Hospitality Industry and Social Media

Aniket Joshi[1]
Principal , MGM University
[1]aniketjoshi.mgm@gmail.com

Abstract— Social media has the potential to attract users of all kinds and age groups, most of the industry use this as a boon to bloom their businesses. Potential use of social media handles of hospitality industry and tourism has attracted a humongous amount of customers. It plays a multidisciplinary role in the customer build up. Most of the research has been conducted from the customers and not from the service providers perspective. Social media affects various aspects of the business such as financial and branding. The research aims to identify how various Indian hotels specially of Aurangabad look at financial figures when using social media marketing , rather considering customer satisfaction , engagement, and brand awareness as the as the primary return on investment (ROI).

Keywords— Hospitality Industry, Hotels , Tourism Industry, Social Media, Influence

I. INTRODUCTION

The last few decades in the hotel industry there has been a hike in the use of social media, especially in the hospitality sector. The industry has been rising impressively but with few ups and downs in the economy due to recession, travelers have shortened their staycations leading to lower sales in the tourism and hotel industry which eventually led to lower payrolls, revenue and decreasing work segment. Social media platforms have dramatically rose the overwhelming appearance of social media, creating new opportunities and progress by attracting guests through facilitated communication and empowered guest engagement.

Social media can be seen positively; it is still on the rise and opens doors to increase profits. The hospitality professionals have also faced issues as to how to engage in social media marketing and how to validate if it is beneficial for their business. It is often noticed that the return on investment of social media on travel and tourism industry cannot be measured because of its intangible and perishable character. For example the reputation of a brand with specific characteristics is not features that can be measured but is very important for the stakeholder. The financial aspects cannot be foreseen but in the end "the relationship is apparent and significant: Socially engaged companies are in fact more financially successful". (Sterne, 2010). It is very vital for the company to have a presence online and observe and engage in social media engagement in order for financial success. But the question remains as to how does the tourism and hospitality professional make their company's survive with their respective brands social media success.

II. LITERATURE REVIEW

Tourism is defined by UNWTO as "a social, cultural and economic phenomenon which entails the movement of people to countries or places outside their usual environment for personal or business purposes ". Tourism is a source for employment for a lot of people; a business which brings revenue to millions of people globally. Since 1950s tourism has risen as an economic sector. The hospitality sector is the "very essence of tourism, involving the consumption of food, drink and accommodation in an environment different from the home. Tourisms very nature involves hosting and hospitality provided by a host and a guest the hospitality has become more commercial.

The tourism industry has more expectations of the internet. Tourism being an intangible is ideally adaptable for electronic data transfer. The online travel portals and online sales of tickets are said to have a bright future due to a fact that the selling online is easy and the costs involved for daily updates are comparatively low(Amersdorffer et all, 2012) . Hotel industry is a relevant target due to considerable amount of accessible data regarding the interest and topic it has created. The need of keeping an eye for authentic ways to make use of the social media applications will be a use for great value in the hospitality industry as a large.

III. ONLINE COMMUNICATION GOALS

Sterne (2010) mentions that goals keep you focused and help answering questions like "Are we there yet? Are we still going in the right direction?" Like any other goals, online communication goals should be S.M.A.R.T.: (i) Specific goals reflect the objectives of a marketer, when deciding what social media tools to use; (ii) Measurable goals are essential in order to be able to see if the objectives set have been achieved in the end. Goals that sound impossible to reach will not be taken seriously by anyone; hence (iii) Achievable goals should be chosen. Similarly, (iv) Realistic goals refer to taking into consideration all the external factors that could influence the final result. Finally, goals should be (v) Time-based which means a specific target should be attained within a specific time period. Branding has been constantly put in connection with social media marketing. A brand that stands out means an idea which customers will talk about and share. Therefore, it is relevant to have a brand that is authentic, up-to-date, easy to understand, easy to share, distinct from others, accessible, consistent across all social media platforms used and it should give the customer the feeling of being heard. All these characteristics will lead to brand awareness and consequently to loyal customers. Nevertheless, it is not enough to create a strong brand without keeping an eye on the reputation, also called brand monitoring. Increasing sales whilst keeping the costs as low as possible is what defines any business and the tourism and hospitality industry is not an exception to the norm. Social media is indeed a cost effective way of enlarging your customer range, monitoring your brand and improving the customer's satisfaction. Therefore, making revenue should not be the only concern addressed, but should also include lowering marketing costs. Additionally, the shift from a product concentrated business to a

