Exploiting the Opportunities Arising Out of Social Media

- A Case Study of Hotels in Vienna -

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

Submitted to PD Dr. Astrid Dickinger

Ana Vidovic
0711547

Vienna, March 5th, 2012
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.

Vienna, March 5th, 2012

Ana Vidovic
Abstract

This bachelor’s thesis attempted to discuss the ways of how a hotel can take advantage of the opportunities social media offers. A case study consisting of boutique hotels and chain hotels analyzed a hotel’s approach of adopting the opportunities presented by social media. The main interest of this presented thesis was to find out if any differences in the adoption of social media opportunities exist when a comparison is made between boutique and chain hotels on the one hand, and between hotel chains of different star levels on the other hand.
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1 Introduction

1.1 Problem Statement

Being an information intensive industry (Zhou, 2004), technology plays an important role in
the tourism and hospitality sector (Buhalis, 2003). Information and communication
technologies have greatly influenced the sector and particularly the Internet has caused
major structural changes in the industry (Gretzel and Fesenmaier, 2009). During the 1990s
the Internet has grown rapidly and ever since then, it has strongly affected the behavior of
travelers during their consumption process (Gretzel and Fesenmaier, 2009), as increasingly
they started to use the Internet to find travel related information, plan their trips, and
purchase tourism products from all over the world (Graeupl, 2006; Buhalis and Law, 2008).

The development of Internet technology led to social media (West and Turner, 2008) that
enables travelers to use various online platforms during each stage of their consumption
process (Gretzel and Fesenmaier, 2009). On such platforms travelers increasingly search for
travel related information and share their own experiences with others (Gretzel and
Fesenmaier, 2009). This is challenging businesses (Evans and McKee, 2010) as on the
Internet word of mouth is taking new dimensions (Litvin et al., 2008) and companies are
not able to control what is said about their brand (Evans and McKee, 2010). On the social
web anyone can voice his or her opinion and companies are often overwhelmed and do not
know how to best deal with consumers who through the Internet can spread word that can
negatively influence a whole message or campaign (Evans and McKee, 2010). Furthermore,
increasingly consumers and travelers as such expect brands to be present on social media
(O’Connor, 2010). Many companies have reacted and have set up profiles on social
networking sites such as Facebook or have adopted Twitter to communicate with their
customers. On the one hand, this presence gives companies the great opportunity to reach
a wide audience with offerings. On the other hand, consumers are given the opportunity to
address a company directly with their concerns about products and services (O’Connor,
2010). Apart from being another marketing tool and a channel where opinions about
products and services can be exchanged and addressed, social media offers companies also
a great opportunity to engage with their customers, talk to them and form lasting bonds
with them (Evans and McKee, 2010).
1.2 Aim and Structure of the Thesis

In this thesis the researcher attempts to build an understanding of how hotels utilize social media. More specifically, the research interest lies in the identification of opportunities social media offers the hotel industry and in finding out how different hotels make use of such opportunities. A comparison is made between hotel chains and boutique hotels. Furthermore, this thesis also seeks to find out whether any differences exist when such a comparison is made between chain hotels with different star levels, especially between the five-star and three-star category.

The thesis consists of two main parts. The first part will state the topic of this thesis and introduce some background that is necessary for understanding this research. In the second part of this thesis the researcher sought to find an answer to her research questions. A qualitative case study approach was selected in terms of research strategy.

2 Theory Background

2.1 Consumer Behavior

As defined by Solomon et al. (2010, p.27) consumer behavior is “the process involved when individuals or groups select, purchase, use or dispose of products, services, ideas, or experiences to satisfy needs and desires”. Clearly, this definition implies that consumer behavior goes far beyond the act of buying. This field of study is concerned with the whole process of consumption that not only involves the purchase itself, but also the processes involved when consumers choose, use and dispose not only tangible products but also those that are not tangible such as services, ideas and experiences.

Understanding the behavior of consumers is not an easy task. This is particularly due to the fact that “the answers are often locked deep within the consumer’s mind”... that ...“doesn’t work in a linear way” but rather is a “whirling, swirling, jumbled mass of neurons bouncing around, colliding and continuously creating new concepts and thoughts and relationships inside every single person’s brain all over the world” (Kotler and Armstrong, 2010, p. 160). Consequently there is no set of rules that can explain how decisions of consumers are made. This complexity notwithstanding this is what marketing managers strive to understand. The question marketers want to answer is “How do consumers respond to various marketing efforts the company might use?” (Kotler and Armstrong, 2010, p.160) In order to find the answer to that question marketers need to find out what is happening in a
consumer’s mind or the buyer’s black box as this is where a certain response to market stimuli is produced by the consumer (Kotler and Armstrong, 2010).

As summarized in Figure 1, the stimuli that enter the black box comprise the buyer’s environment that can be grouped into two categories: (1) marketing stimuli (product, price, place, and promotion) and (2) environmental forces and events (economic, technological, social, and cultural). The buyer’s response is what is produced after stimuli entered the buyer’s mind. These outcomes are observable variables and will tell the marketers how their customers feel about a company or brand as well as what and when, where and how often they buy (Kotler and Armstrong, 2010).

**Figure 1**  Model of Buyer Behavior

The buyer’s black box is composed of the buyer’s characteristics on the one hand and of the buyer’s decision process on the other. When making a purchase decision the consumer is highly influenced by certain buyer’s characteristics including cultural, social, personal and psychological factors (Kotler and Armstrong, 2010). The buyer’s decision making process can be grouped into five stages where (1) triggered by an internal (e.g. hunger or thirst) or external stimulus (e.g. advertisement or a recommendation by a friend), the consumer recognizes a need or problem. In order to satisfy a need or solve a problem the consumer will start to (2) search for information. Once the consumer has found sufficient information he or she will (3) evaluate available alternatives whereas the preferred alternative leads to (4) purchase. After purchase, follows (5) post-purchase behavior which is the relationship between the consumers’ expectations and the perceived performance of the product and is expressed in either satisfaction or dissatisfaction. The buying decision process therefore
starts before the actual purchase decision and continues even after the purchase (Kotler and Armstrong, 2010). The activities within the five-stage model can also be placed into a three-step process, namely: prepurchase stage, consumption stage and the postpurchase evaluation stage (Hoffman and Bateson, 2001).

Depending on the type of decision consumers will not necessarily go through all stages of the decision process as buyer’s decisions can vary greatly. The level of involvement will be different for different types of purchases. For some purchases the consumer will skip several stages and go right to the purchase decision and for others the decision-making situation will be complex and involve extensive information search and evaluation (Kotler and Armstrong, 2010).

According to Lamb et al. (2008) decision-making can be grouped into three broad categories (1) routine decision-making (2) limited decision-making, and (3) extensive decision-making. In which group a consumer places his or her purchase will depend on several factors. Especially the degree of involvement will have a strong influence. The degree of involvement is defined as “the amount of time and effort a buyer invests in a search, evaluation, and decision process of consumer behavior” (Lamb et al., 2008, p.173) and is connected to the experience a consumer has with a product or service and the risk the consumer perceives in purchasing a product or service. Consumer involvement will be lower the more experience the consumer has with the product or service and the less risk (e.g. financial risk) the consumer perceives with the purchase (Lamb et al., 2008).

Routine decision-making refers to frequently purchased products normally of low cost. Normally being a product of a familiar product category (e.g. shampoo), consumers associate no risk with the purchase and will usually stick with one brand. As consumers invest little time and search when making such purchases products and services in this category can also be called low-involvement products (Lamb et al., 2008). In a limited decision-making situation the consumer has previous product experience as well and normally a choice is made quickly as the risk perceived is low as well. In contrast to a routine decision the consumer has to choose between unfamiliar brands (if favored shampoo is sold out) and at this point he or she will engage in a search for alternatives. Search is only limited (Lamb et al., 2008). Lastly, extended decision-making is the most complex type of consumer buying decision and normally occurs in situations where the purchase is expensive and/or unfamiliar. Naturally, consumers will be highly involved in such a risky purchase and will invest more time and effort (Lamb et al., 2008).
2.2 Consumer Behavior in Tourism

As seen in Cooper et al. (2008) and Bowen and Clarke (2009) a number of models have been developed by several researchers with the attempt to better understand and explain consumers during their process of consumption. The model by Kotler and Armstrong (2010) which the researcher adopted at the beginning of this paper is based on those. As those models are numerous and have different schools and approaches they would cover a lot of ground. Therefore, the researcher will not give a comprehensive account of all models. Suffice it to say, that originally designed to explain the behavior of consumers during the purchase of tangible goods many of them, even the grand models that tried to explain the whole of the decision process, have been criticized, particularly by tourism marketers as they seem to be somewhat less than perfect to explain consumers’ behavior when it comes to the purchase of tourism products (Cooper et al., 2008).

