ISCTE ◈ Business School
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THE IMPACT OF USER GENERATED CONTENT RESTAURANT WEBSITES

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RESUMO

Conseguir interacção com os utilizadores continua confuso para alguns marketeers. Como efectivamente conseguir tirar partido do marketing de conteúdo e das redes é algo que qualquer negócio ou organização deveria ter em consideração, se pretende escalar e ganhar uma posição mais dominante no mercado onde estiver inserido.

Conteúdo gerado por utilizadores (CGU) está agora por todo o lado. Cada vez menos consumidores compram bens ou serviços sempre primeiro fazerem uma pesquisa rápida online para saberem se estão a fazer uma boa compra. (Mitic, 2016)

A crescente popularidade do CGU levou-me a investigar mais detalhadamente esta área do marketing online. Embora alguns praticantes já tenham escrito sobre o conceito de eWOM (electronic word of mouth, em português, boca a boca electrónico), não foi feita muita pesquisa sobre a influência dos CGU no processo de decisão (em particular na área da restauração), ou sobre o impacto que tem no negócio em si.

Tendências online como os CGU são interessantes de estudar porque estão a mudar o actual panorama do marketing, tornando a audiência muito mais próxima. Na indústria da restauração, especialmente, é interessante de ver como estabelecimentos integram essas novas tendências nos seus actuais modelos de negócio.

A prática de usar a Internet como uma fonte externa de informação, é tudo menos nova. No entanto, há alguns anos para cá que a população começou a ficar muito mais envolvida no uso de plataformas de reviews na altura de decidirem onde jantar fora. Apercebi-me então, que esta têndencia no comportamento do consumidor merecia ser melhor investigada. Assim sendo, o propósito desta investigação é perceber de que forma os CGU em websites de restaurantes impactam tanto o consumidor como a gestão do negócio.

Palavras-chave: Conteúdo gerado pelo utilizador (CGU), Boca a boca electrónico, Plataforma de recomendações, Experiência do utilizador.

JEL Classification System: M310 Marketing and **O330** Technological Change: Choices and Consequences; Diffusion Processes

ABSTRACT

Engaging with users remain something confusing for some marketers. How to effectively taking advantage of content marketing and active networks should be a matter of any organization who is willing to make its business growing.

User generated content (UGC), is now everywhere. Less and less consumers purchase goods and services without making a quick research online to make sure they will make their money's worth. (Mitic, 2016)

The increasing popularity of UGC brought me to investigate further in this area of online marketing. Although some practitioners already wrote about the concept of electronic word of mouth (eWOM), not much research has been carried out on decision making based on UGC in the restaurant industry, nor on the impact it engenders for restaurant businesses.

Online trends such as UGC are interesting to study because they are changing the marketing landscape and now make the audience more and more reachable. In the restaurant industry especially, it is interesting to see how restaurant establishments integrate these tendencies in their business.

The practice of using the Internet as an external source to reach information, is ostensibly not new. However, it has only been a few years that people are getting more and more involved in using reviews platforms when deciding where they want to go eating out. I thus realised that this relatively new consumer behaviour related to restaurant experience deserved to be investigated in. Conjointly, the purpose of this research will be to understand to what extent UGC restaurant websites can impact on both a consumer and a restaurant manager perspective.

Keywords: User Generated Content (UGC), electronic Word of Mouth (eWOM), Reviews platforms, User experience.

JEL Classification System: M310 Marketing and **O330** Technological Change: Choices and Consequences; Diffusion Processes

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1. INTRODUCTION

1.1. Theme

It is by now universally accepted that the future of marketing will go mainly digital. This change has obviously arisen with the advent of the Internet and consequently helped businesses to connect with their customers. Consequently, new trends, such has UGC have started to appear. *"The power of user-generated content will surpass branded content as brands begin to relinquish control of their own brand's marketing to their customers."* (Newman, 2015) Those new online marketing channels will undeniably have an impact for brands which will subsequently necessitate to create a positive impact in their consumers' minds. Therefore, it is very likely that we will see appearing in the next years, more and more trends related to content production and content co-creation.

Electronic environments have fostered these new behaviours. An increasing number of people are now essentially gathering information through the Internet, for the easiness of the process or in order to know more about a product or a service. This is how electronic Word of Mouth (eWOM) has emerged as a result. (Jeong and Jang, 2011) According to a survey conducted in 2013 by Dimensional Research, 90% of consumers are influenced by online reviews regarding their buying decisions. (Zendesk, 2013) Furthermore, a Harvard Business School study has proven that a one-star increase on Yelp.com leads to a 5 to 9 percent increase in revenue for a restaurant. (Luca, 2011) This already give insights on how popular consumer review websites can be and how much people now rely on UGC comparing to traditional media.

1.2. Objectives

The main objective of this thesis is **to understand how reviews platforms influence consumer behaviours and impact the reputation of restaurants**.

Specifically, this dissertation aims at **discovering the reasons why consumers consult UGC and how those reasons shape their decision making related to this restaurant experience**. Also, this research interrogates on the expectations of users towards reviews platforms. Moreover, the final goal of this dissertation is to determine **how the overall assessment of**

users, which appear to be challenging for restaurant establishments, can be converted to opportunities.

To achieve those objectives, it is important on one hand, to understand how eWOM along with UGC works, and how they can be a source of influence for consumers. On the other hand, it will be necessary to identify the main challenges restaurateurs are facing as a result of the emergence of UGC.

In order to apprehend those issues, it is necessary in the first place to understand the reasons that motivate users to contribute and use restaurant reviews and ratings websites. Conjointly, this research raises the question of credibility of eWOM. Besides, it aims at finding out about the effectiveness of UGC by examining how consumers perceive the source of these reviews. This research should also investigate what ways the characteristics of the source(s) shape their opinions. Finally, **the data collected in the research will allow the identification of the main challenges and opportunities for restaurateurs, and hence to uncover what the key factors for a successful restaurant establishment are.**

1.3. Research Problem

As mentioned previously, the aim is to initially investigate on the impact of UGC websites on consumer behaviours. Secondly, UGC will be studied on a restaurant manager's perspective. For this second part, the challenges and then the opportunities of UGC for restaurateurs will be attempted to be elucidated.

Deriving from this reflection, two research questions have been developed:

RQ.1 – What influences the use of UGC restaurant websites?
RQ.2 – What is the impact of UGC for restaurant establishments?

In order to answer those research questions, **qualitative research** will primarily be used.

2. LITERATURE REVIEW

2.1. The impact of Web 2.0

2.1.1. The Relationship Web and the Web experience

The advent of the Web 2.0 has unconditionally changed the way people, behave, consume, think, and search for information. As a result, in the area of Marketing, the last decade has witnessed to a **shift from traditional marketing to online marketing**.

Web 2.0 enables to strengthen relationships with consumers. Organizations can take advantage of this Relationship Web to reach consumers and build ties with them. (Pauker Kreitzberg, 2009) According to Peterson and Marino (2003), **the greatest potential of the Internet is its interactivity**. Peers now have the possibility to share and communicate without ever meeting each other. *"Internet enables customers to share their opinions on, and experiences with, goods and services with a multitude of other consumers, to engage in electronic word-of-mouth (eWOM) communication."* (Hennig-Thurau et al., 2004)

Constantinides (2004) deepen this web relationship theory with the concept of online experience. His article attempts to understand how e-marketers can influence the outcomes of the virtual interaction and buying process by focusing on customer's experience on the web. He suggests that the proper online experience is a combination of elements that surpass the 4Ps of the traditional marketing mix. Figure 1 shows this new category of controllable elements, the Web experience, as a new input, added to the traditional buying behaviour framework. (Constantinides, 2004)
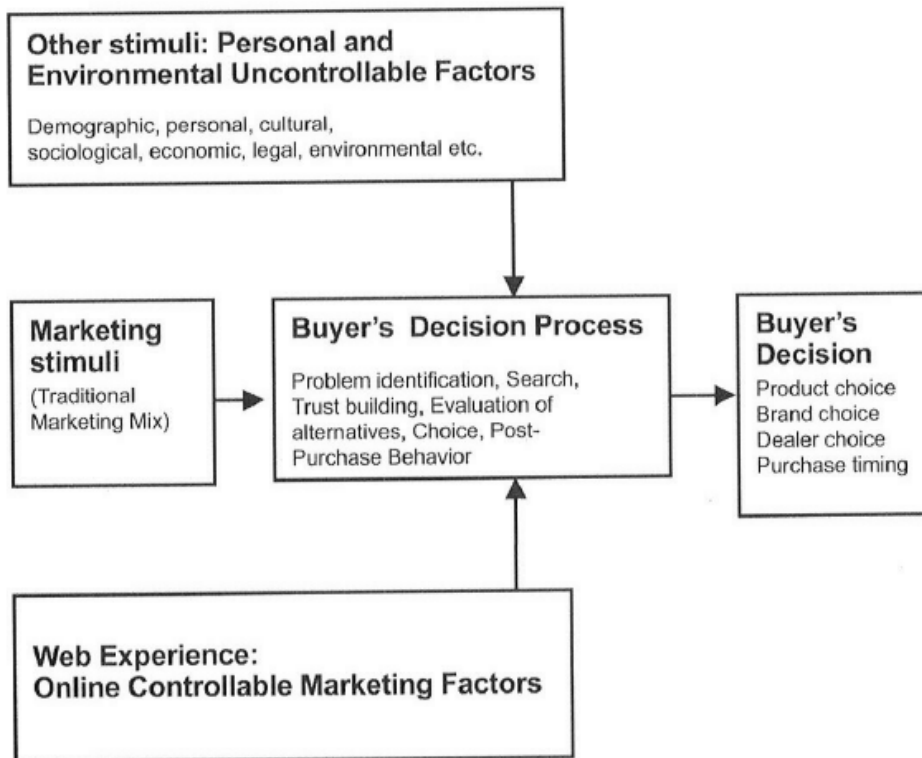
Figure 1 Factors influencing the online consumer's experience (Constantinides, 2004)

2.1.2. The Internet as an enhancer of the consumers' empowerment

According to Pauker Kreitzberg (2009), along with transparency, user-centricity, agility and creativity, empowering is part of the five main characteristics of a Web 2.0-friendly culture. **The Internet has allowed people to be participants and no longer simply receivers of information** that companies are willing to share. From then on, they have the ability to generate content and receive immediate feedback.

Before the Internet, and user generated reviews websites, consumers could only rely on traditional mass media. Therefore, organizations were holding power since they could influence the information being communicated. From now on, by means of the Internet and the limitless access of information, this **market power has shifted from business to consumers**. (Wu, 2002 ; Jeong and Jang, 2011)

However, internet technologies not only give power to consumers, but to providers as well. Information and opinions can be disseminated both from business to consumer and from

consumer to consumer. Hence businesses can take many advantages of these interactions with consumers. (Litvin, Goldsmith and Pan, 2008 ; Parikh et al., 2014)

2.1.3. A limitless access to information

Another achievement associated with the apparition of the Web 2.0 is the extreme easiness of access to information. This aspect occasioned a complete transition in the field of Marketing. **Anybody who needs to solve any particular issue, can retrieve the information correlated to it effortlessly**. Provided that, they have at their disposal browsers, search engines, and intelligent agents for acquiring this information. (Peterson and Merino, 2003 ; Dellarocas, 2003)

Besides, the Internet allows individuals to, without scarcely incurring any cost, make their opinions accessible to the global community of Internet users (Dellarocas, 2003).

Considering the minimal effort and cost that needs to be engendered to reach the information, consumers' decision making process appears to be easier. Peterson and Merino (2003) refer that *"The Internet makes a large volume and variety of information available with relatively minimal expenditures of time, effort, and money"*. The authors investigated in the consumer information search behaviour in the context of the Internet and report that **consumer information search behaviour encompasses internal information search and external information search**. The internal information search includes all the past experiences of the consumer, or his memories of a product or service. The internal information search occurs prior to the external information search, which excludes memory in this process of information searching (e.g. advertising, catalogues, articles…).