customer concentrated business has been more visible in the past years. It is crucial to have satisfied customers, and then to increase revenue and lower costs through this approach. The more a company informs and educates its customers, the more the customer service will improve and the better the business will run.

IV. Social Media Contribution to Stakeholder Goals

A good way to start a social media marketing strategy is to "clearly layout your goals and your success metrics before launching" and to "know your social media audience and tailor content appropriately" (Raphael, 2013). Social media has to be transparent to achieve higher credibility for the brand, but this might also highlight what the brand is claiming to offer is inconsistent with the actual service offeredA study done by Joshi, Ma, Rand and Raschid (2013) shows that social media has a positive influence on consumer engagement and sales. The study emphasizes on differentiating between the various roles of the message content, whether it is emotional or informational and mentions the difference between new and existent brands. All these factors influence the level of consumer engagement, and consequently of sales. The authors say that it is a challenge to create engagement between customers. For existing brands, despite a moderate level of customer engagement, it can still be correlated to positive sales. Therefore, it can be concluded that new brands might have a hard time dealing with customer engagement and leading it to sales.

V. Measuring Social Media Influences

There are countless tools that can be used to measure social media influences on the hospitality industry. But are these tools effective in reaching the company's goals? The following section is concerned with explaining and segmenting these tools into sections and analyzing their importance. Some tools suggested by Sterne (2010) are Facebook Insights, Google Analytics, Post Rank, Tweetbeep, and FeedBurner. Raphael (2013) believes google Analytics provides the best month-over-month and year-over-year referral reports. So far, it's the most accurate for page view reporting, visits and pages per visit." On the other hand, Blowers (2012) considers that "there are a lot of third-party tools that you can use to gather additional analytics about your Facebook presence, but Facebook's own Insights is the most cost-effective and perhaps the easiest tool […] The graphical interface provides an overview of engagement measures such as total likes, what people are talking about (posts they comment on and/or share) as well as details about your most popular posts".

Making a brand visible and attractive to customers is a key stage in reaching goals.for example, own website, blogook page, Twitter account, podcasts, video or photo sharing websites. Nevertheless, this might not be sufficient to see if the platforms used are effective or not. Therefore, KPI like: share of voice (total number of company and competitors mentions), share of conversation (total number of industry keyword mentions), total number of visitors, average daily feed subscribers, monthly blog readership should be measured.

It is indeed not enough to reach an audience and identify the influencers, without recognizing what they feel about the product or service one is selling. Tools in this regard are Twitter Sentiment, Social Mention, Attensity, and Sentiment Metrics. However, there are difficulties in recognizing the sentiment customers have only with software. "Sarcasm, irony, idioms, slang and the common language that crops and fades away are all nemeses of a programmatic algorithm designed to classify emotion"(Sterne, 2010). All the above-mentioned points refer to the polarity of a comment. Unfortunately, this is not the only problem; the intensity of a message can not always be interpreted either; it is about "something a person can pick up pretty quick in person, but makes communicating by e-mail trickier – hence emoticons" (Sterne, 2010).

Before getting to the final business outcome, listening and engaging with the prospect customers is fundamental for increasing the positive outcome of a brand. What has to be monitored in this phase are the searches, the ratings, the reviews, the recommendations and the complaints of your customers. Bad word of mouth, especially when it is online where everyone can read it, can be seen as a constructive criticism and an opportunity to fix problems and eventually make even unsatisfied customers happy. It should be kept in mind the fact that customers like to be heard, like to contribute if they are asked to and finally like to receive feedback.

