Influences of Social Media on the Tourism and Hospitality Industry

Bachelor Thesis for Obtaining the Degree
Bachelor of Business Administration
Tourism and Hospitality Management

Submitted to Prof. Arno Scharl,
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Affidavit

I hereby affirm that this Bachelor’s Thesis represents my own written work and that I have used no sources and aids other than those indicated. All passages quoted from publications or paraphrased from these sources are properly cited and attributed.

The thesis was not submitted in the same or in a substantially similar version, not even partially, to another examination board and was not published elsewhere.

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Abstract

The potential influence of social media on the tourism and hospitality industry has attracted considerable interest in academia and industry alike. However, most of the research that has been conducted has been from the customers’ and not from the service provider’s perspective. There is limited research on the methods implemented by hotels for measuring the influence social media have on their respective goals and the different perspectives, namely financial or other, taken into consideration when doing so. By conducting semi-structured interviews with hoteliers in Vienna, Austria, the current research investigates how Viennese hotels measure social media influence on their business goals. The results reveal that marketers in Vienna do not look at financial figures when using social media marketing, rather consider customer satisfaction, engagement, and brand awareness as the primary Return on Investment (ROI).
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ROI – Return On Investment

UNWTO – United Nations World Tourism Organization

F&B – Food & Beverage

KPIs – Key Productivity Indicators
1 Introduction

1.1 Presentation of the Problem

The last decade has seen a significant increase in the use of both social media and the general development of new technology worldwide. The tourism and hospitality industry has seen an impressive development since the beginning although over the past few years, due to the recession, people have started cutting down on vacations and sales have decreased, further leading to lower revenue, lower payoffs and decreasing work segment. Today, the industry is on the rise again and has changed dramatically with the overwhelming appearance of social media platforms creating new opportunities to progress and attract the customer through facilitated communication and empowered guest engagement.

It can only be seen as something positive for the tourism and hospitality industry as it has so much to offer. It is still on a rise and provides a way to increase profits. Nevertheless, one of the most essential problems that service providers have encountered is how to engage in social media marketing and how to validate whether it is profitable for their business to use it or not. Therefore, some of the most challenging aspects include the considerations of how one measures these results; how one determines the business value of social media, how one realizes the importance of social media to any organization, how one makes use of social media for a business in order for it to be accepted by the community whilst enhancing the brand and lastly how one measures the value of the accomplished efforts (Sterne, 2010).

It is commonly perceived that social media’s return on investment in the tourism and hospitality industry cannot be measured, because of the perishable and intangible character of the tourism product, additionally because the return on investment is not always considered a concrete aspect. For example, business reputation or associations of a brand with specific characteristics are not features that can be measured, but are still important for a stakeholder and can be easily achieved with the help of social media marketing. Of course 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).
As mentioned above, it is vital for a company already operating for a while to have an online presence and be able to observe and measure the social engagement attentively in order to succeed in financial terms. Therefore the underlying research question of this thesis is “How do stakeholders in the tourism and hospitality industry measure the success of social media in their business?”

1.2 Aims of the Bachelor’s Thesis

The purpose of this thesis is to answer the research question mentioned above by first identifying who these stakeholders are; second, determine their online communication goals and finally to establish how social media contributes to these goals. Anderson (2012) mentions in a Cornell Hospitality Report, “Hotel operators have suspected that the effect of social media and user generated content on hotel performance has been strengthening.” Therefore, measuring these effects is vital for the hospitality industry.

Berkowitz (2009), for example, has put together a list of “100 ways to measure social media”, which would facilitate things and no research would be necessary on the topic, but eventually he concludes as follows, “Ultimately, you need to start figuring out your business objectives and then apply these metrics accordingly”. The idea is that each business has different goals that need to be defined before putting a plan into action. The same applies for social media goals. They need to be specified before any measurements can be taken.

Paine (2009) mentions “the need to know what problem you need to solve, you need to not do anything in social media if it doesn’t add value [...] you can’t manage what you can’t measure – so set measurable goals”. As emphasized, goal setting is of great importance in this matter. Therefore, a closer look has to be taken at the research problem. The research method chosen is empirical. First literary resources are cited, analyzed and interpreted, and then a qualitative interview is conducted. The findings are compiled and analyzed and finally, the conclusions and further research suggestions are going to be stated.
2 Literature Review

2.1 Tourism and Hospitality Industry

UNWTO defines tourism 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/professional purposes”. For some tourism represents relaxation and fun, a trip during the holiday weeks away from work, and some doubt the need for study and research. But for others, tourism is a source of employment; it is a business that brings revenue to millions of people around the world; it is a source of living. Therefore it is important to research it, analyze it and study it more attentively.

“Tourism has emerged as a major economic sector and source of social and environmental change since the 1950s. It has also become a field of serious research and scholarship in many academic disciplines since 1970s. The patterns of tourism development in different parts of the world reflect the histories and cultures of those regions and nations, but tourism is a nearly universal phenomenon [...] it is an important source of wealth for many nations [...] (it) becomes a high priority for many people” (Robinson, Lück and Smith, 2013). The statement emphasizes on the importance of tourism, which highly increased over years, and the diverse functions of tourism in the world.

For a better understanding of the term, its characteristics should be defined: intangibility – it is a service, not a product, and as a result it cannot be touched, just experienced; heterogeneity – each customer experiences a service in a different way; inseparability – it cannot be taken home like a product and has to be consumed at the place of the destination; perishability – once the opportunity of selling a service at a certain point has forgone, it cannot be resold at a later point in time; lack of ownership – a service that cannot be owned, due to the previously mentioned characteristics.
This research paper emphasizes on specific tourism stakeholders and Figure 1 is an illustration of these stakeholders in the industry. The illustration is also called a chain of distribution or marketing channel and describes “the system by which a product or service is distributed from its manufacturing/creative source to the eventual customers” (Holloway and Taylor, 2006). For a better understanding, the stakeholders have been sorted in a table according to their characteristics – Appendix 1.

Special emphasis has been set on the hospitality sector of the tourism industry. The reasoning behind it will be further explained later in this research paper. The hospitality industry is “the very essence of tourism, involving the consumption of food, drink and accommodation in an environment away from the normal home base. The very nature of hospitality involves hosting and hospitality, provided by a host and involving a guest” (Page, 2009). In early stages, hospitality was not seen as a commercial industry, as people hosted and were hosted on the basis of reciprocity.
Nowadays, “hospitality has become a commercialized experience, where the guest pays for the services/goods they consume via a bill” (Page, 2009).

Hospitality as a subsection of tourism “is a fundamental part of the domestic and inbound leisure market. Consistent demand for tourism allows the hospitality industry to forecast demand and identify opportunities to increase consumer spend, creating a wave of secondary financial impacts” (Robinson, Lück and Smith, 2013).

The hospitality industry has 2 sectors: the accommodation sector and the Food and Beverage (F&B) sector. This research paper is focused on the accommodation sector, with an emphasis on hotels. The reason behind this choice is that the hotel business has been an increasing industry in the past few years and it has received a lot of attention from researchers regarding its development and customer behavior. To strengthen the choice made, it can be seen below according to TourismInsider.com (2014), that the total foreign and domestic bed nights on a global perspective have increased by 3.6% from 2012 to 2013 – Figure 2 is a graphical representation highlighting the leading markets around the world.