This theory of consumer information search behaviour is relevant in the topic of online restaurant reviews websites. Parikh et al., (2014) rely on this concept in order to explain one of the motives for people to read user-generated restaurant reviews on *Yelp.com*. Restaurant consumers, in a first place, become conscious of a need or want, which, will in a second place, engenders an information search behaviour. Those consumers hence try to retrieve in their memory the information which can include anterior restaurant experiences (internal information search). Afterwards, they search for information from external resources, e.g. on the internet (external information search).

2.1.4. A shift from traditional marketing to online marketing

Park, Lee and Han, (2007) describe the World Wide Web as a new marketing channel that differs from traditional retail formats. The new electronic environments lead to new challenges such as physical aspects that consumers were used to in the traditional retail outlets (E.g. touch or smell products). As a consequence, **online consumers feel the need to search for additional information on the web**. They hence base their judgements on the product information provided on websites.

The cues that organizations should promote in order to persuade customers have changed. Before the development of internet, marketers used transactional and linear approaches. Transactional approach emphasized products and prices as a part of customer acquisition while the linear approach was about targeting with promotional communications largely, at mass audiences characterized by their passivity and who could be persuaded to think or behave in particular ways. **Nowadays' marketing tends to be more concerned with listening and considering, about providing information, reassuring, reminding and differentiation organizations, products and services**. (Hughes and Fill, 2007) The Internet became the first access and primary source of consumers' product and service information. Marketers have no choice but to adjust communication strategies and reallocate communication budgets, especially if information source influences purchases. (Peterson and Merino, 2003)

In consequence, getting involved in online consumer communities represents a comparative advantage for companies. If they convey more relevant and comprehensive information that customers are looking for, it will be likely that it will result in greater product adoption. (Jalilvand, Esfahani and Samiei, 2011). Along these lines, Wu (2002) advocates that internet marketing should strengthen consumer trust, knowledge, and understanding by satisfying consumer needs. Internet marketing can positively help online purchase frequency and money spent by providing more product information, customer service, and convenient payment methods.

2.2. The WEB 2.0 and Consumer Behaviour

2.2.1. The Online Consumer Behaviour

Constantinides (2004) investigated in how e-marketers can influence the online consumer behaviour. His paper focus on identifying and classifying the Web experience elements: the marketing tools and actors under the control of the e-marketer that can influence or shape the online consumer's behaviour during the virtual interaction. The author leans on the consumer buying process to explain the online consumer's behaviour.

The consumer buying process consists on several consequent steps, which are the following:

- Problem identification
- Information search
- Alternatives evaluation
- Purchasing decision
- Post-purchase behaviour

Since we are nowadays living in a hyper connected environment; he opines that the step of building trust or confidence should be added into the process. Dellarocas (2003) adds: *"Internet is being searched both when a consumer's objective is specific product or service information in anticipation of a purchase as well as when the objective is to obtain general information about a brand or product or service category"*. His researches attempt to depict the dimensions of Internet-based reputation mechanisms and to show how they differ from traditional WOM networks. According to him, **the proliferation of online reputation has changed individuals' behaviour**. His research may turn out to be relevant to the study of user generated reviews websites since it apprehends how people now rely on opinions and no longer base their decisions on advertisements of professional advice.

2.2.2. Consumer Involvement

It is necessary to understand involvement mechanisms because they induce word of mouth, that is to say, the principle of sharing thoughts and opinions with others and hence the motivation to engage in consumer generated reviews websites. (Park, Lee and Han, 2007)

Park, Lee and Han (2007) and Celsi and Olson (1988) designate involvement as *"the perceived personal relevance of a product based on the individual consumer's needs, interests, and values"*. Involvement can be either situational or enduring. Situational involvement happens during the time frame of purchase decision, whereas enduring involvement represents the consumer's personal interest in the product over a long period.

Bestowing Wu (2002), user involvement is the key factor for the success of online marketing. **It is the intensity of user involvement in an Internet marketing effort that will determine consumer behaviour**. His research proposes a framework, exhibited in Figure 2, which aims at explaining the relationship between involvement antecedents and responses that will lead to consumer behaviour consequences. His study indicated that antecedents such as personal characteristics, lifestyle, perception needs, and situations affected the degrees of consumer involvement. Moreover, results of the study showed that these antecedents lead consumers' behaviour such as purchase decision, items purchased, amount of money spent, purchase volume, and trade mode.
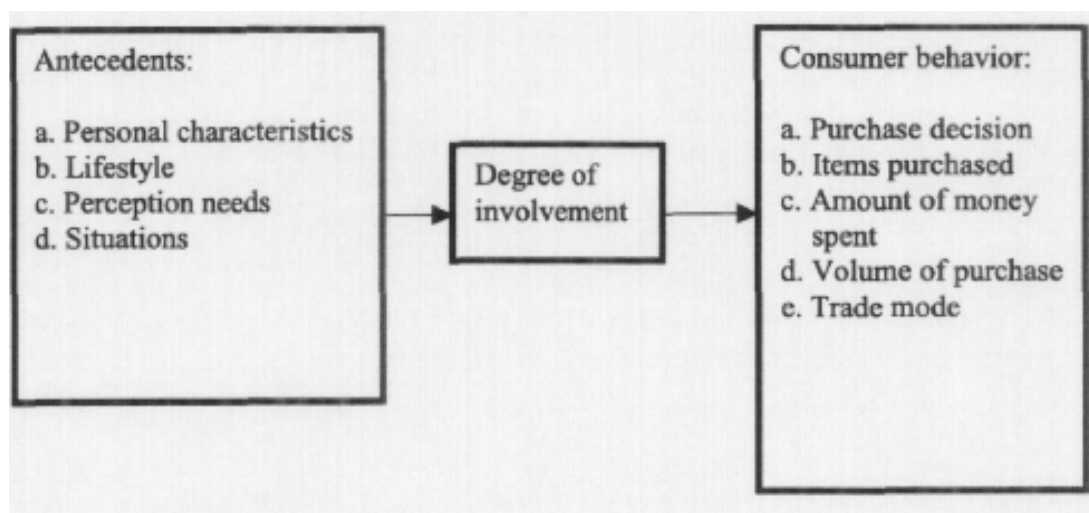

Figure 2 Framework for identifying consumer involvement (Wu, 2002)

2.3. WOM and eWOM

2.3.1. WOM

Academics and practitioners have long studied the concept of Word of mouth (WOM), many of them agree to say that it has a powerful impact on customer's actions. (Jeong and Jang, 2011) Researchers have proven that conversations among acquaintances could not solely influence consumer's choices but purchase decisions, shape consumers' expectations, pre-usage attitudes, and post-usage perceptions of a product or service too. WOM communications are the result of conversations among people and allow them to share their knowledge and points of views. Correspondingly, WOM direct buyers towards or away from specific brands, products and services. **WOM is considered as one of the most important sources of information at the point of purchase**. (De Bruyn and Lilien, 2008; Jalilvand, Esfahani and Samiei, 2011).

De Bruyn and Lilien (2008) and Jalilvand, Esfahani and Samiei (2011) advance four main streams for understanding the reasons why consumers spread the word; (1) for extreme satisfaction or dissatisfaction, (2) for commitment to the firm, (3) because of the length of the relationship with the firm, and (4) for the novelty of the product.

Hennig-Thurau et al. (2004) add another motive for engaging in WOM communication. As stated in their research paper, *"WOM communication mainly arises when consumer's consumption-related expectations are disconfirmed"*.

2.3.2. eWOM

The arrival of Internet has generated a new WOM network format. Internet-based reputation mechanisms started to spread by cause of the possibility to store, summarize and accumulate unlimited amounts of information costlessly. (Jeong and Jang, 2011; Peterson and Merino, 2003 ; Dellarocas, 2003 ; Jalilvand, Esfahani and Samiei, 2011)

eWOM communications are seen by Jalilvand, Esfahani and Samiei (2011) as a medium for people who have never met to share their opinions. Consumers can obtain information from a vast, geographically dispersed group of people, who have experienced relevant products or

services. eWOM characterizes any positive or negative statement, available online, made by any potential, actual or former customers of a product, service or company. (Jalilvand, Esfahani and Samiei, 2011 ; Hennig-Thurau et al., 2004)

Litvin, Goldsmith and Pan (2008) defines eWOM as *"all information communications directed at consumers through internet-based technology related to the usage or characteristics of particular goods and services."* eWOM communications, or user generated content can take place in different ways, from web-based opinions platforms, to discussion forums, or boycott Web sites. (Hennig-Thurau et al., 2004)

A recent study launched by Nielsen (2013) and a research done by Parikh et al. (2014), showed that consumers perceive online opinions to be as trustworthy as brand web sites and advertisement. This factor indicates the potential of eWOM regarding consumers' decision process, since it can extend consumers choices and provide consumers with indirect experiences. (Jalilvand, Esfahni and Samiei, 2011 ; Jeong and Jang, 2011)

On the perspective of companies, eWOM provides as well some outcomes**. eWOM offer opportunities for companies to reach consumers and to influence their opinions**. Since user generated content is becoming more and more popular, eWOM as a communication channel can be very useful for restaurant managers as they can provide insight into preferences, needs and reactions of their customers. (Parikh et al., 2014) Furthermore, some researchers agree to say that **eWOM is empowering both providers and consumers**. *"eWOM empowers both providers and consumers, allowing a vehicle for the sharing of information and opinions both from Business to Consumer, and from Consumer to Consumer"* (Jalilvand, Esfahni and Samiei, 2011; Jeong and Jang, 2011)

2.3.3. WOM and eWOM

WOM communications have some limitations that eWOM can overcome. For instance, in traditional WOM communication, the information is exchanged in private conversations whereas electronic referrals give more possibilities to share ideas and opinions. Jalilvand, Esfahni and Samiei (2011) and De Bruyn and Lilien (2008) state that electronic referrals differ from their offline counterparts in two significant ways: 1) they are electronic by nature, there is thus no face-to-face communication, 2) those referrals are usually unsolicited, they are sent to

recipients who are not necessarily looking for information, and who are not willing to pay attention to them.

According to Dellarocas (2003), there are three main aspects that can explain how online reputation differs from traditional WOM. Firstly, the unprecedented scale, achieved through the exploitation of the Internet's low cost, bi-directional communication capabilities. It makes eWOM more powerful than traditional WOM conferring Jeong and Jang (2011) and Park, Lee and Han (2007) since that, eWOM can spread more widely and rapidly. Secondly, the ability of their designers to precisely control and monitor their operation through the introduction of automated feedback mediators makes it more effective. And finally, new challenges introduced by the unique properties of online interaction, such as the anonymity of users that may lead to misleading and out-of-context messages. (Jalilvand, Esfahni and Samiei, 2011; Parikh et al., 2014 ; Park, Lee and Han, 2007)

Additionally, the volatility of online identities and the relative lack of contextual cues to assist interpretation, that is to say, subjective information should be taken into account. However, Jeong and Jang posit that consumers' underlying motivations to engage in WOM differ upon the nature of the consumption experience, hence, in essence, WOM and eWOM have significant conceptual similarities in terms of interpersonal influence. For the researchers, the differences between WOM and eWOM rely on the type of media used. One is occurring face-to-face while the other is plainly and simply online.

In terms of credibility, Jeong and Jang (2011) and Park, Lee and Han (2007) deem that because eWOM information is posted anonymously, traditional WOM communication become more credible. Besides WOM is in an effective means for disseminating an opinion since it is resulting from face-to-face conversations and most of the time in a familiar and thus more trustworthy context (e.g. family, friends, acquaintances). As for online reviews, they are coming from unknown purchasers. Therefore, the user generated reviews should be persuasive and logical for consumers to overcome the lack of message credibility. The authors bring another aspect in favour of WOM by stating that body language and voice intention can also reinforce the message.

Another major difference between traditional WOM and eWOM relies on the lack of control of marketers for traditional WOM (Park, Lee and Han, 2007; De Bruyn and Lilien, 2008), whereas

online sellers can consent consumer reviews from online platforms such as *TripAdvisor* and decide to post them afterwards on their own website for instance.

