

## **It's all about that client review (or How online client reviews are crucial for hotels)**

### **Living in an era of e-communications**

In 2022, internet users in the USA accounted for over 90% of the USA population and spent over three hours per day online<sup>1</sup>. One of the most popular reasons for using the internet is expressing opinions<sup>2</sup>. Because of the extensive reach of the internet, electronic 'words of mouth' influence a much wider audience than traditional ones.

### **What is the impact of client reviews on hotels?**

According to some studies, 85% of consumers trust online reviews as much as personal recommendations<sup>3</sup> and a bit over half of travelers will not make a reservation for a hotel that has no reviews<sup>4</sup>.

Users trust bad ratings more than good ratings. Bad ratings are considered reliable regardless of the number of reviews while good ratings are trustworthy only when they come along with a high number of reviews. In short, what guests say about hotels significantly influences potential clients, especially if the feedback is negative.

Positive reviews lead to better revenue. A study by the Harvard Business School<sup>5</sup> found that a one-star increase on Yelp (one of TripAdvisor's main competitors) can lead to a rise of five to nine percent in hotel revenue. That is why it is so important for hotels to get as many positive reviews as possible.

### **What is most important to guests?**

According to the American Hotel and Lodging Association (AHLA) *2023 State of the Hotel Industry Report*, cleanliness is among the top three factors most likely to influence a guest's choice to stay in a hotel. Nearly half of respondents (45%) said overall cleanliness and safety protocols influence their choice (up from 37% pre-COVID).

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<sup>1</sup> <https://www.statista.com/topics/1145/internet-usage-worldwide/#topicOverview>

<sup>2</sup> <https://www.statista.com/statistics/273018/number-of-internet-users-worldwide/#:~:text=As%20of%202022%2C%20the%20estimated,66%20percent%20of%20global%20population.>

<sup>3</sup> <https://www.stayntouch.com/blog/how-online-reviews-impact-hotel-revenue/>

<sup>4</sup> <https://www.reputationdefender.com/blog/online-reviews/20-stats-about-online-reviews-that-hoteliere-need-to-know>

<sup>5</sup> <https://prenohq.com/blog/reviews-for-your-hotel-why-theyre-important-and-8-ways-to-secure-them/#:~:text=Overall%2C%20online%20reviews%20are%20an,to%20stay%20at%20your%20establishment.>

In fact, cleanliness is so important that the American and Canadian Automobile Associations (AAA & CAA) have implemented a new rating system, the *Inspector's Best of Housekeeping* designation, to identify hotels with exceptional cleaning practices<sup>6</sup>.

About three quarters of travellers are willing to pay more for a hotel with higher review scores<sup>7</sup>, so it's vital for hotels to have a reputation for quality service and professional standards.

Unfortunately, the Hotel Industry is currently experiencing major staff shortages. Knowing that a third of hotel workers won't be returning to the industry because they want higher pay and that a mobile payment option increases tips significantly, then it flows that offering a tipping solution like **Tip&Go** makes a lot of sense.

By helping to attract and retain staff, **Tip&Go** improves chances that hotels get good reviews and, in turn, higher revenue.

**Francis Léonard, CEO**



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<sup>6</sup> <https://www.smartmeetings.com/destinations/118926/aaa-rating-reports-cleanest-hotels>

<sup>7</sup> <https://www.siteminder.com/r/marketing/hotel-online-reviews/online-reviews-importance-managing-hotel/>

