

# Social media as a promotional strategy for boutique hotels.

Bachelor Thesis for Obtaining the Degree

Bachelor of Business Administration in

Tourism, Hotel Management and Operations

Submitted to Lyndon Nixon

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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**

In the 21st century, new hotel classifications started to emerge. With each hotel type having various characteristics, size, target market and level of service, digital marketing has become an important aspect when attracting customers to younger and more energetic hotels such as boutique hotels. Thus, in this thesis, it aims at combining 3 elements: characteristics of boutique hotels, effectiveness of social media marketing as well as the current tourism trend. The main focus of this study is to investigate the connection from social media posts to enhancing interest in boutique hotels and further to enhance purchase intention of staying in a boutique hotel. The literature review of this study looks into psychological elements that affect people's purchase intention and the distinctiveness of a boutique hotel. Elements such as brand attachment, brand attitude and perceived value are universally applicable when it comes to considering a purchase. Thus, this paper examines the effectiveness of social media in improving these elements in the situation of booking for a stay in a boutique hotel. To answer the research question, numerous hypotheses are set up and surveys are used to collect data and draw conclusions. The hypothesis is tested and analyzed with charts and programs and to see if an assumption can be drawn. The survey recorded 70 responses and the data showed that social media posts can be used as an effective promotional strategy in the case of boutique hotels. The major limitation of this paper is the COVID-19 pandemic. The pandemic has occurred for more than one and a half years. During this period of time, all travel related industries, namely aviation, hotel and restaurants, are negatively impacted. Hotels' occupancy rate is devastated and the target customers are no longer international guests. This has caused the change in the mode of accommodation in traveling as people might prefer domestic travel over international travel to prevent quarantine. The change of traveling and accommodation mode may affect travelers' choice of hotel. Therefore, the result of this study may not be able to be fully presented under the current travel restriction.



# **Table of Contents**

Affidav	<i>r</i> it	2
Abstra	ct	3
Table o	of Contents	4
List of	Tables	6
List of	Figures	7
1. Intro	oduction	8
	1.1 Background	8
	1.2 Aim of the thesis	9
	1.3 Research Question	11
	1.4 Structure of the thesis	11
	1.5 Limitations	12
2. Liter	ature Review	13
	2.1 Boutique Hotels	13
	2.1.1 Boutique Hotel Target Market	14
	2.2 Word-of-mouth marketing	15
	2.3 Perceived Value	17
	2.4 Relatability	19
	2.5 Brand attachment	20
	2.6 Brand Attitude	21
	2.7 Purchase Intention	22
	2.8 Social Media Metrics	23
3. Нур	othesis Development	25
4. Met	hod	28
	4.1 Research design	28



	4.2 Survey development	28
	4.3 Data collection and analysis	29
5. Data	analysis	31
	5.1 Background of respondents	31
	5.2 Results	33
6. Cond	clusion	45
	6.1 Limitation	46
Bibliog	raphy	47
Appen	dices	51



# **List of Figures**

- Figure 1: Percentage of American who is an Internet user (Source: Perrin, 2015)
- Figure 2: Market Size of Boutique Hotel In the United States (Source: S. Lock, 2021)
- Figure 3: Example of Social media post by a boutique hotel (Source: Veneto Boutique Hotel)
- Figure 4: Instagram business account insights (Sources: Lewis, 2019)
- Figure 5: Conceptual framework
- Figure 6: What do you consider when it comes to deciding travel accommodation?
- Figure 7: Which of the following elements that you value when you choose to stay in a boutique hotel?
- Figure 8: Rankings of the five hotels according to their social media posts
- Figure 9: Which social media picture do you consider the most appealing?
- Figure 10: Which social media picture do you consider the least appealing?
- Figure 11: Likert Plot for Questions 8, 9, 10, 20
- Figure 12: Likert Plot for Questions 8, 14, 15, 17
- Figure 13: The uniqueness of the hotel is what I look for when it comes to choosing a stay.
- Figure 14: Likert Plot for Questions 11, 12
- Figure 15: I like to stick with one brand if I had positive experience with it.
- Figure 16: Attractive social media content influences me to like the brand.