2.4. Online Reviews

2.4.1. Online Reputation

Online reputation mechanisms have started with a phenomenon of cooperation among strangers on the Internet. Dellarocas (2003) did researches on the *Ebay* case study. He found out that the behaviour of a player towards any other player becoming publicly known may affect the behaviour of an entire community towards this player in the future. The researcher defines online reputation as *"mechanisms allowing members of a community to submit their opinions regarding other members of that community. Submitted feedback is analysed, aggregated with feedback posted by other members and made publicly available to the community in the form of member feedback profiles."* (Dellarocas, 2003)

However, two issues stand out of this concept. Firstly, the content of feedback can be incomplete and/or biased. Secondly, the system may not be reliable by cause of manipulation and online identity changes. (Dellarocas, 2003)

2.4.2 The Role on Online Reviews

As Parikh et al., (2014) mention, user generated reviews are no longer rare to find. This assumption is not anymore a convenience or novelty.

"The purpose of online reviews is to inform potential diners about the strengths and weaknesses of a restaurant." (Parikh et al., 2014) **Individuals through online platforms help each other in order to make purchasing decisions**. Review writers can even be considered as "experts", according to the quality and quantity of their reviews.

Reviews can either convey seller-created information, which will appear through traditional communication channel, such as advertisements. It can also consist of online user generated

content, offered by prior purchasers relating their experiences, evaluations, and opinions about the product or service. (Park, Lee and Han, 2007)

There are as reported by Park, Lee and Han, (2007) and Jalilvand, Esfahni and Samiei (2011) two roles that a consumer review can play. On one hand, **the review can have an informal role**. This review delivers additional user-orientation information. On the other hand, **an online consumer review can play a recommender role**. In this case, the review will only provide a positive or negative signal about the product or service as recommendations by previous consumers in the form of eWOM.

Two criteria are essential for affecting consumer information-processing: **the quantity** and **the quality** of online consumer reviews. Park, Lee and Han, (2007) suggests that *"the better and more extensive the information is, the greater the consumer satisfaction"*. As a consequence, as the consumer satisfaction increases, so will the purchasing intention. This finally leads to a positive effect on purchasing intention.

Regarding the quantity aspect, *"the more the messages are processed, the more favourable associations to its advocacy are formed"*. In other words, the high quantity of reviews about a product will more likely be associated with a factor of importance by consumers. It may even lead them to rationalize their purchasing decisions. (Park, Lee and Han, 2007)

Review quality has to do with the quality of a **review's content** (e.g. relevance, understanding, sufficiency and, objectivity). In that sense, there are two types of reviews' quality. Firstly, there are the ones which give **understandable and objective messages**, they are hence called **"high-quality" reviews**. Figure 3 shows an example of this type of review.

"A place in Lisbon where you find home"
◎◎◎◎◎ Reviewed 24 August 2015

I choose this place cause of tripadvisor. It's really small and really typical portuguese. Mr Fernando is a perfect owner, nice and wise. He suggested me peixe a la braz and it was marvellous. The menu is simple, as the drink options, but Fernando and his wife make everything with heart and they make you feel at home.

Figure 3 Example of a "high quality review" (TripAdvisor, 2015)

The second type of reviews, the **"low-quality" reviews**, exemplified in Figure 4, are weaker and thus less effective because they are **emotional and subjective**. Although they don't offer factual information, positive subjective and emotional reviews can sometimes provide important and useful cues. Notwithstanding, "*if a review contains more understandable and objective comments, it is relatively more persuasive than a comment that expresses feelings and recommendations without specific reasons*" (Park, Lee and Han, 2007)
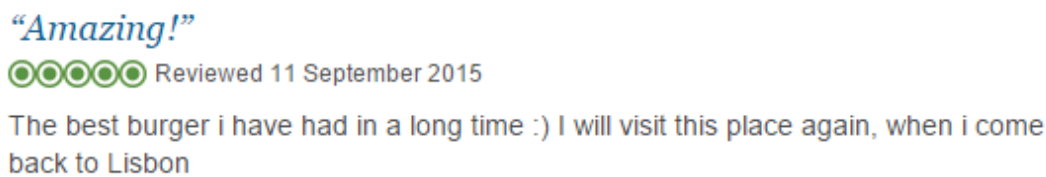

"Amazing!"
◯◯◯◯◯ Reviewed 11 September 2015
The best burger i have had in a long time :) I will visit this place again, when i come back to Lisbon

Figure 4 Example of "low quality review" (TripAdvisor, 2015)

2.4.2. Motives for writing Reviews

Parikh et al., designate motives as need or desire that can lead a person to behave in a specific way. Therefore, motivations can be significant in terms of consumer behaviour and hence be relevant factors for understanding why consumers submit consumer-generated review on user generated content websites. Some reviews platforms such as *Yelp* can provide social incentives. The popular reviews and ratings platform started in 2005 to throw parties for "Elite Yelpers". This events are made for the "brightest yelpers" as the Jeremy Stoppelman (2009), CEO of *Yelp* announce in an article on *Yelp*'s blog. To be able to participate in those events, reviews writers need to be "Elite yelper". Those are characterized by the red or gold "Elite" badge on their profile.

Hennig-Thurau et al. (2004) did research aiming to understand the motivations behind a consumer's decision to engage in eWOM communication on reviews platforms. Based on the framework originated by Balasubramani and Mahajan (2001), he suggests eleven motives regrouped first in three distinct types of social interaction utility: **focus-related utility, consumption utility, and approval utility**. The practitioners add two more types of interaction utility, which are **moderator-related utility and homeostase utility**.

Focus-Related Utility

The focus utility is the "adding value" that individuals receive when they are contributing to the community. Four motives can be considered as focus-related utility:

1) *Concern for other consumers*: some users have the feeling that they need to help other consumers with their buying decisions because they want to prevent them from making a bad purchasing decision. This motive is related to the concept of altruism. (Hennig-Thurau et al., 2004 ; Jeong and Jang, 2011 ; Parikh et al., 2014 ; Serra Cantallops and Salvi, 2014)

2) *Helping the company*: this motive arises because the consumer acknowledges the quality of a product or service offered by the company. The consumer thus feels like he has to give the company "something in return". This motive is related to the equity theory, which suggests that individuals search for equitable and fair exchange. (Hennig-Thurau et al., 2004; Jeong and Jang, 2011; Luca, 2011; Serra Cantallops and Salvi, 2014)

3) *Social benefits:* belonging to online communities allow consumers to identify themselves, because they would feel socially integrated. (Hennig-Thurau et al., 2004; Jeong and Jang, 2011 ; Serra Cantallops and Salvi, 2014) This motive contributes to the development of opinions leaders, who are empowered because of their social leadership and active social involvement. This phenomenon can be applied in the restaurant industry, opinions leaders *"might dine at a new restaurant or try a one item at a restaurant more often than non-leaders. Opinion leaders may feel more knowledgeable about the restaurant industry in comparison to other online users, be more active in terms of exploratory behaviour and disseminate more eWOM than non-leaders."* (Jeong and Jang, 2011)

4) *Exertion of power over companies:* consumers' reviews may exert a certain power degree over companies. Negative comments can indeed influence a restaurant's image. Therefore, user generated content engenders a shifting power from companies to consumers. (Hennig-Thurau et al., 2004; Jeong and Jang, 2011; Parikh et al., 2014; Serra Cantallops and Salvi, 2014)

Consumption Utility

Consumption Utility involves motives which are referring to consumers who feel motivated submitting reviews by reading the ones of the community constituents. Additionally, *"Writing and/or soliciting information may allow the contributor to gain more specific and useful*

feedback than simply anonymously reading comments." (Hennig-Thurau et al., 2004). Consumption utility comprises the following motive:

5) *Post-purchase advice seeking:* consumers who are motivated by this motive search for better understanding a product or a service.

Approval Utility

Hennig-Thurau et al. (2004) suggests that when the community is approving a reviewer's message, it can either be **informal** or **formal**:

- The approval is informal when another platform's user approbates someone's contribution publicly or privately regarding the usefulness of the content of the message.
- The approval is formal when other users evaluate the reviews on the basis of helpfulness of the message's content. Some reviews platforms such as *TripAdvisor* initiated a system for which consumers can identify "Top Reviewers". Those are leading customers review writers. Beneath each reviews, TripAdvisor is asking whether the review is helpful or not. Later, those votes are tabulated and the customers who write the most helpful reviews are deemed "Top Reviewers". (Amazon.com, 2015). Figure 5 depicts this process for identifying "Top Reviewers".

Figure 5 How to identify "Top Reviewers" on TripAdvisor (TripAdvisor, 2015)

The motives which are associated with approval utility are the following:

6) *Self enhancement motivation*: this motive is led by someone who want to be recognized from the community or show connoisseurship. (Hennig-Thurau et al., 2004; Jeong and Jang, 2011; Serra Cantallops and Salvi, 2014)

7) *Economic rewards*: economic rewards are provided by the platform operator as incentives for consumers to contribute by giving their opinions. (Hennig-Thurau et al., 2004; Jeong and Jang, 2011)

Moderator-Related Utility

Moderator-related utility is induced by the interaction with staff who behave with the company in behalf of the customer. Two types of motives derive from the moderator-related utility:

8) *Convenience support:* platforms can make the complaining process easier when a consumer, for instance, can't reach company for expressing his dissatisfying experience. Hence, reviews platform appears to be convenient for consumers who look for indemnity. (Hennig-Thurau et al., 2004)

9) *Problem-solving support:* consumers' reviews can be supported by those consumers generated platforms in the goal to offer them support regarding consumers' issues with a negative experience. *"In this sense, platform operators are viewed as an advocate for the consumer, perhaps replacing other third-party institutions (e.g., attorneys, consumer advocacy groups, and news media)."* (Hennig-Thurau et al., 2004)

Homeostase utility

Lastly the homeostase utility results in the need of people to find an equilibrium in their life. Some individuals who have either negative experiences or highly positive ones may feel a tension that they could release by expressing their feelings through web based opinion platforms. Hennig-Thurau et al. (2004) identify two motives which are linked to homeostase utility.

10) *Expressing positive emotion:* the reason for consumers to have the motivation for writing positive experiences may come from a psychological tension they feel inside them or a strong desire to share cheerful experiences with others. (Hennig-Thurau et al., 2004)
11) *Venting negative feelings*: in the same way, venting negative feelings can result from a frustration. Sharing them on the Internet with other consumers can reduce this anxiety induced by the frustration they may have. (Hennig-Thurau et al., 2004)

2.4.3. Motives for reading Reviews

Online reputation mechanisms are deemed to be effective social control mechanisms to overcome information asymmetries problem. (Dellarocas, 2003) Consumers can indeed with minimal effort, obtain relevant and reliable information from many other consumers, for any type or product or services. The asymmetry problem that practitioners such as Dellarocas (2003) and Parikh et al. (2014) refer to the inequality that lies between sellers and buyers. Before the advent of internet, consumers could only rely on information given by sellers. Now with the digital economy, this issue can easily be overcome.

Conceding Peterson and Merino (2003), Constantinides (2004), Zhang et al. (2010), Serra Cantallops, Parikh et al. (2014), and Salvi (2014), one of the main the reason for which people are searching for additional information, is related to uncertainty and risk that consumers feel

towards a product or a service. Parikh et al. (2014) contribute to this argument by assuming that services such as **dining at a restaurant, also called "experience goods" are riskier than any other goods**. This can be explained by the fact that consumers cannot know the quality of a product or service only after it has been purchased and consumed. Accordingly, more information is needed to lower this risk and to solve the problem of hidden quality information in pursuance of a good decision-making. Consumers are consequently more likely to seek for external sources on the Internet and more precisely on user-generated reviews websites. Conjointly, Jeong and Jang (2011) designate restaurant experiences as "intangibles". The researchers agree to say that such services cannot be evaluated before the consumption experience. Consequently, **purchasing intangible products and services carry a higher risk**. Therefore, consumers are more likely to rely on eWOM and user generated content websites. Furthermore, purchasing intention will increase accordingly with the number of consumer reviews. (Park, Lee and Han, 2007)

Parikh et al., suggest four categories of theories that can indicate the motives of consumers for reading user generated content. The first category is in accordance with the literature previously considered, mention the *risk reduction* **motive**. The author deepens the theory and make allusion to the type of loss consumer are afraid to suffer from. The loss the researchers are referring to are: **money, time and opportunity cost**. For this reason, consumers take reviews as risk relievers. Besides, the consumer can more easily predict the outcomes of a product if he has more information.

