traditional customer
41 satisfaction: which one has more incremental predictive power in explaining hotel
42 performance?”, *International Journal of Contemporary Hospitality Management*, Vol.
43 29 No. 2, pp. 784-802.
- 44 Kim, W.G., Lim, H. and Brymer, R.A. (2015), “The effectiveness of managing social media on
45 hotel performance”, *International Journal of Hospitality Management*, Vol. 44, pp. 165-
46 171.
- 47 Kwok, L. and Xie, K. L. (2016), “Factors contributing to the helpfulness of online hotel
48 reviews: Does manager response play a role?”, *International Journal of Contemporary*
49 *Hospitality Management*, Vol. 28 No. 10, pp. 2156-2177.
- 50 Ladhari, R. and Michaud, M. (2015), “eWOM effects on hotel booking intentions, attitudes, trust,
51 and website perceptions”, *International Journal of Hospitality Management*, Vol. 46, pp.
52 36-45.
- 53 Law, R., Buhalis, D. and Cobanoglu, C. (2014), “Progress on information and communication
54 technologies in hospitality and tourism”, *International Journal of Contemporary*
55 *Hospitality Management*, Vol. 26 No. 5, pp. 727-750.

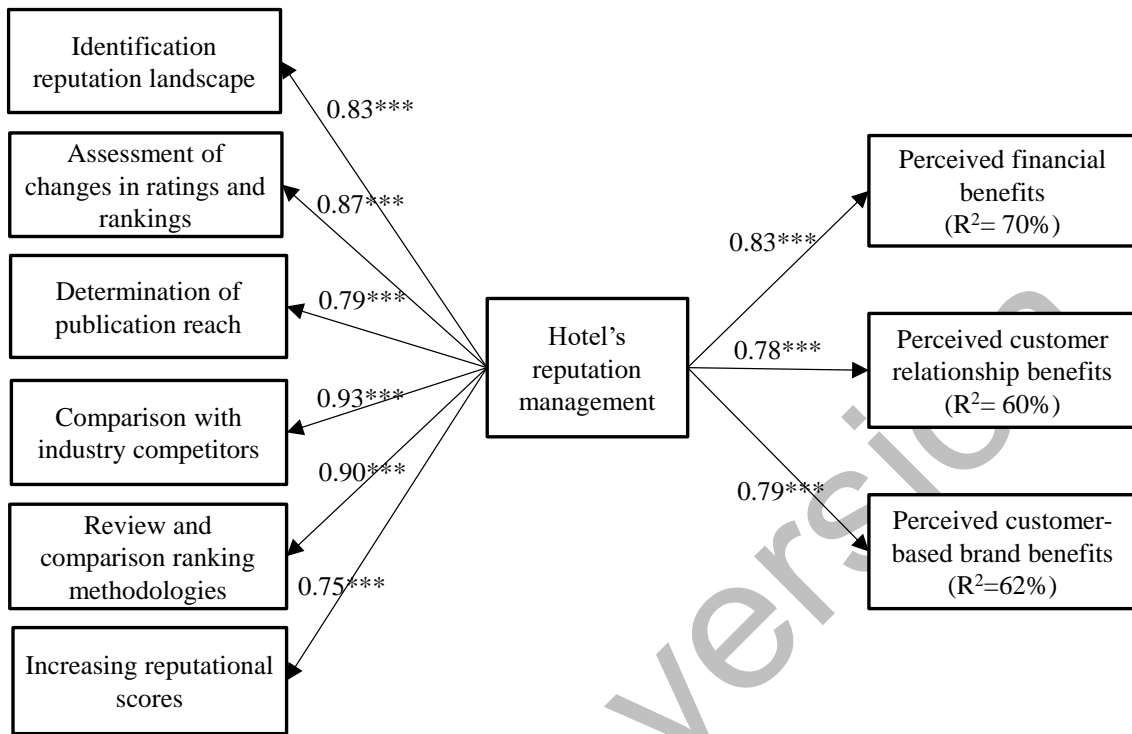
- 1 Leung, D., Law, R., Van Hoof, H. and Buhalis, D. (2013), "Social media in tourism and
2 hospitality: A literature review", *Journal of Travel & Tourism Marketing*, Vol. 30 No. 1-
3 2, pp. 3-22.
- 4 Levy, S., Duan, W. and Boo, S. (2013), "An analysis of one-star online reviews and responses in
5 the Washington, D.C. lodging market", *Cornell Hospitality Quarterly*, Vol. 54 No. 1, pp.
6 49-63.
- 7 Loureiro, S.M.C. and Kastenholz, E. (2011), "Corporate reputation, satisfaction, delight, and
8 loyalty towards rural lodging units in Portugal", *International Journal of Hospitality
9 Management*, Vol. 30 No. 3, pp. 575-583.
- 10 Mauri, A.G. and Minazzi, R. (2013), "Web reviews influence on expectations and purchasing
11 intentions of hotel potential customers", *International Journal of Hospitality
12 Management*, Vol. 34, pp. 99-107.
- 13 Min, H., Lim, Y. and Magnini, V. P. (2015), "Factors affecting customer satisfaction in responses
14 to negative online hotel reviews. The impact of empathy, paraphrasing, and speed",
15 *Cornell Hospitality Quarterly*, Vol. 56 No. 2, pp. 223 - 231.
- 16 Min, H., Min, H. and Chung, K. (2002), "Dynamic benchmarking of hotel service quality",
17 *Journal of Services Marketing*, Vol. 16 No. 4, pp. 302-321.
- 18 Mintz, O. and Currim, I.S. (2015), "When does metric use matter less? How firm and managerial
19 characteristics moderate the relationship between metric use and marketing mix
20 performance", *European Journal of Marketing*, Vol. 49 No. 11/12, pp. 1809-1856.
