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Fan, Wenjie, "Business Value of Making Managerial Responses: A Literature Review and Agenda for Future Research" (2019). *WHICEB 2019 Proceedings*. 12. https://aisel.aisnet.org/whiceb2019/12

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Business Value of Making Managerial Responses: A Literature

Review and Agenda for Future Research

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Abstract: Along with the prevalence of online customer reviews, a growing body of academic research has investigated the business value of adopting managerial response (MR) service, considering its capability to engage customers proactively. However, conflicting findings have been widely reported on the effect of MR usage in past studies. By synthesizing extant research on the topic, this literature review explicated the reported mechanism of how MR affect business performance and deciphered the causes of contradicting results reported in the extant literature, aiming at offering an agenda for future research. As a result, the study facilitates a more complete understanding on the state-of-art in MR research, which presents the key issues in current and emerging literature and offers a useful reference for the future advance in this field.

Keywords: Managerial responses, online reviews, consumer satisfaction, business performance, response strategy

1. INTRODUCTION

Advances in information technology have led to a proliferation of consumer-generated reviews on social media platforms. Consumers increasingly rely on online customer reviews (OCRs), as a new information source, to make purchasing decisions on products or services ^{[1]–[3]}. Consumers' reliance on OCRs became strong incentives for companies to engage with customers through social media proactively. As a result, OCR platforms, like TripAdvisor and Yelp, have implemented new features, such as *managerial response (MR) function*, for companies to intervene with OCRs on their brand reputations and business performance in a proactive manner.

The use of MR has brought far-reaching changes in not only consumer behavior, but also companies' strategies with regard to marketing and customer engagement. These changes have stimulated research efforts across domains like information systems (IS), tourism and hospitality management and marketing. Nonetheless, many inconsistent findings have been reported in previous literature, which render it difficult to decide whether and how MR-related business strategies should be made, thereby hampering the future advance of the field. To address this research gap, this literature review strives to identify both consistent and inconsistent findings reported in past studies, and elaborate on possible explanations for the inconclusive findings and discover the emerging trends.

Specifically, the business benefits of adopting MR functions has been a fertile breeding ground for research, but also of controversy in that for many studies advocating a beneficial effect of MR adoption, there are counter studies alleging an insignificant effect or even a detrimental effect. MR made by business owners in social media platforms plays an important role in improving consumer satisfaction ^{[2]-[6]}. Nonetheless, the impact of MR usage on consumer satisfaction also remains controversial ^{[7]-[13]}. A number of scholars argued that, MR functions, as an alternative for service failure recovery, allows companies to respond to the queries and concerns of unsatisfied customers, thereby improving business performance ^{[1]-[3][14]-[16]}. Some scholars argued against the use of the function, as the companies' proactive responses to OCRs may be perceived as intrusive and unsolicited, and result in insignificant ^{[17][18]} or even negative impacts on business performance ^{[19][20]}.

Despite a large amount of publications relating to MR use, a structured analysis on MR that holistically

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synthesizes existing findings is lacking. Such an analysis on literature is especially valuable because many of the findings are subject to controversy. This literature review therefore aims to explicate the status quo of MR

findings are subject to controversy. This literature review therefore aims to explicate the status quo of MR studies, identify both consistent and inconsistent findings, discover the emerging research trends and point out directions for future investigation.

The remaining part of this paper proceeds as follows. In the section that follows, we outline the research methodology adopted. Subsequently, we present the results of our literature analysis, covering both consistent and inconsistent findings, and elaborate on possible explanations for the inconclusive findings and discover the emerging trends. The final sections then conclude this paper by highlighting the research implications, and explicating guidance for future research.

2. METHODS

This work employed the systematical literature review methodology adapted from Okoli and Schabram (2010)^[21] in conjunction with the guidelines for literature review in the IS field by Webster and Watson (2002)^[22] to review the extant research on MR. This method can help minimize bias and error and offers rigor to the current study. The review adheres to a four-stage process for a systematic literature review that consists of stages of planning, selection, extraction and execution ^[21]. We outline the research procedures in the remainder of this section.

In line with the guidance that Okoli and Schabram^[21] provided, the first stage is to clarify the purpose of the literature reviews, as well as the intended goals. Since the objective of this literature review is to summarize the current research on MR, discover deficiencies and identify research voids for further investigation in this field, we traverse the MR literature, synthesize the findings and conclude literary lacunae.

