Formative Reputation: From Being an Organizational Asset to Becoming a Process in The Making

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ABSTRACT

In the last decade, we have witnessed an explosion of emergent web technologies and platforms that have drawn the attention of the academic community, as well as of professionals in many sectors. This paper explores the concept of reputation-making with the aim of explaining how the rise of user-generated content websites has influenced organizational reputation-making practices in the travel sector. The findings are based upon a corpus of data including: a field study at the offices of the largest travel user-generated website, TripAdvisor and an adaptation of virtual ethnography called 'netnography'. In so doing, key insights are generated to inform organizational reputation-making. The paper concludes with the assertion that if we aim to understand the phenomenon of reputation-making, we have to develop a more nuanced and sophisticated way to conceptualize its formativeness. It is suggested that this extends beyond snap shot assessments or post hoc crisis management to an ongoing maintenance of the emergent and processual nature of reputation across the off-line and online spaces.
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INTRODUCTION

In the last decade, we have witnessed an explosion of emergent web technologies and platforms that have drawn the attention of the academic community, as well as of professionals in many sectors. The importance of everyday opinions as opposed to the official marketing material is evident in the number of websites that host this content, such as products (Epinions, Viewpoints), restaurants (Yelp, Zagat), movies (Rottentomatoes, Netflix), travel (TripAdvisor, Flyertalk), health (RateMDs) and so on. Although it is widely acknowledged that the dynamism of User-Generated Content (UGC) websites has shaken the well-established principles of reputation management, there is still a lack of empirical studies and theoretical elaborations exploring corporate reputation management in the context of social media (Rokka *et al.*, 2014). It is therefore argued that UGC has intensified the need for academic research to revise the management of reputation and study the challenges and consequences that are unfolding.

Most studies interested in reputation primarily focus either on corporate behaviors and reactions, defining reputation as a representation

of a company's past actions and a reflection of stakeholders' impressions. While the notion that performance is important to reputation is generally recognized, there are few attempts to develop a framework for identifying the processual dynamics at work or understanding the *making* of reputation from an ongoing constitutive perspective. In taking up this challenge, this study focuses on how, where and when temporary reputations of hotels emerge and in what sense their enactment reconfigures the practice of managing them in the context of travel. More specifically, the question that arises is formulated as follows: How have UGC websites transformed organizational reputation management in the travel sector? The findings are based upon a corpus of data including: a field study at the offices of the largest travel UGC website, TripAdvisor (TA) and a netnographic approach. In addressing the main research question we propose a more nuanced way to examine in more depth how reputation develops through its *formativeness*, without distinguishing between what happens online and off-line. This approach helps us perceive the dynamic nature of Web 2.0 environment, as reputation increasingly becomes 'a contested concept' in the Web 2.0 space (Jolly, 2001: 928). In what follows, we first review the conceptual background. Next, the methodology employed is explained, followed by an analysis of framing reputation as formative. In the final section, we draw some conclusions and point to implications for research and practice.

CONCEPTUAL BACKGROUND

The academic literature has dedicated much ink to keeping the discussion going about reputation's definition, importance and relationship to economic performance with the key ideas ranging from rationalism and positivism all the way to social constructivism and postmodernism (Sharman, 2007).

According to Fombrun (1996), reputation has been defined as 'the perceptual representation of a company's past actions and future prospects that describe the firm's overall appeal to all its key constituents when compared to other leading rivals' (72). Along these lines, the most dominant tradition in the literature is the rationalistic, which treats reputation as an intangible strategic asset, critical for the future organizational actions and decisions (Cravens *et al.*, 2003). Supporters of the rationalistic school perceive reputation as a strategic asset that is the product of a procedure during which external assessors evaluate past performance and draw conclusions about organizational realities (Bergh *et al.*, 2010; Dhalla and Carayannopoulos, 2013; Dowling, 2001; Puncheva, 2008; Standifird, 2001; Suh and Amine, 2007; Waddock, 2000). Similarly, Brown and Logsdon (1999) view reputation as the long-term combination of outsiders' assessments about how well the organization meets stakeholders' expectations and to which extent the organization is in line with its sociopolitical environment. Jensen and Roy (2008) also suggest that reputations for business integrity are important to the selection of future organizational partners. Consequently, corporate reputation may lead to a competitive advantage in the marketplace and might also protect organizations against loss in periods of crisis or negative events (Fernandez Sanchez *et al.*, 2012).