![Figure 2 - Main Source Market Performance 2012-2013 (TourismInsider.com, 2014)](image)

Europe is keeping up with the global increase and as shown in figure 3 below, the top 10 European cities have also seen an increase in bed nights within the same time period i.e. 2012-2013. Only exceptions to the rule are Paris, with a decrease of 0.7% and Madrid, with a decrease of 4.3%. The research was undertaken by the European Cities Marketing.
“The tourism industry had high expectations of the Internet from the outset of it. Tourism as an intangible service product is perfectly adaptable for electronic data transfer. Online travel communities and online ticket sales were said to have a bright future due to the fact that the presentation of necessary information for purchasing products on the Internet is easy, and the costs for daily updates are comparatively low” (Amersdorffer et all, 2012). This explains the great connection between tourism industry and social media marketing, and how well they could work together due to similar characteristics. This connection is subject of research of this thesis and will be analyzed into detail in the following sections.

Therefore, the hotel industry is a relevant target due to the growing trend seen in the past years, the considerable amount of accessible data regarding the topic and the interest it has created. Rauch (2013) mentions that one of the trends in hospitality forecasted for the year 2014 is social media and mobile communication and considers that “keeping an eye out for authentic ways to make use of emerging social/mobile applications will be of great value to those in hotel marketing.” Taking into consideration all the factors mentioned above, this thesis is going to analyze whether social media is indeed efficient in reaching the companies’ goals and whether there are downfalls to the effectiveness it is claiming to achieve.

### 2.2 Social Media & Social Media Marketer

In order to better understand the focus of this thesis, an overview of the concept of social media is given in the following section. There are various books, articles and online sources that try to define social media, but each has a different perspective on it.
A.M. Kaplan, M. Haenlein (2010) offer a more technology savvy definition, stating that “Social Media is a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of User Generated Content”. “Web 2.0 refers to the principles and practice of facilitating information sharing and social interaction by users generating, altering and uploading web-based content” (Liburd, 2012). Mashable.com (2010) states, “social media is real life.”

Levinson and Gibson (2010) define social media from a marketer point of view as “a set of tools that are free or nearly free and allow marketers and the community to create content and meaningful conversation online”. Some examples of social media are “blogs, photo-sharing sites, video-sharing sites, social networks, audio podcasts, Internet radio […] mobile social sharing and communication tools” (Levinson & Gibson, 2010). Sterne (2010) explains social media in a clear and uncomplicated way – “That which allows anybody to communicate with everybody […] consumer-generated content distributed through easy-to-access online tools”.

Solis (2011) has his own way of defining the concept of social media, managing to combine the above mentioned definitions and seeing it as “many things to many people and represents much more than technology […] a societal renaissance that spawned a vibrant ecosystem supported by flourishing cultures and lifestyles […] a platform for socialization of media; the online tools that facilitate conversations; connections between friends, peers and influencers; collaboration; the redistribution of influence; a call for humanizing personas and audiences, and the stories that link them together; compassionate; an opportunity and a privilege […] the democratization of information, transforming people into publishers; it is the shift from a broadcast mechanism, one-to-many, to a many-to-many model, rooted in conversations between authors, people and peers”.

According to Levinson and Gibson (2010), a social media marketer should have the following characteristics; first they should not be caught up in the enthusiasm of a new service or product before testing the tools and analyzing the results they are actually bringing. Second, a marketer should always be curious and interested in trying new options; he should “combine different elements of marketing and strategy in a creative fashion”. In a fast paced communication world, social media
marketers should always be prepared for new opportunities and challenges. Another important trait of a marketer is transparency.

By being given access to a high range of information that customers have nowadays, it is almost impossible to fool them without being noticed. Therefore, it is suggested to be open, honest and have integrity. It is common knowledge that the customer is king, which is why a marketer should always be community focused: make connections with customers, help and listen to them, see what their values and expectations are and then exceed these expectations. Marketers should always strive for quality not quantity; a high number of followers or likes represents popularity, but not necessary profitability. Technology savvy is how a marketer should mostly be. Being up to date with the latest products and innovations will bring profit to the business. Last, it is essential to have great leadership skills to strive for continuous good results.

Levinson and Gibson (2010) also identify some attributes marketers have to be careful about when involving themselves in social media marketing strategies. These are: Name – the company’s name should be distinctive and impossible to duplicate, it should create interest and most importantly, it should be easy to pronounce in any language. Strong ongoing branding strategy – it is essential for a brand to have a good strategy, which should be implemented in the long term with commitment. Positioning through listening and dialogue – refers to always making yourself distinguishing compared to your competitors by listening to your customers’ stories and testimonials. Quality – is all about the service you offer to your customers; satisfied customers are happy customers who may return benefits through positive word of mouth. Distribution – is all about the location, being active on all online distribution channels and having the possibility to work from remote locations. Freedom and variability – free giveaways are always an efficient way to attract customers. Referral and rewards program – most companies nowadays have rewards programs, making it evident of how much they value their returning customers and the referrals of these customers, by rewarding them with different incentives. Likeability – the way a marketer sells his product is just as relevant as the other attributes.
Therefore, being liked by the community is a key to success. This can be done through small but significant gestures like saying thank you, answering rapidly to private or public questions, not using over reactive arguments in response to criticism, rather build bridges between them and their customers, and finally not being insistent. In the end, all these attributes contribute to a business’ reputation. The foundations of a good reputation are truth, promises, feedback, customer experience, brand monitoring, conflict management and association. These attributes will help in defining the goals marketers set when engaging in online communication goals, which is decisive for this research paper.

“The rise of social media dramatically challenges the way firms manage their brands. Key features of this social media environment with significant effects on branding are a shift from the firm to consumers as pivotal authors of brand stories in the branding process; a high level of interactivity manifested in social networks of consumers and brands; and a multitude of channels and brand stories that cannot be easily coordinated” (Gensler et al, 2013). This issue will be better analyzed on the basis of the empirical finding in the later sections of the research paper.

2.3 Online communication goals

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. Goals are a way to make people more persistent in what they are doing by putting more effort into their actions. As managers do not always have the ability to motivate their employees, setting goals is an alternative to this issue. They provide a vision of what has to be achieved in order to succeed. As 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?”
Paine (2009) emphasizes that in order to measure a result, specific goals should be defined and depending on the goal, different measurement types should be used. If improvement of relationship with customers or reputation of the company is the goal, then “relationship scores, recommendations, positioning and engagement” can be measured. On the other hand, if sales are the objective, “engagement index, cost per customer acquisition, web analytics, sales leads and marketing mix modeling” can be measured. It is ought to be discussed in the results section what are respondents actually measuring in terms of online communication.

Sterne (2010) believes that there are 3 major goals in business, which are relevant in the long run: (1) increased revenue, (2) lowered costs and (3) improved customer satisfaction. Lim (2010), in agreement with Sterne, mentions the following concepts that could be considered online communication goals: “increase brand awareness, increase sales, educate and inform customers, improve customer service, monitor brand recognition”. Having a great product that you market online is not as efficient as having a brand that your customers are talking about. A brand is a “name, term, design, symbol, or any other feature that identifies one seller's good or service as distinct from those of other sellers” (Ama.org, 2014).

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. “If the things you are measuring cannot be connected back to income, then you need to be very clear of why you are taking the time to measure them. [...] As soon as you connect the dots to arrive at income, everybody knows what you are talking about and has a standard, consensual means of evaluating the righteousness of your social marketing programs” (Sterne, 2010).
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.