The second category consists of *reduction of search time*. As the author advance, consumers are nowadays overwhelmed with information, therefore, it makes it uneasy for individuals to know and process the alternatives. Reviews hence allow consumers to find information faster through web based reviews platforms.

The third category of motives for reading review Parikh et al. (2014) deliver in the paper is the aim for *dissonance reduction*. Three main factors lead to purchase dissonance. Firstly, purchase dissonance makes only sense if the purchase decision represents something important enough for the consumer. In other words, the product or service must incur either a substantial cost, a psychological or monetary decision. Secondly, the decision must be made voluntarily, which means that, it should not be mandatory for the consumer. Thirdly and lastly and thirdly, the consumer must perceive the purchase as irreversible.

The fourth and last category of motives brought by the research of Parikh et al. (2014) consists of *group influence*, which correspond to the degree to which consumers will approve what is said with the majority of the community.

Novelty seeking can represent another motive for reading consumers' reviews online. *"Consumer who frequents a restaurant will believe they have sufficient internal information sources and will not need to rely on external information sources such as Yelp."* (Parikh et al., 2014) By consequence, user generated readers most likely are the consumers who are in search for novelty and tendencies.

2.5. The Restaurant Industry

2.5.1. The restaurant experience

In order to assess a restaurant experience, it is important to take into account the measurement of restaurant quality as perceived by the customers. It is through prior restaurant experiences that customers can build on expectations for restaurant services. (Jeong and Jang, 2011) The perceived service quality can be defined as a *"global judgment or attitude relating to the superiority of a service"* (Jeong and Jang, 2011)

Jeong and Jang (2011) procure three categories for measuring restaurant experience: **food quality, service quality, and atmosphere**. This assessment of restaurant service can be useful to understand the impact of eWOM communications. The researchers' findings resulted in the conclusion that *food quality* is the major factor in customer satisfaction and post-dining behavioural intentions, such as, WOM or eWOM. Restaurant service is the second aspect evaluated by consumers. It has been demonstrated by the author that employees were significantly related to customer satisfaction and by consequence had an impact on consumers' behavioural intentions. Finally, the atmosphere turned out to be an important factor for customers to be satisfied during a restaurant experience. *"Atmosphere generates an image of the surrounding space in customers' minds, and the customers' perceived value of the space modifies their affective state, which may change or influence their buying behaviour."* (Jeong and Jang, 2011)

2.5.2. *The restaurant industry and Technology*

Technology and the Web 2.0 has a determinant role in the food and restaurant industry. The emergence of mobile devices and cloud computing made a consequent impact in every people's day-to-day life and in the way they consume food. New advances naturally come with new challenges, therefore **there is a need for industries to keep up to surmount them and keep up to date with fast moving technologies**. Appropriately, we witnessed the last couple of years to radical change in the food and the restaurant industry that has thrived to seep into those new technologies. The Web 2.0 and mobile devices have the capability for the restaurant industry to play in many ways and the result of how they are used by customers can play a critical role in the success of an establishment. (Vardy, 2012)

Social networking sites emerged on the World Wide Web in the last decade and appeared to be crucial for the restaurant industry. Both restaurant managers and diner goers have – by means of those myriad of networking sites – shape the views of the society and people's opinions. Besides, the digital age made it easier than ever to find information on a restaurant. One person out of two already decided where they were about to eat before going outside by using the internet. (Pan, 2012)

2.5.3. *Challenges and Opportunities for Restaurant Managers*

The literature identifies many aspects which can represent opportunities for restaurant managers. As mentioned by Parikh et al. (2014), reviews platforms such as *Yelp* can help managers to determine what is important for consumers and thus improve some aspects of their business and take into consideration the amount of resources to devote for managing their presence on restaurant online platforms. Likewise, Jeong and Jang (2011) acknowledge that *"understanding what motivates customers to spread positive eWOM may enhance the ability of managers to restructure their restaurants in a more customer-oriented way in order to elicit eWOM and, as a result, increase customer visit."* **Managers hence have to consider web based reviews as empowering for their business**.

However, an article of the PRWeb (2011) reports that a reviews platform may be detrimental for restaurateurs. The article is based on a poll conducted by Tundra Specialties. The polling

data shows that 43% of restaurant managers thought that *Yelp* was hurting their business since it offers the customers "carte blanche" to say whatever they want about a food establishment. By consequence, reviews can be harmful. (Daily Deal Media, 2011) Vardy (2012), in his article for *TheNextWeb*, advances the same opinion. When looking at reviews for a restaurant, even if they turn out to be very good, one single bad review will catch the attention. *"While this review wouldn't keep me from eating at Il Terrazzo because of all of the excellent reviews by other users, it definitely stood out. And that could make a problem for many restaurants."* (Verdy, 2012)

Nevertheless, there is no way for managers to escape from the development of social networking usage. Therefore, **restaurateurs should use the internet and social networks as a tool to create awareness among customers**.

3. METHODOLOGY

3.1. Research Objectives

This dissertation develops an understanding of how user generated content works in the restaurant industry with the goal of **explaining how reviews platforms influence consumer behaviours and the reputation of restaurants.** Specifically, this dissertation interrogates on how consumers evaluate different types of restaurants, what their expectations towards reviews platforms are but also how their assessment can influence restaurant establishments.

In order to apprehend those issues, it was necessary in the first place to **understand the reasons that motivate users to contribute and use restaurant reviews and ratings websites**.

Conjointly, this research raises the question of credibility of eWOM and aims at **finding out about the effectiveness of user generated content by examining how consumers perceive the source of these reviews** and in what ways the characteristics of the source(s) shape their opinions.

Finally, the data collected in the research allowed the **identification of the main challenges and opportunities for restaurateurs**, and hence to uncover what the key factors for a successful restaurant establishment are.

3.2. Research Approach and Strategy

The issues aforementioned were apprehended by means of a qualitative research. The Qualitative Research prioritizes the study of perceptions, meanings and emotions (Silverman, 2005). Denzin and Lincoln (2005) opine that qualitative and quantitative approaches both attempt to find out about consumers' point of view. Nonetheless, the contrast between those two methods subsists in a more detailed investigation (E.g. Through interviewing and observation). *"Qualitative research is not attempting to find out what consumers think; it is focused on how consumers think"*. (Barnham, 2010).

Forasmuch as the core of this thesis relate on how peers influence each other by virtue of their evaluations and beliefs about a restaurant establishment, a qualitative research approach that enables interpretation of the phenomenon is deemed appropriate. Unlike quantitative methods,

the research approach does not rely on testing variables but favours on understanding experience and users' motives to be involved in reviews writing and/or reading. This thesis will thus be based on an emotionalism model. Emotionalism is defined by Scott and Morrisson (2006) as *"a research paradigm",* it *"refers to an approach to conduct in research studies that provides a gateway to understanding people's experiences through the use of social inquiry methodologies such as ethnography."*

Concerning the methods for gathering data, **a grounded theory approach was first undertaken**. This research method is favourable for developing concepts in order to understand the main issues of the population of the substantive area and to discern how those issues can be resolved and processed. (Carter and Lubinsky, 2015) This research tool appeals to this research for several reasons.

First and foremost, the research objectives are consistent with the intent of the ground theory approach which, uses an inductive approach to generate substantial codes from the data. (Glaser, 1978) In this research, the objective is to **identify group patterns of restaurant-goers' behaviours and influences, throughout this relatively new phenomenon which is user generated content**. This identification of behaviours pertaining to consumers' attitudes towards restaurant reviews platforms enabled to build theory using inductive approach to inquiry, which is a *"process of developing conclusions from collected data by weaving together new information into theories »* (Bengtsson, 2016).

Secondly, the grounded theory is suited for this research because it adopts a flexible method with emergent methodological strategies rather than arbitrary rules. (Hesse-Biber and Leavy, 2008) Indeed, Charmaz (2006) evokes the constructivist version of grounded theory which values individual's storytelling and emphasizes the analysis of individual's interpretation of an experience.

As per the data analysis, a **content analysis was the method adopted** following the observations of Bengtsson (2016). The aim of this research method is to classify and extract meaning from all the data collected and pursuing to generate outcomes out of them.

Admitting the definition given by Krippendorff (1980) content analysis is *« a research technique for making replicable and valid inferences from to the contexts of their use. ».* Given that*, **content analysis, and more specifically the technique of categorization***, was suited for

this research. **Categories were built, in order to extract the main branches of influences resulting in the use of UGC along with the main after-effects of this medium for restaurants managers**.

3.3. Data Collection Methods

To achieve this research, two methods belonging to qualitative research were chosen. Netnography-like research technique was applied followed by in-depth interviews. As it is uneasy to generalize the findings of a netnography, multiple methods for triangulation are needed. Data for both the netnography and the in-depth interviews were hence collected from **online restaurant reviews websites and forums**, from their **company executives** *(Zomato and TripAdvisor),* from **regular users**, from **restaurant managers** and eventually from **influencers, also called "Top reviewers"**.

In the following sections, each of these research techniques are explained along with the related procedures used in the collection of data for this thesis.

3.3.1. Netnography

Netnography is a marketing technique based online which offers knowledge to the researcher on particular consumer behaviours. *"It provides information and the symbolism, meanings, and consumption patterns of online consumer groups". (Kozinets, 2002)* Computer-based communication, or "virtual communities" can be a relevant source for undertaking research. Conceding Kozinets (2002), virtual communities have consequential effects in many aspects of online consumers' behaviour. Those groups communicating on online forums allow the identification and the understanding of the needs and decisions influences of consumers. Kozinets (2012) opines that the online world is a social and cultural world from which researchers can benefit for understanding online interactions. Unlike other qualitative research methods, one of the biggest strength of this technique is the **unobtrusive and naturalistic aspect**. Furthermore, netnography is easy and flexible to perform since the information is publicly available on online forums.

In this study, this research method helped to examine the meanings and symbols encompassed in user generated restaurant reviews sites (i.e TripAdvisor, Zomato). Capturing those meanings

and symbols is meaningful as it is now acknowledged that restaurant marketing has been taking a considerable part on the web in the past decade. Reviews platforms will be a guidance in this research since their main users are restaurant connoisseur, they are well aware of the requested criteria of restaurant goers (e.g. service quality). Those users are also more aware of the market price of "what's in their plate". Therefore, this apprehension of restaurant reviews can be explored by means of a netnography of a committed restaurant experts group. By evaluating their judgment's experience and by assessing the quality of the insights and sources provided in their review, this study can attain conclusions giving knowledge on consumers 'motives to write reviews and what makes members deciding on selecting a restaurant. Furthermore, after validating, interpreting and gauging the information collected, this research can develop insights on how restaurateurs should deal with UGC, and consequently offer a reflexion on what should be the best practices to engage.

The netnographic research of this study will started with an overview of the most visited restaurant review websites in the area of Lisbon. In order to find out which sites are the most relevant in this study I listed the platforms used for restaurants in Lisbon, based on a report published by *ReviewTrackers* that has listed the most popular recommendation websites in the restaurant industry. (Bassig, 2015) Among this list, we can find the following sites: *Yelp, Eat24, OpenTable, Gayot, Zagat, Zomato, Menu pages, Google+ Local, Facebook, TripAdvisor, Foursquare and Yahoo! Local.*

Since the focus on this study is on Lisbon area, platforms websites that barely or don't cover this city were thus removed (i.e. *Eat24, OpenTable, Gayot, Zagat, Menu pages, Yahoo! Local*).

This netnography into online restaurant reviews websites thus began with an overview of consumers' recommendations on several restaurant reviews pages: *Facebook, TripAdvisor, Zomato, Google+ Local and Foursquare*. TripAdvisor and Zomato were chosen because they have, by far, the highest rate of engagement, and therefore the highest amount of reviews. Furthermore, TripAdvisor is the largest travel community in the world and reaches 340 million monthly unique visitors and more than 290 million reviews and opinions covering accommodations, restaurants and attractions. (TripAdvisor, 2015).