# **List of Tables**

Table 1: Perceived value benefits (Sources: Shen, 2016)

Table 2: Respondents Background

Table 3: Average score of the Boutique Hotels

Table 4:Wilcoxon Test for Hypothesis 1

Table 5: Spearman Correlation for Hypothesis 2

Table 6: Pearson Correlation for Hypothesis 3

Table 7: Pearson Correlation for Hypothesis 5



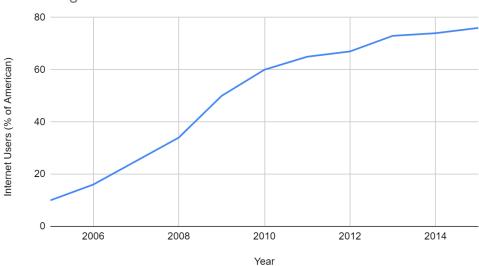
# 1 Introduction

## 1.1 Background

Before the 1980s, the concept of 'Boutique Hotels' was unknown. Traditional hotels used to be stereotypical, where room prices increased with the level of service or decor. The service of traditional hotel groups is standardized. Hotel guests can expect the same from what they get in another hotel. Yet, since boutique hotels began to emerge in the major cities of the world, namely London, San Francisco and New York, boutique hotels are known to provide out of the ordinary service and environment for travelers to stay. Boutique hotels tend to be stylish, themed and intimate. Its distinctive features attract a much younger group of customers, specifically Millennials. With each age group possessing various purchasing behaviors, it is clear that boutique hotels are required to have a dissimilar marketing strategy than traditional hotels in order to attract Millennial customers.

According to the Digital 2020 report, 62.7% of the Instagram advertising audience are aged from 18 to 34 years old (Hootsuite, 2021). With this age group playing a vital role in the impact of social media marketing, it is crystal clear that marketers must understand their purchasing behavior in order to maximize return on investment in the business's marketing strategy. Since the invention of the Internet, it has become a platform for people to grow their businesses. From setting up webpages to advertising on famous search engines, marketers have put their utmost effort in spreading out the brand name and expanding the customer base. From 2005 to 2015, the number of social media users has increased almost eightfold (Perrin, 2015). The unprecedented transmutation that social media brought has caused marketers to reformulate new marketing strategies. The Internet has gone from a unilateral platform to an interactive platform where people are more engaged in sharing daily lives and their opinions (Perrin, 2015).





Percentage of American who is an Internet user

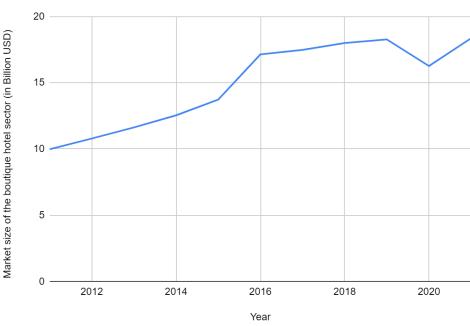
Figure 1: Percentage of American who is an Internet user (Source: Perrin, 2015)

Social media often works as a place for word-of-mouth marketing. Businesses publish content to advertise the brand or create content that fit customers' interest while users interact with the business and share thoughts and views (Chan & Guillet, 2011). These actions establish a demand for the goods and hence an intention to purchase. Although using social media has become a common marketing strategy, academic research regarding its usefulness for boutique hotels is still insufficient.

#### 1.2 Aim of the thesis

Although the linkage between constructs, such as brand attitude, brand attachment, and purchase intention has been studied in many existing literature, there are very few studies specifically on boutique hotels. The aim of the thesis is to investigate how social media marketing influences the audience psychologically, specifically in the scenario of staying in boutique hotels. In 2019, the market size of boutique hotels has doubled in the United States compared to 10 years ago. It has reached 18.27 billion dollars in 2019 which is approximately 11.8% of the entire hotel industry in the United States.





Market Size of Boutique Hotel in the United States

Figure 2: Market Size of Boutique Hotel In the United States (Source: S. Lock, 2021)

Seeing the increasing trend of popularity of boutique hotels, the importance of boutique hotels has come to light. In addition, boutique hotels are mostly independently owned. Hotel owners are not backed by a top marketing team. An effective promotion strategy has been a vital topic for boutique hotel owners. With the findings of this thesis, it is also aimed to provide guidance to the hotel owners for using social media as an effective promotional strategy.