All those grand models share several commonalities: (1) Fundamental to the model is that consumer behavior is a decision process; (2) Emphasis is put on the individual consumer rather than on the group; (3) They all consider that behavior is rational and can be explained; (4) Information search is a key component of the decision process as they view the consumer as an active information seeker; (5) Information taken in is being narrowed down to choose among alternatives; and (6) Post-purchase evaluation or past experience will affect future decisions (Cooper et al., 2008; Gilbert 1991, cited by Bowen and Clarke, 2009, and Martin et al., 2011). These theoretical models were designed a long time ago and are criticized as they lack empirical validity. How does for example the Internet and other technological developments affect those models? They also do not differentiate between how consumers react to different kinds of crisis (e.g. terrorism or natural disasters). They also do not consider that different countries are in different stages of development. Designed to understand the behavior of travelers from the Western developed perspective they may not be appropriate to explain the behavior of tourists from emerging markets such as China and India. In summary these models do not take into account that there are different markets with different consumers and that everything is subject to change or development (Swarbrooke and Horner, 1999, cited by Cooper et al., 2008). Although researchers interested in the field of tourism developed models that were specific to travel and tourism those models were still based on the classical models that see the consumer as a rational person who intensively searches for information. However, in most cases the consumer and especially the traveler as such, will not behave in a rational manner and some might not need much information to make a decision (Decrop, 1999, cited by Cooper, et al., 2008). However despite their drawbacks those models are still assisting marketers in
the process of understanding consumers (Swarbrooke and Horner, 1999, cited by Cooper et al., 2008).

2.3 The Tourism Product

The tourism product is rather a service than a tangible good (Reisinger, 2001). Based on a review of publications of several authors, according to Zeithaml et al. (1985), the most frequent listed features of services that distinguish them from goods are: (1) Intangibility; (2) Heterogeneity; (3) Inseparability; and (4) Perishability. The intangibility of a service refers to the services’ lack of physical attributes as it cannot be seen, tasted, felt or touched in the same way as tangible goods. The heterogeneity of services implies that services are characterized by a high degree of variability in performance. The way services are delivered may differ from producer to producer. Customers are not alike as well. It is also difficult for the tourism provider to offer the same level of service every time. The heterogeneity therefore highlights the lack of consistency in service delivery. Inseparability refers to the simultaneous production and consumption of services. Services are sold, produced, and consumed at the same time. The production of a service is therefore highly interactive. Perishability means that in contrast to a physical good, a service cannot be saved or stored for later use (Zeithaml et al., 1985).

As seen in Edvardsson et al. (2005) this concept of the unique characteristics of services has been criticized by pioneering scholars. Those critics claim that there are many services that don’t share these characteristics and that therefore a generalization cannot be justified. The heterogeneous character, for example, does not apply to all services as quality improvements and technological progress (internet services and other self-service technologies in particular) have actually standardized the production and delivery of services. Not necessarily are all services intangible either. A car rental service, for example, does include a tangible character - the car. As for perishability, the critics argue that some services can be stored away and delivered on demand. This is true for information based services that can be recorded and stored in electronic media, for example. Another example would be a new hairstyle. While it would change or perish in the course of time, it will not do so immediately and will be a physical attribute to the customer. Further, the consumption of the hairstyle starts when the customer leaves the hairdresser. Therefore, simultaneous production and consumption does not apply to all services either. Some services are produced independent of the customer or consumed without the provider being around. Other examples include car repair, cleaning services, maintenance, or information and financial services (Edvardsson et al., 2005; Lovelock, 2004; Goldkuhl &
Röstlinger, 2000). Nevertheless, these unique characteristics apply to most services and when developing strategies marketers need to consider them (Zeithaml et al., 1985; Lovelock, 2004).

As discussed above, a buying decision can be grouped into one of three categories: (1) routine decision-making (2) limited decision-making, and (3) extensive decision-making and depending on the degree of involvement on the part of the consumer a purchase will be placed into one of these categories (Lamb et al. 2008). Decision-making during the purchase of a tourism product will most likely be extensive as it is a high-involvement and high-risk product (Seaton and Bennett, 1996).

2.4 Tourist Information Search

Despite earlier mentioned criticism of behavioral models in that they overrate information search (Cooper et al., 2008), this stage in the decision process deals with perhaps the most important behavioral process regarding decision making (Hyde, 2008; Hwang et al., 2006; Gursoy, 2011; Jang, 2005; Graeupl, 2006). From the marketers’ point of view, understanding the search behavior of consumers is essential for developing successful strategies and campaigns, particularly as information search is one of the first steps consumers take in their decision making process. By observing consumers’ information search patterns, tailored offerings with effective communication campaigns can be developed that can help to influence the consumers’ decision making (Gursoy, 2011; Jang, 2005). More specifically, marketers want to find out why and where consumers search for information. They also need to understand what consumers are looking for and how search is undertaken by a consumer (Berkman et al., 1997).

Information search can be defined as “a stage of the decision making process in which consumers actively collect and utilize information from internal and/or external sources to make better purchase decisions” (Chiang et al., 2005, p.4) or “the motivated activation of knowledge stored in memory or acquisition of information from the environment” (Gursoy, 2011, p. 68). Both definitions imply that two different sources are available to the consumer to search for information. Information acquired from memory, commonly known as the internal information search and/or information acquired from the environment, where the consumer searches for information externally. The internal source for information search relates to the consumers knowledge and generally occurs prior to external information search. It includes the consumers personal experiences and the knowledge the consumer has acquired from past information search (Hwang et al., 2006; Gursoy, 2011). The key element of internal search is memory (Berkman et al., 1997). In a
consumer context, according to Wayne and McInnis (2008, p.171) consumer memory is “a vast personal storehouse of knowledge about products, services, shopping, excursions and consumption experiences” ... whereas “Retrieval is the process of remembering or accessing what we have stored in memory” (Wayne and McInnis, 2008, p.171). Memory therefore includes all information as well as feelings and experiences consumers have gathered and stored in the past and make use of when making a decision (Wayne and McInnis, 2008).

In many purchase situations, information recalled from memory can be sufficient as it is the case under low-involvement conditions such as for many habitual or limited purchases like breakfast cereals, soft drinks or bread (Berkman et al., 1997). However, for other purchases as it is the case in most travel purchases, the amount of information that can be retained from memory is not sufficient, and sometimes not available at all, and in order to take the right decision the consumer will start using additional information from external sources (Gursoy, 2011; Hwang et al., 2006).

Search can further be classified based on the stages of the purchase-decision process. In this sense, search can be grouped into: (1) pre-purchase search; (2) ongoing search; and (3) post-purchase search (Berkman et al. 1997). Generally it can be said that search is an ongoing activity happening before, during and after purchase (Berkman et al, 1997). Pre-purchase search can either occur purposefully or accidentally. Purposeful or directed information search is goal-oriented where the consumer has already made up his or her mind about the purchase and knows what he or she is looking for. In accidental search on the other hand, the consumer is not looking for anything in particular. Usually happening on a regular basis, the consumer rather passively notices a product or offer, such as an attractive store display for example. Another type of pre-purchase search would be browsing. Browsing is neither purposeful nor accidental and includes activities such as reading brochures, magazines and surfing the web which may eventually lead to purchase (Berkman et al, 1997). Post-purchase search occurs after a purchase has been made. Motivated by reasons such as simple interest or desired “positive reinforcement”, during this type of search the consumer evaluates the purchased product and / or seeks to find out if the choice made was good or not. Lastly, and as already noted, ongoing search occurs before, during and after purchase. During this type of search the consumer is simply observing the environment by being open to new information (Berkman et al., 1997).