3.3.2. In-depth interviews

In-depth interviews were undertaken with the four types of population relevant for this research: **company executives, users: reviews writers and readers, and establishments**. In order to elicit proficient results and more elaborate responses, semi-structured interviews, based on insights from Qu and Dumay (2011) were used. Accordingly, an interview script was formed.

Since the format chosen for the interviews is semi-structured, each of the interview scripts were used as a guide, that is to say, more as a list of topics which needed to be covered during the conversational exchange with the respondent, and not necessarily following a particular order. In result of this way of undertaking the interview, trajectories in the conversation may stray from the main script, regarding the feeling of the respondent to talk about a particular topic.

Before starting the interviews, the respondents were reminded about the topic of the research. I also informed them about the way the interview will be conducted and about the objectives that needed to be achieved in the conversational exchange. In the end of the conversation, the respondents were solicited to ask me questions and to share their general thoughts about the research undertaken on user generated reviews in the restaurant sector.

3.3.2.1.Interviews with company executives

The objective of the in-depth interviews with company executives was to better **understand the background of user generated restaurant reviews**. This step, added to the netnographic data formerly collected was necessary to later proceed to the interviews with consumers and subsequently interviews with restaurateurs. Besides, these interviews allowed to apprehend the restaurant reviews platforms' operating. For those introductory interviews, two executives from two competing companies were interviewed. The first one was conducted via an email exchange with Ryan Thomas, the Global B2C Service Manager of *TheFork*, part of *Trip Advisor Media Group*. The second interview was conducted with António Moura Dos Santos, a Content Associate of the company *Zomato*. The latter one consisted of a face-to-face interview and lasted 1h15. As a result of those 2 interviews, 6000 words has been collected in total.

The interview script (see Annex 1) included questions aimed at identifying the corporate identity of their brand and strategy as well as their thoughts and experiences related to the service their company are offering.

3.3.2.2. *Interviews with influencers*

After conducting in-depth interviews with executives and analysing the data collected until that point, related questions emerged and more investigation for a **better background understanding** was necessitated. For this second part of interviews, reviewers have been chosen. The participants who were contacted are all reviewers on *Zomato*. The platform allows to see the ranking of "Top Foodies" in the area of Lisbon. Reviewers are rated according to the points they earned. A reviewer earns points each time he writes a review. Extra points are collected if the reviews received at least 10 "likes" by other users. As a whole, 17 people among the list of the 25 Top Reviewers (also called "Top foodies") in greater Lisbon, were reached out. In total, 8 review writers accepted to be interrogated during the month of January and February 2016: 3 of them accepted the face-to-face interview, which lasted in average 20 minutes. The other 5 respondents answered the questions via email. The interviews resulted in a data collection of 5500 words.

As I chose to focus this part of the research on the company *Zomato* - due to the popularity of this restaurant search and discovery service - the interviews with this recipient were carried out in a context where the users are committed to this UGC platform.

The interview script consisted of six groups of questions (Patton and Patton, 2002). The categories include behaviour or experience questions (1), opinion or belief questions (2), feelings questions (3), knowledge questions (4), sensory questions (5) and background or demographic questions (6). Based on these division, information that needed to be collected in the interviews were written down in order to help building the interview script and formulating the questions. The interview script (See Annex 2) resulted in 11 main questions in total.

3.3.2.3. *Interviews with UGC restaurant websites readers*

This third part of interviews have been undertaken in May 2016 with regular and non-regular users of UGC platforms. For the reason that the main objective of this research is to **uncover how recommendations shape the decision making of consumers**, this recipient represents a very important part in the data collection of this research.

In total, 10 respondents, from different backgrounds, have been interviewed. Those conversational exchanges were all conducted face-to-face and lasted in average 15 minutes. The interview script (See Annex 3) was composed of five broad questions, of which the respondents could answer freely and derive to other sub-topics. As for the interviews with the influencers, the conversational exchange with the respondents, was not particularly following a specific order. The goal of these interviews was mainly to grasp sensory information, therefore questions about their behaviours regarding those platforms were asked. The data collection for of this recipient resulted in a total of 5000 words.

3.3.2.4. Interviews with restaurant managers

After having built enough knowledge about the use and the functioning of UGC restaurant websites, the interview script with restaurant managers could be framed far more easily.

This fourth and last part of interviews principally **helped uncovering the challenges and opportunities that restaurateurs obtain from UGC.**

Six different types of restaurants have been selected to participate to interviews carrying from March to April 2016. Some are active in the UGC, others are not. Therefore, the interview script (see Annex 4) included very broad questions about the way they are dealing with their online presence.

This fourth part of interview was probably the most complicated to execute by reasons of the poor knowledge about this online trend (UGC) for restaurant managers. Therefore, the interview script had to be readapted, and the questions needed to be asked differently.

Also due to the tight schedule of restaurateurs, only short interviews (10 minutes) could be undertaken with them, and thus, the response were not always answered fully and further details

could have been omitted. However, the data collection of this recipient resulted of a total of 4500 words coming from 6 interviews conducted with restaurant owners in Lisbon.

3.4. Data Analysis Methods

Succeeding the gathering of the interviews, a transcription of those records was carried out in order to process them for the successive analysis. As mentioned in the Research Method and Strategy, **a content analysis was undertaken**.

Content analysis has both quantitative and qualitative methodology. Nonetheless, this research only used qualitative content analysis. The main purpose of this procedure is to build criterion of definition derived from the theoretical background and the research question. Subsequently, main themes elicited from the data collection were deduced, linked to each other and eventually reduced to main categories. (Mayring, 2000) This process were accompanied of "mind maps", which consist of diagrams served to visually organise the information. The main ideas and concepts are linked to each other and connected to the central concept, which is in this case, the research question. Ensuing, content analysis will make it possible to draw some interpretation of the results.

This approach used was based on Bengtsson (2016) analysis. Bengtsson (2016) frames a development in four main stages: the decontextualisation, the recontextualisation, the categorisation, and the compilation.

The decontextualisation

This first stage aims at assimilating the data and being accustomed to them by reading through the transcribed text to obtain the sense of the whole in order to make easier the assembly of meaning units that is *« the constellation of sentences or paragraphs containing aspects related to each other, answering the questions set out in the aim »* (Bengtsson, 2016) After those meaning units being identified, they were later labelled according to the context.

The reconceptualization

A verification of the meaning units formerly identifies is then initiated. This verification aims at checking whether or not all the content has been incorporated to the meaning units in relation to the main purpose the research.

The categorization

The categorization consists of creating categories that include the meaning units. The material heretofore extracted is thus divided into several groups based on the goal of answering the research question.

The compilation

The categories being determined, the analysis and writing up process can start while considering the literature review in the findings.

4. DATA ANALYSIS

This section will **deliver the findings of the interviews and the netnography for both research questions of this thesis**. Each section of findings were be analysed and discussed taking into consideration the literature.

4.1. The influences of the use of UGC restaurant websites

The results of the data analysis engendered six main categories of types of influences for using UGC restaurant websites. (Figure 6)

1) The user experience
2) The convenience aspect of UGC
3) The information asymmetry issue solving
4) The aim for meeting expectations
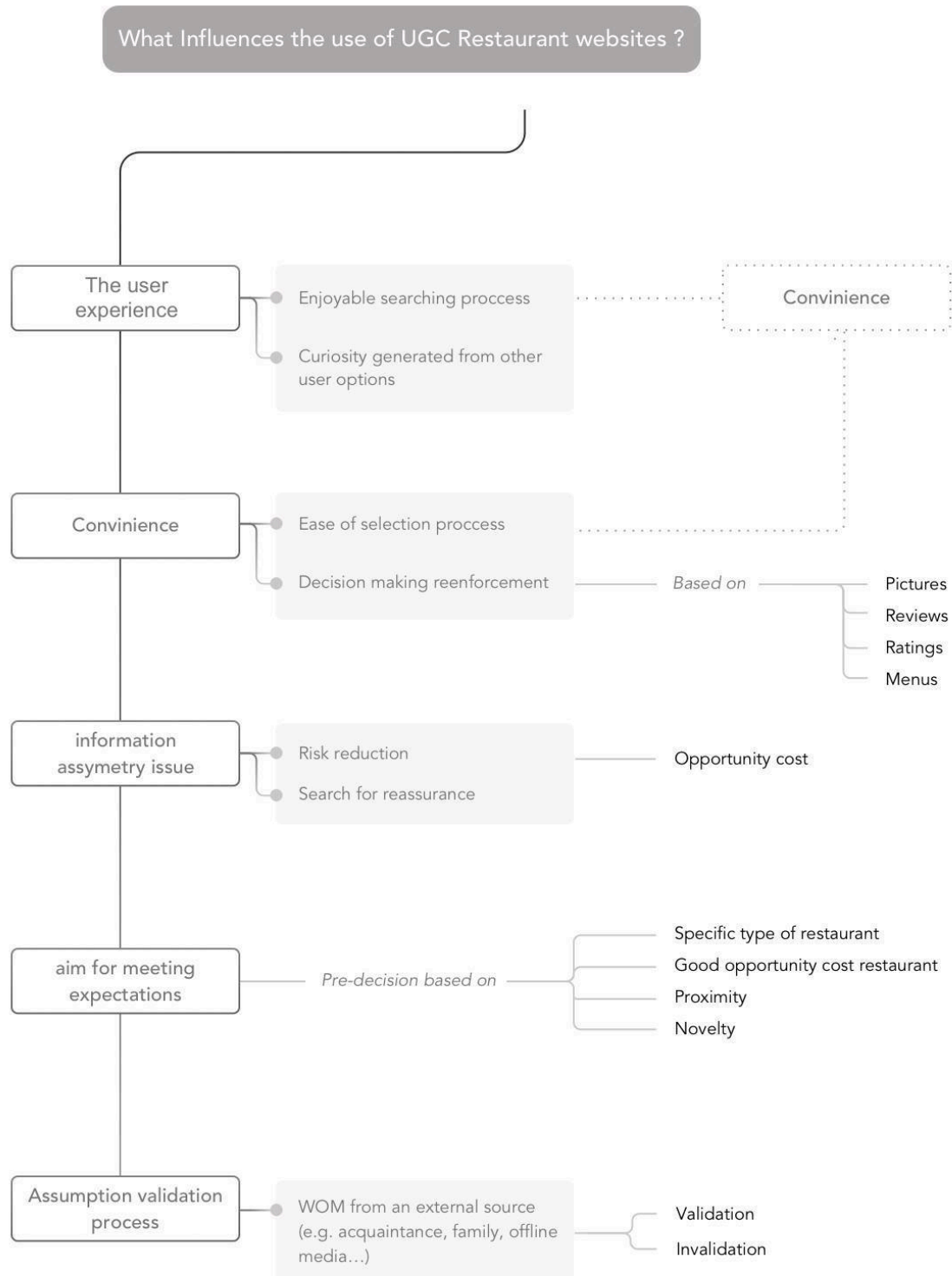5) The Assumptions' validation or invalidation

Figure 6 Mindmap n°1 - The influences of the use of UGC restaurant websites

Forasmuch as the categories are very correlated to each other, it is possible that some outcomes and sub-categories may appear very similar to other ones and thus could belong concomitantly to distinct categories.

4.1.1. The user experience

When the participants were requested to share their reasons for consulting user generated restaurant websites, the aspect of user experience often arises.

The **user experience** is thus considered as a potential driver for using UGC restaurant websites. Interviewees relate positively to this first source of influence because of two main aspects: (1) **the satisfaction of the searching process** and (2) **the curiosity generated from others' opinions**.

The satisfaction of the searching process.

Respondents allege that the searching process is for them a great tool to use and to find a place that meets their requirements.

This element can be retrieved in the literature. (Peterson and Merino, 2003; Dellarocas, 2003) The information, that the users are looking for, is collected effortlessly by means of browsers, search engines, and intelligent agents for acquiring this information.