The findings of this research contribute to the existing literature in multiple ways. First of all, it is proposed that social media could drive customers' desires and hence prompt their intention to purchase. Secondly, as boutique hotels have distinct characteristics, it recognizes the usefulness of social media for boutique hotels in boosting sales. Thirdly, the findings of this study aid boutique hotels in establishing a promotional strategy by illustrating the linkage of social media content relatability, brand attachment, brand attitude as well as purchase intention. The influence of the psychological effect will highlight the significance of showing relevant content to potential customers.



#### 1.3 Research Question

The present research suggests that utilizing social media is a useful promotional strategy for boutique hotels. It is proposed that consumers' behavior, including the intention to purchase and brand attachment, can be driven by the attractiveness of social media content and the relatability of the hotel's unique selling point. Appealing content is presumed to enhance brand attachment, brand attitude and willingness to pay. For this study, the following research question is formulated:

RQ1: Is appealing social media posts a vital factor contributing to sales of boutique hotels?

RQ2: How does social media enhance the purchase intention of potential customers of boutique hotels?

RQ3: Is social media an effective marketing tool for boutique hotels?

#### 1.4 Structure of the thesis

This thesis will be composed of 5 sections. First, in the introduction part, the background, aim, research question and limitation will be briefly mentioned. The background and basic information will be given. Second, in the literature review, the full definition of each element in the study will be covered. The relation of how social media content psychologically affects viewers and thus their purchase decision will be discussed. Next, in the methodology section, the method of acquiring data will be covered. In this thesis, questionnaires will be carried out to see how social media users view boutique hotels' social media posts and their promotional strategies. This is to show the effect of social media content from the point of view of potential hotel guests as well as Internet users. After the data is acquired, the data will be analyzed to prove the hypothesis that the author set up. At the end of the thesis, the conclusion section will summarize the data acquired and present the result of the thesis.



# 1.5 Limitations

Due to the COVID-19 pandemic, the lodging industry has been negatively impacted. The findings of this thesis may be influenced as the thesis is written during the pandemic. The lodging industry has pushed multiple stimuli such as 'Staycation' to counter the downturn of sales. Thus, data acquired during the pandemic may show differences from the previous years, however, the findings of the thesis are still generally valid and applicable.



# 2. Literature Review

# 2.1 Boutique Hotels

According to 'The Boutique and Lifestyle Hotel Report (2015)', 'boutique hotel' is defined as foreign, small and intimate. Traditionally, boutique hotels are opened in Cosmopolitan cities such as London and San Francisco, although there are more boutique hotels opened in smaller cities in the last few years. Boutique hotels usually have approximately 150 rooms and not more than 200 rooms. (Jones et al., 2013). The target market of boutique hotels is generally ranging from 20s to 50s and these customers typically have mid to upper income (McKenney, 2015). Moreover, boutique hotels are mainly privately owned and independent, unlike hotel chains such as Marriott and Hilton.

What makes boutique hotels differ from traditional hotel classification is its distinctive experience. Jones *et al.* (2013) claim that the definitions of a boutique hotel experience are 'recognized as an individual', 'Discovery, curiosity, intrigue' and 'Special'. As boutique hotels are independent, each hotel is unique. There is no standardized service, design or food. Hotel guests could experience a personalized service as nothing is standardized. To the general public, boutique hotels and lifestyle hotels may look similar as they are both themed and unique. The major difference between a boutique hotel and a lifestyle hotel is the management. A lifestyle hotel is managed by a hotel chain whereas a boutique hotel is independent and privately owned. This allows lifestyle hotels to have richer financial resources such as loyalty programs. In addition, lifestyle hotels can rapidly adapt to the current trend as lifestyle hotels have more financial resources, compared to boutique hotels. With that being said, boutique hotels are design-centric whereas lifestyle hotels are service/user-centric.