All these steps mentioned above lead to an outcome – getting the results wanted and reaching the goals planned in the beginning, by respecting every stage of the measuring process. The business outcomes a company wishes to attain are for example, awareness, survey completions, subscriptions, registrations blog 26 comments and posts, leads and purchases. It might seem that social media has had a relevant influence on the hospitality industry, taking into consideration the advantages as well as the disadvantages it brings. It is essential to declare that measuring social media has a crucial role in the industry, in order to keep it under control and take more advantage of the positive influence it has. Every company should reflect on the myriad of social media tools they have at their disposal and the measurement techniques they can use, but not before setting goals and realizing which of these tools and techniques are helping them achieve their goals.

VI. Description of the Population Sample

The targeted sample is 25 hotels in Aurangabad. From the sample, 72% of the hotels are chain-affiliated brands and the rest 28% are independent accommodation providers. The hotels can be categorized as luxury brands (56%), lifestyle/exclusive (12%) and boutique/design (32%). The respondents were mostly people in charge of social media marketing strategies within the hotels, either sales or marketing managers, online communication manager, and assistant of marketing manager or simply general managers. The interviews lasted for 15 to 20 minutes and were scheduled based the outline of the interview guide. Tools used for the interview were an audio recorder and a notepad

Overall, 5 out of 9 interviewees are satisfied with the results social media bring to their company. Some candidates are extremely content with the results, mentioning that they use social media on a daily basis or emphasizing on the successful interaction with the followers and the increase of brand positive image. Actions like contest, where hotel offer its fans a higher value and ongoing news about internal and personal themes, help as well to increase popularity.

VII. Overall Assessment and Suggestions

The last question of the interview summarized the interviewees' opinions on the topic, further suggestions for improvement and their conclusion. Opinions were shared but also really different. 3 out of 9 participants agreed on the fact that social media should be carefully used and that it is an easy way of distributing a company's message towards its customers. Candidate 2 stresses the fact that social media is really important and that a lot can be reached with it, especially retaining contact with guests, and staying in their minds. It is relevant to mention that great care should be taken when using social media. It is easy to go from achieving goals with social media to reaching exactly the opposite. Too many posts can sometimes be considered spam, and not everything that happens should be posted on Facebook. This trend is not going to last for a long time, as people will begin to be overwhelmed by the amount of information available. With the same mindset, candidate 4 agrees on the importance of social media and its helpfulness in news distribution, up-to-date status of everyone, and interaction with the current and prospective customers, with the possibility to reach a large audience at low cost. Candidate 6 agrees that social media is an easy and low-budget method to create and raise awareness of an existing brand, but the emphasis is put on attention with using social media. Sometimes it is used without any observation, which can cause a disastrous effect on a business. The same opinion has been noted from candidate 7, who compares the positive and negative effects that social media could have on a hotel. Negative word-of-mouth will always spread faster that the positive one, therefore tools should be used but at the same time supervised attentively in order to keep the reputation of a hotel intact. On the contrary, candidate 3 concentrates on the positive influences of social media, by discussing the high level of development in social media technology and the high customer reach through the various channels. Social media is an essential tool in the hospitality industry, as a relationship-based marketing tool, it is crucial and social media helps in developing a closer and a better connection to the guests. In conclusion, several recommendations have been given, reflecting different point of views. For public relations, a high percentage of bloggers and journalists use social media nowadays as a first source to get informed. In this case the most used platform is Twitter. From customer service point of view, there has been a slight increase in the use of online communication platforms such as Facebook and Twitter for booking inquiries and complaints. The reason behind it is that customers nowadays know that the time of reaction is even shorter than via e-mail. Considering the human resources, potential employee search via social media because they are sure to get an answer shortly as well. As mentioned before, a future trend of social media is the emphasis on an increased interaction especially on channels that are focused on visual illustrations rather than text, for example Instagram, Pinterest, which can trigger emotional feedback.

