Early adoption by Canadian travellers of Monarc.ca, an online hotel review website designed as an inter-organisational information system

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Abstract

The popularity of recommendation sites in the travel field has not ceased to grow over the last decade. Apart from several new global players, many small players have emerged who specialise in market niches, such as Monarc.ca, launched in 2009 by Softvoyage. This recommendation sites caters to a very specific clientele, namely the clients of Canadian travel agencies. This paper aims to provide an overview of the functioning of Monarc.ca, designed as an inter-organisational information system (IOIS). More particularly, it compares the number of comments from Canadian travellers posted on Monarc.ca to the number of comments from Canadian travellers posted in Tripadvisor.com and Booking.com, namely with regard to the twelve hotels that are the most frequented by Canadians in the so-called "sun destinations". Results indicate that within the two and a half years of its launch, Monarc.ca had succeeded to carve out a significant place in the online hotel review website market amongst Canadians.

1 Introduction

Nowadays, more and more people recognise the advantages of new technologies for planning leisure activities (Werthner, 2003). Surveys show that the majority of web users do research on products they intend to buy (Pan et al., 2007; Vermeulen & Seegers, 2009; Grâbner et al., 2012). In that context, an increasing number of companies and institutions offer tourism information that is easily accessible through web services (Garcia et al., 2011). According to Charest & Bédard (2009), a system adapted to the typical needs of web users should aim for the following four characteristics likely to helping web users find information: accessibility to the sought for information, familiarity of the web user with usual-type websites, the complexity concerning the content and structure of the information (i.e., the site should be user-friendly and easy to use), and the credibility of the information disseminated. Tourism is an activity strongly connected to the personal preferences and interests of people (Garcia et al., 2011). With the high level of interactivity introduced by Web 2.0 applications, the Internet is increasingly becoming an opinion source rather than just an information source (Dippelreiter et al., 2007; Schmalegger & Carson, 2008; Grâbner et al., 2012). Every piece of information, whether on a product offered in an online store or a posting in your social network of choice, can be commented on or rated in some way (Litvin et al., 2008; Xiang et al., 2010; Grâbner, 2012). In many

business-to-consumer (B2C) e-commerce scenarios, recommender systems (RS) have been shown to be valuable tools both for the online customer and the merchant. Such systems help customers find interesting items in large product assortments, increasing the chance of immediate online purchases and fostering long-term customer loyalty (Jannach et al., 2009). The popularity of recommendation sites in the travel field has not ceased to grow over the last decade. Apart from several new global players, there is the emergence of many small players who specialise in market niches, such as Monarc.ca, launched in 2009 by Softvoyage. This recommendation site caters to a very specific clientele, namely the clients of Canadian travel agencies selling 3- to 14-day packages to sun destinations. The founder of Monarc.ca explained this business rationale with the argument that Canadians have the tendency, for cultural reasons, to place more trust in comments from their fellow Canadians than in those coming from the outside. As a result, they would prefer a site that is specifically designed for Canadians over more global sites. This paper aims to provide an overview of the functioning of Monarc.ca, and more precisely to compare the number of comments from Canadian travellers posted on Monarc.ca to the number of comments from Canadian travellers posted in Tripadvisor.com and Booking.com, namely with regard to the twelve hotels that are the most frequented by Canadians in sun destinations (Mexico, Cuba, Dominican Republic).

2 Research Background

In Canada, there are currently some 8,000 travel agencies. About 1,000 operate a transactional website and, of those, 900 are using the Softvoyage booking system. A Montreal-based company, Softvoyage is the largest technology provider to the Canadian travel industry (travel agencies, tour operators, travel suppliers). While recognising that the proliferation of online hotel review sites is a positive thing, as it allows consumers to review hotels, Softvoyage has observed a lack of integrity of the information. The problem is that anyone can post a comment about any hotel without even having been to the hotel. To remedy this problem, Softvoyage launched in 2009 Monarc.ca, an online hotel review website offering the following main features: (i) travellers who purchase their trip on the site of a participating online Canadian travel agency receive, several days upon returning from their trip, an email via one of the secure email servers of Softvoyage, and addressed to them personally, asking them to comment on the destination visited; (ii) the information on the email form is generated directly from the reservation that these travellers made, and recipients have no possibility of changing the dates or the name of the hotel; (iii) this provides a guarantee that the information thus gathered comes from someone who actually stayed at the mentioned hotel; (iv) the comments from the travellers are authenticated and certified by Monarc.ca and can only be received through the official email form. The Monarc.ca site contains only comments from Canadian travellers who bought travel packages that have a Canadian city of departure, that correspond to the quality standards and expectations of Canadians, and that are sold exclusively by Canadian suppliers through online Canadian travel agencies. Monarc.ca is not a travel agency and does not sell trips. Instead, it is an information website only. Looking through the site one finds as many positive as negative comments. Each of the comments received is carefully reviewed and processed by one of the agents of Monarc.ca. Whether accepted or refused, the content is never modified. The purpose of Monarc.ca is to offer comments only on hotels, restaurants, locations, beaches, and activities or

services offered. Any comments mentioning the name of the travel agency, retailer or airline company are not published. Monarc.ca is not a forum for exchanging views about purchase experiences made with agencies, retailers or airlines. In Summer 2012, at the time of the writing of this paper, the Monarc.ca icon was visible on the websites of 700 out of the 900 online travel agencies using Softvoyage. According to Softvoyage, about 80% of all Canadian tour operator packages to sun destinations (e.g., Cuba, Dominican Republic, Mexico) are sold by these 700 online travel agencies. Since the launch of Monarc.ca in fall 2009, its promotion has been done exclusively by the participating travel agencies. Between October 2009 and July 2012, a total of 56,370 hotel reviews were posted on Monarc.ca. A breakdown of reviews on a per-year basis is provided in Table 1.