In the selection stage, we searched the literature and performed practical screening for inclusion ^[21]. We constructed a database to identify and organize the population of studies that were included in the review. This stage includes the work to select the scientific research databases from which to retrieve data and construct the review sample. To guarantee the comprehensiveness of our coverage of MR articles, we conducted manual keyword searches on Science Direct, EBSCOHost, ProQuest, and Google Scholar, which are four of the largest and widely used research databases and search engines of academic research. A comprehensive set of keywords, including synonyms for "managerial response" and "service recovery" as well as their singular and plural terms, was used to search for MR-related articles. Additionally, references were traced in order to guarantee the extensiveness of our literature database. To ensure the appropriateness of the reviewed material we only search for peer refereed publications. These efforts yielded a preliminary dataset of approximately 100 articles for further extraction and exclusion in the literature review.

The extraction stage consists of the work of both quality appraisal and applicable information extraction ^[21]. MR, as a major IS function of ecommerce sites, have ample literary contributions. By downloading and reading the abstracts of the articles in the preliminary dataset, we ascertained that for any paper in our final collection, it has to focus primarily on the importance and implications of MR. Thereafter, we excluded studies solely focusing on service recovery in the offline environment because of our objective focusing on the business value of MR in the online environment. To assure the comprehensiveness of our review, we kept both empirical research papers and those conducting experimental studies. Consequently, all the studies that are necessary and relevant to this literature review have been identified, resulting in 27 articles published between 2008 and 2018 in peer refereed journals and conferences (such as *Information Systems Research, ICIS, Marketing Science, Tourism management*, etc.). We extracted relevant information of each article and included the information to the literature database, including research context and method, theoretical ground, studied issues, operationalization and findings.

In the execution stage, we synthesized the studies by scrutinizing and consolidating the findings from the past research to provide as comprehensive a picture as possible of the extant literature. The key findings of our analysis are reported in the subsequent sections.

3. LITERATURE ANALYSIS AND RESULTS

We analyzed the identified articles by consolidating and classifying their research topics and findings. Specifically, we categorized our literature set on MR into three streams: 1) impact of MR on consumer satisfaction, 2) impact of MR on business performance, and 3) MR strategy. In addition, both consistent and conflicting findings with possible reasons are presented and summarized in the remainder of this section.

3.1 Effects on consumer satisfaction

One prominent topic we seek to identify is the role of MR in building consumer satisfaction. In particular, twelve studies in our database were found to address this issue (see Table 1). Service failure is inevitable due to human error or machine malfunctions, which is likely to result in negative OCRs. Negative customer reviews are particularly detrimental to a company's sales effort. Although effective service recovery, as a response to poor service quality, is expected to significantly increase levels of satisfaction, repurchase intention and positive ratings ^[9], not every response can increase customer satisfaction.

Study	Research Context, Data and Methods	Effects	Main Findings
[4]	Online restaurant forum / 300 restaurants, and 2,471 reviews / Content analysis	Positive	Successful MR to comments online can turn a complaining customer into a loyal one.
[5]	Experiment / 263 substantially complete survey / ANOVA	Positive	MR to negative postings positively influences consumers' attitudes toward the company.
[6]	TripAdvisor / 88,786 reviews for 187 hotels / correlation analysis and linear regression	Positive	MR has a significant positive influence on hotel ratings.
[3]	TripAdvisor / 1,045 Texas hotels and 56,284 OCRs / Panel data models with fixed effects estimations	Positive	MR positively relates to the ratings of consumer reviews.
[2]	TripAdvisor / 2,697 Texas hotels and 552,051 OCRs / Cross-platform and cross-hotel difference-in-differences analysis	Positive	MR positively relates to the increase of OCR ratings.
[7]	Experiment / Survey with university students as respondents / ANCOVA	Mixed	MR, versus no response to negative OCRs, engenders more positive brand evaluations. However, the type of platform and MR strategy moderate the effect. Moreover, conversational human voice mediated the effect.
[8]	Ctrip.com / 5831 hotels across 48 cities in China / Probit model	Mixed	MR can effectively increase satisfaction level of complaining customers but have limited influence on other observing customers.
[9]	Experiment / Survey with 176 university students as respondents / Three-way ANOVA	Mixed	MR included a paraphrase of the complaint or empathy statements increases potential customers' satisfaction level, while the speed of responding showed no influence.
[10]	Twitter / Twitter communications between a company and its 714 customers / Markov Chain Monte Carlo	Mixed	Although MR improves relationships, it raises the customer's expectations and encourages more complaints.
[11]	Experiment / 255 usable responses from students at several US universities in Study I and 133 additional surveys in Study II / ANOVA	Mixed	MR is effective in mitigating adverse effect of negative reviews on company reputation when service failures stem from controllable factors, but it has no effect on uncontrollable service failure issues.
[12]	TripAdvisor, Expedia, Hotels, and Orbitz / 65,099 hotels and 20 million reviews / Multiple-platform difference-in-differences analysis	Mixed	MR to negative (positive) OCRs of previous customers positively (negatively) influences subsequent OCRs.
[13]	TripAdvisor, Expedia, Hotels, Orbitz and Priceline / 1,843 "upper midtier" range and higher US hotels / Multiple-platform difference-in-differences analysis	Negative	MR will stimulate reviewing activity and, in particular, will stimulate posting of negative reviews. Therefore, MR decreases the valence of subsequent OCRs.