On the other end of the spectrum, the social constructivism tradition presents reputation as a social fact. According to this view, reputation is not a property or something that can be owned by any actor, but it rather has an emergent and intersubjective quality. Instead of being a collection of individual beliefs, it is based on a far wider range of associations and feelings (Sharman, 2007; see also Chen and Meindl, 1991; Rhee and Valdez, 2009). This view challenges the conventional view of reputation as an asset that belongs to the organization and instead

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opens up a different palette of perspectives and approaches.

Viewing reputation as a social fact suggests that 'reputation is a socially constructed, distributed knowledge phenomenon that creates powerful incentives for good behavior' (Rein, 2005). Origgi (2012) in a thorough analysis of reputation presents it as an epistemic notion, 'as a fundamental shortcut for cumulating knowledge that is embedded in social networks and an ineludible filter to access facts'. This stream of literature focuses more on exploring the theoretical aspects of reputation rather than contributing to organizational reputation management in practice.

Broadly speaking, organizational reputation has been considered a multidimensional concept (Deephouse and Carter, 2005; Love and Kraatz, 2009; Rindova *et al.*, 2007; Staw and Epstein, 2000). Rindova *et al.* (2005) propose two distinct dimensions of reputation, namely, the perceived quality dimension (how stakeholders evaluate a particular organizational attribute) and the prominence dimension of organizational reputation (the collective awareness and recognition that an organization has accumulated). In the same vein, Lange *et al.* (2011) identify three dominant dimensions of reputation as *being known* (the extent of awareness and knowledge of the organization), *being known for something* (the level of confidence with which specific predictions about the organization's future behavior and outputs are held) and *generalized favorability* (the level of intensity with which favorable or unfavorable judgments of the overall organization are held). Even though the authors note differences in the three dimensions and encourage future scholars to consider more complex relationships, they remain loyal to the vast majority who treat reputation as an asset.

In the next section of the paper, the relationship between communication media and reputation is explored in more detail, before we move on to the argument of the paper.

Word of Mouth (WOM) and UGC

The role of media has been critical in generating reputations. Deephouse (2000) introduces a specific form of reputation by integrating reputation, communication and resource-based theories. In order to measure reputation and its effect on performance, he introduces 'media reputation' as the 'overall evaluation of a firm presented in the media, drawing on mass communication theory'. As Fombrun and Shanley (1990) emphasize, 'the media themselves act not only as vehicles for advertising and mirrors of reality reflecting firms' actions, but also as active agents shaping information through editorials and feature articles'. This early ancestor of social media reputation paved the way for the next generation of technologies to play their role.

In the marketing and consumer behavior literature, reputation has been regarded as deeply influenced by WOM communication. Arndt (1967), one of the first to discuss the influence of WOM, defined it as 'oral, person-to-person communication between a perceived non-commercial communicator and a receiver concerning a brand, a product, or a service offered for sale' (190). In the more recent years, WOM has been repackaged and transformed into eWOM. Hennig-Thurau *et al.* (2004) present eWOM as 'any positive or negative statement made by potential, actual or former customers about a product or company, which is made available to a multitude of people and institutions via the Internet'.

Even though the significance of the new era epitomized by the emergence of social media and UGC has been widely recognized, Van Norel *et al.* (2014) note that the research into eWOM has mainly focused on marketing effects with the effects of eWOM on the reputation of a corporation remaining understudied. Veil *et al.* (2012) also invite organizations to be fully engaged in the online discussions that create their reputation.

The literature on reputation and WOM has been rich in perspectives, conceptualizations and dimensions. The approach taken by this study builds on this literature, acknowledges its influence and aims at further unmasking the emergent nature of reputation: reputation in the making. Part of the challenge set in this paper is to understand how the emergence of UGC has disrupted the existing agenda in reputation research. In so doing, we analyze the fluid process of reputation-making with an emphasis on how reputation develops. The analysis presented in this paper challenges the separation between online and off-line management and instead shifts attention from the concept of reputation to reputation-making, or, in other words, what we coin 'the attribute of formativeness'.

RESEARCH DESIGN

Our research insights emerged from a multi-level methodology that has been designed around a case study in TA's headquarters, the largest online travel website and a core netnographic approach with a high degree of participation in Web 2.0 sites. A total of 55 semi-structured interviews were conducted comprising: 14 interviews with TA at their headquarters in Boston and their European offices in London; 23 interviews with hotel reputation managers; 9 interviews with travel professionals; and 9 interviews at two hotel accreditation agencies. The corpus of data also includes focus groups, interviews with travelers, as well as attendance at specialist conferences and industry events.