2.4 Social Media Contribution to Stakeholder Goals

“There are currently more than 1.5 billion people around the globe with access to internet. With this forecast to increase by 50 per cent by 2015, operators need to embrace the world online and ensure they deliver their brand through multiple (and ever-changing) channels” (Deloitte, 2010). Considering such an increase in the use of social media in the tourism and hospitality industry, advantages and disadvantages should always be taken into consideration.

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). The author considers also that by putting into action and measuring a social campaign, numerous goals can be achieved:

- Expanding the social footprint and reward existing fans,
- Drive traffic for brand websites,
- Amplify brand awareness,
- Increase newsstand buzz and single copy sales.

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 offered. For example, Trip Advisor is one of the first websites customers go to before deciding between a wide range of products. Brand owners should take great care of these kinds of websites as bad word-of-mouth may arise, but they should also take it as an opportunity to offer feedback to unsatisfied
customers and therefore improve their brand image. Levinson and Gibson (2010) consider it vital to “clearly define goals, markets and target prospects” and to create a “strong brand and presence by carefully concentrating on the right content”.

A study done by Global Web Index on the third quartile of 2013, which can be seen in Figure 4, shows the usage of the top 10 social media platforms according to different regions. The study is based on 170,000 responses from 32 countries around the world. China is excluded due to the restriction of some social media platforms in the country. The results show that Facebook is at the first place with 43% active usage in Europe. Twitter, Google+ and Youtube are used 16-18% in Europe and the other platforms under 6%.

The same study has compared the development of the top 20 platforms between the second and the third quartile of 2013. Interestingly, the results show that Instagram has seen an increase of 23% registrations compared to the previous quartile, whereas Twitter an increase of only 2%, Google+ of 6%, LinkedIn of 9%. Facebook revealed a decrease of 3% (Lunden, 2014). The findings of these figures will eventually be compared with the results of the empirical research.
A 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 remark 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.

2.5 Social Media Tools

There are various tools for social media marketing – which can be seen in Appendix 2 – but is it actually worth using all of them? This could prove to be time consuming and evidently increase costs for companies. Depending on the company’s goals and focus, some of the relevant tools may be used; consequentially differentiating one company’s objectives from another. A very good illustration of how to classify these
tools was made by Brian Solis and Jesse Thomas, in the “Conversation Prism”. Figure 6 is a “map for the social landscape”. The first one was sketched in 2008 and changed significantly across the following years due to the development of the social media. The goal of the map was to “observe, analyze, dissect, and present the dynamics of conversation, and how and where they transpired; it was driven by necessity”, based on the authors work “with many emerging and established brands looking to engage in the social web [...] The social map presented an organized view of social networks and communities categorized by usage, intent and capabilities” (Solis, 2011).

Figure 6 - Conversation Prism (Solis, 2013)

Limitations in the research of social media measurement can occur due to various reasons. Verma and McGill (2011) have addressed this in their research and according to their findings only 35% of accommodation firms handle online media
marketing and advertising, whereas the rest outsource it to one or multiple agencies. This can create limitations to the current research if the interviewed hotels are within the 65% of the companies that do not handle social media marketing strategies internally.

The same research shows that most of the accommodation firms spend less than 10% for social media marketing as indicated in the graph below. This confirms that the use of social media is not yet as well developed as it should be and explains the need for outsourcing.

![Figure 7 - Percentage of investment in Social Media Marketing (Verma & McGill, 2011)](image)

The concern is as follows: are these social media tools helpful or not? Is social media the panacea to a company’s problem? Social media tools can help a business have greater outreach to their customers, but on the other hand reduces face-to-face interaction. It can facilitate communication but sometimes it can also be overwhelming due to the high amount of information available out there. In the following section, measures for identifying social media’s influence will be discussed in detail and will lead to a potential answer to the questions mentioned above.

### 2.6 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.
It is important to mention, as Raphael (2013) considers, that “Measuring social traffic should not be confused with engagement—driving a reader to a website is a long way from having them actually interact in a meaningful way with a brand’s content.” Although a lot of marketers assume that measuring the social media Return On Investment (ROI) is impossible or not necessary, Levinson and Gibson (2010) do not agree with the assumption. They “measure success by the amount of net profit or net results they generate from their marketing activities” and consider that when measured, results of individual sources as well as collective sources, can always be improved. A simple way of calculating the ROI is by subtracting the costs from the gross profit and then divide the result by costs. Conversely from a marketing point of view, there are various types of ROI: reputation, risk reduction, client retention, efficiency, business intelligence, differentiation, brand association, public relations and exposure, immediate revenue, long term revenue, supplier capacity building, perception shifting, more and better recruits, innovation, client education, staff capacity building, network growth, opportunity creation, job satisfaction and trust building.

Hawthorne (2014) mentions in the Response Magazine that “few organizations are able to comprehensively gauge the results of their social media efforts [...] 25 percent of companies are measuring the results of their social media content marketing programs down to the individual piece of content”. He also states that measurements are mostly related to how engaged customers are on the social media platforms and not on the revenue these bring: “just 42 percent are beginning to tie social media content success directly to business gains using direct responses or downloads, while 31 percent make connection to sales and revenues”. It is crucial to measure the success of social media because it delivers you information about the audience you are targeting and their purchasing behavior. Consequently, he states, “The true success of social media can be determined by the engagement that you can see”.

Paine (2011) agrees with the statements mentioned above and considers that the former definition of ROI – “profitability measure that evaluates the performance of a business by dividing net profit by net worth” should be revised by the current needs of a company – “engagement, influence, inspiration, awareness, reach, friends,
followers, hits or retweets”. S/he emphasizes on the idea that relationship and reputation, which are both mostly gained through social media nowadays, should be taken more into account when talking about ROI.

Sterne (2010), Brown (2010) and Solis (2011) agree on the fact that there are various stages in measuring social media and for almost each of them there are different tools used for measurement. As mentioned and explained in detail in Section 2.3, goal setting is the first step. The second step is reaching your audience and getting the attention. “Awareness is the first step on the path to a long and profitable customer experience” (Sterne, 2010). Making a brand visible and attractive to customers is a key stage in reaching goals. This can be possible by using the various tools mentioned in Section 2.5, for example, own website, blogs, Facebook 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.

Some tools suggested by Sterne (2010) are Facebook Insights, Google Analytics, Post Rank, Tweetbeep, and FeedBurner. Raphael (2013) believes that “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”.

The following step is to identify the influence and get the respect of the customers. It is commonly stated that in life it is all about connections, “social networks make it clear that what you know is important, but whom you know is critical” (Sterne, 2010). Solis (2011) agrees that “influence is not popularity and popularity is not influence. Influence is the ability to effect action.” He also references some of the tools that can be used to identify your influencers: CoTweet, PeopleBrowser,
Seesmic, Blogged, BackType, Linkfluence, HowSociable, BuzzMetrics, and BoardTracker. Finally, Brown (2010) considers that “It’s about finding the right individual who will spread the message across all of the different subgroups within a network.”

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).