A number of external information is available to the consumer. Likewise numerous are the strategies consumers chose when involved in the search process (Gursoy, 2011).
consumer search strategy can be defined as “the combination of information sources utilized by a traveler when planning travel” (Gursoy, 2011, p. 68). Three major theoretical streams in consumer behavior literature describing information search behavior are believed to have influenced the strategy consumers chose, namely (1) the economics perspective; (2) the psychological/motivational perspective; and (3) the consumer information processing perspective (Hwang et al. 2006, Xia and Monroe, 2005, Gursoy, 2011). An economic approach is based on the theory of economics of information where consumers are seen as perfect information processors. According to this perspective, consumers face a frequency distribution of prices offered by sellers. Having full knowledge about the distribution of prices, consumers will search for information until their marginal benefits obtained from search equals or exceeds the marginal cost of doing the search. Consequently, greater and longer information search will occur if greater benefits are expected from additional search (Xia and Monroe, 2005, Gursoy, 2011). The psychological perspective, on the other hand, doesn’t believe that consumers are perfect information processors. It rather recognizes that consumers’ capacity for processing information is limited (Xia and Monroe, 2005) and that their search activities will be influenced by a combination of individual factors such as motivation and involvement, believes and attitudes (Gursoy, 2011). Finally, the third approach, the consumer information processing perspective, assumes that search will most likely be influenced by memory and cognitive processing theory (Gursoy, 2011).

Considering that travelers are highly involved in the purchase of a tourism product, they are likely to use additional external sources for trip planning (Gursoy, 2011). In most cases they will undertake extensive information search to access accurate, reliable, timely and relevant information in order to reduce the risk of making the wrong decision (O’Connor, 1999). External information sources used often by travelers include (1) friends and family; (2) destination specific literature; (3) the media; and (4) travel consultants (Gursoy, 2011). According to Crotts (1999) travelers generally find commercial or marketing dominated sources of information to have the least influence on their decision-making. They will rather seek advice from friends and relatives. Such word of mouth is defined as ‘the communication between consumers about a product, service or a company in which the sources are considered independent of commercial influence’ (Litvin et al., 2008, p.3). The primary motive behind this communication is the wish to share experiences and opinions with each other. Because of its non-commercial interest word of mouth is perceived to be highly influential. Whereas favorable or positive word of mouth can direct consumers to
purchase, unfavorable or negative word of mouth has the opposite effect (Litvin et al. 2008). Additionally, or rather complementary, to this non-commercial personal source of information, unbiased information sources such as travel brochures or travel agents are seen as valuable sources of information as well by travelers (Crotts, 1999; Hyde, 2008). Although word of mouth is the preferred source of information in most situations, in others it is only of secondary importance. This will vary by factors such as purpose and or type of travel, stage of travel planning, stage of the journey, characteristics of the journey and characteristics of the traveler (Hyde, 2008). For routine travel or trips to familiar places travelers often rely on personal experience and advice from friends. However, for travel to unfamiliar places and/or faraway destinations travelers are more likely to use destination specific literature rather than word of mouth (Hyde, 2008).

2.5 The Impact of Information and Communication Technologies on Tourism

There is no doubt about the impact technology and its incredible development during the past few decades has made on human lives in developed nations. Making our lives easier, safer, and more comfortable in many ways, imagining a life without technology is indeed hard (Mitchell, 2010). The tourism industry is no exception. Being an information-rich industry (Zhou, 2004), information and communication technologies most notably the advent of the Internet in the 1990s, impacted the sector greatly (Buhalis, 2003, O’Connor, 1999). Information and communication technologies can be defined as “the entire range of electronic tools that facilitate the operational and strategic management of organizations by enabling them to manage their information, functions and processes as well as to communicate interactively with their stakeholders, enabling them to achieve their mission and objectives” (Buhalis 2003, p.7).

According to Gretzel and Fesenmaier (2009) tourism is reported to be one of the most important sectors that make use of Internet technology. Representing the pioneers of technological applications in tourism, technologies such as the central reservation systems and global distribution systems attributed enormously to the development and growth of the industry. Improvements in technologies led what would become the Internet (Gretzel and Fesenmaier, 2009) and with the continuous advancements of the World Wide Web the tourism industry has been revolutionized (Buhalis, 2003). Enhancements in technology have enabled great improvements concerning organizational performance. Enterprises are now able to manage their operations and resources more “efficiently and effectively”...“increase their productivity”...“expand geographically and coordinate their activities regionally,
nationally and globally” (Buhalis, 2003, p.6). Especially communication and interactivity with customers, suppliers and other stakeholders has been improved. Enhancements in technology have therefore enabled great improvements concerning organizational performance which in turn had a great impact on the organization’s competitiveness (Buhalis, 2003). This is only a small fraction of how important technologies have become to the tourism industry. The sector has been affected greatly which led to “fundamental changes in the industry structures and traveler behaviors” (Gretzel and Fesenmaier, 2009, p. 559). The extent to which such technologies have impacted the way travelers “search for, purchase, consume, and remember tourism experiences” (Bidgoli, 2004, p. 468) as well as the way how they communicate with each other (Gretzel and Yoo, 2007) is immense (Bidgoli, 2004).

2.6 Information Technologies During the Process of Consumption

Being looked at as the ‘all-knowing information source’ (Graeupl, 2006), the Internet has become a very important channel to search for information for many travelers (Gursoy and McCleary, 2004; Pan and Fesenmaier, 2006), and along with the development of information technologies, consumers even more prefer the Internet as an information source for trip planning (Pan and Fesenmaier, 2003). Finding information online is of advantage and relevant particularly in the tourism industry as travelers can access vast amounts of information and resources and purchase remote tourism products instantly, globally and on a 24/7 basis (Graeupl, 2006; Buhalis and Law, 2008). Another advantage of the Internet is that travelers are able to engage directly with suppliers, which among other things, enables them to customize their products to a great degree (Tjostheim et al., 2007; Buhalis and Law, 2008). Internet technologies also offer a great level of transparency as travelers are able to search for the best available deal and make informed comparisons (Buhalis and Law; 2008). However, the Internet serves travelers in many other ways than just as a tool to access and search for trip related information or as a tool to communicate with suppliers and purchase travel products. While the Internet certainly is a powerful tool for the purposes mentioned above, these are only some of many reasons why travelers use the Internet. Gretzel et al. (2006) propose to group the traveler’s consumption process into three stages: (1) pre-consumption; (2) consumption; and (3) post-consumption. As can be seen in Figure 2, at each stage of the consumption process, internet technology is used by travelers for different purposes (Gretzel and Fesenmaier, 2009). In the pre-consumption stage, apart from searching for trip-related information the traveler additionally uses internet technologies to formulate expectations, to make decisions, as a tool for
transactions as well as for anticipation (Gretzel and Fesenmaier, 2009). In the consumption stage the traveler uses internet technologies for connection, navigation, obtaining information about the specific place, and on-site transaction. In the post-consumption stage, on the other hand, information technologies are less used for obtaining information but rather for storing and documenting and re-experiencing. At this stage travelers may want to establish relationships with places, attractions as well as with tourism and/or service providers. Finally, after the tourism experience travelers also want to share and relieve their experiences (Gretzel & Fesenmaier, 2009).

**Figure 2** Communication and Information Needs in the Three Stages of Consumption

The Internet therefore supports travelers during their entire consumption process and during each stage it serves them for different purposes. Using the Internet in such ways where travelers apart from obtaining information can also connect and share information and experiences with others would have not been possible without the development of the Internet. Improvements of the Web led to what is known as social media which completely changed how travelers use the Internet. Therefore in the following chapter the researcher will try to give an understanding of what social media is and why and how it is used by travelers during their process of consumption.