The case study at TA took place in two phases throughout a year. In total, 14 top managers holding key positions have been interviewed covering most critical departments in the organization and the founder and CEO of the company. All interviews lasted between 44 minutes and 1.5 hours. The researcher followed a semi-structured format with a question list prepared beforehand, yet the discussions were open and new themes emerged. After every interview, diary notes were written up in an effort to convey a sense of people, places and arrangements in an ethnographic way. All interviews have been transcribed with the use of a software package.

In addition to the case study, a netnographic approach has been employed. Kozinets (2002) proposes netnography as an adaptation of virtual ethnography that is inspired by ethnographic techniques with the aim to study communities that emerge though Computer-Mediated Communications. Netnographers mainly employ participant observation methods online and choose the degree to which they wish to actively participate in the communities under study. The respondents who have been contacted in the netnographic part of the study include hoteliers, hotel reputation managers and hostel owners and users that have engaged with TA, either directly in the form of active involvement or in the form of articulated opinion about TA. TA reviews have also served as an integral part of the data set. The corpus has been constructed following Bauer and Gaskell's (2000: 347) approach who describe the process as an iterative one, whereby additional strata of respondents are added until the point of saturation is reached. The selection of participants based on the premises of their active engagement with travel UGC and TA in particular has been a strategic and conscious decision in line with the overarching research aim, namely to uncover how practicing reputation online has changed reputation management for all involved actors.

Data has been systematized and imported into a software program that captured snapshots of webpages and allowed storage onto a user-friendly database. In total 1,849 notes (either webpages or files) have been imported and tagged into the database. Open coding has been chosen to make sense of the data and has been divided into instances of
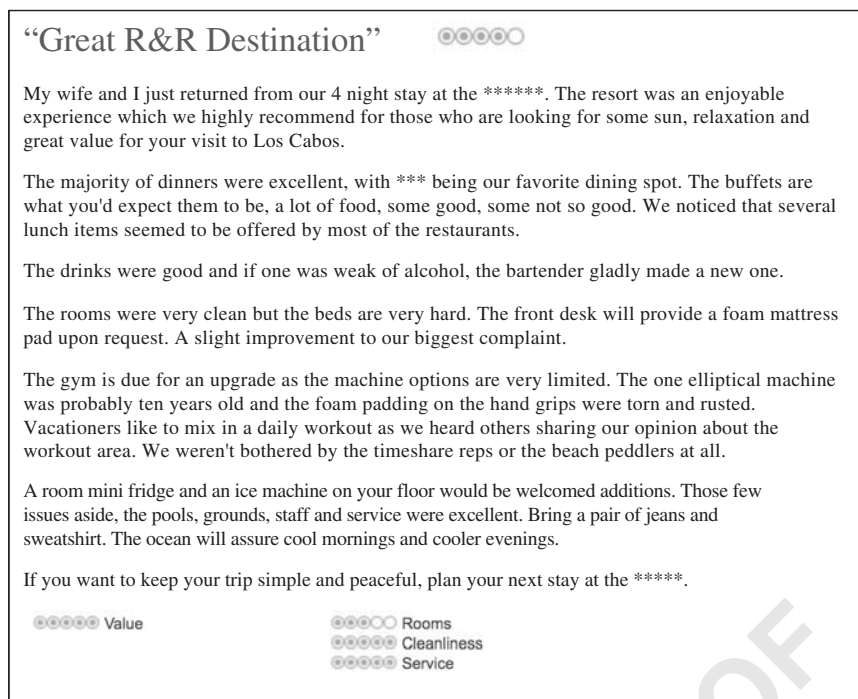
Figure 1: *A typical TripAdvisor review, as submitted by a user*

conceptualization and abstraction, classification into concepts, primary interpretation and organization into patterns or families of categories. In what follows, we present the empirical material and exemplify the value of framing formativeness as a distinctive attribute of reputation.

MOVING ONTO THE ONLINE SPHERE

Reputation managers have extensively adopted social media in the recent years as an integral tool. *The Rising CCO III* Shandwick, a survey conducted by global executive search firm Spencer Stuart and global public relations firm Weber Shandwick, found that compared with 2013, in 2014 73 percent of global chief corporate communications officers are hiring more digital and social media experts (Spencer Stuart and Webershandwick, 2014). In the Web 2.0 environment corporate reputation has become a contested concept (Jones *et al.*, 2009). In this section, we will take a closer look

at specific moments of what we call reputation-making.