As soon as sentiment is recognized, it is crucial to engage the audience by getting response from the customers. “The process of identifying influencers and monitoring relevant conversations is only as valuable as the steps we take to engage in ways that inspire desirable actions. […] Engaging people and enticing not only their interest, but ultimately establishing an association and earning allegiances takes far more than interpersonal adeptness and a budget with which we purchase friendships” (Solis, 2011). Social engagement can be measured through different measures: Digg, Reditt, Stumbleupon, Friendfeed, Facebook Friends, Retweet, and Yahoo Buzz Up. A good illustration of the steps of customer engagement can be seen in the Food Engagement Chain below. Raphael (2013) suggests the Social Business Index as a useful engagement measurement, which is “a big data approach to brand performance in social […] It’s the best look at engagement at scale and provides a better look at social reach across multiple platforms as well as a better look against relevant competitors.”
He also mentions that the tool “allows publishers to establish an engagement ratio by comparing the number of unique conversation participants versus the total number of subscribers in a brand’s ecosystem. Unique conversation participants are the total number of individuals across all conversations involving a brand or company”.

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. Methods that can be used in this case are ForSee, OpinionLap, iPerceptions, Google Alert and Twelpforce. 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. Two good examples are mystarbucksidea.com, initiated by Starbucks and ideastorm.com, by Dell.

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...
comments and posts, leads and purchases (Sterne, 2010). All these serve as KPIs and lead to achieving the 3 goals mentioned in Section 2.3 - (1) increased revenue, (2) lowered costs and (3) improved customer satisfaction and to be able to compare themselves with their competitors.

Considering all factors mentioned above, 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. The following section will provide empirical research to support the statements in the literature review.
3 Methodology

3.1 Overview

To review, the aim of this study is to examine hoteliers’ perceptions on the measurement techniques for social media influences on the tourism industry. The first part of the thesis consists of a literature review constructed using primary (research monographs, academic journals, conference reports, research reports, magazines, university dissertations) and secondary sources (textbooks, academic journal review articles, abstracts, open access journals) concerning the social media analytics.

First, a general overview of the term social media is given, with development and uses in the daily life of the users. This is followed by an analysis of tourism and hospitality industry stakeholders, with their status and connection to social media. Furthermore, detailed attention is paid to some of these stakeholders, which are analyzed in the second part of the thesis through the used qualitative research methods. Subsequently, goals of these stakeholders are evaluated according to the literature, specifically in terms of online communication and marketing. Then according to findings, a connection is established between the goals the stakeholders are looking to measure and what kind of social media metrics and tools they use in order to do so.

In order to achieve the aim of this thesis and to support the literature review, in the second part of the study a qualitative research method is used. This is the research that relies on the collection of data in form of text or images using open ended questions, observation or “found” data. The goals of qualitative research are to discover new ideas, ways of thinking, feelings, relationships between events and predictions of different hidden psychological or social processes. It is an empirical research as it gathers empirical information with the purpose of answering a specific research question. The samples size for data collection is small. The collected results are analyzed in a subjective and interpretative way and can usually be generalized within restricted limitations. Qualitative research helps offering a better comprehension of the nature of tourism issues, even though sometimes it has received critics regarding its small scale, biased, expensive, imprecise and
untrustworthy nature. “The use of constant comparison means that one piece of data is compared with previous data and not considered on its own, enabling researchers to treat the data as a whole rather than fragmenting it. Constant comparison also enables the researcher to identify emerging/unanticipated themes within the research project” (Anderson, 2010).

The chosen research method is in-depth interview. It is a “formal interview process in which a well-trained interviewer asks the subject a set of semi structured questions in a face to face setting” (Hair, 2008). This research method was chosen due to the richness of detail that can be covered using it. The likeliness of the interviewee answering in a socially desirable way is low and when compared to focus groups, the environment facilitates uninhibited participation due to the absence of the other peers and their opinions. Semi-structured interview has been chosen due to its flexibility to relate to both structured and unstructured interview and to create a uniform outline for the set of answers. A set of predetermined questions is created but depending on the answers of the respondents spontaneous questions may arise, therefore unforeseen questions could be asked. Qualitative research has been proven to be optimal when analyzing social media and seen as a “unique and invaluable tool” (Branthwaite, Patterson, 2011) due to the direct and personal approach of the interviewer as well as the possibility to actively listen and participate in a conversation with the interviewee and the possibility to gain insights of the interviewees mind (Branthwaite, Patterson, 2011). Transcripts from the in-depth interviews will be used in the investigation to give examples. The chosen research method is expected to bring answers to the research question of this study and to be able to formulate valuable conclusions. The study does not aim to generalize the results to the hospitality industry, but to comprehend the perspective of the interviewed hoteliers on the topic and to compare the different perspectives.

The scope of the interview is to support the statements mentioned in the literature review with experience of expert hoteliers working in the marketing department, who encounter the problems discussed in the paper on a daily basis. With their help, questions raised in the research are answered and suggestions for further improvement can be made.
3.2 Description of the Population Sample

The targeted sample is 25 hotels in Vienna, mostly located in the first district – Innere Stadt – or in close proximity (72%). A full list of the contacted properties can be found in the Appendix 3. 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 on the outline of the interview guide.

Tools used for the interview were an audio recorder and a notepad. Each candidate was asked if they agreed on being recorded during the interview. Additionally, notes were taken during the whole process. The conversations were recorded and transcribed into documents. The next section provides more details about complications encountered during the interviewing process.

3.3 Limitations

The research interview was conducted in 25 hotels in Vienna, Austria; therefore the findings can only be related to the Viennese market, or extensively to the European market. There were multiple difficulties encountered. 14 of the 25 properties were unable to participate as candidates for the interview due to various reasons. 11 declined to participate due to causes such as: no time for an interview because they were in the middle of 3 marketing campaigns, no time as they were opening in 3 weeks, no time as they were leaving for a month-long work trip or not ready to serve as a partner for an interview as they just recently opened and they are still in the process of enhancing their social media marketing strategies. Some of the hotels could not participate as a candidate for the interview due to the fact that the properties would belong to a chain and the social media marketing representative is not based in Vienna or because they do not possess a social media account for their property specifically and that the whole online communication strategy is run by the headquarters or a different branch. Some were contacted and did reply and
eventually stopped responding to the e-mail communication, unfortunately deciding to deny answering the interview questions at the last moment or were unable to answer due to reasons such that the interview questions went too deep into their strategies. For 3 properties the contact person was not reachable either by e-mail or phone call due to various reasons, for example being on vacation.

Ultimately, 9 candidates accepted the request for an interview: 25hours Hotel, Boutique Hotel Stadthalle, Grand Hotel, Le Meridien (which is in charge of Imperial and Bristol Hotels as well), Harry’s Home (the contact person is in charge of 6 properties), Intercontinental Hotel, Sacher Hotel, Hotel Sans Souci, and Vienna International Hotels & Resorts (contact person is in charge of 38 properties).