- 21 Molinillo, S., Fernández-Morales, A., Ximénez-de-Sandoval, J.L. and Coca-Stefaniak, A. (2016),
22 "Hotel assessment through social media - TripAdvisor case study", *Tourism and
23 Management Studies*, Vol. 12 No. 1, pp. 15-24.
- 24 Nieto, J., Hernández-Maestro, R. and Muñoz-Gallego, P. (2014), "Marketing decisions, customer
25 reviews, and business performance: The use of the top rural website by Spanish rural
26 lodging establishments", *Tourism Management*, Vol. 45 No. 1, pp. 115-123.
- 27 O'Connor, P. (2010), "Managing a hotel's image on TripAdvisor", *Journal of Hospitality
28 Marketing & Management*, Vol. 19 No. 7, pp. 754-772.
- 29 O'Mahony, M.P. and Smyth, B. (2010), "A classification-based review recommender",
30 *Knowledge-based Systems*, Vol. 23, pp. 323-329.
- 31 Ott, M., Cardie, C. and Hancock, J. (2012), "Estimating the prevalence of deception in online
32 review communities". In *Proceedings of the 21st international conference on World
33 Wide Web*, pp. 201-210, ACM.
- 34 Park, S. and Allen, J. (2013), "Responding to Online Reviews: Problem Solving and Engagement
35 in Hotels", *Cornell Hospitality Quarterly*, Vol. 54 No. 1, pp. 64-73.
- 36 Phillips, P., Zigan, K., Silva, M.M.S. and Schegg R. (2015), "The interactive effects of online
37 reviews on the determinants of swiss hotel performance: A neural network analysis",
38 *Tourism Management*, Vol. 50, pp. 130-141.
- 39 Ringle, C.M., Wende, S. and Becker, J.M. (2015), SmartPLS 3.0. SmartPLS GmbH:
40 Boenningstedt, <http://www.smartpls.com>.
- 41 Roldán, J.L. and Sánchez-Franco, M.J. (2012), "Variance-based structural equation modeling:
42 guidelines for using partial least squares in information systems research". In M. Mora,
43 O. Gelman, A. Steenkamp, and M. Raisinghani (Eds.), *Research methodologies in
44 engineering of software systems and information systems: Philosophies, methods and
45 innovations*, Hershey, PA: Information Science Reference, pp. 193-221.
- 46 Ruiz-Mafe, C., Tronch, J. and Sanz-Blas, S. (2016), "The role of emotions and social influences
47 on consumer loyalty towards online travel communities", *Journal of Service Theory and
48 Practice*, Vol. 26 No. 5, pp. 534 – 558.
- 49 Schuckert, M., Liu, X. and Law, R. (2015), "Hospitality and tourism online reviews: Recent
50 trends and future directions", *Journal of Travel & Tourism Marketing*, Vol. 32 No. 5, pp.
51 608-621.
- 52 Soler, I.P. and Gémar, G. (2017), "Brand equity research using online customer ratings of spanish
53 hotels", *International Journal of Tourism Research*, Vol. 19, pp. 191-202.

