



# Exploring the Impact of Managerial Responses to Online Reviews in the Sharing Economy: A Case of Accommodation Sharing Service

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**Abstract.** Strategies to respond to online reviews have been discussed in many previous studies. However, researchers rarely pay attention to the managerial response in the sharing economy context. With sampling from the accommodation sharing service, two studies are conducted to investigate the impact of responses to online reviews. The results show that B&B's responses to online reviews positively affect its popularity ranking, volumes of online reviews and helpfulness votes. When addressing consumer complaints, response quality, which refers to response length and empathy, is significantly related to the helpfulness votes of a review. This research also explores the interaction between response and review qualities. Results indicate that response length synergistically contributes to the consumer's perceived helpfulness with review length and consumer-provided photos whereas response empathy has no interactive effects with review length but works well with review photos. Several theoretical and practical implications are generated on the basis of the research findings.

**Keywords:** Sharing economy · Managerial response · Response length · Response empathy

## 1 Introduction

With the development of Internet technology and the growth of third-party platform-based business, sharing economy has rapidly emerged as a large and expanding force in recent years. Sharing economy aims to discover untapped resources as a substitute for buying products or services themselves [1]. It creates possibilities for people to enjoy the bonuses of their possessions without significant extra investments [2, 3]. Consumers today are exposed to various types of sharing economy, such as shared cars, rooms, and other resources. As one of the most well-known sharing economies, Bed & Breakfast (B&B) has drawn increasing attention from a huge number of young travelers owing to the relative cheap price and the experience of authentic local culture it offers. However, as a form of informal accommodation [4], B&Bs are not subject to uniform standards or regulations with regard to their facilities, furnishing, and services. Accordingly, consumers must evaluate the service by utilizing host reputation clues, which are typically in the form of online reviews.

As the most influential form of electronic word-of-mouth (eWOM), online reviews play a non-negligible role in shaping online users' attitudes and facilitating their purchase decisions [5–7]. This role has also been confirmed in the sharing economy, specifically in the B&B industry [8]. Given the influence of online reviews, managers as well as scholars have long been concerned about them. Many previous studies have investigated the indicators to evaluate or estimate the usefulness of online reviews [9–13], whereas others have proved the significant impact of online reviews on firms' sales and revenues from online transactions [14, 15]. As with the capability of positive reviews to help firms enhance their reputation and popularity, the negative reviews can attract extra attention and bring ruinous influences on firms' images and performance. Considering online reviews' double-sided effect, firms have no choice but to adopt the “response” strategy confidently.

Responses from businesses are generally regarded as “customer care” and “electronic reputation management” [16]. By responding to positive reviews, businesses can strengthen their relationship with satisfied consumers and impress prospective consumers with a smooth interactive atmosphere. By contrast, responding to negative reviews is not only an opportunity for service recovery by delivering explanations or solving problems due to service failure; it is also a necessary act to avoid follow-up discussions or even attacks from other consumers online [17]. Moreover, a business can convert a previously dissatisfied customer into a loyal patron when complaints are promptly and adequately resolved [18]. Thus, response strategy to online reviews is believed to have a significant relationship with competitive performance [19].

The presence (versus absence) of a hotel's response will result in prospective consumers drawing further positive inferences regarding the hotel's level of trustworthiness as well as concern for its consumers [20]. By adopting the response option, different voices of response (conversational, professional, or other voices) lead to different outcomes [16, 20, 21]. In particular, expressing a high level of empathy to negative reviews will not only convert the dissatisfied consumer's attitude but also encourage prospective consumers to make a favorable evaluation of the hotel's responses [22].

Compared with hotels that generally have a relatively well-developed reputation management system and well-trained online customer service personnel, most B&Bs are operated by house owners who are probably not well-equipped with professional knowledge and skills. Some hosts may have recognized the importance of managing eWOM and started paying attention to guests' comments, whereas others may not. Given this situation, this study first aims to address the following research questions:

- RQ1. Do B&Bs' responses provide them with any benefit?
- RQ2. What makes for a helpful response to consumers' complaints?
- RQ3. How do B&Bs' response and consumer review synergistically facilitate consumers' understanding of the service?

The rest of this paper is organized as follows: First, existing literature concerning the sharing economy and studies about online reviews' response strategy will be briefly reviewed. Second, this study will determine if the provision of B&Bs' responses can bring them any benefits, which will focus on the popularity ranking, volume of reviews, and volume of helpfulness votes. Third, this study will analyze the impact of

quantitative and qualitative aspects of B&B's response content on the helpfulness perception of prospective consumers and then determine the effective response strategy to manage consumer complaints. This study will also explore the interactive effect of B&B's response and consumer review on handling online complaints. Finally, theoretical and managerial implications as well as limitations will be discussed.