3.4 Interview Guide Design

The interview consists of 9 questions, which follow the outline of the thesis. First, the interviewee is asked to describe himself/herself, the position in the business and some words about previous experience and education. Then the interviewee is asked to highlight the company’s goals when engaging in social media marketing, matter discussed in Section 2.3 and supported with literature by Sterne (2010) and Paine (2009). The next questions enquire about the kind of social media channels the hotels are using, and which groups are the primary targets through these channels. The interviewees are given some options to choose from, ones, which were previously discussed in the literature, review by Levinson and Gibson (2010) – Section 2.5 and Appendix 2. Next, the interviewee is inquired to state his/her satisfaction towards the results social media brings to the company. In relation to the previous question, the interviewee is asked if s/he considers that social media contributes in reaching the hotel’s goals. Following this, further explanations regarding the measurement of social media success is enquired, which is one of the most important questions of this interview, also representing the topic of the thesis research. Some suggestions are offered for choice, which were discussed in Section 2.6 and specific details are requested. If the candidate answers negatively, the interviewer prompts for further explanation.
The interviewee is probed to explain if s/he encountered any difficulties with the measurement procedures and what his/her level of satisfaction towards these tools and methods is. Consequently, each candidate is asked for an opinion on the topic of discussion, if there are any suggestions for future research or discussion and to conclude the interview. All results are collected and analyzed in the following sections of this research. The ideas gathered from the last interview question are compiled into a paragraph at the end of this research – Section 6.1.
4 Analysis, Result & Interpretation

For a clear and enhanced understanding of the topic of this research paper, the results are organized in 9 subsections each corresponding to one question of the interview: (1) candidate description, (2) social media marketing goals, (3) social media marketing tools, (4) online communication target market, (5) hotelier satisfaction with social media, (6) social media marketing contribution to stakeholder’s goals, (7) measuring social media influence, (8) complications of social media measurements and (9) conclusions and suggestions.

4.1 Candidate Description

The first question of the interview gives a short overview of the interviewee regarding details such as name, age, gender, education and experience. 5 out of 9 respondents are between the age of 23 and 31. For the remaining 4 there was no response. 8 out of 9 respondents are females. The respondents have varied experience in the industry from one to thirty years in sales, marketing or general hotel business. Most of them (7) have a formal education in tourism and hospitality, the other 2 have degrees in Communication and English, respectively, which are not directly related with their current position.

Candidate 9, who began her tourism career at the early age of 15, considers her motto “learning by doing” a good way of thinking especially in a service-oriented field such as tourism. Some of the candidates are in charge of more than one property, for example candidate 4 is in charge of 6 hotels, and candidate 9 is in charge of 38 properties, candidate 6 of 3 hotels. It has been noticed that the more properties a person is in charge of higher the degree of engagement in social media and more attention it is given.

4.2 Social Media Marketing Goals

Goals marketers should have when talking about online communication marketing are (1) increase revenue, (2) lowered costs and (3) improve customer satisfaction. Lim’s (2010) perspective on the goals was more branding related than proficiency related: brand awareness, customer education and information, brand recognition
monitoring. The second problem tackled in the interview was the goals the hoteliers set when engaging in Social Media.

It is interesting how different perspective can be observed from the respondents. First, the most prominent answers mentioned are product or brand awareness and informing customers about current promotions, events and special offers. These answers go along with the research of Lim (2010). Secondly, the connection with guests and prospects was likewise stated. Candidate 2 considers that social media is an easy way to keep in touch with your customers before, during and after their stay and to get closer to your customers by discovering their needs and wants through the mediation of social media.

S/he mentions this short story during the interview to outline how important it is to exceed customer expectations through simple personal interactions. “If you post a picture of a homemade cake, that you just produced and that is on breakfast, you will get a lot of response and likes. Because people remember others want to know more details about it, or they simply say <<Hey! We are coming in a month too, so can you do it again? >>”. As s/he mentions above, attracting the customers feeling and bringing a positive memory is always easier thanks to social media marketing. Candidate 4 agreed on the idea that social media is mostly used to raise awareness of their brand and enhance the communication with the customers, by providing the latest news and giving the opportunity to provide reviews and feedback. This is considered according literature as a way of improving customer satisfaction.

Half of the respondents do not see social media as a revenue generator but more as information provider, therefore disagreeing with Sterne (2010). The interviewees mentioned other goals as well; social media helps improve communication with guests and prospective customers. It is considered a feedback and newsletter tool, which aids in improving the service or the brand image. Candidate 9, who is in charge of 38 properties, has a more developed goal plan for social media marketing. S/he adds to the objectives already mentioned by the other respondents and the literature, following: “increasing customer loyalty, publishing news and information about the company, positioning the hotel as an attractive and modern employer, introducing new products and background information and finally, research source for journalists and bloggers”. As it can be noticed, s/he highlights other uses of social
media, such as in human resources. Social media can help finding the right candidates to work in a property and give a different image for the prospective employees. Ultimately, Candidate 5 emphasizes on the sentiment side of social media, considering it a way to give a different face to a company, an easy and less costly way to approach customers and to maintain an ongoing relationship with them, “you can offer them a glimpse behind the scenes or tell stories, it is a different way to approach them”. It could be considered reasonable to say that social media is a way to find out what the customers’ needs and wants are and how to manage to exceed their expectations, as also Candidate 3 considers. It is not simply another marketing tool.

4.3 Social Media Marketing Tools

This question relates to the social media tools used by the hotels. In the literature review Section 2.5 and Appendix 2, various tools have been discussed in detail. This section refers to the online communication tools, such as platforms like Facebook, Twitter, Google+, Instagram, Flickr, YouTube, Pinterest, private websites and blogs. A better overview of the tools, sorted by their different functions can be seen in Figure 6, Section 2.5. According to results, all hotels have their own website and a Facebook page. Candidate 7 mentioned the use of multiple websites for their property, as the brand embraces a sub brand, which is famous in Vienna. Candidate 9 declared the success of the 19 Facebook pages they are using. The reason behind the presence of so many pages is the existence of the 38 properties the candidate is in charge of. As we can notice Facebook has more popularity in Vienna than Twitter, which corresponds to the Figure 4 in Section 2.4.

Only 6 out of 9 hotels have a Twitter account, but do consider it less utilized or helpful than Facebook as candidate 7 mentions; candidate 5 explained the existence of a Twitter account for their hotel, but the account was used across 3 countries as the hotel belonged to a chain and not every property had its individual Twitter account. The reason they stopped using it was the lack of information or updates that should have been published on a daily basis and the fact that the posts were the same as the ones on the Facebook profile, giving the Twitter account no personality. Twitter is also sometimes considered as unprofessional for the hospitality industry in comparison to Facebook. Although only 4 out of 9 candidates are using it, Instagram
has indeed a bright future ahead, as the hoteliers consider picture representations more attractive for their customers than written text, as mentioned in the section above by Candidate 2. This statement is in concurrence with Figure 5, Section 2.4, which mentioned the powerful increase of 23% usage of Instagram compared between the 2nd and 4th quartile of 2013 in contrast to the other platforms.

Candidate 5 for example added that her hotel has started using Instagram just two week ago and revealed the excitement of waiting to see the results. S/he also stated the interest in trying to attract a younger target market through Instagram. Posting pictures has been thoroughly considered a more attractive way to draw customers’ attention, especially when the pictures are spontaneous and do not represent a previously thought out set up. Candidate 1 uses Instagram to engage customers through picture contests. 7 out of 9 hotels use Google+, but still the engagement level is not as high as for Facebook or Twitter, as also the popularity of Google+ is on the same ratio toward the other platforms. 6 out of 9 respondents use Youtube, for example to give answers to questions that frequently arise from prospect interviewers. Candidate 2 uses this method.

