



Società Italiana
Marketing

I Percorsi identitari nel
Marketing

XV[^] SIM Conference
Bari, 18-19 ottobre 2018

ISBN 978-88-943918-2-4

PROCEEDINGS

Local-global nexus: the effect of foreigner reviewers on the evaluation of restaurants in high intensive tourist destinations

Ivan De Noni¹, Andrea Ganzaroli², Michelle Bonera³

Abstract: The objective of this paper is to investigate the effect of foreigner peer-reviews on the quality evaluation of restaurants in tourism intensive cities. Our research question is whether and to which extent foreigner reviewers influence the evaluation and the ranking of restaurants in those cities. This is important to understand the effect of social media, as global intermediaries influencing the development of local destinations, on the vicious circle of tourism development. To conduct this analysis, we crawl data about restaurant peer reviews and restaurant evaluation from TripAdvisor in Venice. Our results highlight that foreigner reviewers have a positive and significant effect on the evaluation of restaurants in TripAdvisor. This suggests that social media may reduce the power of local communities and strength that of global players on tourism destination development.

Introduction

There is an extensive literature looking at the effect of tourism on the local-global nexus. Social media are expected to have a significant impact on the evolution of this nexus. In fact, even if the consumer decision-making process about destinations, hotels, attractions and restaurants have been always influenced by word-of-mouth (WOM) recommendations of family and friends, the e-WOM has exponentially increased the potential of traditional WOM in hospitality and tourism industry (Hennig-Thurau et al., 2004; Oetting, 2010; Liang et al., 2013). The e-WOM has changed the structure of travel information, the accessibility of travel information, and subsequently travelers' knowledge and perception of various travel products (Litvin et al., 2008). An increasing number of travelers seeks information about destinations through consumer-generated media (Expedia Media Solution, 2015). Travelers are evermore conditioned in their choice process by e-WOM sources (Barreto, 2014; Chen et al., 2011) such as reviews of other previous travelers both local and global. The reputation of a trustful relationship has been substituted by a large number of unbiased reviews by real travelers, which produce virtual relationships and communities. In this light, locals may exploit the global reach of these networks to influence tourists' behavior while visiting their locations. Tourists may use the same

¹ Ivan De Noni, Ricercatore di tipo A, Dipartimento di Economia e Management; Università degli Studi di Brescia, C.da S. Chiara 50, 25122, Brescia, + 39 030 2988551, ivan.denoni@unibs.it

² Andrea Ganzaroli, Professore Associato, Dipartimento di Scienze e Politiche Ambientali, Università degli studi di Milano, Via Celoria 2, 20133, Milano, +39 02 50321542, andrea.ganzaroli@unimi.it

³ Michelle Bonera, Professore Associato, Dipartimento di Economia e Management; Università degli Studi di Brescia, C.da S. Chiara 50, 25122, Brescia, + 39 030 2988551, michelle.bonera@unibs.it

networks to share their experiences of these locations with others and influence local tourist patterns accordingly.

In spite of the increasing importance of social media on the management of tourist destination, little is still known about the effect of these networks on the interplay between local and global. In this paper, we take a first step towards this direction by looking at the interplay between locals and global in the evaluation of restaurants in Venice. The choice of this heritage city is peculiar. In fact, its development is dominated by the negative effect of a vicious circle of tourism, which is exhausting the social-cultural richness and resilience embedded in the urban ecosystem (Russo, 2002; Seraphine et al., 2018).

Short literature review

Several studies have suggested that tourism, once it overcomes the carrying capacity of a city, may drive negative feedbacks on the sustainable development and resilience of heritage cities (Muler et al., 2018; McCool and Lime, 2001). One of the main issue highlighted in literature is the risk that commercial activities and artisans may find convenient to cut on the quality of their offer and specialize in serving only the tourism market (Russo, 2002). This is possible because tourists, differently from inhabitants, have only a little understanding of the quality of what is offered and lack the time required for assessing the quality of that offer. Therefore, shop-owners may find convenient to specialize in cost leadership rather than in differentiation. The main consequence is that cities and places may lose their peculiar atmosphere and specific competencies and abilities important for their competitiveness and resilience. For instance, this is what happened in the case of Murano with respect to the production of artistic glass (Segre & Russo, 2005; Ganzaroli et al., 2017). Due to the large and unspecified demand for Murano artistic glass, local producers found more convenient to sell cheap glass imported from other countries rather than keep specializing in the artistic production of glass. As result, most of the historical brand left the island and delocalized their production and design studios into other places. Nowadays, Murano fails to attract creative people interested in artistic glass and totally depends on the tourism market (Segre & Russo, 2005).