### 2.7 Social Media

#### 2.7.1 Defining Social Media

Social media is a very broad term and no universal definition among scholars and researchers exists. A commonly accepted definition of social media seems to be difficult particularly due to the existence of other concepts that came along with social media, i.e. Web 2.0 or User Generated Content. Being closely related but not exactly synonymous a distinction between all these new concepts and terms often seems to be difficult, to the extent of being used interchangeably (Safko and Brake, 2009; Morgado, 2011; Kaplan and Haenlein, 2010). Therefore, a definition of some key concepts seems reasonable.
Based on the literature review it can be argued that the essential element of social media is the concept of Web 2.0. A good way to grasp the meaning of Web 2.0 would be by comparing it to Web 1.0. Web 1.0 describes the Web as it was introduced in the late 1970s. This original form of the World Wide Web has been subject to drastic developments throughout the years which now is commonly referred to as Web 2.0 (West and Turner, 2008). Prior to its advancements, information on the Web was available only in simple static form to the user. Most of the information provided on the Web pages was information companies put online. The amount of those who published content was relatively small and users of the Internet were only able to consume what was put on the Web, which other than being online, very much resembled traditional published material (Agichtein et al., 2008). The main difference to the Web nowadays is that the new Web services “empower the user to contribute to developing, rating, collaborating on and distributing Internet content and customizing Internet applications” (Vickery and Wunsch-Vincent, 2007, p.4). This means that today content can be created by all users – any participant of the Internet can create content (Agichtein et al., 2008; Cormode and Krishnamurthy, 2008). Further, Web 2.0 enables a more personalized, communicative form of the Internet that puts emphasis on the active participation among users (McLoughlin and Lee, 2007). And lastly, when compared to Web 1.0, Web 2.0 is also more flexible in that it enables “collaborative remixability” meaning that information and media shared by individuals can be “recombined and built on to create new forms” (McLoughlin and Lee, 2007, p. 665). In summary, the new generation of the Internet can be described as “the network as a platform, spanning all connected devices; Web 2.0 applications are those that make the most of the intrinsic advantages of that platform: delivering software as a continually-updated service that gets better the more people use it, consuming and remixing data from multiple sources, including individual users, while providing their own data and services in a form that allows remixing by others, creating network effects through an architecture of participation and going beyond the page metaphor of Web 1.0 to deliver rich user experience” (O’Reilly, 2005).

As noted above, Web 2.0 “empowers the user to contribute to developing Internet content” (Vickery and Wunsch-Vincent, 2007, p.4). This content is defined as user-generated content and can be described as all the different forms people can make use of social media (Kaplan and Haenlein, 2010). Once again, there is no commonly accepted definition of user-generated content. According to Vickery and Wunsch-Vincent (2007, p.4) user-generated content can be defined as the “content made publicly available over the Internet, which reflects a certain amount of creative effort and is created outside of professional routines
and practices'. This definition implies that user-generated content has to fulfill certain requirements in order to be thought of as such. Vickery and Wunsch Vincent (2007) stress the following three characteristics that are central to user-generated content: Firstly, content created must be published in some context (i.e. on a publicly accessible website or on a social networking site). Secondly, the content published has to contain a certain amount of creative effort. There is no defined minimum amount of creative effort. Creative effort refers to the requirement that users have to add their own value to the content published. Thus, copying and pasting content is not considered as user-generated content. Lastly, user-generated content is created by end-users rather than professionals (Vickery and Wunsch-Vincent, 2007).

While Web 2.0 represents a new generation of the Web, Social media refers to the use of its software tools (Kaplan and Haenlein, 2010) through which users are empowered to “contribute and develop content” (Vickery Wunsch-Vincent (2007).

2.7.2 Motivation to Create Content and to Engage in Social Media

People are motivated to use and engage in social media for several reasons (Safko, 2010). Many studies have applied the theory of uses and gratifications to explain the reasons for the use of social media (i.e. Ruggiero, 2000; Cho et al., 2003; Filho and Tan, 2009; Muntinga et al., 2010). The uses and gratifications approach seems to be applicable for analyzing people’s use of social media as the approach is particularly appropriate for examining the usage of new types of media such as the Internet (Muntinga et al., 2010). Central to this theory is that the effects of media are examined from the viewpoint of individual users who are actively involved in the media consumption process and will chose and use the media that best fulfill their inner desires, needs or wants (Muntinga et al., 2010). According to Muntinga et al. (2010) motivations for social media use can be classified into six categories, namely (1) Information, (2) Personal identity (3) Integration and social interaction, (4) Entertainment, (5) Remuneration, and (6) Empowerment. The information motivation type comprises all media associated with information. There are three forms of information seeking: (a) surveillance (“what is happening in someone’s direct daily environment”), (b) knowledge (“seeking advice and opinions and satisfying curiosity and interest”), and (c) pre-purchase information (“risk reduction through gaining pre-purchase information”). Personal identity refers to the motivation to (a) express oneself, and/or (b) present oneself, and/or (c) self-assurance. Motivation in integration and social interaction can be expressed through (a) conversation and social interaction, (b) seeking for advice and support and helping others, and (c) identification with others and belonging to a group. Entertainment is sought for reasons such as (a) pleasure / enjoyment, (b) relaxation, (c) escapism (“escaping
reality”) and (d) pastime (“escaping boredom and facilitates passing time”). Remuneration
relates to rewards or benefits people expect if they engage in social media, while
empowerment refers to the power or the influence people have on others if they use social
media which is the case in writing online consumer reviews, for example (Muntinga et al.,
2010).

Several of these motivational factors have been identified by tourism researchers as well.
Wang and Fesenmaier (2003), for example, investigated the motivational factors of
travelers to generate content in online communities and found out that particularly helping
others, sharing enjoyment and seeking/providing advice are major factors that affect
tavelers to make contributions in communities. Daugherty et al. (2010) investigated the
attitudinal factors that motivate users to create content. They found out that particularly
ego-defensive and social functional sources serve as motivators to engage in creating
content. Users, thus, create content because they wish to spend time with others as they
feel a sense of belonging and are also interested to reduce self-doubts and would feel guilty
about not contributing. Murphy et al. (2010) investigated young traveler’s motivations to
share online. The results of this study showed that young travelers post content primarily
because they want to: (1) “share experience with friends”, (2) “express their satisfaction
with trip”, and (3) “promote their experience”; “reflect relief experience”.

2.7.3 Social Media Platforms
This chapter of the thesis defines some basic social media types including blogs, twitter,
social networking sites, review and rating sites and online communities.

Blog: Representing the earliest form of social media (Kaplan and Haenlein, 2010), “a blog,
or weblog, is a user created website in reverse-chronological order” where “entries may
contain text, links to other websites, and images or other media ... which makes a blog an
interactive medium” (Breslin et al., 2009, p.76). As the above definition implies, a blog can
take many forms and people blog for many reasons. In text, audio, images or a combination
of those, users of the Internet increasingly use blogs as personal journeys motivated to
express their thoughts and opinions and to interact with others. (Breslin et al, 2009).
Although writing personal journeys may be the primarily reasons users write blogs, they
also serve users as a medium to provide news and opinions on several topics (Breslin et al.,
2009). According to Puschmann (2010) there are two approaches bloggers use to write:
ego blogging and topic blogging. Whereas ego blogging focuses on the internal world of the
blogger, such as his thoughts, experiences, daily life and emotions, in topic blogging focus is
on the external world, including topics such as entertainment, politics, business, religion,
and work. In a tourism related context these personal entries are created by travelers and provide personal thoughts, experiences and recommendations about travel stories (Puschmann, 2010). For tourism enterprises blogs represent a way to market their products or services. Blogs can be used to enhance brand awareness and can also be effective for acquiring customers. By inviting or encouraging customers to engage in blogs, blogs can further be used for customer service and reputation management (Akehurst, 2009).