The candidates have mentioned other platforms like Foursquare, Pinterest, LinkedIn, Flickr, Xing and Yelp once up to 3 times out of 9, but mostly being added with the fact that the degree of engagement is really low. 4 out of 9 hotels have private blogs and 5 out of 9 consider TripAdvisor and HolidayCheck as social media channels, which serve for rating, reviews and feedback, but all hotels have presence on these 2 websites. To have a better view of the marketing strategy candidate 9 provided as well as a monthly social media status from February 2014 for their property, which can be seen below.
4.4 **Online Communication Target Market**

When asked about the targeted groups through these online communication channels, the interviewees have again similar, but also differing opinions. 5 out of 9 agreed that they are targeting past, current and prospective guests. Candidate 4 concentrates on the existing guests as well as on the information providing nature of the social media. Sometimes hoteliers do not look for specific target market when using social media; therefore 4 out of 9 candidates do not have a specific group and consequentially, target anyone who uses social media. The rest of the answers were unique to each hotel.

Candidate 1 emphasized the bloggers he targets for his hotel, but still without excluding everyone else. The reason behind it can be the fact that the property is a design hotel, which by definition represents new style, new trends, which need to be kept in shape with new connections realized on social media. In the case of themed or different concept hotels, candidate 2 stressed that one of her targets are specifically people who are interested in sustainability, as the hotel s/he manages is sustainability conscious. While still considering other targets, s/he explains that some of the customers, no matter the age, come there just to discover the whole
idea and concept of the hotel, which would not be the case in standardized chain hotels. But, s/he is not the only one who discussed the age range; candidate 7 observed a pattern of individuals between the age 24 and 35 specifically female customers within the hotels followers range, considering probably the spa and wellness facilities the hotel has to offer.

In agreement, candidate 5 repeats the fact that a younger crowd is targeted due to the fact the hotel is a conservative traditional chain hotel, which makes a younger crowd less interested in the property. Social media is a way to prove that also old-style concepts can be attractive for young customers. Candidate 3 differentiates between 2 different target groups: business and leisure travelers according to their stay during weekdays or weekends. Candidate 8 has a distinctive perspective as well, and besides targeting anyone who is interested in the hotel s/he targets the local community as well, in order to provide information regarding offers for the property’s F&B and spa outlets, which are open to public. There was no distinction between female and male target groups. As it can be observed, the interviewed hoteliers consider target groups mostly when the hotel they work for has a specific concept it represents, but generally all social media platforms users are targeted.

4.5 Hoteliers Satisfaction with Social Media

Social media platforms might be used by all of the respondents, but the next question examines whether the results marketing through social media brings are satisfying. 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. Candidate 4 states, “Actions like contest, where we offer our fans a higher value and ongoing news about internal and personal themes, help as well to increase popularity”.

Candidate 7’s statement echoes candidate 4’s observation on the behavior of customers on the company’s posts. S/he expressed the feeling regarding the noticeable difference between posting pictures or posting package offers. These differences help in comparing customers’ receptivity to different posts. The
preference for visual illustrations has been expressed more compared to outlet offers. Another satisfied candidate with the social media results is candidate 9, who expresses the satisfaction by providing some figures from her strategy results, which can be seen in Figure 9, Section 4.3. S/he accentuated the importance and indispensability of the presence of a hotel, or other tourism service providers on social media channels, referring again to the goals social media marketing could achieve, “we are sure that Social Media channels are great to improve the company’s brand awareness for publishing news and introducing new products as well as contests, which are working really well.”

Her statement emphasizes again on the informational purpose of social media, and the importance of visual illustration rather than a written message. The rest of the respondents still has a certain degree of satisfaction towards social media results but believes that it sometimes can be better or it is simply hard to measure the influence it has on their company. They express the lack of a measurable goal and the presence of a more subjective goal, like reaching a broader audience without considering numbers. The issues that caused dissatisfaction were for example the lack of workforce in charge of social media specifically, and the low level of engagement of social media into actual reservations.

Candidate 2 and 8 agree that there is always space to optimize the results, even though hard figures measurement is barely possible. Still the use of social media is encouraged due to its facilitated approach to reach customers and prospects. Candidate 5 clearly states that using social media has nothing to do with increasing sales, considering it is more relevant for informational purposes, as candidate 9 mentioned above. None of the respondents were unsatisfied with the results.

4.6 Social Media Contribution to Stakeholder Goals

In Section 2.4 the importance of social media contribution to stakeholders’ goals has been discussed, as according to Raphael (2013), before putting a social media strategy into action, goals and success metrics should be clearly defined and social media audience, the target, should be recognized in order to be able to tailor the appropriate content. These goals have been mentioned in Section 2.3 and the result analysis has been discussed in detail in Section 4.2.
When asked whether social media contributes to the company’s goals all interviewees responded positively. A few of them had a more detailed opinion on the topic than others. Candidate 4 for example, explained that social media is a topic that should be not ignored, as it offers an easy direct-targeted approach to the different groups and it is a cost effective tool for advertising and communication. S/he also adds that, “the free image advertising is mostly adequate for last minute offers and latest news. Contributing with an added value to the Social Media platforms is the best way to keep the number of your fans or even increase it”.

Candidate 6, on the other hand, related the answer to the initial goals mentioned in Section 4.2 and stated that social media contributes to creating and raising awareness, and maintaining relationships with current customers and prospective ones. One term used by her to describe social media is personalization; social media help personalize the perception of the hotel, conveying a feeling of “closeness” to the customers. The latest trends in service provision, which shifted from a product focus to a customer focus and the increased use of technology, have been taken into consideration. As in the previously mentioned question, the same issue arises – direct impact of social media marketing is hard to measure, therefore a contribution to the goals cannot be defined; the fact that it supports the goals of the stakeholders can only be mentioned.

References to the goals mentioned in the Section 4.2 are given as well by candidate 8 and 9. The first one puts emphasis on the personal connection with the customers, by staying in their memory even after their departure, whereas the second one concentrates on the values of the business – quality, design and service. Considering the increase of brand awareness and good positioning on the market, candidate 9 expresses with ease the high contribution social media has on the company’s goals, “Our big goal is to motivate guests to interact as an ambassador for our brand and considering the number of likes and follower we definitely have now many influential multipliers and brand ambassadors”.

The doubtfulness regarding social media of candidate 7 could be noticed in her declaration, which states that, although audience is increasing, customers will never ask on a social media platform for a reservation, rather for more information and
details regarding things to do, or the surroundings. Again none of the interviewees believed that social media does not have any contribution to the company’s goals.