In this framework, gastronomy plays a critical role since the opportunity to discover the local cuisine and appreciate local products is one of the main motivations leading tourists to visit places (Sidali et al., 2015; Hall & Gössling, 2016; Getz et al., 2014). This has become so important that food tourism is studied as a separate market segment and a significant area of specialization. However, gastronomy is also one of the industries most exposed to global competition and to the negative feedbacks of the vicious cycle of tourism development. At the global level, in the food industry, the competition is between fast food and slow food as an alternative paradigm of production and consumption. The first is grounded on a growing standardization of tastes across countries and across cultures, strengthening the importance of food safety and security as opposed to tastefulness and quality, reducing the time and competence required to prepare and consume food, and strengthening the efficiency and effectiveness of the supply chain. Differently, the slow food paradigm (Petrini, 2016) stresses the importance of bio- and cultural-diversity as sources of

differentiation and resilience; the values of tastefulness, fairness and cleanliness as the main drivers for evaluating the quality of food; the importance of devoting time to food preparation and consumption as conditions *sine qua non* to appreciate the meaning and value of what people are eating, and, finally, the role communities in safeguarding the value of local identity as main source of differentiation. The competition between these two paradigms takes place also at a local level (Ritzer, 2004). In here, two alternative models of restaurants compete. The fast food restaurants focus on offering standardized and culturally stereotyped products served in a time-effective and efficient manner within a culturally and socially aseptic context. Differently, slow food restaurants focus on offering local products and cousin served in an environment that is culturally and socially conducive and adapted to transfer the knowledge required to consciously appreciate the quality and taste of what people eat.

The objective of this paper is to understand how social media and consumer-generated contents may affect the local competition between slow food and fast food in tourism intensive cities. Social and digital media are, ever more, changing the way tourists organize their travelling and make local decisions while visiting tourist destination. Even if those systems are not yet so influential and effective in tourist intensive destinations, those are expected to quickly improve soon. For instance, Google, through its nearby service, sends updated, profiled and geo-referenced notifications advising users about tourist facilities and attractions nearby. Similarly, TripAdvisor recommends restaurants based on tourists' localization. All those systems strongly rely on mechanisms of peer-to-peer review and paid-ads to rank their advices. This implies that the evaluation of the quality of the offer and its rank is delegated to a large and unspecified crowd of people whose specific competence and attitude on what they are evaluating is largely unknown. Therefore, the large adoption of those systems may have distortive effects on the management of tourism destination. For instance, it may strength rather than weaken information incentives in favor of the diffusion of fast food.

On this ground, this paper investigates the effect of reviewers' nationality on the expected quality of restaurants ranked by TripAdvisor in Venice. Our goal is to understand whether and the extent to which foreigner reviewers do have an effect on the expected quality of restaurants. The assumption is that foreigner reviews lack the competence required assessing the true quality of the experience restaurants offer in Venice and are, potentially, influenced by the high wide world reputation of Italian cuisine.

Methodology

An empirical cross-sectional model is implemented to measure the effect of customers' quality perception on TripAdvisor ranking, by distinguishing the average perception of local vs foreign customers. The basic idea is that locals are expected to be more critical in judgements since they have a higher awareness of Italian culinary traditions and tastes. Conversely, foreigners tend to provide better reviews since they are more inclined to appreciate Italian dishes in spite of their real quality. That's typically due to the worldwide reputation of Italian cuisine and the lack of

competences and experience of foreigners. In this light, foreign reviews may lead to a vicious effect.

In order to test this hypothesis, we collect data through a crawler trained on Import.io to extract data from web pages of restaurants in TripAdvisor. Specifically, data are collected twice in one-year window time (April 2015 and April 2016) and final dataset involves 513 restaurants embedded in Venice since it is a well-known case of over-tourism in heritage cities.

Data are organized in order to first assess the ranking position of restaurants, and the quality perception of locals and foreigners (measured as the percentage of good and excellent judgements). Secondary, the popularity (the total number of reviews), the proactivity (the percentage of review in the last year), and the recency (the average number of reviews per day) of restaurants are computed. A number of other control variables are further introduced, such as the geographical position, the percentage of reviews per season and per customer typology (alone, couple, family, friends and business).

Results and conclusions

E-WOM can give a valuable input for the tourism stakeholders, the government and the policy makers in a tourist destination. In particular, it has a relevant impact on destination image (Gerritsen, 2014). Moreover, it can also have an impact on the touristic offer of a destination. Indeed, the descriptive analysis highlights that the average value of foreign judgements per restaurant is usually higher than the local ones. In addition, the limited correlation between the distributions of local and foreign judgements suggests that culture might strongly influence the quality perception. Finally, since the percentage of foreign customers is inclined to be very high in several restaurants because of the high international popularity of Venice, foreign reviews could strongly affect the TripAdvisor ranking.