The discussion starts with a TA review as provided by a user (Figure 1). TA is the largest travel UGC website that hosts reviews about hotels, restaurants and attractions. Ratings (among other criteria) are used to rank hotels in geographical regions and lists of hotels under the heading of 'best', 'worst' or 'dirtiest' in the world are produced.

The review above is a typical example of reviews on TA, a combination of detailed feedback and a diary-style report encouraging or discouraging fellow travelers to visit the place. Hotel managers who participate in the study regularly start staff meetings with references to reviews. A hotel manager in Brussels shared his team's practice of printing reviews and posting them on the internal notice board. Before they take the comments on board and act – or not – they decide whether they should reply to the reviews through the TA 'Management Response' option. In so doing, they act and adapt their

Manager's Response

We are very pleased that you enjoyed your stay with us, and I have made note of the points you mentioned and will take this opportunity to advise of some updates, as well as some plans which are expected during this year.

I have shared your comments regarding the buffets with our Chef and Food & Beverage manager to ensure a consistent quality product, experience and service.

I would also like to point out your note on the drinks…. And as you mentioned, should you feel that the drink is weak, we'll include a little topper to lift it up. No problem. I also wanted to advise you of something that I noted from last summer. We do not water down the drinks! HOWEVER, when you're in the dessert, and the sun is shining down, ICE tends to melt, and therefore, your drink will generally dilute faster than in other climates. But hey, just alert the bartender and they'll be happy to refresh your beverage!

As noted in some of my previous entries, we have a full replacement of all new mattresses as of late last year. These mattresses are a pillow-top hotel grade FIRM mattress. A hotel grade mattress is designed to withstand much more rigorous wear and tear and still provide the full support that one should have in a mattress. For someone who is used to or prefers a softer mattress, we may not be able to achieve the feeling of your personal bed, but we will try to make certain that you are comfortable.

Now onto some updates…

The comments on the gym are valid, and yet we attempt to maintain the equipment, and I do have two purchase orders pending for two new machines to replace the ones you are referencing, however, I am in hopes that the second phase of following project will move forward quickly and bring an even greater value added benefit to our property.

For the guest convenience, we now have an ice machine on the middle of section 1 of the hotel; in the future we are considering other locations for ice machines to service guest needs.

…

That's what I have to report at this point, and I trust that the information is helpful. Thanks for keeping us informed of your experiences in a way that is helping us to improve our product and service.

We look forward to having you back with us on your next R&R getaway.

Figure 2: *Part of the management response to the review (Figure 1), as submitted by the hotel manager*

practices based on reviews and they participate in the construction of reputation by addressing and responding to the reviews online.

In our Skype interview the hotel manager from Los Cabos in Mexico, who submitted the management response to the above review (see Figure 2) narrates how he engages with the TA phenomenon. Every time he responds to a review or replies to a forum question he takes the opportunity to inform guests and potential visitors about the updates and refurbishing acts, as if this were a public press conference.

He is one of the many managers whose organizational reality has changed significantly with the emergence of UGC. In his case targets, objectives, performance measures, satisfaction indicators, conversion rates and bookings are interlinked with TA's stories and scores. More interestingly, the commonsensical relationship between good scores on TA and booking outcomes is something he and his team study systematically through observations and statistical depictions. They import TA reviews into an Excel spreadsheet and produce diagrams and correlations to find out what the tendencies are. The manager explained the rationale behind this rather new process:

We actually have 733 reviews on the list right now but this is updated regularly.

I asked my team to go through all the reviews on TripAdvisor and add them to the data page [*Excel spreadsheet*]. What are the different aspects that the people are complaining about? So the first column is food, then room service, reservation systems, restaurant, food and beverage, service at the front desk, check-in, refrigerators, cleaning, water, air-conditioning, hard beds … and it goes on and on and on. So we have the different aspects why someone would make commentary on different areas and then we have the overall review or summary by year so we can see how things are developing and progressing.