- 1 Su, N., Mariadoss, B. J. and Reynolds, D. (2015), "Friendship on social networking sites:
2 Improving relationships between hotel brands and consumer", *International Journal of*
3 *Hospitality Management*, Vol. 51, pp. 76-86.
- 4 Sparks, B.A. and Bradley, G.L. (2014), "A "Triple A" typology of responding to negative
5 consumer-generated online reviews", *Journal of Hospitality & Tourism Research*, Vol.
6 41 No. 6, pp. 719-745.
- 7 Sparks, B.A. and Browning, V. (2011), "The impact of online reviews on hotel booking intentions
8 and perception of trust", *Tourism Management*, Vol. 32 No. 6, pp. 1310-1323.
- 9 Sparks, B., So, K.F. and Bradley, G. (2016), "Responding to negative online reviews: the effects
10 of hotel responses on customer inferences of trust and concern", *Tourism Management*,
11 Vol. 53, pp. 74-85.
- 12 Torres, E.N., Singh, D. and Robertson-Ring, A. (2015), "Consumer reviews and the creation of
13 booking transaction value: Lessons from the hotel industry", *International Journal of*
14 *Hospitality Management*, Vol. 50, pp. 77 - 83.
- 15 TripAdvisor (2015), *5 Tips Inspired by Our New Traveler Survey*. Retrieved from:
16 [https://www.tripadvisor.com/TripAdvisorInsights/n2665/5-tips-inspired-our-new-traveler-](https://www.tripadvisor.com/TripAdvisorInsights/n2665/5-tips-inspired-our-new-traveler-survey)
17 [survey](https://www.tripadvisor.com/TripAdvisorInsights/n2665/5-tips-inspired-our-new-traveler-survey)
- 18 Walsh, G., Albrecht, A. K., Kunz, W. and Hofacker, C. F. (2016), "Relationship between online
19 retailers' reputation and product returns", *British Journal of Management*, Vol. 27 No. 1,
20 pp. 3-20.
- 21 Williams, M. and Buttle, F. (2011), "The eight pillars of WOM management: Lessons from a
22 multiple case study", *Australasian Marketing Journal (AMJ)*, Vol. 19 No. 2, pp. 85-92.
- 23 Wright, R.T., Campbell, D.E., Thatcher, J.B. and Roberts, N. (2012), "Operationalizing
24 multidimensional constructs in structural equation modeling: Recommendations for IS
25 research". *Communications of the Association for Information Systems*, Vol. 30, pp.
26 367-412 (Article 23).
- 27 Xiang, Z. and Gretzel, U. (2010), Role of social media in online travel information search.
28 *Tourism Management*, Vol. 31 No. 2, pp. 179-188.
- 29 Xie, K.L., So, K.K.F. and Wang, W. (2017), "Joint effects of management responses and online
30 reviews on hotel financial performance: A data-analytics approach", *International*
31 *Journal of Hospitality Management*, Vol. 62, pp. 101-110.
- 32 Xu, J.B. and Chan, A. (2010), "A conceptual framework of hotel experience and customer-based
33 brand equity: Some research questions and implications", *International Journal of*
34 *Contemporary Hospitality Management*, Vol. 22 No. 2, pp. 174 -193.
- 35 Yang, Y., Jing, F. and Nguyen, B. (2016), "China's outbound tourism: investigating word-of-
36 mouth and its effect on perceived value, satisfaction and loyalty", *Journal of China*
37 *Tourism Research*, Vol. 12 No. 2, pp. 159-178.
- 38 Zhang, Y. and Vásquez, C. (2014), "Hotels' responses to online reviews: managing consumer
39 dissatisfaction", *Discourse, Context and Media*, Vol. 6, pp. 54-64.

40
41 **[Please, insert Appendix Table about here]**

42

Figure 1. Structural path model results



2
3

Pre-print version

1 **Table I.** Measurement Model: Reliability and Discriminant Validity.

Construct	Cronbach's Alpha	Composite Reliability (CR)	Average variance extracted (AVE)	Loadings
PFB	0.93	0.95	0.82	0.82-0.92
PCRB	0.97	0.98	0.93	0.95-0.97
PCBB	0.98	0.98	0.92	0.94-0.97
HREPM*	0.92	0.93	0.71	0.75-0.93
IRL	0.99	0.99	0.97	0.98-0.98
ARR	0.98	0.99	0.96	0.98-0.98
DPR	0.98	0.98	0.83	0.75-0.95
CIC	0.92	0.94	0.81	0.87-0.93
RRM	0.98	0.98	0.94	0.97-0.98
IRS	0.90	0.93	0.77	0.84-0.90

2 Note. * Superordinate multidimensional construct.

3

4

Pre-print version

1 **Table II.** First-Order Discriminant Validity.

Construct	IRL	ARR	DPR	CID	RRM	IRS	PFB	PCR	PCBB
IRL	0.98	0.89	0.89	0.87	0.90	0.52	0.73	0.75	0.79
ARR	0.88	0.98	0.57	0.86	0.88	0.54	0.68	0.79	0.79
DPR	0.57	0.56	0.91	0.73	0.61	0.85	0.83	0.54	0.59
CIC	0.83	0.83	0.69	0.90	0.91	0.75	0.81	0.74	0.74
RRM	0.88	0.86	0.59	0.87	0.97	0.60	0.75	0.79	0.78
IRS	0.5	0.51	0.8	0.67	0.57	0.87	0.82	0.54	0.64
PFB	0.7	0.66	0.79	0.75	0.72	0.75	0.91	0.75	0.76
PCR	0.78	0.77	0.53	0.71	0.77	0.51	0.72	0.96	0.90
PCBB	0.74	0.78	0.59	0.72	0.76	0.6	0.73	0.88	0.96

2 Note. The discriminant validity, according to the criterion of Fornell-Larcker, is below the main
 3 diagonal (in bold). The HTMT criterion is above the main diagonal.