## 2 Literature Review

### 2.1 Sharing Economy

The development of information and communications technologies (ICTs) has catalyzed the emergence of collaborative consumption [3]. Being a part of this overwhelming trend, the sharing economy, as an economic-technological phenomenon, is fueled by an increasing consumer awareness, proliferation of collaborative web communities, and social commerce [2, 23, 24]. The sharing economy is an umbrella term with a range of meanings often used to describe economic and social activities involving online transactions; it originally stemmed from the open-source community and thus refers to peer-to-peer sharing of access to goods and services [3]. Sharing economy services are growing into an indispensable part of the information-intensive services sector by using ICTs to match consumers with service providers, such as short-term accommodation rentals, car rides, and housekeeping [25, 26].

The rapid growth of sharing economy businesses has threatened the traditional value chain [27]. Zervas et al. analyzed Airbnb's entry into the state of Texas and quantified its impact on the Texas hotel industry over the subsequent decade. They estimated that in Austin, where Airbnb supply is the highest, the causal impact on hotel revenue is in the 8%–10% range; moreover, the impact is non-uniform, with lower-priced hotels and hotels not catering to business travelers being the most affected [28]. The impact manifests itself primarily through less aggressive hotel room pricing, an impact that benefits all consumers and not only the participants in the sharing economy. Wang and Juan investigated both B&B innkeepers and consumers to explore the underlying mechanisms between the service provider's entrepreneurial orientation and consumer response [29]. The B&B innkeeper's level of risk-taking and proactiveness significantly affect their service innovation performance, which in turn influence consumers' perceived service value and satisfaction; thus, the latter determines their repurchase intention [29]. Although B&Bs have previously evolved into a non-negligible stream in the hospitality industry, studies about either customer service or performance management of B&B still require further exploration.

### 2.2 Response Strategy to Online Reviews

Hospitality businesses are adopting various approaches to online review response. Some hotels respond to every single review, whereas others may rarely or never respond to consumer comments [30]. Some hotels respond to negative reviews, whereas others respond to both positive and negative reviews. Responses to positive reviews generally show that hotel managers are listening and expressing appreciation to

their consumers. It also reflects their willingness to develop a positive relationship with consumers. Responses to negative reviews address consumer complaints and promise a corrective action plan for service failure recovery, aiming to increase consumer satisfaction [31]. Compared with a no-response baseline, the presence of a response from the hotel yields significantly more favorable trust and customer concern inferences, as prospective consumers who have viewed responses to online complaints evaluate the hotel more positively than those that do not provide responses [17, 20, 32].

Communication style is regarded as an important characteristic of online communication [16, 20]. Conversational human voice is considered an effective communication style, as it refers to “an engaging and natural style of communication as perceived by publics” [33]. By contrast, professional voice refers to a relatively standard style, which is respectful, formal, and task-oriented; however, it lacks affective expression [16]. When responding to negative reviews, the empathy contained in the response content is a crucial factor [20, 22]. An accommodating response strategy, such as sincerely apologizing for unexpected experience and/or promising corrective action, has a more positive effect on prospective consumers’ evaluation of the hotel than a denial/defensive or excuse strategy [19, 32].

Individuals also infer the attitude and concern of hotels toward consumers from several quantitative aspects of management responses. The consumers’ perceived speed with which an organization responds to consumer complaints has been verified as an important factor in service recovery as well [33]. A timely response to online reviews can result in prospective consumers drawing extra positive inferences about the level of the hotel’s trustworthiness and concern for its consumers [20, 22] and in turn enhance their perceived helpfulness of an online review [34]. The cumulative frequency of hotels’ responses to online reviews is also positively related to competitive performance [19, 34].

Previous studies indicate that both qualitative and quantitative aspects of managerial responses are influential in shaping consumers’ perception of a hotel’s reputation and performance. However, few studies have discussed this topic in the context of sharing economy.