> *[…] I like the **searching process**, and in the end finding the place that meets my requirements.* [Klaus, M. Interview. May 2016]

> *I really appreciate the fact that you can **select by the price** you are willing to pay.* [Patfoort, C. Interview. May 2016]

The involvement of the users who consult UGC websites when researching for a dining experience can as well be compared to the decision making process of consumer goods, as some respondents referred:

> *UGC sites are great to make comparisons. It is like going to the supermarket. If I want to buy a shampoo, I prefer having several options than only a few ones. It is the same for restaurants.* [Delauney, N. Interview. May 2016]

Although some elements can be retrieved in the literature, the concept explained by Parikh et al., (2014) does not appear to be such a clear evidence in this investigation. According to the authors, restaurant consumers, use the website only after becoming conscious of a need or want, which, engenders an information search behaviour. Whereas some respondents showed to be interested in consulting UGC websites without compulsory having a specific conscious need in mind.

> *[…] Sometimes I check it as well just by curiosity, to see where are the best restaurants in my hometown.* [Vandenhove, C. Interview. May 2016]

The curiosity generated from others' opinions.

Also, it turns out that some users are consulting the UGC platform because it arouses the **curiosity and interest of other users' opinions**. This result conforms to the literature; the theory of Hennig-Thurau et al. (2004) says, that the online experience incites peers to share and build opinions from others without ever meeting each other *by virtue of eWOM.*

> *It is interesting to know what some persons - that have been to a restaurant I migh be interested in - think about.* [Delauney, N. Interview. May 2016]

4.1.2. The convenience of UGC

Another result that emanated from this investigation is the convenience of the UGC tool. Two sub-groups justifying this convenience aspect are (1) the ease of the process and (2) the decision making reinforcement.

The ease of the selection process

The ease of the selection process is recurrent in this data analysis. Not only this selection process favors the User Experience but according to respondents, it also makes their decision making process faster and easier.

> *I like to be able to do my decision making at home. It is way more convenient than choosing on the last minute blindly.* [Moura Dos Santos, A. Interview. May 2016]

In the same lines, a facet that has been mentioned several times by the recipient is the ease, from a technical point of view, of the UGC websites.

> *[...] It is easy to use. I am using the mobile application on my phone so I can use it even if I am already out and didn't have time beforehand to search for places. So it is convenient for me to open the application and see whatever is around."* [Hadamitzki, A. Interview. May 2016]

> *[...] I just need to set a few criteria and the system makes a selection of restaurants for you* [Klaus, M. Interview. May 2016]

This second category of drivers for using UGC confirms one more time the literature: Peterson and Merino (2003) refer that the Internet represents a minimal effort and cost that needs to be engendered to reach the information. Consumers' decision making process hence appears to be easier.

The decision making reinforcement

When questioning the respondents about specific features that influence their decision making and for which reasons, four main characteristics that help them choosing are issued: (1) the rating and the reviews, (2) the pictures, (3) the menu. Although the users might already have their decision premade and already selected some criteria via the filters, those features will reinforce their decision making.

The rating

The rating appears to be a very important factor for the users. It seems like this is the first characteristic that is shaping their opinion.

> *I wouldn't go to a restaurant that has a grade below 3.5. I only go to the ones with good review. It is the minimum I require.* [Klaus, M. Interview. May 2016]

> *[...] I could definitely make my decision based on the good rating of a restaurant.* [Viaud, V. Interview. May 2016]

The reviews

The reviews turn out to be not such an important factor for most of the respondents. It seems that the users are aware that their expectations differ from other consumers.

> *It is not important if there are only a few bad reviews, I think that there are just people who are picky and hard to be satisfied. I might not have the same expectations as them.* [Viaud, V. Interview. May 2016]

On the other hand, the consumers seem to be more concerned when the content of the review is about the food quality:

> *The criteria that matter the most for me is the food quality, then the price and ratings. I look at some of the reviews on a whole, not really reading everything precisely but if they seem to say that the food is good, then it is ok.* [Vandenhove, C. Interview. May 2016]

For another respondent, a review referring the the food quality negatively could even be a reason of exclusion:

> *[...] If the argument in a bad review is about the **quality of the food**, I think it will make me want to search for other places.* [Hadamitzki, A. Interview. May 2016]

> *I am not much influenced by the reviews. Especially if is only a matter of the waiter not being nice for instance, I don't care. What matters is **criticism about the food**. If it*

mentions that the **quality of the food** is not good, then I can be convinced not to go to. [Rio Torto, R. Interview. May 2016]

For this reason, the argument of Park, Lee and Han, (2007) shows to be pertinent. Users give less importance to "low-quality" reviews, that is to say, the ones that are emotional and subjective:

> *[...] Sometimes what the user say might be completely irrelevant. [...] Saying something about the service, is for me a not relevant. As for me, a good quality review is when it mentions several characteristics including the quality of the food. [...] A bad experience caused by the service is subjective, and can be due to many reasons, that differ from a client to another. While the evaluation of the food is I think more objective. It is supposed to always taste the same.* [Viaud, V. Interview. May 2016]

Furthermore, the former respondent's extract matches the literature one more time when Jeong and Jang (2011) asserts *food quality* is the major factor in customer satisfaction and post-dining behavioural intentions, such as, WOM or eWOM.

Besides, the bad connoted reviews seem to somehow influence the judgement of some people:

> *If I see some bad reviews about a restaurant where I decided to go anyway, I might go with some a priori in mind.* [Venâncio, C. Interview. May 2016]

The research controverts one of the argument in the literature provided by Park, Lee and Han (2007). According to the authors, the purchasing intention will increase accordingly with the number of consumer reviews. It might not seem to be the case for all respondents:

> *I read the reviews but only the first ones, I usually don't go further than the first three ones. I am not going to scroll down to search for the negative ones. For me the rating is more important.* [Hadamitzki, A. Interview. May 2016]

The pictures

When the pictures were mentioned to the interviewees, it appears that this aspect is very subjective.

[...] If I am not inspired by how the food looks like, I am automatically switching for something else. [Klaus, M. Interview. May 2016]

Sometimes, I see some photos that doesn't really convince me to go to the restaurant, when it is bad looking pictures of the food, it might convince me not to go. [Maresciano, R. Interview. May 2016]

For me, pictures say a lot, I don't read much reviews, I just go quickly through them. [Amorim, I. Interview. May 2016]

While the pictures appear to be crucial for some users, they don't imply any importance for others.

I don't pay much attention to the pictures, because it doesn't always reflect the quality of the food. There are for me, a bit superficial. [Rio Torto, R. Interview. May 2016]

The menu

The users seem to attribute a lot of importance to the menu, to the fact of knowing in advance what they can expect, especially regarding the price. This risk factor will be further developed in the next section.

Being able to see the menu, is a very important feature for me. I think it is important to see what the restaurant has to offer. [Delauney, N. Interview. May 2016]

The aspects reinforcing the consumers' decision making appear to be quite personal. Some users will favour the pictures, while others would base they decisions on the rating mainly and not so much with the reviews, etc.

4.1.3. The information asymmetry issue

As supported by the literature (Peterson and Merino, 2003; Constantinides, 2004; Zhang et al. 2010, Serra Cantallops, 2014; Parikh et al., 2014 and Salvi, 2014), the asymmetry problem has been mentioned by all the respondents.

Risk reduction

The recipient of the interviews complies to the same motive for reading reviews: **the need for searching for additional information related to the uncertainty** consumers feel towards this "experience good". This term was coined by Parikh et al. (2014) who declare that this type of service is riskier than any other goods.

This inquiry positively corroborates with this theory. The users indeed shared this feeling of uncertainty and their need for external sources on UGC sites. Approving Jeong and Jang (2011), restaurant experiences are purchasing intangible products and services: consumers cannot know the quality of a product or service only after it has been purchased and consumed.

> *I want **to know in advance** what kind of service they offer, what kind of restaurant it is, how it looks, what kind of food they have, for **what price**, etc.* [Hadamitzki, A. Interview. May 2016]

> *[…] UGC is very useful when you **don't know the offer*** [Viaud, V. Interview. May 2016]

The search for reassurance

Some respondents even cited the word "reassurance" when talking about the reason behind this search experience:

> *I find it **reassuring** that a restaurant I don't know have been "tried" by several persons before I go there.* [Patfoort, C. Interview. May 2016]

> *I use those sites because I think they are **trustable**. It **reassure** me to see other people's opinions.* [Vandenhove, C. Interview. May 2016]

> *When many people give their credit to a restaurant it is **reassuring**, it makes decision making easier and **less risky**.* [Rio Torto, R. Interview. May 2016]

The risk reduction motive related to money, time and opportunity cost - which is in the literature one the four categories suggested by Parikh et al. (2014) for reading UGC - is supported in this investigation:

*When I go on TripAdvisor, it is because I am really looking for something special, and I don't **want it to be a disappointment***. [Hadamitzki, A. Interview. May 2016]

*It is very important to me what people think about a specific place I am considering to go. I don't go to the restaurants that often, so i want to **make sure to make the proper decision***. [Maresciano, R. Interview. May 2016]

*If I don't plan where I am going, I might end up in a place that I don't like, and then it is a **waste of money***. [Delauney, N. Interview. May 2016]

4.1.4. The aim for meeting expectations

The respondents have been solicited about their motives for using UGC. Most of them responded to this question differently. However, it seems that most of them are **aiming for meeting their expectations**. This acquiesces the approach of Parikh et al., (2014) stating that the consumers go to UGC conscious with a need or want, which, will in a second place, engenders an information search behaviour.

Four divisions of types of expectations have been identified:

(1) Specific type of restaurant
(2) Search for a good opportunity cost restaurant
(3) Search related to the proximity
(4) Search for novelty

Search for a specific type of restaurant

*I usually have a look at these websites when I am looking for a **special restaurant**; if I am for example searching for a restaurant that serves organic food.* [Maresciano, R. Interview. May 2016]

*I use the filters a lot if I **already have something in mind**. Let's say if there is **a type of restaurant** I want to go, e.g. intimate, romantic, with a specific type of cuisine I am searching for, etc.* [Viaud, V. Interview. May 2016]

Search for a good opportunity cost restaurant

*I try to look for a restaurant which has a good **quality/price ratio**.* [Marescano, R. Interview. May 2016]

*Since I am a student, I am always trying to look for **good deals or bargains**. The **maximum I can pay** for a dinner is 15€ top. It is the highest I can afford.* [Rio Torto, R. Interview. May 2016]

Search related to the proximity

*I consult UGC to find the best restaurants **nearby**.* [Hadamitzki, A. Interview. May 2016]

*I want to find a **cool** place **nearby**.* [Rio Torto, R. Interview. May 2016]

Search for novelty

*[…] It is helpful to use UGC sites to find **new places** in **an area that I don't know**.* [Viaud, V. Interview. May 2016]

The novelty seeking represents a motive for reading consumers' reviews online in the literature. *"Consumer who frequents a restaurant will believe they have sufficient internal information sources and will not need to rely on external information sources such as Yelp."* (Parikh et al., 2014).

4.1.5. The Assumptions' validation or invalidation

This last category of drivers for reading UGC content, is related directly to eWOM. Here eWOM, is revealed as an opportunity that has not been provided in the literature review. Respondents mentioned that the reviews allowed them to approve or disapprove their assumptions. Those assumptions repose on presuppositions made about an establishment, that the individuals might have been told from external source (e.g. offline media, acquaintances, family, etc.)

[…] There is for example a place that has just opened and I wanted to go to. But then after checking the reviews that were mainly negative, it changed my mind. [Rio Torto, R. Interview. May 2016]

When I am searching for a place in my hometown, I use UGC just for checking what the places I have heard about are worth to be visited or not. [Vandenhove, C. Interview. May 2016]

Sometimes, I want to go somewhere because friends told me about it or just because I got good feedback. In that sense, UGC helps me to "double check" and to make sure, thanks to the critics, that this place is good or not. [Viaud, V. Interview. May 2016]

4.2. The impact of UGC restaurant websites for restaurant establishments

After gathering the data, mainly provided by the interviews with restaurant managers, three main categories for explaining the challenges of UGC restaurant sites have established.

