

Article Title

Staying in a hotel or peer-to-peer accommodation sharing? A discrete choice experiment with online reviews and discount strategies

Citation

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Abstract

Purpose

This study aims to elicit the preferences of potential travelers for different property listings' attributes (online review number, positive valence rate of reviews and discount strategy) when selecting hotels and peer-to-peer (P2P) accommodation sharing on online booking platforms.

Design/methodology/approach

A discrete choice experiment (DCE) was conducted with 291 respondents with accommodation needs. They were asked to choose between pairs of listings.

Findings

The authors found that when booking accommodation online, complex discount strategies were not determinant both in selecting hotels and P2P accommodations. Positive valence rate of reviews has a higher impact on the selection of traditional hotels than P2P accommodations, while the number of online reviews has a higher impact on the selection of P2P accommodations than traditional hotels. The authors further discuss the effect of each attribute on online accommodation selection in terms of price ranges of the property listings.

Research limitations/implications

The findings provide suggestions for platform operators and product/service providers to improve their marketing strategies and optimize their management efforts.

Originality/value

To the best of the authors' knowledge, this is one of the first studies that investigate the role of property listings' attributes on the selections between hotels and P2P accommodations. The findings from this research study could be generalized to other online platforms and electronic commerce-related transactions.

Conclusion

According to the research result, it is suggested for all lodging industry to reduce their effort on designing pricing strategies for consumer attractions. Second, P2P and hotel management should implement different strategies to induce potential customers. Lastly, for P2P business, it is recommended to encourage guests to leave positive reviews rather than writing more views in just numbers.

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