**Microblog / Twitter:** Microblogs can be seen as a combination of blogging, instant messaging and status updates (Breslin et al. 2009). Opposed to blogs entries, microblog entries (also known as 'tweets') are much shorter in length (usually limited to 140 characters) and focus on real-time information that can be published by various communication channels such as e-mail, mobile phones or the Web (Breslin et al., 2009). Being much shorter than blog posts and being updated much faster, post on a microblog often discuss a wider range of topics and allow a simple and flexible back-and-forth communication between users which makes microblogs very interactive (Breslin et al., 2009). As in blogs, followers of a microblog may subscribe and find out about what others post. The difference is that in microblogs often real-time information is posted. This information is often interesting or useful to followers as it allows them to find out what is happening at a particular point in time - in someone else's life as well as in regards to any other topic of interest (Breslin et al., 2009).

**Social Networking Sites:** Boyd and Ellison (2007) define social network sites as “web-based services that allow individuals to (1) construct a public or semi-public profile within a bounded system, (2) articulate a list of other users with whom they share a connection, and (3) view and traverse their list of connections and those made by others within the system”. In social networking sites focus is put on the users by enabling them to create personal profiles including information such as photos, video and audio files (Kaplan and Haenlein, 2010). Users can connect with friends and colleagues, have access to profiles, and exchange messages with each other. Examples of social networking sites include Facebook, MySpace, LinkedIn and XING (Kaplan and Haenlein, 2010). Among all social networks Facebook is by far the most popular social network. According to Facebook's statistics the network has more than 800 million active users around the world of which 50 percent are active users who log on to Facebook in any given day.

**Online Communities:** While social networking sites focus on the individual users and their relationships to other users in online communities focus is put on the group of users in the network and their interests and values (Tharon, 2010). According to Preece (2000, p.10)
“An online community consists of: People, who interact socially as they strive to satisfy their own needs or perform special roles; a shared purpose, such as interest, need, information exchange, or service that provides a reason for the community; Policies, in the form of tactic assumptions, rituals, protocols, rules, and laws that guide people’s interactions; Computer systems, to support and mediate social interaction and facilitate a sense of togetherness”

Review and Rating sites: Online consumer review and rating sites are Web sites that allow consumers to independently search for and share opinions about various products and services (Yoo and Gretzel 2009), and it can be argued that this form of user generated content is the most accessible and prevalent form of Electronic word of mouth (Yoo and Gretzel, 2009). Consumers are increasingly influenced by such Web sites during their purchase decision process (Gretzel and Yoo, 2008). According to a survey conducted by Cone (2011), among 1054 representatives 18 years of age and older, the majority of consumers (85 percent) are more likely to make a purchase if they find recommendations about them online. Further, the majority of consumers (87 percent) is being influenced by positive reviews as they reinforce their purchase decision, while for most (80 percent) negative reviews were a reason to change their mind about purchasing a product based on negative information fund online. The influence of such electronic word of mouth seems to be greater the greater the uncertainty and risk associated with the purchase which is often the case when purchasing tourism products (Gretzel and Yoo, 2008).

Opinions and recommendations of others give travelers the opportunity to indirectly experience the unfamiliar product (Yoo and Gretzel, 2009). Gretzel and Yoo (2007) conducted a survey focused on the prominent travel review site tripadvisor.com. Their aim was to find out how reviews of other travelers influence the trip planning process. They found out that the use of online reviews varies over the stages of the planning process. Other travelers’ reviews are used particularly during the early stages of the travel planning process, the pre-purchase phase. While they are used for inspiration in the very early stage of the process, reviews are useful to travelers during the decision process as it helps them to narrow down choices. Only a few use reviews during the trip, however. Reviews gain importance again only after the trip was made (in the post-consumption phase), where travelers share opinions and experiences. According to this survey, particularly reviews on accommodation (“where to stay”) seem to be very important. Similarly, Sidali et al. (2009) observed that reviews are viewed as very important by travelers when it comes to accommodation as the majority of travelers prefer those accommodations that are promoted by online reviews.
Online consumer reviews are being perceived as less trustworthy than traditional word-of-mouth, however (Yoo et al., 2009). Nevertheless, online reviews are viewed by consumers as a very reliable information source (Sidali et al., 2009) as they are written from the consumer’s perspective (Yoo and Gretzel, 2009). This is why they are being viewed as more objective and credible than other non-personal information sources such as advertising or marketing (Yoo and Gretzel, 2009).

### 2.7.4 Social Media Opportunities

Companies can benefit from social media for many reasons. First and foremost, social media is of low cost and has a global reach. Compared to traditional advertising that often requires a big budget (e.g. space fee) the only cost companies need to invest for promoting through social media channels is to invest time to keep a site running (Masterson and Tribby, 2008). Furthermore, social media offers companies, especially small and medium sized companies (Kaplan and Haenlein, 2010), a great opportunity to reach out and talk to their current and potential customers who increasingly expect to find their brands online (O’Connor, 2010). Furthermore, participating in several social media channels can help organizations to increase their visibility (Aggarwal, 2010).

On another level social media has put the consumer in charge. It is open to everyone and everyone has the opportunity to voice their opinions and views (Evans and McKee, 2010). Companies can no longer control consumers by sending them a one-way message. Social media involves a two-way relationship where consumers talk to companies and among each other in order to get a real view about products, services, and brands (Evans and McKee, 2010). On the social web consumers have the opportunity to talk to each other and increasingly they seek to find out about second opinions, experiences and views about services and products (Evans and McKee, 2010). For many companies this may be difficult to accept as this can greatly influence how a firm’s campaign or message is perceived by an audience. Consumers may not support it and create another message that can be the opposite making the efforts, time as well as the money invested seem all in vain. However, as much as companies would like to control what is being said about them in most cases they cannot control it. Therefore companies need to find ways to address this (Evans and McKee, 2010). By integrating such trustworthy online word of mouth in their social media strategy hotels can support their customers to reduce perceived risk in their early stage of the decision-making process and offer them a way to share their experiences after their trip (Murphy et al., 2010). Similarly, Anil Aggarwal (2011), CEO of Milestone Internet Marketing, suggests that hotels should encourage their guests to leave more reviews on different
social media platforms. The fact that dissatisfied customers with a bad experience are more likely to share it with others than customers who had a good experience, hotels should use this opportunity to increase the amount of positive word of mouth and promote their business. Hotels should not fear the presence of bad reviews (Aggarwal, 2011). While responding to a good review can strengthen the customer’s loyalty to a brand, responding to a bad review can show customers that their concern is being acknowledged and taken care of. In the end the hotel might even be able to convert an angry guest into a loyal customer. Thus, integrating such systems gives hotels also the opportunity to build a loyal customer base (Aggarwal, 2011). Lastly, social media offers companies the opportunity to engage with their customers and create a dialogue and a relationship with them (Evans and McKee, 2010). Once a company has created an account on a social media platform, it has the opportunity to interact with customers by producing content (O’Connor, 2010). Generally, consumers will be skeptical towards overtly commercial content or messages. Rather, content should be relevant and engaging and foster dialog between the brand and the consumer (O’Connor, 2010). Suggestions in doing include offering insider tips, local weather or restaurant suggestions. Probably any recommendation about events in a city will appeal to travelers. Challenging users to take a quiz and poll (Withiam, 2010) or the application of activities such open-ended questions or fill-in the blank posts can also help heighten interaction (HeBS, 2011). There are several features and affordances of social media that can help a brand to invite interaction and engagement. Brands can make use of various design features that can make a page more appealing and engage users more to a page, for example (Withiam, 2010).
3 Methodology

3.1 The Purpose of the Research

In this thesis the researcher attempted to build an understanding of how hotels utilize Social media. More specifically, the researcher’s interest lies in the identification of opportunities social media offers the hotel industry and in finding out how different hotels make use of such opportunities. A comparison is made between hotel chains and boutique hotels. Furthermore, this thesis also seeks to find out whether any differences exist when such a comparison is made between chain hotels with different star levels, especially between the five-star and three-star category.