Initially it was his team who brought TA to his attention and in the beginning they used it as an online focus group through which they could identify guests' complaints. In his words, he 'naively' thought that taking corrective actions would change customers' perceptions, which apparently did not happen. More specifically, when he proceeded with the replacement of the hard mattresses, which was the major problem according to the reviews, externals' perceptions or in other words reputation did not change. What he realized was that a more active engagement with the crowd was needed on top or even irrespective of any off-line action, and this was the Management Response option to the reviews posted by users (see Figure 2). Apparently, an integral element of reputation-making has become the online public reporting about any changes or corrective actions taken in the physical space.

The hotel manger claimed that the systematic monitoring of reviews and interactivity with the TA crowd brought more visibility and any increase in the rakings had an immediate effect on the occupancies rates. TA team encourages the active engagement with travelers and invites hoteliers to familiarize themselves with the Owners Centre, where they can see statistics about their properties, as well as benchmarking analysis against immediate competitors. During our interviews in Boston and London, they mentioned several examples of hoteliers who have successfully exploited high scores and mentioned examples of hotels being over-booked and asking for no more positive reviews.

TA managers refer to specific cases of hotel managers as exemplars of how engagement can facilitate what they call service recovery and we regard constitutive of reputation-making. For instance, the manager of the resort in Los Cabos instead of discussing with the unhappy guest about the solid mattress at the lobby of the hotel has become publicly accountable to the crowd. He thought that the practice has remained the same, as he may have also changed the mattresses if customers have complained in front of the lobby while checking out. However, he realized that having replaced the mattress and thus having addressed the problem did not change rankings or reputation as defined by him, but what could potentially trigger such changes was the additional act of reporting back on the replacement. Part of reputation-making would embrace being transparent about the corrective movements and practices. Thus, he both performed microscopic changes in the way service was delivered, as well as in the way he communicated it by responding to reviews. In the long term, his strategy influenced booking rates, as under his management the TA rankings have risen from 14 to 8 and the hotel became No. 1 among families.

In further elaborating on the entangled relationships between physical and online microscopic changes, we will use another empirical moment. We would like to invite the reader to think of the Egerton House Hotel in London, which is known for the 'magical theatrical Martini experiences' its guests can enjoy. Antonio, the bartender and head of the bar, has been mentioned several

times in TA reviews and his skills have indeed attracted more guests. However, Antonio has worked at the Egerton for ages, thus no apparent change in his or the organization's practices occurred in the way cocktails are being offered. Drinking cocktails at the bar and reading about the experience online are two seemingly independent acts that can be nevertheless considered as two interrelated enactments of the same practice with regards to reputation-making. We therefore witness two interrelated enactments of reputation-making practices, the one through drinking cocktails at the bar and the other through drinking cocktails at the broader 'bar', which extends to the online sphere.

In our discussion, we take this artificial separation to be one practice, not an assemblage of two but one emerging and unfolding process in its own right. This clarification is very enlightening to better understand the processual nature of organizational reputation and what a holistic treatment of reputation entails. Through this perspective, the practices and what sharing them entails is an inseparable process that makes and remakes what temporary reputation at any given point in time is.

MANAGING REPUTATION ONLINE: TRANSITION OR RADICAL TRANSFORMATION

In 2010, the US hotels occupying the top positions on TA reported a significant difference in the booking rates and conversion, according to TA Sales Director. Hostels too have been influenced by the reviews on Hostelworld.com with a direct impact on their occupancies. The General Manager of TA in London affirmed the close relationships between reviews, perceptions and actual decisions.

> Certainly we've had partners telling us after putting our reviews on their sites that they see an improvement in

conversion rates … since there is a reassurance that this hotel is a good one … And that's probably the best thing we can hope for, that our content helps people make decisions.

When social media was first introduced it was believed that it would serve as a further channel of exposure, like the invention of the TV or the Internet. To a degree, this was a fair assumption but when it came to UGC reviews hoteliers seemed to be losing control. Hotel managers might well have decided whether they wanted to invest in TV campaigns or not but could not interfere nor opt out if they did not wish to be listed on TA, Yelp, Zagat and so on or if they did not wish to be at the center-stage on travel blogs. 'It is obviously a medium which is here to stay, it's not going to go away, we must learn to live with it and we must learn to manage the information which is posted on the site', as a hotel manager in the United Kingdom succinctly put it. The transformation is to be found in how hospitality professionals attempt to exceed expectations so that guests/travelers acknowledge it publicly online. It is not only about offering an exceptional experience, but also – if not more importantly – about inspiring the crowd to share the marvelous moment on Facebook, Twitter or Instagram.