Table 1. Effects of MR on consumer satisfaction

Concerning the effect of MR on consumer satisfaction, findings are mixed (see Table 1): whereas Pantelidis (2010)^[4], Litvin and Hoffman (2012)^[5], Liu et al. (2015)^[6], Xie et al. (2016)^[3], and Proserpio and Zervas (2017)^[2] affirmed a positive relationship between MR and consumer satisfaction, e.g. customer review ratings,

brand reputation evaluation, consumers' attitude and so forth, others obtained mixed or negative results concerning the association between these variables ^{[7]–[13]}, alleging that the effectiveness of MR on consumer satisfaction may depend on moderators like platform type, customer type and MR strategy.

In particular, a number of scholars reported insignificant ^{[7]-[11]} or negative ^{[12][13]} associations between MR and consumer satisfaction, even though many studies acknowledged a positive influence of MR on consumer satisfaction. Gu and Ye (2014) observed that MR can effectively increase satisfaction level of complaining customers but have limited influence on other observing customers^[8]. van Noort and Willemsen (2012) reported a positive effect of "webcare" intervention by attenuating the damage of negative OCRs, but its effectiveness depends on platform types (third-party vs. company-owned) and MR strategy (proactive vs. reactive) ^[7]. Min et al. (2015) argued that the effect of MR on potential customers' satisfaction depends on the response contents, while the speed of responding showed no significant influence ^[9]. Rose and Blodgett (2016) identified that causes of service failures are an important determinant of MR effectiveness, stating that MR is only effective when service failures stem from controllable factors, but has no effect on uncontrollable service failure issues^[11]. Ma et al. (2015) confirmed that MR improves customers' relationships with the firm ^[10]. Meanwhile, they also warned that MR has opposing effect which raises the customer's expectations and encourages more complaints later ^[10]. The findings by Wang and Chaudhry (2018) indicates that MR to negative OCRs of previous customers positively influences subsequent OCRs, whereas those to positive ones negatively influences subsequent OCRs ^[12]. Moreover, Chevalier et al. (2018) warned that MR will stimulate reviewing activity regarding higher volume and longer reviews. In particular, MR will stimulate negative reviews that are perceived more impactful and decreases the average rating of subsequent OCRs^[13].

3.2 Effects on business performance

Whether and to what extent the presence of MR affects companies' business performance is a trendy question. Specifically, Table 2 summaries ten studies that have investigated this topic. The increasingly prominent role of OCRs for brand evaluation necessitates that companies seek to adopt new IS functions, such as MR functions, to intervene with the effects of OCRs on their sales efforts and financial performance. Proactively engaging customers online through social media seems to quickly become an imperative for business practitioners. Nonetheless, the advice offered by extant research on the benefit of adopting MR on business performance is inconsistent (see Table 2).