(1) The need of adaptation

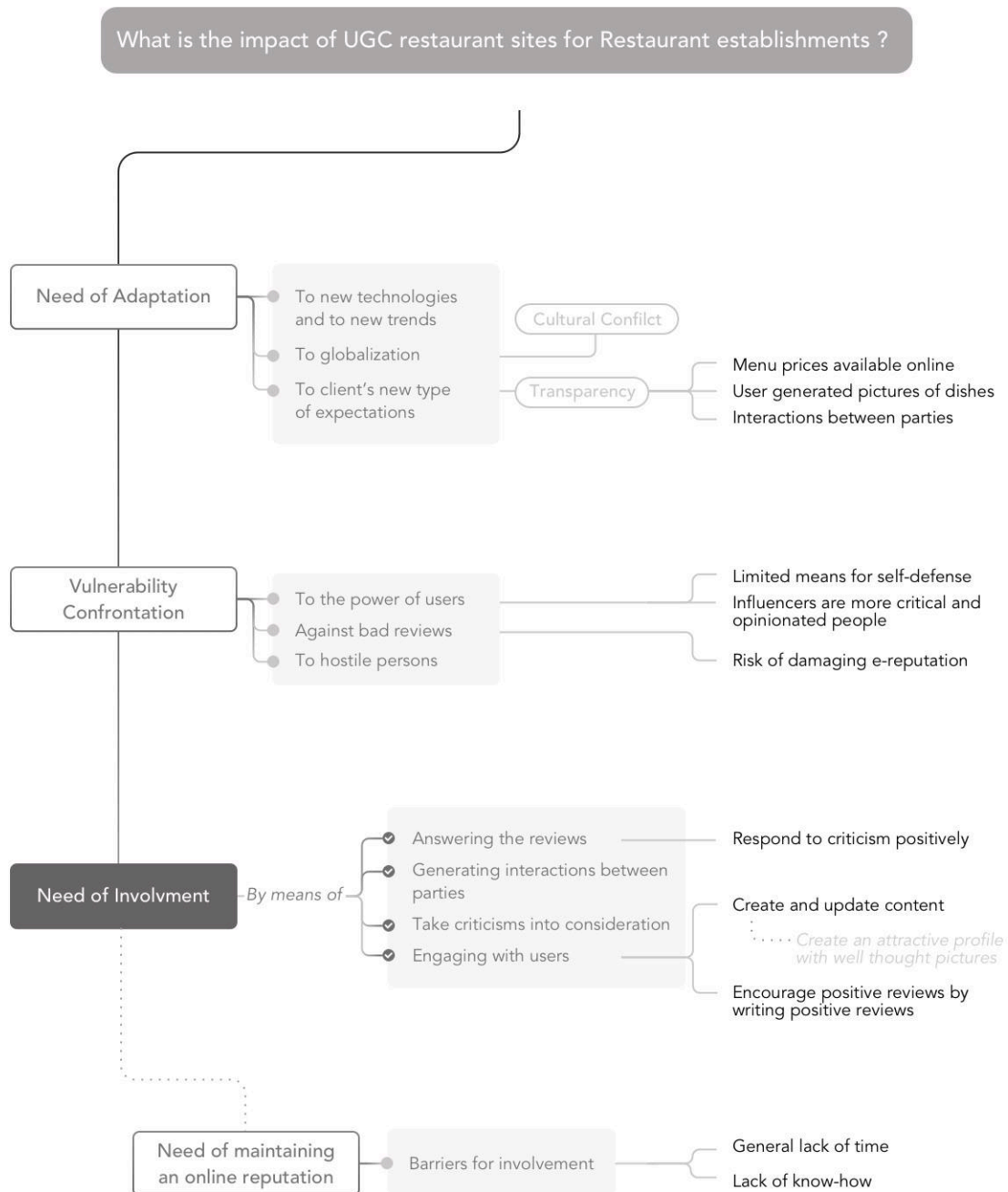(2) The vulnerability confrontation

(3) The need of involvement

Figure 7 Mind map n°2 - The impact of UGC restaurant websites for restaurant establishments

4.2.1. The need of adaptation

The respondents were asked to share their feeling about the overall increase of UGC. This question resulted in a recognition from the restaurant managers of a need of adaption. This event occasions several type of needs for adaption:

(1) An adaptation to new technologies and to new trends
(2) An adaptation to the globalization
(3) An adaptation to client's new type of expectations

An adaptation to new technologies and to new trends

The data seem to affirm that new technologies and the Web 2.0 has a determinant role in the restaurant industry. As mentioned by Vardy (2012) in the literature, the emergence of mobile devices and cloud computing made a consequent impact in every people's day-to-day life and in the way they consume food. Therefore, those technical ameliorations bring challenges.

> *Lots of restaurants are owned by older people, all the Tascas [typical Portuguese restaurant], all the very traditional restaurants.* [Executive n°2. Interview. December 2015]

> *[...] We have to keep up with the novelty, to **adapt to new technologies**.* [Restaurant Manager n°5. Interview. April 2016]

> *UGC is so far not working so much with the more modest kind of restaurants, with the more "**neighbourhood" types of restaurants, family traditional restaurants**. Because most of the restaurants have their own **well established consumer base**, they are having the same clients every day for many years.* [Executive n°2. Interview. December 2015]

An adaptation to the globalization

> *Restaurants have to **adapt to the new trends** and to the **globalization**, our clients are from different parts of the world so we cannot just keep on doing our traditional cuisine.* [Restaurant Manager n°5. Interview. April 2016]

An adaptation to the client's new type of expectations

The advent of the Internet has changed the expectations of the consumers. As declared by Pauker Kreitzberg (2009), transparency is part of the five main characteristics of a Web 2.0 friendly culture.

> *We need to be completely **transparent** because this what people want, customers **want to know what to expect.*** [Restaurant Manager n°3. Interview. April 2016]

4.2.2. The vulnerability confrontation

The Internet and UGC has provided power to consumers dramatically. Those consumers are no longer simply receivers of information that companies are willing to share. They have, hereafter, the ability to generate content and receive immediate feedback. This concept is supported by Wu (2002) and Jeong and Jang (2011) who claim that this empowerment has shifted from the organizations to the consumers.

This shift of power reached a point that lead to some vulnerability from the restaurants establishments. This perception of vulnerability has been several times expressed by the respondents:

> *We are not always comfortable with UGC because we are […] it is frustrating that some stupid clients can just write what they want **hidden behind a screen bashing our business.*** [Restaurant Manager n°1. Interview. April 2016]

> *[…] I think it can sometimes be bad for a business, when you have bad reviews. It **makes me feel a bit vulnerable** to be listed on these websites.* [Restaurant Manager n°4. Interview. April 2016]

*We once received a comment that was really **unfair**. [...] I wanted to answer to defend ourselves and for the other TripAdvisor's users who might read that, not to think we are a bad restaurant.* [Restaurant Manager n°1. Interview. April 2016]

*A client once warned us that he will **damage our e-reputation**, he has all the rights to write a review on UGC sites, **there was nothing we could do the prevent that to happen**.* [Restaurant Manager n°4. Interview. April 2016]

*The **people who write reviews tend to be more critical and have stronger opinions than the average population**, [...] So things may not have been as bad as they were portrayed, and it's important to take distance with some things.* [Executive n°1. Interview. November 2015]

4.2.3. The need of involvement

It is now important to take into account the measurement of restaurant quality as perceived by the customers. Besides, the users are expecting restaurants to engage and interact with them. This leads to a need of involvement from the restaurant establishments. It is crucial for them to get and maintain an online reputation.

In the following section, not only extracts from interviews with restaurant managers will be provided but also from interviews with executives. The later turned out to provide insightful answers due to their expertise and their unbiased opinion.

Different types of needs of involvement could have been identified:

(1) Answering the reviews
(2) Generating interaction between different parties
(3) Taking into consideration the criticisms
(4) Engaging with users

Answering the reviews

Some restaurant managers are conscious of this need of involvement:

Sometimes the bad reviews are hard to take but I am trying to speak with all of them and defend myself the best way I can. [Restaurant Manager n°3. Interview. April 2016]

As one of the executive being interviewed explained, answering reviews is very important:

Restaurants have to reply to the criticism positively: harsh reviews should be taken as a constructive evaluation and thus used as an opportunity to improve some elements. [...] Replying with a management response can show that the restaurant care. [Executive n°2. Interview. December 2015]

Another executive goes in the same lines as the previous one, adding that the restaurant establishment should not take too long time to answer:

If the restaurant answers the review directly, it shows other users that you concerned and involved. [Executive n°1. Interview. November 2015]

Generating interaction between different parties

Besides, engaging with consumers also involves generating interaction between different parties:

*Let's imagine that on this specific day the restaurant had some kind of problem, not enough staff because someone was absent. Now, the manager can defend himself and say that it was a tough day, because they had to work with one less person than they work with usually. Besides this interaction between those two parts, it is also very good for the third part who is going to see the interaction afterwards, and make their own opinion from what he sees. If the manager wouldn't have had replied, it could convince anybody not to go. The possibility to reply is then crucial in those situations. It is important not only for them to defend themselves, also to **generate interaction**.* [Executive n°2. Interview. December 2015]

Taking into consideration the criticisms

The reviews are a great way for the restaurants to know what is wrong. Some of them are being aware of the value of taking into considerations the client's criticisms:

We analyse the reviews and we try to improve. So, if the clients comment that they don't like anything, we try to compensate for the next time the client comes. [Restaurant Manager n°6. Interview. March 2016]

[…] we do take into consideration the criticisms. It stopped being a smoking place mostly because of the criticisms that we get. [Restaurant Manager n°2. Interview. April 2016]

We also took into consideration a criticism that was often coming up. It was related to the plate on which with served the codfish. We used to serve it on a flat board but the sauce was spilling all over. Now we removed them. [Restaurant Manager n°2. Interview. April 2016]

We have heard that criticism about improving the choice of food. We have been asked for doing delivery too. […] So I answered that we are thinking about it, since we are very busy, for now we can't, but we consider doing it. [Restaurant Manager n°4. Interview. April 2016]

We had comments from some clients complaining about the staff. If they don't like them, we even change people. […] We analyse the reviews. We try to talk about the issues within the team by gathering everybody. [Restaurant Manager n°6. Interview. March 2016]

Engaging with users

Lastly, this need of involvement includes being a need for restaurants management to create engagement online. There are two main ways manners restaurant establishments can do it: create and update the content and encourage reviews.

Create and update the content

Restaurant managers can create an eye-catching profile with attractive pictures:

Restaurants can also significantly improve their profile by using photos. If the restaurant has an Instagram account, the photos from the account can be integrated in the profile on Zomato. [Executive n°2. Interview. December 2015]

> *Responding to positive reviews is also an effective approach to **encourage more positive reviews**.* [Executive n°2. Interview. December 2015]

> *[…] It is actually meaningful to reply, even to nice reviews. Saying something like: "thank you for the feedback, it is very important for us to get this kind of messages. Please tell us how we can improve more in the future", will be meaningful for the user because when that happens they know that they are being heard, what they are saying actually cares.* [Executive n°1. Interview. November 2015]

The need of maintaining an online reputation

However, although restaurant managers are more and more aware of the importance of getting involved online, it remains a challenge for them. Two barriers against this need for involvement subsist: the **lack of time** and the **lack of know-how**:

> *I don't really have time for all that. I think if I had someone who could specifically work on the online presence of this establishment, it would be better.* [Restaurant Manager n°6. Interview. March 2016]

> *[…] We don't really have time to do that, to interact online.* [Restaurant Manager n°2. Interview. March 2016]

> *The time is not the only problem; it is also the fact that I don't really know what to say sometimes. For good comments, I say thank you but, saying the same thing all the time is quite repetitive, the thing is, I don't feel really comfortable to say the same words all the time. Zomato keep telling us we should do it but I don't have the patience for that. I prefer to answer the bad comments.* [Restaurant Manager n°3. Interview. March 2016]

5. RESEARCH CONCLUSIONS AND MARKETING AND MANAGEMENT IMPLICATIONS

This dissertation attempted the **apprehension of UGC in the restaurant industry, and more specifically an attempt to uncover the reasons behind the trust of consumers for this online trend and how their opinions are shaped via those tools for decision making**.