Table 1: Breakdown of hotel reviews posted on Monarc.ca

Period	Reviews	%
October 2009 to September 2010 (first year of operation)	18055	32
October 2010 to September 2011	21607	38
October 2011 to July 2012 (10 months)	16708	30
Total	56370	100

Source: Monarc.ca website

3   Theory

From a theoretical point of view, Monac.ca can be considered as an inter-organisational information system (IOIS). IOISs are defined by Turban et al. (2004d, p. 687) as "Communications systems that allow routine transaction processing and information flow between two or more organizations." They are also defined on the basis of the type of business relationships they promote (Johnston & Vitale, 1988). IOISs can thus be likened to digital data exchanges (DDE) or an electronic market (Choudhury, 1997; Hong, 2002). The IOIS initiators, who are the primary stakeholders in an IOIS, appear to be capable of drawing more profit from IOISs than the participating organisations or other stakeholders (Cavaye & Cragg, 1995). The overall prospect of benefitting from IOISs increases with the motivation of the IOIS initiator to develop the system (Lu, Huang, & Heng, 2006). In the implementation of IOISs, any strategy is of use that allows to maximise long and medium term profits. A stakeholder is defined as any individual or group who can affect or who is affected by the realisation of the objectives of the organisation (Freeman, 1984a), Monarc.ca in the present case. For anyone to become recognised as a stakeholder, it is not enough that they can influence the organisation. Rather, he/she must also have an actual involvement with the organisation (Donaldson & Preston, 1995). The internal stakeholders of an organisation may be the employees and the managers, while the principal external stakeholders may be clients and suppliers. The stakeholder theory thus assumes that all the individuals or groups taking part in the activities of the organisation, with legitimate interests, do so with the goal of obtaining benefits (Donaldson & Preston, 1995). Monarc.ca is comprised of six types of stakeholders: a technology provider who is the initiator of this IOIS, travellers, tour operators, travel agencies, hoteliers, and destination management organisations.

4   Research objective, method and results

This paper focuses on one of the six stakeholders of Monarc.ca: Canadian travellers. According to the IOIS initiator, the key expected benefits for the Canadian travellers is that the information-sharing aspect of Monarc.ca provides them with a source of constantly updated and authentic reviews of hotels by fellow Canadian travellers (same cultural background). More specifically, this paper aims to compare the use which Canadian travellers made of Monarc.ca with that of Tripadvisor.com and Booking.com, two global players in the field of hotel reviews. In order to narrow down the scope of the research, the comparison was conducted by compiling the comments made about the twelve hotels in sun destinations that were the most frequented by Canadians travellers, based on the volume of sales processed through the Softvoyage booking system, between 1 December 2011 and 30 April 2012—the most recent tourism high season at the time of the writing of this article. As shown in Table 2, Canadians posted a total of 2,193 reviews for the selected hotels on these three websites as follows: Tripadvisor 1,327 (61%); Monarc.ca 862 (39%); Booking.com 4 (0%). The "n.a." indicates that no review was found for these hotels. For example, in the case of Tripadvisor, no review was found for Paradisus Cancun. In the case of Booking.com, reviews can be found for only two of the selected hotels. An analysis of the reviews on Booking.com shows that this website does not offer the possibility to book a room in ten of the twelve hotels most coveted by Canadians in sun destinations.

Table 2. Reviews by Canadians about stays at twelve of their most coveted hotels in sun destinations between 1 December 2011 and 1 April 2012

Country	Destination	Hotel	Number of reviews Between 1 Dec 2011 and 30 April 2012			
			Monarc	Tripadvisor	Booking.com	
Cuba	Varadero	Blau varadero	39	102	n.a.	
Cuba	Varadero	Sandals Royal Hicacos	84	147	n.a.	
Dominican Republic	Punta Cana	Gran Bahia Principe Punta Cana	63	103	n.a.	
Dominican Republic	Punta Cana	Bavaro Princess	45	111	n.a.	
Dominican Republic	Punta Cana	Grand Paradise bavaro	76	223	n.a.	
Mexico	Cancun	Gran Melia Cancun	29	36	3	
Mexico	Cancun	Paradisus cancun	147	n.a.	n.a.	
Mexico	Cancun	Oasis cancun	69	64	n.a.	
Mexico	Riviera Maya	Grand sunset Princess	159	206	n.a.	
Mexico	Riviera Maya	Gran Bahia Principe Coba	108	233	n.a.	
Mexico	Riviera Maya	Dreams riviera cancun	12	53	1	
Mexico	Riviera Maya	Catalonia royal tulum	31	49	n.a.	
		TOTAL	862	1327	4	2193
			39%	61%	0%	100%

5 Discussion, conclusions and future research

The results indicate that within the two and a half years of its launch, Monarc.ca had succeeded to carve out a significant place in the hotel review sites market amongst Canadians. This gives rise to the following question: Are smaller hotel review sites that cater to specific markets becoming the more attractive alternative to the big global players? This article opens the path to future studies. It would be interesting to continue, over an additional three to five years, this study on the use made by Canadians of Monarc.ca in comparison with Tripadvisor.com and Booking.com. A further research project could be to conduct a survey with other stakeholders of Monarc.ca (tour operators, travel agencies, hoteliers, destination management organisations) to find out more about their expectations of the inter-organisational system as well as the benefits they draw therefrom.

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