The exploratory cross-sectional analysis confirms the positive relevance of restaurants' quality perception, even though local perception appears to be more critical than the foreign one. However, the positive relationship between ranking position and the percentage of foreign reviews (as a proxy of restaurant capacity to attract foreign customers) suggests that the quality perception of foreigners might become specifically relevant when the percentage of foreign customers increases. Our finding relative to TripAdvisor suggests that the evaluation of restaurants in Venice is dominated by foreigner tourists' review. Thus, our conclusion is that social media in heritage cities dominated by the negative effects of the vicious circle of tourism strengthens even further the pressure this industry exercise on the evolution of those urban ecosystems.

In the future, we point to make the model stronger by collecting new data and organizing a panel dataset.

References

Barreto, A. M. (2014). The word-of-mouth phenomenon in the social media era. *International Journal of Market Research*, 56(5), 631-654.

- Boon, E., Bonera, M., Bigi, A. (2013). Measuring Hotel Service Quality from Online Consumer Reviews: A Proposed Method, in *Information and Communication Technologies in Tourism 2014*, Springer International Publishing, 367-379.
- Chen, Y., Fay, S., & Wang, Q. (2011). The role of marketing in social media: How online consumer reviews evolve. *Journal of Interactive Marketing*, 25(2), 85-94.
- Ganzaroli, A., De Noni, I., & van Baalen, P. (2017). Vicious advice: Analyzing the impact of TripAdvisor on the quality of restaurants as part of the cultural heritage of Venice. *Tourism Management*, 61, 501-510.
- Gerritsen, R. (2014). What do we know about social media in tourism? A review. *Tourism Management Perspectives*, 10, 27-36.
- Getz, D., Robinson, R., Andersson, T., & Vujicic, S. (2014). *Foodies and food tourism*. Oxford: Goodfellow Publishers.
- Hall, C. M., & Gössling, S. (2016). From food tourism and regional development to food, tourism and regional development: Themes and issues in contemporary foodscapes. In *Food Tourism and Regional Development*, Routledge, 19-74.
- Hennig-Thurau, T., Gwinner, K. P., Walsh, G., & Gremler, D. D. (2004). Electronic word-of-mouth via consumer-opinion platforms: what motivates consumers to articulate themselves on the internet?. *Journal of interactive marketing*, 18(1), 38-52.
- Liang, S. W. J., Ekinci, Y., Occhiocupo, N., & Whyatt, G. (2013). Antecedents of travellers' electronic word-of-mouth communication. *Journal of Marketing Management*, 29(5-6), 584-606.
- Litvin, S. W., Goldsmith, R. E., & Pan, B. (2008). Electronic word-of-mouth in hospitality and tourism management. *Tourism management*, 29(3), 458-468.
- McCool, S. F., & Lime, D. W. (2001). Tourism carrying capacity: tempting fantasy or useful reality? *Journal of sustainable tourism*, 9(5), 372-388.
- Muler Gonzalez, V., Coromina, L., & Galí, N. (2018). Overtourism: residents' perceptions of tourism impact as an indicator of resident social carrying capacity-case study of a Spanish heritage town. *Tourism Review*.
- Oetting, M. (2010). *Ripple effect: how empowered involvement drives word of mouth*. Springer Science & Business Media.
- Park, D. H., & Kim, S. (2008). The effects of consumer knowledge on message processing of electronic word-of-mouth via online consumer reviews. *Electronic Commerce Research and Applications*, 7(4), 399-410.
- Petrini, C. (2016). *Buono, pulito e giusto*. Giunti Editore.
- Ritzer, G. (2004). *The McDonaldization of society*. Newbury Park.
- Russo, A. P. (2002). The "vicious circle" of tourism development in heritage cities. *Annals of tourism research*, 29(1), 165-182.
- Segre, G., & Russo, A. P. (2005). Collective property rights for glass manufacturing in Murano: where culture makes or breaks local economic development. Università di Torino, *working paper*, 5.
- Seraphin, H., Sheeran, P., & Pilato, M. (2018). Over-tourism and the fall of Venice as a destination. *Journal of Destination Marketing & Management*.
- Sidali, K. L., Kastenholz, E., & Bianchi, R. (2015). Food tourism, niche markets and products in rural tourism: Combining the intimacy model and the experience

economy as a rural development strategy. *Journal of Sustainable Tourism*, 23(8-9), 1179-1197.