### 3 Research Design, Methodology, and Results

#### 3.1 Study 1: Investigating the Effect of B&B’s Responses

**Hypothesis Development.** Consumers consider managerial responses an indicator of customer care [35]. Thus, the provision of managerial responses conveys an important signal of a firm’s customer-oriented strategy and results in improved satisfaction of consumers and improved sales [36]. Active listening theory demonstrates that effective listening contains three dimensions of information processing, namely, sensing, processing, and responding [37]. Among the three dimensions, only responding can be perceived by consumers. Without response, consumers will not know the occurrence of the other two dimensions [22]. The presence of managerial responses reflects the consideration and emphasis of a business on communication and interaction with

consumers and its responsiveness to consumer comments, which may result in better popularity among its competitors [34]. Moreover, frequent responses enhance the information reciprocity between businesses and consumers and thus can encourage consumers to write other online reviews [38]. According to exchange theory of interpersonal communication, an individual who provides information to another person obligates the recipient, who therefore must furnish benefits in return [39]. Prospective consumers, as the information seekers, acquire information from the hotel's responses and thus feel obligated to reciprocate, such as voting for the helpfulness of the reply [34]. Thus, the current study proposes the following hypotheses:

**Hypothesis 1a (H1a).** The cumulative number of responses to online reviews is positively related to B&B's popularity ranking.

**Hypothesis 1b (H1b).** The cumulative number of responses to online reviews is positively related to B&B's volume of online reviews.

**Hypothesis 1c (H1c).** The cumulative number of responses to online reviews is positively related to the total volume of helpfulness votes.

**Methods and Results.** A crawler was developed on the basis of Python 3.6 to collect data in this study. A total of 27,626 online reviews of the top 100 B&Bs in Shanghai from Ctrip.com (one of the leading online travel agencies) were collected by 7th March 2019. The data contain each B&B's information (e.g., name, popularity ranking, number of reviews, average valence, average room price, promotion, recommendation rate, and opening year), review information (i.e., posting date, star rating, content, number of pictures, and helpfulness votes), reviewer information (total reviews and total earned helpfulness votes), and B&B's response. Excluding two B&Bs which have no reviews, 98 B&Bs remained as the sample of this study. Table 1 shows the characteristics of sampled B&Bs. Given that B&B is a relatively new form of accommodation, B&Bs available on Ctrip.com are less than five years old.

For further analysis, the popularity ranking into  $-\ln(\text{popularity ranking})$ , the volume of online reviews into  $\ln(\text{volume of online reviews})$ , and the cumulative number of responses are transformed into  $\ln(\text{Cumulative number of responses})$ . When testing the hypothesis, several control variables are included, such as average valence, room price, promotional marketing, recommendation rate, and age of B&Bs, as they may, to a different extent, influence B&B's ranking, volume of reviews, as well as volume of helpfulness votes. Similarly, room price is transformed into  $\ln(\text{room price})$  and recommendation rate is transformed into  $\ln(\text{recommendation rate} * 100)$ . The value of 1 represents B&B's promotional activity, whereas 0 represents no promotional marketing. Table 2 presents the results of the hypothesis test by using a hierarchical regression analysis.

As shown in Table 2, the cumulative number of responses can contribute to B&B's popularity ranking (0.469\*\*\*,  $p < 0.001$ , H1a supported) and entices consumers to create other reviews (0.467\*\*\*,  $p < 0.001$ , H1b supported). Frequent responses facilitate prospective consumers to understand services provided and issues mentioned in the reviews better, thus leading to further helpfulness votes (0.446\*\*\*,  $p < 0.001$ , H1c supported).

**Table 1.** The characteristics of sampled B&Bs.

	Min.	Max.	Mean	Standard deviation
Average valence	4.1	5	4.74	0.19
Room price (RMB)	80	669	325.46	115.46
Promotional marketing	0	1	0.47	0.50
Recommendation rate	0	100%	75.36%	0.42
Age of B&B (years)	0	5	1.51	0.94
Popularity ranking	1	100	50.11	29.18
Volume of online reviews	7	2105	284.10	355.80
Volume of helpfulness votes	0	540	44.83	91.72
Cumulative number of responses	0	1739	186.73	285.82

**Table 2.** Hypotheses test of study 1.

		Dependent variables		
		B&B's popularity ranking	Volume of online reviews	Volume of helpfulness votes
Independent variables	Cumulative number of responses	0.469***	0.467***	0.446***
Control variables	Average valence	-0.084	-0.107	0.268**
	Room price	0.289**	-0.063	0.007
	Promotion	0.095	-0.052	0.151*
	Recommendation rate	0.074	0.341***	0.235*
	Age of B&B	-0.147	0.308***	0.157
R <sup>2</sup>		0.281	0.753	0.524
F value		5.927***	46.150***	16.729***