3.2 Research Approach and Strategy

A general distinction is made between qualitative and quantitative research. The researcher can select either one of the two or both. As seen in Rubin and Babbie (2010) quantitative research includes methods such as experiments or surveys that aim to “emphasize the production of precise and generalizable statistical findings” (Rubin and Babbie, p.67). A qualitative research approach on the other hand, employs “methods that emphasize depth of understanding and the deeper meanings of human experience, and that aim to generate theoretically richer, albeit more tentative, observations” (Rubin and Babbie, p.627). Commonly used types of qualitative methods include case studies, participating observation, interviews or focus groups. Each method has its weaknesses and limits and no perfect research method exists. Therefore it is generally advisable to use multiple methods by for example combining a qualitative case study with a quantitative survey (Rubin and Babbie, 2010).

3.3 Data Collection

According to Myers (2008) data can be collected through primary or secondary sources. In the former case a researcher is involved in the collection of “those data which are unpublished and which the researcher has gathered directly from the people or organization” (Myers, p.122) and include activities such as field work or interviews. Secondary data, on the other hand, refer to data that already exist somewhere and include data from sources such as journal or newspaper articles or published books (Myers, 2008). The researcher should use as many data sources as possible (e.g. using primary and secondary data) as this will make a research more powerful (Myers, 2008).
3.4 Field Phase for the Study

In this thesis a qualitative case study approach was selected as it seemed to be the most appropriate approach for this study. According to Yin (2003) a case study is appropriate in situations where the researcher seeks to answer “who”, “what”, “where”, “how” and “why” questions (Yin, 2003, p.5). A case study is a particularly suitable approach if “a ‘how’ or ‘why’ question is being asked about a contemporary set of events, over which the investigator has little or no control” (Yin, 2003, p.9). All three criteria apply to this study. The researcher’s question for this study was a “how” question, namely: “How do hotels use social media?” Considering that social media is a contemporary event and that the researcher could not manipulate the behavior of those involved in the study, a case study seems to be the right choice made in terms of research strategy.

Yin (2003) suggests that the researcher should define what he or she wants to analyze as a case study can come in different forms. A general distinction is being made between a single and a multiple case study. While a single-case study involves only one case a multiple case study features two or more cases. If the choice is made to apply a multiple case study then the cases of the study should either predict similar results or contrasting results as comparisons are being made (Yin, 2003).

This thesis’ study is an example of a multiple case study as proposed by Yin (2003). The case consists of multiple cases representing different hotel categories. Each case of the case study is treated separately meaning that each hotel is as a single unit and will be analyzed as such. Furthermore, the cases have their unique characters as they represent different kinds (chain vs. boutique) and different categories (five-star vs. and three-star) of hotels.

According to Yin (2003), optimally a case study should include propositions. Propositions are helpful because they serve the researcher as a guide and set boundaries as “without propositions an investigator might be tempted to cover ‘everything’ which is impossible to do...and...the more a study contains specific propositions, the more it will stay within feasible limits” (Yin, 2003, p.23). Propositions should be based on existing theories or literature but can also be based on the researcher’s personal/professional experience (Baxter and Jack, 2008).

The proposition of this case study is that a comparison of a hotel chain and a boutique hotel will show contrasting results. More specifically, the researcher’s proposition for this study is: “Independent boutique hotels exploit the opportunities of social media better than chain hotels in that they better interact and engage with their customers”.

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The researcher’s proposition that hotel chains don’t exploit social media effectively is based on research by O’Connor (2010) where he investigated the social media adoption of internationally run chain hotels. The sample of his study consisted of top 50 international hotel brands. His study’s findings showed that although several companies are present on social media channels only a few understand how to use the opportunity social media offers which is to reach out and engage with their customers (O’Connor, 2010). Based on four criteria O’Connor (2010) analyzed each hotel’s ability to take advantage of the opportunities above. Those criteria are: presence, visibility, activity and engagement. According to O’Connor (2010) being available and present in social media is the first necessary step a brand needs to take if it wishes to be successful in social media. Communication can only take place if customers are able to find a brand online and vice versa. Furthermore, such presence can improve brand awareness and visibility which can be increased through the acquisition of fans, followers and/or subscribers. Being a network, social media offers a great opportunity to do so in large numbers as each fan, follower or subscriber can influence his or her own network circle by encouraging other people to befriend or follow a company for example. Such a network effect can improve a brands online visibility greatly (O’Connor, 2010). Once a brand has an online presence the next step is to actively interact with customers. Activity in social media can be achieved by sharing content on social media channels a brand is present on such as Facebook, Twitter, YouTube, Flick, etc (O’Connor, 2010). Lastly, a brand needs to engage with its audience (O’Connor, 2010). Engagement can be achieved if shared content resonances with the audience. Interesting and relevant content will help a brand to create a relationship with its customers (O’Connor, 2010).

The researcher’s proposition that boutique hotels may be better at exploiting social media is based on conversations the researcher had with people from the industry. For example, in a discussion with a manager of an independent hotel she found out that social media definitely is an important part of the company’s strategy. This hotel indeed is using one channel to its fullest and making the best of it. At another occasion the researcher had the opportunity to talk to management of a chain that operates budget hotels in Vienna. In this conversation she found out that that the attitude of the manager towards social media is very reluctant. As it turned out, this is because it is impossible to manage the presence of each individual property of a chain and therefore no special social media strategies exist. Furthermore, this manager felt that social media (especially Facebook) is just another popular fad that will go away. Another interesting point is that when the manager was
asked what his opinion is when it comes to reviews, the answer was that he does not trust reviews as they can easily be manipulated by a third party.

The proposition is also based on the researcher’s own professional experience. She had the opportunity to work in an independent hotel where among other things she was also responsible for online marketing activities which included social media marketing. The researcher enjoyed a great deal of freedom in that there were no rules and regulations she had to comply with.

Considering that a hotel chain may have some restrictions in terms of freedom to use social media the opposite may be the case for a boutique hotel. The researcher’s proposition or assumption, or speculation is that although all have the same chances or opportunities that the boutique hotel does a better job. Therefore the researcher chose some exemplary cases within this category. However, the cases within the other category are also nice examples (in comparison to others of this category). As in the end no one is at disadvantage in social media. Everyone can use it just depends how they do it.

In this thesis the researcher used secondary data collected through search on the hotel’s homepage and, so far available, on their social media channels.

### 3.5 Analysis

This study is conducted with the attempt to find out how different kinds of hotels make use of opportunities social media offers. A case study approach was selected. The case consists of five hotels of different kinds and categories: two five star chain hotels, one three star chain run hotel, and two independently run boutique hotels. On the one hand, the researcher has an interest in finding out the differences in social media usage between chain run and independently run boutique hotels. On the other hand, this thesis also seeks to find out into if any differences exist when comparing chain hotels of different star levels. The hotels were analyzed in terms of their ability to make use of the opportunities social media offers. As discussed in chapter 2.7.4 these can be summarized as follows:

- Social media offers a company the opportunity to reach out and talk to its current and potential customers (O’Connor, 2010).
- Participating in several social media channels can help organizations to increase their online visibility (Aggarwal, 2010).
- Social media offers companies the opportunity to engage with their customers and create a dialogue and a relationship with them (Evans and McKee, 2010).
Social media offers the opportunity to increase the amount of positive word of mouth and to build a loyal customer base (Aggarwal, 2011).