4

Pre-print version

1 Appendix. Measurement scales.

Constructs	Items	Sources
Identification of the reputation landscape (IRL)	<p>IRL1: Knowing the specific areas where customers can send or read general reviews.</p> <p>IRL2: Knowing the specific areas where customers can send or read specific reviews.</p> <p>IRL3: Knowing the specific areas where customers can rate general aspects of the hotel.</p> <p>IRL4: Knowing the specific areas where customers can rate specific aspects of the hotel.</p>	Baka (2016)
Assessment of changes in the company's ratings and rankings over time (ARR)	<p>ARR1: Evaluating changes in the number of comments.</p> <p>ARR2: Evaluating changes in comments (from positive to negative and from negative to positive).</p> <p>ARR3: Evaluating changes in the number of ratings.</p> <p>ARR4: Evaluating changes in ratings (from positive to negative and from negative to positive).</p>	Baka (2016), Chan and Guillet (2011), and Nieto <i>et al.</i> (2014)
Determination of publication reach (DPR)	<p>DPR1: Responding promptly to positive evaluations.</p> <p>DPR2: Expressing thanks for evaluations made.</p> <p>DPR3: Giving innovative responses to comments.</p> <p>DPR4: Highlighting positive aspects reflected in the evaluation.</p> <p>DPR5: Addressing specific comments.</p> <p>DPR6: Expressing thanks for evaluations made about the hotel.</p> <p>DPR7: Apologizing for any aspects that have caused low ratings.</p> <p>DPR8: Explaining the aspects that have caused low ratings.</p> <p>DPR9: Offering the opportunity to contact the hotel in order to carefully address the issue that has caused a poor evaluation.</p> <p>DPR10: Sharing information about corrective actions carried out based on poor evaluations.</p> <p>DPR11: Providing some form of compensation (monetary or non-monetary) for inconveniences the customer has experienced.</p> <p>DPR12: Inviting customers back to the hotel.</p>	Baka (2016), Kim <i>et al.</i> (2015), Levy <i>et al.</i> (2013), Park and Allen (2013) Sparks <i>et al.</i> (2016), and Zhang and Vásquez (2014)
Comparison with industry competitors (CIC)	<p>CIC1: Management of the hotel's online comments involves identifying and prioritizing customer service attributes that influence the customer's perception of the quality of service.</p> <p>CIC2: Management of the hotel's online comments involves developing performance indicators with standard results.</p> <p>CIC3: Management of the hotel's online comments involves identifying general best practices for</p>	Baka (2016) and Min <i>et al.</i> (2002)

Constructs	Items	Sources
	hotels and comparing them with the hotel's practices. CIC4: Management of the hotel's online comments involves a strategic plan for continuous improvements in service.	
Review and comparison of ranking methodologies (RRM)	RRM1: Knowing the general rating scales. RRM2: Knowing the scales or subscales of specific ratings. RRM3: Knowing the suggested elements that are evaluated. RRM4: Knowing the factors included in the ranking positions.	Baka (2016) and O'Mahony (2010)
Increasing reputational scores (IRS)	IRS1: Posting signs throughout the hotel, identifying the hotel as a participant in review sites. IRS2: Cards are available for customers with information from the review sites where the hotel is present. IRS3: Customers receive email reminders to leave comments and reviews about the hotel. IRS4: IT applications are used to manage reminders for customers to leave comments about the hotel.	Baka (2016) and Molinillo <i>et al.</i> (2016)
Perceived customer relationship benefits (PCR)	PCR1: Customer is loyal. PCR2: Customer is satisfied. PCR3: Our products/services offer the customer lifetime value. PCR4: Customer is willing to maintain relationship with us.	Cheng-Hua <i>et al.</i> (2012)
Perceived financial benefits (PFB)	PFB1: Our market share is growing. PFB2: Our sales are growing. PFB3: Our sales cost is decreasing. PFB4: Our ROI is growing.	Cheng-Hua <i>et al.</i> (2012)
Perceived customer-based brand benefits (PCBB)	PCBB1: The brand is well known. PCBB2: The brand is trusted. PCBB3: The customer identifies with the brand. PCBB4: The customer is committed to the brand. PCBB5: The customer has an emotional connection to the brand. PCBB6: The brand has a reputation. PCBB7: There is brand value.	Çifci <i>et al.</i> (2016), De Chernatony <i>et al.</i> (2004), and Mintz and Currim (2015)

1

2