The inquiry added to the literature allow useful findings for the industry of restauration but also for UGC marketing and management of restaurant businesses.

As the data research demonstrates, UGC is, without any surprise, significant. Several main reasons cause this fact: reviews are easier to process for the consumers who are overloaded with the information. The strong filters that UGC websites offer are thus a way to **overcome the clutter of information**. Also, the investigation made it confirmed that UGC is used a **social proof** as the dining experience manifests a psychological risk for consumers.

Therefore, UGC websites need to comply with these circumstances. The audience is essentially looking for **user friendly search engine** and for a **specific content**.

- As the data collection showed that the **opportunity cost** seemed to be one of the most significant criteria for the users, **UGC platforms should thus accentuate and focus the search process for restaurant around this parameter**. As the brand *Spotify* already set up an algorithm that processes the musical tastes of a user and is able to propose a weekly playlist for his users. UGC restaurant websites may work on a similar concept. The goal could be to send users a weekly list of restaurants created according to the previous searches of the of the user and the places already visited or reviewed. Besides, this solution, if well targeted to tastes and preferences of the users, would gain the trust of restaurant-goers and facilitate the searching process.

- In order to hook the audience, UGC sites should as well **promote more constructive contributions from the review writers**. Conceding the results of the data analysis, users seem suspicious towards the reviewers' comments. Accordingly, **clear guidelines including do's and don'ts should be emphasized**.

As already mentioned previously, one of the main findings is that the users are using UGC to reduce the information and to help them choosing, therefore reviews that don't provide any good quality content should be listed under a restaurant page.

- In the same lines, the reviews' tool system should **promote good behavior**. This could not only avoid hostile users but also could **encourage restaurant managers to adopt UGC**. To do so, "vote up" and "vote downs" buttons implemented in the reviewing system could be useful for giving the ability to recommend good quality comments and to draw attention to the most relevant content. Besides, "vote up" button would encourage contributions.

- Comparable to the "vote up" and "downs" buttons, **giving the possibility to praise a comment** could make the user feel acknowledged and by consequence trigger other users' motivation to receive the same feedback and getting more involved in UGC.

- In order to encourage good quality content, **leaders such as bloggers should be solicited to participate more actively**. Influencers holds the expertise and create the main content of the site. Therefore, they constitute an essential recipient for UGC sites. They should be invited to share their expertise and to answer questions in order to seed conversations.

- Besides, **remarkable recommendations should be exalted**. Conversational exchanges with influencers showed that they feel gratified when their contribution get endorsed. This could be done by exposing them on the blog post of the UGC website for instance. This will show other users and the community what is according to the company a good quality review.

The findings for the second research question exhibit challenges that can be turned to opportunities when seeing them in another light.

The three categories of challenges constituted in the investigation develop another category that will be contemplated as opportunities for the success of restaurant establishments. Five opportunities have been constructed:

(1) Opportunity for increasing notoriety

(2) Opportunity for self-evaluation

(3) Opportunity to communicate with customers

(4) Opportunity to organize and monitor the service

(5) Opportunity to survey the competition

Opportunity for increasing notoriety

One of the main and basic principle of UGC restaurant websites is to allow restaurant-goers to simply **discover places**.

Opportunity for self-evaluation

The reviews being taken constructively, are an opportunity for the restaurant managers to improve significantly their business. Consumers' contributions can help them **to point out the mistakes committed** and thus correct them.

Opportunity to communicate with customers

As the UGC tools provide the capacity to answer the users' comments, restaurant owners should take benefit of it to **generate interaction with their customers**. Not only bad reviews can be answered but also good reviews. The research proved that responding to positive reviews is effective to foster more positive reviews.

Opportunity to organize and monitor the service

As the data are centralised, restaurants can take advantage of UGC, not only to promote their restaurant but to create customer files, and help to **organize their service better**. Restaurant can then collect reviews from customers, communicate with them, via email and SMS, and **gauge the performance of their business**.

Opportunity to survey the competition

Restaurants can search for others offering the same type of service in their neighbourhood or city. Adopting this competitive intelligence method could help restaurant managers to stay aware of the offer in order to **keep the restaurant competitive**. If restaurants are aware of their competitors, they will be able to **uncover what users appreciate about their type of**

restaurant. (e.g. Italian restaurant – do consumer appreciate the authenticity of the restaurant? The quantity of the food? Etc.). Is the establishment in line with the trends going on? What type of service could be offered to add extra value? Etc.

Furthermore, UCG websites should **rebalance the power between consumers and restaurants**. The investigation demonstrated that restaurants establishments clearly lack of confidence and are defenceless against users' opinions made public. In order to bring more weight towards restaurateurs and so counterbalance the power between the two parties, another solution suggested in this dissertation is to **provide restaurants the possibility to rate the consumer as well, in the same way that restaurants are being evaluated**.

Applying a rating to the experience for both parties will **ensure trust**. This is one of the main principle of the sharing economy. More and more businesses such as *Airbnb*, *Uber*, *Blablacar*, etc. are already using such practices. Not only this practice would enable trust and respectfulness for both parties but it would also allow restaurant managers to get a database of their clients, and target their needs more precisely.

Besides, our era encourages positively this type of practice. With the increasing popularity of the company *Uber*, everything is now being "rated". Restaurant owners may be eager to be reviewed but they require some level of confidence in return. That system would not only be fair for both parties but would also permit to go against fake or biased reviews. UGC management companies could set up a system where consumers would need to "check-in", so only users who experience the service would be allowed to review the restaurant.

6. RESEARCH CONTRIBUTIONS, LIMITATIONS AND RECOMMENDATIONS

The work undertaken for this research contributed to the development of the knowledge of the online trend that is User Generated Content. The main insights of this dissertation subsist in the following **contributions**:

- **The literature review** presented the major concepts summing up the most relevant information about the main topic of the thesis. This literature review could be later used as a starting point for further investigations helping the researchers to apprehend the main concepts of UGC.

- The research attempted to use **several points of views** from different authors which allowed to provide additional validation and giving more credit for the application in further studies in the area.

- The research provided as well **more insights on this relatively new concept** that is UGC, that is, as the research showed, a relevant tool for businesses.

- This inquiry **demonstrates that interactivity and relationship between parties is essential** for today's businesses.

- The research allows to conclude that UGC is an **effective method for communication**, applicable for restaurants to make their business growing.

However, this dissertation carries some **limitations**. So, some recommendations for future researches are advised.

- Only 6 respondents from this recipient has been interrogated. It would be interesting to investigate deeper on the what extent restaurant establishments are affected by UGC. Researchers might find relevant to measure the main aspects of to UGC that make their business growing.

- Examine **what features of UGC have higher influence on the behavior of consumers** could be further investigated in. The findings showed that some users were less concerned by reviews than others. Therefore, it might be interesting to investigate on the quality content of the reviews and thus analyze what are the attributes of the reviews that have more influence than others.

- This research may be **applied to other industries for future inquiries**. Other researchers might undertake **a research on another type of UGC**. Verifying if whether or not the findings from this dissertation could be extended to other sorts of UGC in other industries (e.g. the hotel industry).

- As the research focused on motives for using UGC, **other characteristics related to UGC involvement such as motivation for generating or sharing UGC could be further explored**. Besides, future researchers might test the reliability of UGC comparing to offline content (magazines, guides, TV shows…)

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8. ANNEXES

8.1. Annex 1 - Interview Script for Interviews with UGC company executives

ISCTE ⬡ Business School
Instituto Universitário de Lisboa

THE IMPACT OF USER GENERATED RESTAURANT REVIEWS

Cyrielle Hadamitzki

Dissertation submitted as partial requirement for the conferral of Master in Marketing

Supervisor:

Prof. Miguel Da Cruz Lage, ISCTE Business School, Departamento de Marketing, Operações e Gestão Geral

Objective of the dissertation: This dissertation develops an understanding of **how user generated content works in the restaurant industry** with the goal of explaining **how reviews platforms influence consumer behaviours and the reputation of restaurants**. Specifically, this dissertation interrogates on **how consumers evaluate different types of restaurants, what their expectations towards reviews platforms are but also how their assessment can influence restaurant establishments**.

The data collected in the interviews will allow the identification of the impact of UGC and the main challenges and opportunities for restaurateurs, and hence to uncover what the key factors for a successful restaurant establishment are.

Questions:

1. What is the business model of the company you are working for?
2. What are the main key factors for the success of the company you are working for, comparing to competitors (Yelp, Zomato…)?
3. How restaurants can improve their brand image by means of reviews websites like TripAdivsor? Why?

4. Can reviews and ratings be harmful to a restaurant's success? Why? Do you have any examples you can cite? How can restaurant overcome negative reviews?

5. What actions do you undertake to help restaurants? Do you meet restaurateurs? In which goal and why?

6. Why consumers are relying on the Internet and reviews websites to make their choice of restaurant?

7. What are the motives for restaurant-goers to write reviews on TripAdvisor? Do some of them receive incentives to write reviews?

8.2. Annex 2 - Interview Script for Interviews with influencers

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Instituto Universitário de Lisboa

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The data collected in the interviews will allow the identification of the impact of UGC and the main challenges and opportunities for restaurateurs, and hence to uncover what the key factors for a successful restaurant establishment are.

Questions:

1. What are you doing for living? Is the activity of reviewer related to your job? How?
2. When did you start writing reviews? For which reason?
3. On which websites do you write review? (Zomato, TripAdvisor, Google places, Facebook, Yelp…) Why using this (or these) one(s) in particular?
4. Could you tell me a bit about your experience as a restaurant reviewer?
   - Why did you start writing reviews?
   - Is it a regular activity?
   - Is it something that requires a lot of time?

- Do you systematically write a review after visiting a restaurant?

5. Do you think reviews are determinant for restaurant-goers regarding their restaurant decision making?

6. Is helping people, by giving recommendation, gives you some sort of self-satisfaction? Could you say that reviews writers like you are doing this by altruism? Why/Why not?

7. In the case a restaurant has mainly good ratings and good reviews, however there's a bad review from someone who had a very bad experience. How do you feel about it? Could it convince you not to go eat there?

8. What are the criteria required to convince a Zomato user to go to a restaurant? What, according to you, matters the most for a consumer to pick a restaurant via Zomato.com? The rating? The number of reviews? The reviews itself? The pictures? …

9. What do you expect from those ratings website such as Zomato? How could they improve the consumer experience?

10. As a restaurant-goer, what do you expect from restaurant managers regarding their role on recommendation sites? What according to you would increase their popularity and therefore bring them more customers?

11. Even bad rated restaurant can be popular. How can you explain this phenomenon? Does it mean that in the end those recommendation platforms don't really affect the popularity or success of restaurants?

8.3. Annex 3 - Interviews with UGC restaurant websites readers

Questions:

1. For which reasons do you consult user generated restaurant websites?
2. Could you say it actually influence your decision making?
3. Which criteria matter the most to you when you're searching for a place to go online? Why?
4. What impact does a bad review have on your behaviour? Could it convince you not to go somewhere if you see someone telling to avoid some place?
5. To which extent do you trust all the reviews you can see online? Do you or not give more attention to reviews written by "experts"? Why?

8.4. Annex 4 - Interviews with restaurateurs

Questions:

1. From all those digital new ways of promoting your restaurant (UGC websites), what does work the best for you and for which reasons?
2. What are the main challenges that you are facing because of reviews?
3. On the opposite, what are the main benefits you get from being on those sites?
4. How does it feel when you get bad critics and it is made public? How do you deal with it?
5. Some consumers and especially reviewers are expecting restaurant managers to interact more with them. What is your opinion about what we called User Generated Content websites? Do you think that restaurants should go digital and start taking into consideration this new technology? Why?
6. What do you expect from Zomato? How could they improve the service they are offering?