In order to find out how well a hotel makes use of these opportunities the analysis was into two components consisting of certain criteria by which each hotel’s performance was analyzed. The analysis criteria are based on the study of O’Connor (2010) mentioned in the previous chapter where he assessed a brands usage of social media on four levels namely: presence, visibility, activity and engagement. The analysis criteria of this thesis are based on these criteria. O’Connor’s (2010) approach is not adopted one-to-one in this research. His criteria rather served as a guide. The criteria that fit the best for this thesis were adopted. Other criteria used for this study are based on literature from chapter 2.4.7. In the following the analysis criteria of this research are discussed.

a) Presence and Visibility

In order to successfully communicate with its current and potential customers online a hotel needs to, first and foremost, participate in social media. Communication is only possible if customers can find a brand online and vice versa (O’Connor, 2010). Furthermore, through participating in several social media channels a hotel can increase its online visibility (Aggarwal, 2010). Therefore, the first step was to find out on which social media platforms a hotel has an official account. The researcher did not analyze a hotel’s presence by going through each and every social media channel there is but rather used the hotel’s official homepage as a reference. In consideration of the importance of traveler’s reviews the criterion presence also investigates if the hotels integrated any review sites on their homepage and/or on any social media channel the hotel is present on (e.g. integrating a tripadvisor link on homepage and/or Facebook).

b) Content and Engagement

Once an account on a channel has been created a company needs to interact with customers by producing content. Generally, consumers will be skeptical towards overtly commercial content or messages. Rather, content should be relevant and engaging and foster dialog between the brand and the consumer (O’Connor, 2010). There are many ways how a hotel can foster engagement in social media. Suggestions include offering insider tips, information on local weather or restaurant suggestions. Challenging users to take a quiz (Withiam, 2010) or the application of activities such as open-ended questions or fill-in the blank posts can also help heighten interaction (HeBS, 2011). Lastly, brands can also make use of various design features that can make a page more appealing and engage users more to a page (Withiam, 2010).
3.5.1 Case 1 - Sofitel Vienna Stephansdom

The Sofitel Vienna Stephansdom is a chain of luxurious 5-star Sofitel hotels that belong to the French hotel corporation Accor (http://www.accor.com/en/brands/brand-portfolio/sofitel.html. Retrieved 01/03/2012). The homepage of the hotel features Facebook. By clicking on the icon, visitors will be directed to the official Facebook fan page (see Figure 3).

**Figure 3** Screenshot of Sofitel Vienna Stephansdom Home Page

[Image]

Retrieved 01/03/2012

Aside from familiar standard features (wall, info, and photos), the Facebook fan page (see Figure 4) also includes other applications and tools that allow a brand to creatively enhance and customize their presence on the social network. A booking widget, for example, allows users to search for and book Sofitel hotels worldwide. The restaurant/bar and the spa of the hotel have their own section on the navigation bar and a tab “Work for us” serves as a recruiting tool that lists all open positions the hotel has to offer. Overall, the hotel makes nice use of multimedia content as most sections on the page include images or video. The majority of wall posts consist of image and video, for example.
Posts on the Facebook Timeline are updated on a regular basis and consists of information about the facilities of the hotel (e.g. restaurant, spa), events that took place at the hotel, or recommendations on events friends and/or visitors of the page could attend in Vienna. Although most entries are those of the hotel, here and there a guest review could be observed. The majority of photos posted on the wall as well as photos available in their respective albums include the photos of the hotel and its facilities. Although brand-centric photos prevail the fan page also features photos of in-company events (e.g. a sport day of employees).

3.5.2 Case 2 - Vienna Marriott Hotel

Hotel Vienna Marriott is a chain of the 5-star brand Marriot Hotels and Resorts forming a part of Marriot International that operates and franchises hotels of different categories all over the world (http://www.marriott.com/marriott-hotels-resorts/travel.mi. Retrieved 01/03/2012). The homepage of the hotel features a Facebook “Like” button. The homepage does not feature any other social media platforms (see Figure 5). By clicking on “Like” The users will not be directed to the official Facebook page of the hotel. In order to find the official fan page the user needs to search for it via a search engine or directly on Facebook. Other than Facebook’s standard features Vienna Marriott’s fan page includes a tab labeled ‘book now’ that redirects users to a search tool for all Marriott properties worldwide. No other customized tab is used by the hotel (see Figure 6).
The Facebook fan page of the Vienna Marriott features more than 90 photos in separate albums, including professional photos of the hotel (lobby, rooms, health club, restaurants, bars, etc.) as well photos of employees and events employees participated in (e.g. business run, housekeeping staff). Wall posts comprise content the company shared with its audience. Posts are continually updated and are company-centric. No special strategy is implemented in order to engage fans as questions, quizzes, etc. This might explain why fans’ reaction to posts is relatively low.

Retrieved 01/03/2012
3.5.3 Case 3 – Boutique Hotel Stadthalle

The boutique hotel Stadthalle is a unique and stylish zero-energy hotel (http://www.hotelstadthalle.at/). Retrieved 01/03/2012. On the homepage of the hotel users can access numerous social media channels, such as Facebook, YouTube, and review sites including HolidayCheck, booking.com and TripAdvisor.com (see Figure 7).

Figure 7 Screenshot of Boutique Hotel Stadthalle Home Page

Source: http://www.hotelstadthalle.at/en Retrieved 01/03/2012

The Facebook fan page offers its visitors a well-designed landing page including a booking widget that allows customers to book a hotel room directly from Facebook as well as links to TripAdvisor and booking.com (see Figure 8).

Figure 8 Screenshot of Boutique Hotel Stadthalle Facebook Fan Page

Source: https://www.facebook.com/Boutiquehotel.Stadthalle?sk=app_6009294086 Retrieved 01/03/2012
The fan page features a total of 219 images and 21 videos of which 18 are available on the official YouTube channel of the hotel (see Figure 9).

**Figure 9**  
Screenshot of Boutique Hotel Stadthalle YouTube Channel

Source: [http://www.youtube.com/user/hotelstadthalle?feature=watch&hl=en](http://www.youtube.com/user/hotelstadthalle?feature=watch&hl=en)  
Retrieved 01/03/2012

As far as activity and engagement are concerned, the Facebook fan page is updated regularly and the majority of content is informative and entertaining and posts are generally being commented on or liked or both. Content is often accompanied by images including recommendations on upcoming events and/or entertainment. Many posts also include company insights such as pictures of employees or employee excursions. The sharing of guest book entries adds to engagement as well. Wall posts also resonate with the hotels theme which is environmental awareness. As can be seen in Figure 7, the website also features a company blog where visitors are informed about upcoming events and activities as well as information about renewable energy and the environment.
3.5.4 Case 4 – Boutique Hotel Altstadt Vienna

As can be seen in Figure 10, visitors of the homepage of the boutique hotel Altstadt are offered the opportunity to tweet and like the page. The website also invited users to visit the official Facebook fan page of the hotel. An own review section is available on the website that offers the visitor the opportunity to read and write about the hotel.

Figure 10 Screenshot of Hotel Altstadt Vienna Home Page


The German version of the homepage also features an icon that directs users to the official Flick account of the hotel (see Figure 11).

Figure 11 Screenshot of Hotel Altstadt Vienna Flick Page

On their Facebook fan page the boutique hotel Altstadt doesn’t make use of additional, customized applications or tools (see Figure 12). The Facebook wall is very active as both the hotel as well as fans regularly post content. The hotel is keeping their fans informed about company news or events the employees participated in. Fans like to post comments about their experiences at the Altstadt. Those comments are being replied by the hotel. Employees are involved in posting content too. The available albums include photos of the hotel as well as numerous behind-the-scene photos.

**Figure 12** Screenshot of Hotel Altstadt Vienna Facebook Fan Page

Source: [https://www.facebook.com/Altstadt.Vienna](https://www.facebook.com/Altstadt.Vienna) Retrieved 01/03/2012
3.5.5 Case 5 - Ibis Hotel Vienna Schoenbrunnerstrasse

The Ibis Hotel Vienna Schoenbrunnerstrasse, the economy hotel brand of the Accor group (http://www.accor.com/en/brands/brand-portfolio/ibis.html, Retrieved 01/03/2012), features tripadvisor and Facebook (see Figure 13). Similarly to Hotel Marriot Vienna, the user can only click ‘Like’ button and will not be directed to the fan page. Moreover, the fan page of Ibis is closed, meaning that there is no activity on the page (see Figure 14).

Figure 13 Screenshot of Hotel Ibis Schoenbrunnerstrasse Home Page


Figure 14 Screenshot of Hotel Ibis Schoenbrunnerstrasse

Source: https://www.facebook.com/pages/ibis-Wien-Schoenbrunnerstrasse/263870643670385 Retrieved 01/03/2012
4 Results

A summary of the above analysis is shown in Table 1. Five cases were analyzed - three chain hotels and two boutique hotels. Among the chain hotels two hotels were of a 5-star category and one hotel of the 3-star category.