Study	Research Context, Data and Methods	Effects	Main Findings
[14]	Ctrip.com, Elong.com / 791 hotels and 52,641 OCRs / Log-linear regression	Positive	MR positively relates to OCR volume.
[15]	TripAdvisor / 12 month of review data from 128 US hotels and performance records / Multiple regression analyses	Positive	MR to negative OCRs positively relates to hotel performance (ADR and RevPAR).
[3]	TripAdvisor / 1,045 Texas hotels, 56,284 OCRs and 30,232 performance records / Panel data models with fixed effects estimations	Positive	MR positively relates to customer volume and hotels' business performance (RevPAR).
[2]	TripAdvisor, Expedia / 2,697 Texas hotels, and 552,051 OCRs / Cross-platform and cross-hotel difference-in-differences analysis	Positive	MR positively relates to the increase of OCR volume.
[16]	TripAdvisor / 2,652 Texas hotels, 51,801 OCRs and 7,979 MR, with the financial performance data / Panel data models with fixed effects estimations	Positive	MR positively relates to hotel performance (RevPAR). However, hotel class moderates this effect.
[1]	Yelp / 4,922 restaurants with 587,903 customer reviews / Difference-in-differences analysis with propensity score matching	Positive	MR positively relates to the volume of customer check-ins.
[17]	TripAdvisor / 3,763 MR to 28,443 consumer reviews for 730 hotels in southern US / Instrumental Variable-Fixed effects regression and Multilevel Mixed Effects regression	Mixed	The main effect of MR on hotel performance (revenue and RevPAR) is insignificant. Different conditions of OCRs (valence and volume) significantly moderate MR effectiveness.

Table 2. Effects of MR on business performance

Study	Research Context, Data and Methods	Effects	Main Findings
[18]	TripAdvisor / 3,537 Texas hotels, and 22,483 MR to 76,649 OCRs / Panel data models with fixed effects estimations	Mixed	Successful MR enhances future business performance (revenue, ADR, and occupancy), whereas inappropriate MR lowers future financial performance. Review rating and volume moderate the effects.
[19]	Experiment / Online questionnaires with 349 respondents / Correlation analysis	Negative	MRF negatively relates to customer purchasing intentions.
[20]	TripAdvisor / 843 Texas hotels and 4,994 quarterly level observations / Panel data analysis	Negative	MR negatively relates to hotel performance (RevPAR).

A number of researchers have argued that, MR, as an alternative for service failure recovery, allows enterprises to respond to the queries and concerns of unsatisfied customers, thereby supporting a more positive business performance ^{[1]-[3][14]-[16]}. Ye et al. (2008) ^[14], Xie et al. (2016) ^[3], Proserpio and Zervas (2017) ^[2], and Kumar et al. (2018) ^[1] chose OCR volume or check-in volume as proxies of the actual customer volume or sales, and found MR adoption was positively associated with customer volume increase. Furthermore, Xie et al. (2016) ^[3], Kim et al. (2015) ^[15] and Xie, Kwok, et al. (2017) ^[16] affirmed that MR adoption caused appreciable improvement in companies' business performance. Specifically, these three studies offer empirical support to the positive impact of MR use on actual firm-level hotel performance data, such as average daily rate (ADR) and revenue per available room (RevPAR).

Indeed, many, if not most well-known OCR platforms, such as TripAdvisor and Yelp, have implemented MR functions to facilitate the management of OCRs. Nonetheless, although making proper MR to customer complaints may have favorable outcomes, not every response would benefit the companies. Consequently, some scholars have argued against the use of the function, as the companies' proactive responses to OCRs may be perceived as intrusive and unsolicited, and result in negative impact on their financial performance ^{[19][20]}. Mauri and Minazzi (2013) surveyed 349 participants and claimed that MR use reduced potential customers' purchasing intentions ^[19]. This is in line with the findings by Xie et al. (2014) who stated that hotels' RevPAR decrease after adopting MR ^[20]. Moreover, there are also scholars obtained mixed results indicating that MR can either reinforce customer relationships or compound the failure, and the outcomes of MR adoption are contingent on the conditions of OCRs (valence and volume) and response strategies ^{[17][18]}.

3.3 Response strategy

Finally yet importantly, another attractive topic we used to categorize the literature set is response strategy. In line with previous findings ^{[7][11][18]}, we advocate that the managerial intervention in OCRs should be strategic – whether and how to respond depends on the specific conditions of OCRs (see Table 3).

First, MR strategies differed between top-rated and lower-rated hotels. The findings by Levy et al. (2013) ^[23], Sparks and Bradley (2014) ^[24] and Liu B. et al. (2015) ^[25] indicate that hotels with various average online ratings, classes or popularity usually employ different MR strategies. Highly rated hotels are more likely to proactively engage customers online through social media. Moreover, theses hotels employed various types of strategies in the response. Whereas some of them express appreciation, apologies, and provide explanations in their MR ^[23], some others choose bolstering and enhancing postures ^[25]. Sparks and Bradley (2014) ^[24] developed a "Triple A" topology, including "acknowledgements, accounts, and actions", and subsumed 19 specific forms of MR strategies into three higher level categories.