4.7 Measuring Social Media Influence

One of the most important questions of this research report and statement of the thesis topic is how companies measure the contribution of social media. As mentioned in the literature review by Hawthorne (2014), only 25% organizations measure in detail the influences social media content marketing - and from those, only about half are connecting measurements with actual costs, sales or revenue. The same can be stated after analyzing the answers of this study – none of the hotels look at social media from revenue or cost point of view. When looking at social media, ROI is considered more from engagement, influence, awareness, reputation and relationship perspectives. According to these results, most of the analytics used by the respondents help measure the level of satisfaction of the guests or the degree of engagement of followers. The tools used to measure social media influences can be divided into 3 categories: (1) built-in analytics of existing platforms, (2) standard third-party measurement tools, and (3) tourism-specific measurement tools. The most used measurements are the built-in analytics of the existing platforms, such as Facebook Insights & Analytics, which help examine various KPIs such as the number of followers, the engagement level of the followers through number of likes, number of shares, number of comments, number of views and which was mentioned by 6 out of 9 respondents whereas Twitter Statistics is used only by candidate 6. Only 2 out of 9 hotels use standard third-party measurement such as Google Analytics, while only one respondent uses Bitly and TalkWalker. The only tourism-specific measurement tool is TrustYou, which was only once referenced by an interviewee. Candidate 1 and 6 stated creating different strategies by just using the actual platforms such as Instagram picture contests, linking Facebook pages and locations with posts and putting links into posts, which can be tracked. 2 out of 9 respondents declared their use of TripAdvisor and HolidayCheck as a way of measuring customer satisfaction through the rating systems, the reviews they receive and also a way of giving feedback to their unsatisfied customers. As mentioned in Section 4.1 the higher the number of hotels the interviewed persons were in charge of, the more advanced were the strategies.
and measurements used. In this case, the person referred to is Candidate 9. It has been mentioned that Facebook Analytics helps analyze demographical characteristics, like age or gender of the followers, and where to place the ads. All these lead to a better understanding of the actual customers and the strategies that need to be used to approach them. It is important to keep up to date with the latest news and trends in social media, as it is a very dynamic field. Candidate 9 is alone in talking about the engagement in terms of trying to increase the knowledge about the dynamism of social media and s/he is also the only one emphasizing on the human resource part that can be assisted through social media. Besides the connectivity to the customers, candidate 9 talks about the interest of prospect employees that has been shown through social media, which leads to the actions that need to be taken in this direction.

4.8 Challenges of Measuring Social Media Impact

This question relates to the difficulties encountered by the respondents regarding the measurement procedures, level of satisfaction with the current methods and tools. Considering the level of difficulty of the tools, which the candidates are using, as discussed in the Section 4.7, 8 out of 9 respondents did not encounter any difficulties with the procedures, but still mentioned that they could be improved or that they are constantly changing. Candidate 4 considers the tools satisfactory and the improvement suggested regards Facebook’s ability to provide a better overview of the monthly statistic of likes, since the current one is slightly troublesome. On the other hand, Candidate 6 considers that tracking the positive effect of social media is difficult, but tools can always be better. A case of lack of trust in the measurement tools has been discovered; according to candidate 5, who points out that sometimes results do not reflect reality and that that results can be different later in a month than before. This dissatisfaction is concerning Facebook Analytics. Google Analytics has a better, more reliable and professional reputation. Candidate 9, who has already tried out over 15 social media tools, still has difficulties in deciding which is the best one to use; one that takes into consideration the needs, the international nature of the company and the diverse target market. Conclusively, it is difficult to compare the various tools as they differ from one another. The fact that platforms and their built-in analytics change very often makes it even more difficult for
hoteliers to use them and receive an accurate result from them. Still, social media measurements that are currently used are not difficult, considering their degree of complexity.

4.9 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 or Flickr, which can trigger emotional feedback. US and UK markets are considered to be trendsetters, while the eastern markets are following and applying the trends. Google+ is a must for many hotels, given its importance for search engine optimization, and as a channel to reach business clients.
5 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. Lim (2010) states that “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”. S/he also agrees with most of the interview respondents when s/he observes that social media create “a real connection between companies and customers”. 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 in Europe is still Facebook, but channels that offer more visuals for their customers, like Instagram and Flickr are to see a positive development in the future, as some of the respondents observed.

As this study has shown many Viennese 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.
6 Bibliography


Media.unwto.org, (2014). *Understanding Tourism: Basic Glossary | World Tourism*


Tourism-insider.com, (2014). Russia, China continue to show explosive growth as source markets. [online] Available at: http://tourism-insider.com/en/2014/03/english-russia-china-continue-to-show-explosive-


## 7 Appendices

### 7.1 Appendix 1

<table>
<thead>
<tr>
<th>Core Product/Producers</th>
<th>Accommodation (hotels/motels, guest houses, villas, apartments, holiday centers, camp &amp; caravan sites)</th>
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<tbody>
<tr>
<td></td>
<td>Transport/ Carriers (air, sea, rail, road)</td>
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<tr>
<td></td>
<td>Attractions (stately homes, ancient monuments, activity centers, theme parks, catering facilities)</td>
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<tr>
<td>Complimentary Product</td>
<td>Restaurants</td>
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<td></td>
<td>Bars</td>
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<td>Clubs</td>
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<td>Private Sector Support Services</td>
<td>Guiding Services</td>
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<td>Travel Insurance</td>
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<td>Finance Services</td>
</tr>
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<td>Travel Trade Press</td>
</tr>
<tr>
<td></td>
<td>Marketing Support Services</td>
</tr>
<tr>
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<td>Guide &amp; Timetable Publications</td>
</tr>
<tr>
<td></td>
<td>Private Education &amp; Training Establishments</td>
</tr>
<tr>
<td></td>
<td>Private Ports/Post Services</td>
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<tr>
<td>Public Sector Support Services</td>
<td>Destination Management Organizations</td>
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<td>National Tourist Organizations</td>
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<td>Regional Tourist Organizations</td>
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<td>Resort Publicity Offices</td>
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<td></td>
<td>Public Ports/Post Services</td>
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<td>Visa &amp; Passport Offices</td>
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<td>Local Community &amp; Authorities</td>
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<td>Local Community &amp; Authorities</td>
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<td>Tour Operators &amp; Brokers</td>
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<tr>
<td>Travel Agents</td>
<td></td>
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</table>