Even though hoteliers came to terms with the idea that they cannot escape from TA, the appearance of negative comments about their businesses has always been a potential threat to reputation. However, many realized that even in cases of disappointment or dissatisfaction, which is usually associated with crises, the discourse that takes place online could potentially create positive impact if managed (see also Fombrun, 2007). Interestingly, UGC and social media have redefined our perception of the place where interactions occur, while the problem is being resolved. Consequently, the ways in which issues are managed in the

public may potentially serve as a generative mechanism for revenue and new customers over time. Social media has allowed organizations to turn the negative into positive, as these labels of positive and negative are by no means fixed; what hotel managers coin as 'the dynamic process of TripAdvisor participation'. A management response on TA, a Facebook online competition, a Tweet, a video on YouTube, a tool that aggregates online comments, an Instagram picture are all manifestations of the interactive cycle that shapes and reshapes, or in other words makes and breaks reputation.

The European Community Director of TA shared her experience about the 'public reporting' practice. The powerfulness of TA platform is to be found in the fact that hoteliers have the last word and can thus influence perceptions and in the long-term reputations. Even the most negative review submitted by a guest can be potentially turned around.

> Hotel managers need to be honest: If they admit 'You are right [*about the complaint*], but we've changed that and now it is fine'. This account makes you as a consumer think they are listening to your comments and they are reacting. When I see a review which has been negative and then the owner has replied and said 'yes, but we have done this this and this thank you very much for bringing it to our attention and come back you'll see it is all fixed I think 'go, that's good!' And this is what the majority of travelers think, according to our experience (European Community Director, TripAdvisor).

Reputation-making has therefore become signaled by practices that occur in front of whoever has the opportunity to witness the scene that prompts us to question once again *where* and *when* reputation takes place in a UGC-present hotel sector. A complaint about a hotel room with bad view used to remain between the guest and the receptionist or if the complaint was really serious the manager on duty could be involved in the discussion. Guests are now empowered with what social media is associated with: transparency and immediacy. A comment on Twitter can have as a result the resolution of the problem on the spot that a call at the reception would probably not. This happened to Mr Horan, who Tweeted: 'At the Orlando Marriott World Center for RIM WES 2010 [a technology conference]. But I have the crappiest room in the hotel'. Front-desk employee Zachary Long saw Mr Horan's comments while monitoring Twitter and went into damage-control mode. Mr Long had a note of apology for the 'current room situation' slipped under Mr Horan's door and offered to move him to a pool-view room the following day. 'It was on Twitter, so it could spread', Mr Long says. 'It was a complete shock' that Marriott saw the message and reacted, Mr Horan says' (Nassauer, 2010). Online references to the hotel act as reputational signposts, as if they were comments on a notice board in front of the reception written by the customers. In a similar way to Twitter, user-generated reviews have become an integral part of practicing reputation-making.

Once upon a time if a hotel managed to get into Lonely Planet's guidebooks that was an achievement. Yet a top position in a travel guide was not a guarantee of quality given the time lag between inspections and the publications, among other factors. Managers cannot anymore exclusively rely on such achievements, especially when constant reevaluations on TA tend to reveal more information about their current standing. Egerton House Hotel was number 1 hotel in London in July 2009, and in February 2010 became number 14, while it was number 2 as of the 13 October 2015. (I encourage the reader to check it at the time you read through these lines). Such and more drastic changes in rankings have an impact on booking rates.

All managers interviewed in TA London and Boston and hoteliers noted this tendency. A hotel managing director from Scotland associated directly the 8 percent increase in leisure bookings to TA's ranking. He emphasized that being ranked 10th out of all Edinburgh hotels listed on TA is definitely a kind of exposure that has a practical impact. A hotel manager in a big chain in the United States also referred to the direct influence:

> Right now I have in house 12 rooms with people who have chosen to come here as a result of my interaction on TripAdvisor [*referring to both reviews and forum posts*] … Also, many small corporations plan incentive trips, we have had more than three groups where the spouse of the executive in charge of locating the destination has researched and chosen our resort based on our TripAdvisor reviews and responses.

TA executives also shared experiences they had with hoteliers asking for removing reviews because they see a decrease in bookings or the opposite, hoteliers thanking TA for the increase in bookings and revenue.

Beyond the commonsensical assumption that new forms of media have transformed reputation management, we claim that a more focused analysis of reputation as an ongoing process does make a difference in how it is managed, which is the focus of the next section.