Second, the effectiveness of MR strategies depends on the consensus on customers' online opinions. Lee and Cranage (2014) affirmed that the consensus in negative OCRs played a pivotal role in influence potential customers' evaluation about a company and affect the outcome of MR ^[26]. Similarly, Dens et al. (2015) resonated this argument and identified the moderating role of review set balance in choosing MR strategy to appropriately intervene with negative OCRs ^[27].

Third, the contents of MR affect the outcome of the consumer engagement attempts. In particular, Wei et al.

(2013) ^[28], Sparks et al. (2016) ^[29] and Wang and Chaudhry 2018) ^[12] suggested that companies should produce tailored response and use a human voice when replying to complaining consumers, but not to complimenting customers. Furthermore, whereas Min et al. (2015) advocated that companies should insert a paraphrase of the complaint or empathy statements in the MR ^[9], Xie, So, et al. (2017) warned that simply repeating review content in responses exacerbates the situations ^[18].

Finally, there was also debates on the timeliness and source of responding. Some scholars recommends timely response ^{[18][29]}. On the other hand, Min et al. (2015) obtained no significance for the effect of the speed of responding ^[9]. Whereas the findings by Xie, So, et al. (2017) indicates MR from an executive exacerbates hotel performance ^[18], Sparks et al. (2016) argued that response source showed no influence on business performance ^[29].

Study	Research Context, Data and Methods	Main Findings	
[28]	TripAdvisor / Survey with 101 university students as respondents / MANOVA	Whereas the trustworthiness and effectiveness of specific MR to negative OCRs was rated higher than that of generic MR, the type of MR to positive OCRs did not affect potential customers' evaluation of it.	
[23]	10 OCR websites for hotels / 1,946 one-star reviews and 255 corresponding MR from 86 hotels in DC / Content analysis, chi-square, and logistic regression	Hotels with high average online ratings often engage complaining customers by employing MR strategies that express appreciation, apologies, and provide explanations for the occurrence of service failure, but not compensation adjustments.	
[26]	Yelp / Surveyed 2,000 faculty and staff from a university in northeastern US, with usable responses from 241 respondents / ANOVA	The consensus in negative OCRs plays a pivotal role in influencing potential customers' attitude to a company. In addition, negative review consensus effects are contingent on the strategies of MR.	
[24]	TripAdvisor / 150 online conversations comprised negative reviews and corresponding MR from 42 hotels in Sydney / Content analysis and relationship analysis	The "Triple A" topology of responding negative OCRs was developed, which subsumed 19 specific forms of MR under the three higher level categories of "acknowledgements, accounts, and actions". MR strategies differed between top- and bottom-rated hotels.	
[25]	TripAdvisor / 583 reviews for hotels in NYC and 176 corresponding MR / content analysis and logistic regression	MR strategies are associated with the ratings of OCRs and organizational factors, such as hotel class, popularity and average rating. Bolstering and enhancing are the dominating MR strategies employed by hotels.	
[27]	Experiment / 973 usable responses from a panel managed by a marketing research agency / MANOVA and univariate Scheff épost hoc tests	Review set balance moderates the appropriate MR strategy to negative OCRs. More negative balance demands more effort from the business owner to create positive attitudes, encourage patronage intentions, and lead to positive subsequent opinion.	
[9]	Experiment / Survey with 176 university students as respondents / Three-way ANOVA	MR included a paraphrase of the complaint or empathy statements can cause potential customers to rate the response more favorably, while the speed of responding showed no influence.	
[11]	Experiment / 255 usable responses from students at several US universities in Study I and 133 additional surveys in Study II / ANOVA	Facing a service failure issue pertain to controllable factors, apology with assurance and apology with corrective actions are equally effective.	
[29]	Experiment / 820 usable responses from a national consumer panel maintained by a company in Australia / MANOVA	MR can enhance consumer concern and trust inferences. In addition, consumers' inferences can also be enhanced if a managerial response uses a human voice and is posted timely, but response source or action frame showed no influence.	
[18]	TripAdvisor / 3,537 Texas hotels, and 22,483 MR to 76,649 OCRs / Panel data models with fixed effects estimations	Timely and lengthy MR can enhance hotel performance, whereas MR from an executive or simply repeating review content in responses exacerbates hotel performance.	
[12]	TripAdvisor, Expedia, Hotels, and Orbitz / 65,099 hotels, 20 million reviews / Latent Dirichlet allocation (LDA)	MR tailoring to negative reviews enhances the positive effect on subsequent OCRs. However, highly tailored MR to positive OCRs may lead subsequent opinion to the negative direction.	