The researcher attempted to find out how well a hotel uses the chance of communicating and engaging with its customers. Four criteria were proposed that helped to determine if social media is used in ways that could be considered successful.

The criterion “presence and visibility” analyzed on which social media platforms each hotel is present on as participating in several social media channels can help companies reach a large audience and increase their online visibility. This criterion also analyzed whether the hotels integrated review sites such as tripadvisor in their websites or on social media platforms they are present on. The literature review showed that review sites are a very important information source for travelers before they decide where to stay.

The second criterion analyzed how the hotels interact with their customers on social media platforms. However, as Facebook was the channel where all hotels were present on, the analysis of content and engagement was limited to Facebook only. Interaction was analyzed in terms of what kind of content the hotel produces. Content can take different forms and can be engaging or not. Engaging content includes everything that is relevant and of interest to a user. While brand specific content may be interesting and relevant sometimes it is not interesting and engaging if it is produced most of the time. Content should also be informative. Informative content that might be relevant to travelers includes information about local events or recommendations of what to do or where to go in Vienna. Engaging content can further include anything where users are asked to participate in (e.g. quizzes or polls). Further, including multimedia content enhances a user’s experience as the use of photos and/or videos can visually enhance a fan page.
<table>
<thead>
<tr>
<th></th>
<th>Sofitel</th>
<th>Marriott</th>
<th>Ibis</th>
<th>Stadthalle</th>
<th>Altstadt</th>
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<tbody>
<tr>
<td><strong>Presence &amp; Visibility</strong></td>
<td>Open Facebook fan page accessible through a link from the homepage.</td>
<td>Open Facebook fan page not accessible through the homepage of the hotel. The fan page can only be liked. Visitors will not be directed to the fan page by clicking on the “Like” button.</td>
<td>Closed Facebook fan page that is not accessible through the Homepage. Tripadvisor.</td>
<td>Facebook fan page, YouTube channel and a review site (HolidayCheck) accessible through links on the Homepage. Facebook fan page features review sites booking.com and tripadvisor.</td>
<td>Open Facebook fan page, the official Flickr account and review sites (tripadvisor, trivago and HolidayCheck) are accessible through links on the Homepage.</td>
</tr>
<tr>
<td><strong>Content &amp; Engagement</strong></td>
<td>The Facebook fan page is well-designed and features several customized sections. Overall, the hotel makes nice use of multimedia content which enhances the design of the page. The majority of content shared on the Facebook wall is posted by the hotel on a continual basis and the majority is brand-specific information.</td>
<td>Other than Facebook’s standard features (wall, info, photos) Vienna Marriott’s page includes a tab labeled ‘book now’ that redirects users to a search tool for Marriott properties worldwide. The majority of wall posts comprise content the company shared with its audience. Posts are updated continually and are company-centric. No special strategy is implemented in order to engage fans as questions, quizzes, etc. This might explain why fans’ reaction to posts is relatively low.</td>
<td>The fan page is well-designed and features several customized sections (e.g. a booking widget, links to review sites, a link to YouTube). The majority of content is produced by the hotel and includes recommendations on upcoming events, and entertainment. The hotel also shares company insights such as pictures of employees or employee excursions. The sharing of guest book entries adds to engagement as well. Wall posts also resonate with the hotel’s theme which is environmental awareness.</td>
<td>The Hotel Altstadt doesn’t make use of any additional, customized applications or tools on their Facebook fan page. In comparison to the other hotels the fan page is very active, however. Apart from content posted by the hotel, the wall also includes several posts by others (fans and/or visitors). The hotel keeps their fans informed about company news or events the employees participated in. Fans like to post comments about their experience while staying at the Altstadt. Employees are involved in posting content too. The available albums include photos of the hotel as well as numerous behind-the-scene photos.</td>
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**Source:** Author’s own Illustration
4.1 Boutique vs. Chain Hotel

The results show that some differences exist in the adoption of social media between boutique and chain hotels. While both boutique hotels are present on several social media platforms, the social media presence of a chain hotel is often limited to a Facebook account. Ibis is the only exception as the homepage also features triadvisor. Furthermore, all integrated social media icons on a homepage of a boutique hotel will direct users to their respective social media channel. This is not true for all chain hotels. Only on the homepage of Sofitel users will be directed to the Facebook fan page. On the homepage of Marriot and Ibis this function is limited as users can only like the fan page. They will not be directed to Facebook. The results also show that boutique hotels tend to be more inclined to integrate review sites. The analysis of the integration of review sites show that while all boutique hotels have integrated at least one review site on Facebook and/or on their homepage, Ibis is the only chain that integrated such a channel on the homepage.

The findings of the criteria content and engagement imply that both boutique and chain hotel do a relatively good job when it comes to the use of multimedia. On Facebook this thesis analyzed whether the hotels employ some special features on their fan page (e.g. well-designed welcome tabs or hotel-specific custom tabs) that can enhance the user’s experience and add value. The results show that both a boutique and a chain hotel employ such features. However, there is a difference between the two categories when it comes to what kind of content is posted on the Facebook wall. Although the researcher only looked at content posted during a period of two months the results show that while both categories do post brand-specific content, content differs in that it is more promotional on the wall of a chain hotel. Further, such brand-specific content is posted more often by a chain than a boutique hotel. Wall content of a boutique hotel is more varied as it also includes content about events in Vienna, restaurant recommendations, etc. Furthermore, more content is created by visitors and fans on the wall of a boutique hotel (in the form of reviews). And finally, although both categories give the user the opportunity to look behind the scene, boutique hotels seem to produce much more of this kind of content.
4.2 5-Star vs. 3-Star Hotel

Differences in the adoption of social media between a five-star and a three-star chain hotel could be identified as follows. All chain hotels have a fan page on Facebook. However, the Facebook presence differs between star levels. While both five-star chains have an open fan page where fans and visitors can leave comments, the presence of Ibis is limited in that the fan page is not open. Thus, Facebook users can only like the page but cannot interact and engage with the hotel as the Facebook wall is closed. Concerning the integration of links to review sites, the results of this analysis show that only the 3-star chain Ibis directs visitors of the homepage to a review site. No such integration could be found on the homepage of a five-star hotel. This is also true for the Facebook fan page of a five-star hotel. The analysis of the criteria presence and engagement were limited to Facebook. As the Facebook fan page of the three star chain Ibis is closed, no comparison could be made with a five-star chain were the page is open.

4.3 Discussion

In this thesis the researcher looked at how social media is used by several hotels in Vienna. The hotels the researcher analyzed were of different categories (chain hotels and boutique hotels) which enabled a comparison across as well as within categories. Focus was put on the analysis of hotel chains and boutique hotels. Four criteria were proposed that helped to determine if social media is used in ways that could be considered successful. The results of this analysis seem to reflect the researcher’s proposition that a boutique hotel would be better at exploiting the opportunities of social media than a chain. This is largely because the social media presence of a boutique hotel is stronger than that of a chain. Thus it can be argued that a boutique hotel seems to do a better job at reaching out to its customers. The results also suggest that boutique hotels tend to be more inclined to integrate review sites. While all boutique hotels have integrated at least one review site on Facebook and/or on their homepage, Ibis is the only chain that integrated such a channel on the homepage. For this reason a boutique may have a better chance to increase positive word of mouth and customer loyalty. Another conclusion suggested by the analysis of this thesis is that while all investigated hotels do a relatively good when it comes to the use of multimedia, the content a boutique hotel shares seems to be less promotional that that of a chain. This might suggest that the engagement strategy of a boutique is more successful than that of a chain. The results of the comparison between different star levels showed mixed results. While a five-star hotel chain is present on Facebook a three-star hotel chain integrated a review site on their homepage. However, as Facebook served as a reference for
engagement, it can be argued that a five-star chain is more open to reach out and communicate with its customers.

Unfortunately this study has several limitations. First, this research is based on only secondary data. The researcher only analyzed websites and only a homepage served as a reference of a social media presence. The study would have much more validity if there would be more qualitative data, interviews for example. Further, as the results are based on the researcher’s personal observation, bias might exist. Lastly, this case study only includes hotels in Vienna, Austria.

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