THE FORMATIVENESS OF REPUTATION

The study treats reputation as a process constitutive of ongoing and emergent practices. 'The hotel industry properties are much more concerned about their image than they used to be', notes a travel expert and blogger. The phenomenon of reputation is in a constant process of open definition, a definition under construction. The emergence of a dynamic platform has triggered an intensification of reputation-making practices and added an increased demand for learning about the unfolding technologies in play. Social media has intensified the engagement of all interested stakeholders with the constitution of reputation. Hoteliers are now asked to take action, defend themselves and prepare for their next 'battle' if reviews are not favorable.

Rokka *et al.* (2014) conclude that 'organizations would benefit from understanding management in social media as a balancing act related to (and sometimes determined by) the specific configuration of the organization's operating environment (customer market and industry), stakeholders, and organizational practices'. Building on the literature on reputation, we aim at highlighting its emergent nature and illustrating the importance of considering reputation as an ongoing process. The case study within TA has helped us to think of reputation as a phenomenon in constant movement: as reputation in the making or what we coin formativeness as an attribute of reputation.

One could claim at this point that reputation has always been formative and hence reputation management has not fundamentally changed because of the emergence of yet another medium. For instance, most hotel managers would never think of not responding to a negative letter or to a customer's complaint via email. So, to what extent do we witness a transformation or simply an intensification of a phenomenon that reputation managers and scholars have been always engaging with? Bergson, in his Creative Evolution, when explicating *becoming* and *process* notes that:

> That which goes from yellow to green is not like that which goes from green to blue: they are different qualitative movements. That which goes from flower to fruit is not like that which goes from larva to nymph and from nymph to perfect insect: they are different evolutionary movements. The action of eating

or drinking is not like the action of fight: they are different extensive movements. And these three kinds of movement themselves − qualitative, evolutionary, extensive − differ profoundly.(Bergson, [1911] 2003: 321)

Although it is beyond the scope of this paper to discuss the ontological assumptions in depth, this rather theoretical illustration is employed to make the analogy with organizational contexts and emphasize the multiplicity and heterogeneity in how organizational phenomena evolve and change over time. A processual view allows us to acknowledge that phenomena − such as organizational reputation − do not follow a linear progressive line from one state to another (eg, high rankings create good reputation, which in turn increases bookings). The arrangements that social media have brought about, although first and foremost have broadened the scope and reach, have also prompted managers to introduce practices and perform acts that they would not in their absence. Following this line of thinking, rankings and ratings are not alternative representations of organizational practices, but rather generators of change for practices and routines.

Scholars focusing on organizational identity and reputation have studied 'identity processes' and the dynamics among them. Hatch and Schultz (2002) for instance, in building their process-based model adopt Mead's conceptualization of identity as a social process with two distinguishable phases: the 'I' and the 'me', whereby 'the "I" is the response of the organism to the attitudes of the others; the "me" is the organized set of attitudes of others which one himself assumes. The attitudes of the others constitute the organized "me", and then one reacts toward that as an "I"' (Mead 1934: 175). According to Mead (and Hatch and Schultz) the 'I' and the 'me' are analytically interdependent and yet distinguishable, an

ontological departure point that is in line with that of many reputation and identity scholars, what has been referred to in the conceptual background section as the rationalistic school. In this vein, Brown *et al.* (2006) define image as what an organization wants others to think about it and reputation as what stakeholders actually think about it. Davies and Miles (1998) reinforce this dichotomy and, drawing on Shee and Abratt (1989), present reputation as having three attributes: 'personality, what the organization really is, identity, what it says it is and image, what people see it as'.

A process view as adopted and developed in this study draws its inspiration from process philosophers such as Bergson and Whitehead, and organizational theorists such as Tsoukas, Chia, Langley and Nayak. At the core of process as a 'style of thinking' (Chia, 1995) lies the acknowledgment that phenomena continually unfold and therefore are always in movement and flux. It is claimed that such a conceptualization is substantially different in that it rejects the separation between practices, routines and general impressions or between what an organization *really* is, what stakeholders think it is, what it does and what stakeholders say it does and it rather focuses on the indistinguishable and entangled nature of all those elements.