Notes: \*p < 0.05, \*\*p < 0.01, \*\*\*p < 0.001

### 3.2 Study 2: Investigating the Relationship Between Response Quality and Helpfulness Votes

**Hypothesis Development.** As a form of communication initiated by businesses to engage consumers, managerial responses play an increasingly vital role in eliminating the negative effects caused by consumer complaints as well as information asymmetry. However, it does not consistently work, unless it is delivered appropriately. A few studies have investigated the effectiveness of managerial response from specific levels, including both quantitative and qualitative aspects of managerial response. Sparks et al. pointed out that a fast response versus a moderate or slow one will result in prospective consumers drawing further positive inferences regarding the hotel's level of trustworthiness and concern for its consumers [20]. Li et al. confirmed this statement by analyzing 212 hotel responses to consumer reviews. Speedy responses were found effective in enhancing the volume of helpfulness votes [34]. As the main quantitative

measure of the response content, response length still awaits investigation regarding any relationship with either business performance or consumer helpfulness perception of online reviews [21]. However, a rising information conveyed by a communication medium also increases its capacity to reduce uncertainty [40]. Consumer complaints are explained or resolved sufficiently. As the importance of a speedy response has repeatedly been confirmed, this study will focus on the quantitative feature of the response content itself and propose the following hypothesis:

**Hypothesis 2a (H2a).** The length of response to negative review is positively related to prospective consumers' helpfulness votes.

When responding to online reviews, conversational human voice versus professional voice will result in prospective consumers drawing more additional inferences about a hotel's concern for its consumers [16, 20]. Specifically, when responding to negative reviews, an accommodating response is more effective to improve consumer satisfaction and enhance prospective consumers' purchase intention than a defensive voice [19, 21]. Drawing on the theoretical model proposed by Baccarani and Bonfanti for oral communication, consumers are believed to expect more warm/empathic responses than cold/apathetic replies [41]. Responses containing empathy statements to negative reviews will encourage prospective consumers to make a favorable evaluation of such response [22]. Thus, the current study proposes the following hypotheses:

**Hypothesis 2b (H2b).** The empathy of response to negative review is positively related to prospective consumers' helpfulness votes.

Business's response to negative reviews provides potential consumers the opportunity to learn more about the service in a dual channel rather than a single channel (consumer review). Previous studies regarding managerial response to online reviews mostly focus on the stand-alone impact of response, scarcely shedding light on the interaction between the consumer and the manager. Encouragingly, Xie et al. verified that the response to online review could moderate the influence of review valence on future hotel performance [31].

Prospective consumers can learn about the service quality and trustfulness of a hotel from how the hotel reacts to a long review with complaints. They can also gain insights as to why the situations in the consumer-provided photos could have occurred [42, 43]. As mentioned above, negative reviews are not only viewed more but also perceived as more useful than positive reviews [44]. Thus, a response with sufficient explanation to a long negative review, especially with photos embedded, will help the reviewer and potential consumers understand the provided service better. Thus, this study proposes the following hypotheses:

**Hypothesis 2c (H2c).** An interactive effect exists between the response length and the negative review's length on the prospective consumers' perception of helpfulness.

**Hypothesis 2d (H2d).** An interactive effect exists between the response length and the number of photos in a negative review on the prospective consumers' perception of helpfulness.

A personalized response to an altruistic positive review can make prospective consumers perceive high helpfulness of the response and expect a satisfactory experience in the review [19]. Similarly, when consumer complaints are related to certain controllable factors, confessional and empathic responses lead to high trust toward the firm. If the B&B innkeeper responds to the complaints that a reviewer posted in a long review or provide explanations about the situation in the photos in a deeply thoughtful and apologetic voice, then, prospective consumers will deduce that the B&B is very concerned about their consumers and their experience. Thus, this current study proposes the following hypotheses:

**Hypothesis 2e (H2e).** An interactive effect exists between the empathy of response and the negative review's length on the prospective consumers' perception of helpfulness.

**Hypothesis 2f (H2f).** An interactive effect exists between the empathy of response and the number of photos in a negative review on the prospective consumers' perception of helpfulness.