Table 3. MR strategy

3.4 Explanations for inconsistent findings

Based on our review on the extant literature, we found that there are several possible explanations for these inconsistent findings. One explanation proffered for the mixed findings may be the disparities in the measurements of business performance. For the operationalization of dependent variable, most studies employ the OCR volume or online customer check-ins as proxies, whereas some research uses actual revenue data to measure business performance. First, companies who use MR functions are aware of and interested in managing their OCRs. This may extend to active management of the reviews through review fraud or active incentivization of customers to write reviews, naturally increasing their OCR volumes. Second, customers may

be more likely to leave reviews once they notice responses to other customers specifically because they expect they might get a response ^[13]. Therefore, there may be no increase in volume of actual customers, just an increase in the propensity of each customer to leave a review.

The lack of consistent findings may be also derived from varied research setting, self-selection bias and unobserved bias. The companies that embrace MR and respond to OCRs might be systematically different from those that choose not to ^[1]. Without addressing the self-selection of a companies' decision on adopting MR functions, the estimation of the effect of MR may be biased. It is highly possible that self-selection bias is inherent in this type of dataset. But few studies attempted to eliminate self-selection bias. Therefore, researchers should try to deal with these threats to find unbiased and consistent results.

Last but not least, researchers' selection bias may contribute to the contracting findings too. A number of studies made estimations based on data collected from certain regions or cities, studies with the aggregation of data across different markets are still lacking.

4. DISCUSSION AND IMPLICATIONS

This paper seeks to facilitate a more completed understanding on the business value of MR by providing a comprehensive review on extant research. In particular, our interdisciplinary and systematic literature review uncovered 27 high quality academic papers that centered on MR. We scrutinized these articles with regard to their research context, research method, theoretical ground, studied factors, operationalization and findings. Based on the content analysis, we extracted and consolidated the literature set and categorized them into three categories: 1) impact of MR on consumer satisfaction, 2) impact of MR on business performance, and 3) MR strategy. For the literatures in each category, we outlined their research context, data and methodology, and correspondent findings. Interestingly, although these studies have mostly utilized very similar data sources, such as OCRs from TripAdvisor and Yelp, researchers' opinions on the effect of MR on customer satisfaction and business performance, as well as MR strategy choice, are inconsistent. Based on our review, we argue that the reported inconsistencies in the results of these prior studies may partly attributed to discrepancy in the measurement operationalization and a number of methodological bias.

With a systematic literature review, this work provides both theoretical and practical implications. First, it contributes to the extant literature by unraveling the status quo of research on MR, offering useful insights into the conundrum of MR studies and identifying potential research opportunities. Second, a set of possible explanations for contradicting findings are pinpointed, including the selection bias, the disparities in operationalization, different types of research setting, or misuse of statistical analysis, which shed light on the equivocal findings. Researcher may take these issues into consideration in order to achieve findings that are more consistent. The findings derived from our literature review also offer practical implications. We summarized the reported effects and strategies of MR use and presented them in a way that is more accessible to practitioners. The findings can serve as guidelines for the companies to refine their online customer engagement strategies to alleviate detrimental impact of negative OCRs and amplify the favorable influence of positive reviews, and in turn to improve consumer satisfaction and business performance.

5. AGENDA FOR FUTURE RESEARCH

Adhering to the objectives of this systematic literature review, we also offer recommendations for future research in this field. Based on the results of literature review, a number of potentially fruitful research direction can by identified for future work. First, performing the analysis with robust statistic methods on actual business performance data (such as sales or revenue) would offer interesting results. A combination of propensity score matching and difference-in-differences analysis can account for both observable and unobservable

characteristics ^[1]. In order to prevent overestimation or underestimation of the effect of MR, future research should not only employ robust analytical techniques but also make estimations on actual measures of business performance to test the consistency of findings. Second, current MR studies have been mainly based on a single market or region. Although in-depth perspective of the effect of MR were derived, findings from a single market may not be generalizable to other markets. In the future, it would be interesting to use data across different markets to enhance the generalizability of findings.

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