The formativeness of reputation centers on the premise that it is constitutive of different configurations, such as practices, people, processes, moods and places, and is built acknowledging that the multiple enactments of reputation are always in a process of becoming (see Figure 3). Therefore, from a processual standpoint we cannot talk about reputation as an entity as such but always in relation to practicing reputation: in this vein we can talk about reputation-making or breaking. The attribute of *formativeness* is thus suggested to communicate the inseparability of reputation happening here, there or elsewhere, physically and online. We therefore
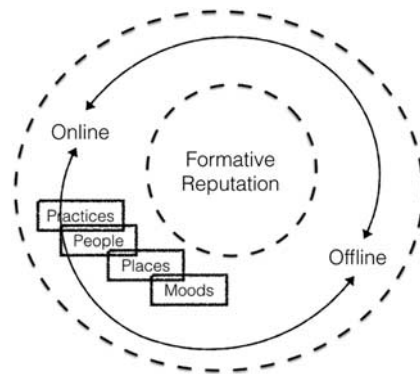
Figure 3: *The attribute of formativeness*

suggest formativeness as a further attribute of reputation that supports a better understanding of its constitutive nature in the making with implications for practicing reputation management.

Focusing on the formativeness of reputation allows us to dynamically appreciate the configurations that diverse elements constitute. In our case, people on TA gaze at the world through the eyes of others, yet they manage to acquire information as directly as they would if they had physically visited the place themselves. And in so doing, the separation becomes misleading and irrelevant. Paying attention at the proposed attribute provides both explanatory power and encourages us to revise reputation-making practices. It serves as an analytical reminder that in order to perceive reputation, we have to grapple with its constitutive nature through organizational practices. UGC in travel has forced us to re-appreciate the time, places and mechanisms in which organizational practices are made manifest not only because of its participatory and involving nature but also because of algorithmic configurations that are entangled with reputational rankings, although algorithmic agency is not explicitly discussed here. We propose to include formativeness as an integral attribute of reputation and show how reputation is processually constituted or more precisely how it is constitutive of the configurations of people, processes and places.

CONCLUSIONS AND IMPLICATIONS

The importance of reputational standings in travel has been made manifest in the literature and data presented earlier led us to an empirical appreciation of this rather logical assumption: that no matter how reputation is established and maintained and whether it is viewed as an emergent temporary arrangement like here or as a possessed asset as in the majority of academic literature, it is a critical organizational achievement associated with sustainability and success.

We have established that reputation-making is a complex concept of significant importance for the organization. As such, it has been treated as a 'perceptual representation' (Fombrun, 1996: 72), an intangible asset (Cravens *et al.*, 2003; Rindova *et al.*, 2007; Suh and Amine, 2007), a global impression (Deephouse, 2000) and a relational concept (Brown and Logsdon, 1999; Standifird, 2001). All these labels do not exclude each other in practice, even though they may relate to different paradigms that exist in tension with each other. The main contribution of the paper is an analysis of the process leading to an ever-changing reputation that emphasizes its emergent and ongoing character. Shedding light on the processual nature of reputation − what we call formativeness − re-focuses on management priorities and adds a different layer to remote *ad hoc* and *ex post* fixations. It is the impossibility to differentiate between online and off-line practices that forces formativeness onto the agenda; a call for revised management practices that favors process thinking.

In focusing on *reputation in the making*, we proposed a further attribute of reputation that centers upon formativeness to embrace how processes of reputation-making are constitutive of themselves. This assumption builds on the literature on reputation and invites reputation scholars to move beyond the dominant traditions that treat reputation as an intangible asset or as a socially constructed concept.

The study has also implications for reputation-making in practice. It is argued that UGC has rearranged organizational boundaries and challenged the dominant norms of control by actively re-defining key roles associated with organizational perception and reputation. Having adopted formativeness helps reputation professionals to realize that in treating reputation processually, there are no fixed organizational boundaries. We are not witnessing a rearrangement of the boundaries but rather the acknowledgment that organizations – in this study hotels – are open places with malleable boundaries. Formativeness is not a matter of changing the mattress or claiming to have done so, but a matter of realizing that reputation is made holistically through practices and service delivery, as well as discourses, pictures, algorithmic configurations and many other elements online and off-line that cannot be taken apart.

By focusing on the entangled relationships of the different enactments that are inseparable, we provide evidence of the necessity to treat formative reputation holistically on the micro level and therefore encourage managers to adapt their practices accordingly. Managers can take advantage of the place of TA and UGC to negotiate the tensions through reputation-remaking and to convert dissatisfied customers into potential guests. It is argued that by actively engaging with reputation as formative, performance becomes an ongoing accomplishment: enacted through practices that are manifested and shared in multiple ways.

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