**Methods and Results.** In the 27,626 reviews collected for this study, 14,453 (52%) have a star rating score of 5, indicating a relatively high level of satisfaction. By contrast, the reviews which are rated less than 5, to some extent, reflect consumers' disappointment or complaint on certain aspects of the B&B's service. After removing the incomplete data, 2,107 reviews containing negative statements remain on the basis of the mean of all reviews ( $M = 4.764$ ,  $SD = 0.626$ ) for the hypothesis test of Study 2. The number of words in a response is used to measure response length. To evaluate the empathy level of a response, this study conducted an improved sentiment analysis based on Python 3.6 with Jieba, SnowNLP, and a self-defined keyword dictionary with words generally used to express empathy. Jieba is considered the most high-quality Chinese word segmentation tool [45–47] as it can make a smooth and precise overall calculation and structure [48]. SnowNLP is a sentiment classifier based on Bayesian training and is extensively used for sentiment analysis of Chinese texts. The output is a value between 0 to 1. Furthermore, the expertise of reviewers (total reviews and helpfulness votes) and review-related information (star rating, review length, and number of pictures) are included as control variables. Table 3 presents the characteristics of sampled reviews.

For the hypothesis test, all values of variables are transformed into  $\ln$  value, except empathy and star rating. According to Model 1 in Table 4, the relationship between the length of a response and helpfulness votes is significant ( $0.034^*$ ,  $p < 0.05$ , H2a supported); in addition, the empathy level of a response is positively related to the helpfulness votes ( $0.045^{**}$ ,  $p < 0.01$ , H2b supported). According to Model 2, the interactive effects of response and review lengths ( $0.194^*$ ,  $p < 0.05$ ), response length and the number of review pictures ( $0.296^{***}$ ,  $p < 0.001$ ), and response empathy and the number of review pictures ( $0.121^{***}$ ,  $p < 0.001$ ) are verified (H2c, H2d, and H2f supported); whereas the interaction between empathy of response and review length is insignificant ( $-0.100$ ,  $p > 0.05$ , H2e supported). The results largely indicate the existence of the interaction between consumer review and B&B response.



**Table 3.** The characteristics of sampled reviews.

	Min.	Max.	Mean	Standard deviation
Star rating of a review	1	4.5	3.680	0.930
Review length	0	819	48.107	53.711
Number of photos in a review	0	9	0.388	1.279
Total reviews of a reviewer	0	2025	22.522	115.111
Total helpfulness votes a reviewer earned	0	230	3.305	14.457
Age of a review	2	1097	346.104	258.743
Length of response	2	541	74.719	51.922
Empathy of response	0	1	0.672	0.385
Helpfulness votes of a review	0	47	0.154	1.289

**Table 4.** Hypothesis test of study 2.

		Dependent variables: helpfulness votes		
		Model 1	Model 2	Model3
Independent variables	Length of response		0.034*	-0.086
	Empathy of response		0.045**	0.111*
Length of response * review length				0.194*
Length of response * number of photos in a review				0.296***
Empathy of response * review length				-0.100
Empathy of response * number of photos in a review				0.121***
Control variables	Star rating of a review	-0.038*	-0.049**	-0.050**
	Review length	0.036*	0.034*	-0.076
	Number of photos in a review	0.620***	0.622***	0.234**
	Total reviews of a reviewer	-0.165***	-0.167***	-0.163***
	Total helpfulness votes of a reviewer earned	0.245***	0.246***	0.243***
	Age of a review	0.028	0.035*	0.034*
R <sup>2</sup>		0.493	0.496	0.502
F value		340.207***	257.796***	178.148***
F change			5.848**	10.002***

Notes: \*p < 0.05, \*\*p < 0.01, \*\*\*p < 0.001

## 4 Discussion and Conclusion

Although response to online reviews is increasingly being adopted by businesses, its effectiveness still requires investigation. Particularly, little research has focused on the managerial response to consumers’ complaints in the sharing economy. Compared with the hotel industry with mature customer service management systems, B&Bs are privately operated by non-professional property owners. Therefore, understanding the importance of reputation management and customer response system is necessary for them. Thus a series of studies were conducted to evaluate the effectiveness of B&Bs’ responses to online reviews.

According to the results of Study 1, the provision of B&Bs' responses is positively related to their popularity ranking, volume of reviews, and volume of helpfulness votes. This finding indicates that B&B's responses play a very important role in the process of prospective consumers' evaluation about the service. This form of interaction and communication can also encourage consumers to write other reviews. These findings are, to some extent, consistent with the results of the study conducted by Li et al. in which they sampled hotels that responded to consumer reviews [34]. They found that frequent response enhances information reciprocity, thus encouraging consumers to leave additional reviews, which in turn, can also improve a hotel's popularity ranking. Although the relationship between response frequency and helpfulness votes was insignificant in their study, the positive effect of the cumulative number of responses on prospective consumers' perceived helpfulness is revealed in B&Bs in this research. As B&Bs provide relatively non-standard services, hosts' responses can eliminate the information asymmetry caused by a consumer's complaints and help prospective consumers understand the service better. This kind of effort may contribute to improving consumers' perceived trustworthiness of service providers as well as their purchase intention and ultimately influence competitive performance [19, 20].