Source: Holloway & Taylor (2006)
### 7.2 Appendix 2

| Hardware Tools            | Smartphone with data plan  
|                          | Notebook Computer          
|                          | Video Camera               
|                          | Digital Camera             
|                          | Good Microphone            
|                          | Boingo Wi-Fi Membership    
|                          | Webcam                      |
| Software Tools            | Graphic & Photo Editing Software |
|                          | Audio & Video Editing Software |
|                          | Consumer Relationship Management Software |
|                          | Browser with Social & Google Plug-Ins |
| Social Networking - Facebook | Facebook Profile           
|                          | Facebook Pages             
|                          | Facebook Groups            
|                          | Facebook Events            
|                          | Facebook Applications      |
| Social Networking - LinkedIn | LinkedIn Profile          
|                          | LinkedIn Slideshare        
|                          | LinkedIn Google Presentations |
|                          | LinkedIn Twitter           
|                          | LinkedIn Blog Import       
|                          | LinkedIn Groups            
|                          | LinkedIn Answers           
|                          | LinkedIn Events            |
| Social Networking         | Orkut                        
|                          | Hi5                          
|                          | Xing                         
|                          | Ecademy                      
|                          | Brazencareerist             |
| White-Labeled Networks    | Ning                         
|                          | BuddyPress                  
|                          | Enterprise-Level White-Label Networks |
| Nano-Blogging Networks - Twitter | Twitter Profile          |
|                          | Twitter Public & Private Lists |
| Nano-Blogging Networks    | Friendfeed                  
|                          | URL Shorteners: Bit.ly, Ow.ly |
| Third-Party Social Networking Applications | Tweetdeck              
|                          | HootSuite                   
|                          | SocialToo                   
|                          | Seesmic                     
|                          | Ping.fm                     |
| Photo Sharing         | Flickr  
|                      | Picasa  |
| Document Sharing     | Dropbox 
|                      | SlideShare 
|                      | Scribd  |
| Audio & Video        | Podcasts|
| Video Sharing        | YouTube 
|                      | Vidder  
|                      | Niche & Speciality Networks: Vimeo, Facebook Video, 
|                      | FameCast, Blip.tv 
|                      | Video Contest Software |
| Real-Time Social Media| Ustream 
|                      | Justin.tv 
|                      | Skype   
|                      | Covertlive 
|                      | TinyChat 
|                      | Webcasts & Web Conferencing 
|                      | Screencasting |
| Website & Blog Tool  | The Website 
|                      | Microsites 
|                      | Alltop.com 
|                      | The Blog  |
| WordPress Self Hosted| WordPress.com 
| Blog Sites & Tools   | Wordpress.org  
|                      | WordPress Themes |
| WordPress Plug-Ins   | All in one SEO 
|                      | Share This 
|                      | TweetThis 
|                      | Google Sitemap Generator 
|                      | Powerpress 
|                      | Google Analytics Plug-In 
|                      | WP-touch 
|                      | WP-o-Matic 
|                      | Akismet 
|                      | WP-to-Twitter 
|                      | WordPress.com Starts 
|                      | Commenting System 
|                      | Content Management Systems (CMS) 
|                      | Ubertor.com (CMS for Real Estate) 
|                      | RSS Feeds 
<p>|                      | FeedBlitz |</p>
<table>
<thead>
<tr>
<th>Category</th>
<th>Tools</th>
</tr>
</thead>
<tbody>
<tr>
<td>Source: Levinson &amp; Gibson (2010)</td>
<td>Yahoo Pipes, Wikis, GoDaddy.com (domain reservation), Telnic.org, Yourbrand.com, Yourproduct.com</td>
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<tr>
<td>Light Blogging Tools</td>
<td>Tumblr, Posterous</td>
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<tr>
<td>Social Bookmarking</td>
<td>Digg, StumbleUpon, Redditt, Del.iclo.us.</td>
</tr>
<tr>
<td>Mobile &amp; Location-Based Tools</td>
<td>Foursquare, Brightkite, Mobile Apps, Qik</td>
</tr>
<tr>
<td>Intelligence Tools to Find &amp; Engage Customers</td>
<td>Search.twitter.com, Twitter Grader, backtype.com, Twellow.com</td>
</tr>
<tr>
<td>Global Marketing</td>
<td>PostRank &amp; PostRank Analytics, Attensity360 Community, Twazzup.com, Payment Systems</td>
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<td>Directories</td>
<td>Blog Directories, Podcast Directories, iTune</td>
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<td>Google Tools</td>
<td>Google Apps, Google Profiles, Google Friend Connect, Google Wave, Google Alerts, Google Feed Reader &amp; Bundles, Google Buzz</td>
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<td>e-Mail</td>
<td>e-Mail Signature, e-Mail Newsletter</td>
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<tr>
<td>Event Marketing Tools</td>
<td>Meetup.com, Eventbrite, Tweetup</td>
</tr>
<tr>
<td>Future Tools</td>
<td>Augmented Reality Applications, Social CRM, Smartphone Payment Systems</td>
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Source: Levinson & Gibson (2010)
### 7.3 Appendix 3

<table>
<thead>
<tr>
<th>Hotel</th>
<th>Contact Person</th>
</tr>
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<tbody>
<tr>
<td><strong>25 Hours Hotel Vienna</strong></td>
<td>Roland Eggenhofer&lt;br&gt;<a href="mailto:reggenhofer@25hours-hotels.com">reggenhofer@25hours-hotels.com</a></td>
</tr>
<tr>
<td>Lerchenfelder Strasse 1-3 1070, Vienna</td>
<td></td>
</tr>
<tr>
<td><strong>ARCOTEL Hotels &amp; Resorts</strong></td>
<td>Carmen Lehrbaum&lt;br&gt;<a href="mailto:hr.assistant@arcotelhotels.com">hr.assistant@arcotelhotels.com</a></td>
</tr>
<tr>
<td>Konstantingasse 6-8 1160 Vienna</td>
<td></td>
</tr>
<tr>
<td><strong>Boutique Hotel Stadthalle</strong></td>
<td>Claudia Plot&lt;br&gt;<a href="mailto:Claudia.plot@hotelstadthalle.at">Claudia.plot@hotelstadthalle.at</a></td>
</tr>
<tr>
<td>Hackengasse 20 1150 Vienna</td>
<td></td>
</tr>
<tr>
<td><strong>Hotel Bristol</strong></td>
<td>Responsible person is the same as for Le Meridien Hotel.</td>
</tr>
<tr>
<td>Kärntnering 1 1015 Vienna</td>
<td></td>
</tr>
<tr>
<td><strong>Grand Hotel Wien</strong></td>
<td>Celine Auersperg&lt;br&gt;<a href="mailto:cauersperg@jjwhotels.com">cauersperg@jjwhotels.com</a></td>
</tr>
<tr>
<td>Kärntnering 9 1010 Vienna</td>
<td></td>
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<tr>
<td><strong>Hollmann Beletage</strong></td>
<td>Fabian Galler&lt;br&gt;<a href="mailto:marketing@hollmann-beletage.at">marketing@hollmann-beletage.at</a></td>
</tr>
<tr>
<td>Kölnnerhofgasse 6 1010 Wien</td>
<td></td>
</tr>
<tr>
<td><strong>Harry’s Home Hotel (6 properties)</strong></td>
<td>Alexandra Handle&lt;br&gt;<a href="mailto:alexandra.handle@deradler.com">alexandra.handle@deradler.com</a></td>
</tr>
<tr>
<td>Handelskai 94-96 1200 Vienna</td>
<td></td>
</tr>
<tr>
<td><strong>Hilton Hotels (Stadtpark, Danube, Plaza)</strong></td>
<td>Sandra Fuchs&lt;br&gt;<a href="mailto:sarah.fuchs@hilton.com">sarah.fuchs@hilton.com</a></td>
</tr>
<tr>
<td>Am Stadtpark 1 1030 Vienna</td>
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<tr>
<td><strong>Hotel Imperial</strong></td>
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<tr>
<td>Kärntnering 16 1010 Vienna</td>
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<tr>
<td><strong>Intercontinental Hotel</strong></td>
<td>Gertraud Fischer&lt;br&gt;<a href="mailto:gertraud.fischer@ihg.com">gertraud.fischer@ihg.com</a></td>
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<tr>
<td>Johannesgasse 28 1037 Vienna</td>
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<td><strong>Imperial Riding School Renaissance Vienna Hotel</strong></td>
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<td><strong>Marriott Hotel</strong></td>
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<td><strong>NH Hotels Austria GmbH</strong></td>
<td>Office Vienna Airport Schwechat</td>
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<td><strong>Renaissance Hotel</strong></td>
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<tr>
<td><strong>Hotel Sans Souci</strong></td>
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<tr>
<td></td>
<td>1070 Vienna</td>
</tr>
<tr>
<td><strong>Sofitel Stephansdom</strong></td>
<td>Praterstrasse 1</td>
</tr>
<tr>
<td></td>
<td>1020 Vienna</td>
</tr>
</tbody>
</table>
| **Steigenberger Hotel Herrenhof**  
| Herrengasse 10  
| 1010 Vienna  
|  
| **Monika Steiner-Heinrich**  
| monika.heinrich@herrenhof-wien.stegenberger.at  
|  
| **Vienna International Hotelmanagement AG (38 properties)**  
| Dresdnerstrasse 87  
| 1200 Vienna  
|  
| **Cornelia Schüller**  
| cornelia.schueller@vi-hotels.com |