VIII. Conclusion and Further Research

The underlying research question of this thesis was "How do stakeholders in the tourism and hospitality industry measure the success of social media in their business?" A literature review revealed what researchers have discussed and summarized their insights. 9 hotels in Vienna were interviewed to compare these insights with the industry's opinion. Based on empirical data and the literature review, a number of conclusions can be drawn. The social media phenomenon represents an ongoing trend where hospitality has a lot to gain, but should always be careful not to misuse the medium. The hospitality industry embraced the possibilities of social media; the hotel websites in their infancy stages were understood by marketers as the equivalent of a brochure in an online environment. At the moment, social media is still evolving and its potential in this industry still remains to be seen. This connection creates a trend for purchase intensity. Ongoing connection and relationship with the guests will eventually turn them into ambassadors and a volunteer marketing army. The property needs to ensure that social media is an integral part of the overall marketing plan. Should the budget and resources become limited, then the social media domain needs to be monitored in an effective manner. Hoteliers who want stay ahead of the curve need to invest in popular communication channels. The most used social media channel is still Facebook and Instagram but channels that offer more visuals for their customers. As this study has shown many hotels do not measure social media in terms of revenues and costs. They measure engagement levels of followers, rating and reviews from customers, but never connect the positive or negative feedback with the number of bookings. The hoteliers use social media mostly to make their customers aware of their brand and product, and to communicate with them in order to identify their wants and needs. The most used measurement procedures are the statistics offered by the platforms themselves. It can also be observed that the more hotels a respondent was in charge of, the higher the degree of engagement and complexity of the online communication strategy. In conclusion, the response to the research question was answered to a certain degree. Hoteliers measure the influence of social media, but do not look at it at as a higher level of engagement with the customers to increase sales. This underscores the character of social media platforms used as informational tool. Marketers have noticed how crucial it is to have an online presence not only to reach a wide range of customers, but also to get to know them and personalize the service provided. Social media channels are currently not used with the purpose of increasing sales. Another concern some of the respondents of this research have is the misuse of social media marketing. The candidates emphasized that overuse of these channels can create information overflow, which can be negatively perceived by customers and which can lead to ignorance of the brand, and consequently to a negative image. The social media marketers added that tools should be used, but also attentively supervised as an insignificantly small negative comment can cause significant and irreversible damage to a brand. In regard to level of satisfaction with the social media tools and their contribution to company's goals, the respondents seemed content with the results, but consideration for improved solutions has nevertheless been mentioned.

The fact that they do not set measureable goals when considering online communication goals makes it difficult to measure the contribution, but influence can be noticed through the immeasurable goals such as customer satisfaction and brand awareness. Considering the results obtained, social media measurement research represents a very developed field and is still evolving at a fast pace. The use of tools, however, is not increasing at the same speed. Since this thesis is based on a comparably small sample of empirical data, further research should broaden the scope and investigate why hospitality stakeholders do not engage in more complex measurement methods, and develop recommendations on how to involve them in such advanced measurements.

REFERENCES

[1] Social media. (2020, September 11). Retrieved September 13, 2020, from https://en.wikipedia.org/wiki/Social_media

[2] The Effects of social media networks in the hospitality ... (n.d.). Retrieved September 13, 2020, from https://digitalscholarship.unlv.edu/cgi/viewcontent.cgi?article=1694&context=thesesdissertations

[3] Impact Of Social Media On The Hospitality Industry. (n.d.). Retrieved September 13, 2020, from https://www.bartleby.com/essay/Impact-Of-Social-Media-On-The-Hospitality-FY455A2M4XR

[4] MINAZZI, R. (2016). *Social media marketing in tourism and hospitality*. Place of publication not identified: SPRINGER.

[5] Dickinger, A., & Lalicic, L. (2017). Tourist-driven innovations in social media. *Advances in Social Media for Travel, Tourism and Hospitality*, 41-53. doi:10.4324/9781315565736-5