According to the results of Study 2, response length and response empathy have positive relationships with helpfulness votes. Previous studies have pointed out that the length of an online review is influential on its helpfulness as it determines the amount of information it conveys [9–11]. Similarly, longer responses can convey more information than shorter ones, reducing prospective consumers' perceived uncertainty [40]. Furthermore, the interaction between response and review lengths with photos indicates that using sufficient words to restate, paraphrase, and resolve the problems raised by the consumers in long reviews and/or photos are necessary [37]. When responding to consumers' reviews, especially to negative reviews, the use of empathic expression not only improves consumer satisfaction but also causes prospective consumers to evaluate the response favorably, which will result in additional positive inference about the service [22]. By simultaneously considering the non-significant interaction between empathy and review length, regardless of the length of a consumer's review, empathic communication is consistently effective when responding to consumer complaints. However, empathy plays a relatively greater role when responding to consumer complaints with more photos than those with fewer without photos. As photos provide rich and persuasive information that may influence potential consumers' purchase intention [42], the more photos embedded in a negative review, the more effective empathic response will be on showing the B&B's concern for its consumers.

#### **4.1 Theoretical Implications**

As the main form of eWOM, online reviews have been extensively discussed in e-commerce related studies. Researchers in the field of hospitality and tourism also displayed significant concern toward online reviews in the service sector. However, few studies have investigated the effects of online reviews in the sharing economy, such as B&Bs. Given that B&B is a relatively informal business form that provides non-standard service, online reviews are considered the most important cues for

potential consumers to evaluate the service. In contrast to previous studies which largely focused on the online review itself, this study takes a unique perspective by focusing on the B&B host's response to online reviews as a more comprehensive approach to studying online reviews. The significant relationship between B&Bs' responses and their popularity ranking, the volume of reviews, as well as volume of helpfulness votes enrich the framework to understand the usefulness and impact of online reviews, and to some extent, provide theoretical support to predict a B&B's performance based on its effort to interact with consumers.

Managerial response has been increasingly drawing attention from researchers. Existing studies have verified the impact of the presence of managerial response and response frequency but rarely put interests on the response quality. This study introduces two indicators, namely, response length and empathy, to measure the content quality of a response. By using a consumer self-report method, Min et al. have determined that a response with an empathetic statement is favourable [22]. The current study employs a sentiment analysis method to analyze the level of empathy. The measurements developed by this study provide a reference for others to study managerial response.

## 4.2 Practical Implications

Currently, most hotels interact with consumers and resolve the online complaints by responding to online reviews. It not only shows business's concern for its consumers but also decreases the negative effect of information asymmetry on potential consumers' purchase intention. Similarly, our research findings show that interacting with consumers can contribute to B&B's popularity ranking, promote additional online reviews, and improve information receivers' perceived helpfulness of online reviews. Thus, B&B hosts should maximize the reputation management system of online platforms and actively respond to online reviews.

However, as private property owners, most B&B hosts are non-professional individuals who lack the skills of eWOM management. The findings of this study suggest that response length and empathy convey signals about a B&B host's attitude toward consumer complaints. Specifically, when responding to complaints in a long review or a review with photos, the B&B host should provide a detailed explanation and/or a specific corrective action. Conversely, empathic statements should frequently be used to show how B&B understands and cares about its consumers.

## 4.3 Limitations

As one of the first works on investigating online reviews in the sharing economy, this research provides a comprehensive perspective to study eWOM in the sharing economy context. However, in the sharing economy, several other factors may also influence the effectiveness of response. To illustrate, compared with the hotel's staff, B&B hosts have rarely been educated or trained to communicate with consumers. Consequently, a notable relationship exists between the host's personality and his/her communication

style. Moreover, do hosts' demographic characteristics, such as educational background, gender, age, and so on, affect their response strategy decision? Does the business scale (e.g., number of rooms) influence the B&B owner's response efficiency to online reviews? Other studies are eager to explore the above questions in the future.

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