Loureiro *et al.* (2019) also pointed out that the property and the design of the hotel are usually closely associated with the location. For example, if the hotel is located around the historical area of Prague, the boutique hotel usually has a historic design so as to show the linkage between the property and the location as well as allow the hotel guests to experience the uniqueness. There has not been a unified answer about what sort of experience the hotel guests would get. From personalized service



to the room's aesthetics, from decor to history, the experience depends on what the hotel offers. For instance, Hotel Gotham in Manchester offers themed hotel rooms with a dark tone and 20s designs that match the vibe of Gotham city from the film Batman ("Art Deco Opulence Meets the Glamour of a 1920s...", 2020). Another example is the Veneto Boutique Hotel. It is a hotel located in Rethymno, where it is said Zeus was born. The unique selling point of the hotels is their cultural heritage. The hotel is built in a 600-year-old property where they provide rooms with modern and historic design ("Veneto Boutique Hotel", 2020). With that being said, boutique hotels tend to provide a unique and distinctive environment for hotel guests to stay.



Figure 3: Example of Social media post by a boutique hotel (Source: Veneto Boutique Hotel)

# 2.1.1 Boutique Hotel Target Market

To segmentate a hotel's target market, there are four main criteria, namely geographic, demographic, psychographic and behavioral (Firat et al., 2014). Boutique hotels often lie in the categories of being chic, hip and lifestyle (Tidtichumrernporn,



2012). With these features in boutique hotels, the target customers are often aged from the 20s and 50s which is relatively younger than the traditional hotels. In the case of boutique hotels, the target market would be people who are aged from the 20s to 50s, traveling to major cities and focused on the design of the hotel rather than the service. Younger generations, especially Millennials, tend to purchase a product with an intention to get recognition instead of the benefits that they would get (McCormick, 2016). This means the uniqueness of boutique hotels is possibly a selling point to the millennials as the unique design and atmosphere is appealing for them to take pictures and post it on social media to get recognition. This is also an example of 'The Network Co-production Model' of word-of-mouth marketing, which ideally friends and family would want to enjoy the same experience and enhance their intention to purchase.

# 2.2 Word-of-mouth marketing

Word-of-mouth marketing, now known as social media marketing, is a phenomenon that happens naturally which influences customers' intention to purchase. (Kozinets et al., 2010). It involves a sender and a receiver. The sender produces messages which contain beneficial information about a brand, and the receiver takes these messages as recommendations which possibly enhance purchase intention. In most cases, the sender is perceived to be not affiliated with the brand. It means brands would proactively encourage their customers to recommend the product to their friends and family (Stokes & Lomax, 2002). In the process of word-of-mouth marketing, marketers utilize the credibility of reputation of the sender to convert marketing messages into a trustful, believable and appropriate recommendation (Kozinets et al., 2010). This is due to the fact that people would trust friends and family's recommendations rather than the brand itself. For many business owners, word-of-mouth marketing is the way to reduce costs and increase revenue. Traditional marketing promotional strategies, namely roadshows, television advertising and billboards, incur high costs. Smaller firms might not have the financial resources to invest in such promotional strategies. To many businesses, word of mouth marketing is basically a free tool which has a stronger effect as the promoters are their own customers. Since companies do not need to pay their



customers for the promotion, they would have a higher profit margin because they have fewer costs incurred. Certain firms even purely rely on customer commendation to expand their customer base and maintain their business (Stokes & Lomax, 2002). Notwithstanding that the effect of word-of-mouth marketing is strong, it may do harm to small businesses if they fully rely on it. Word of mouth marketing is not a formal form of communication between the company and customers. When a business heavily relies on word-of-mouth marketing, its customer base would be limited within the market where recommendation runs (Stokes & Lomax, 2002). Thus, when the Internet emerges, it has taken word-of-mouth marketing to another level.

In the past decades, the use of the Internet has been more common. Sites such as Facebook and YouTube have been widely used among companies to publish product-related content. The main platforms that word-of-mouth marketing can be seen are email, video, blog, social media and forums (Xavier & Summer, 2009). Word-of-mouth marketing can occur in three models. First, it is 'The Organic Interconsumer Influence Model'. Communication between consumers is not influenced by marketers. The comments made by the consumers are mostly out of good intention that they believe the product is good or caution about bad products (Kozinets et al., 2010). Second, it is the 'The Linear Marketer Influence Model'. It refers to the marketers taking an active role in advertising and promoting the products. Marketers would target and affect certain potential customers to be an opinion leader. These opinion leaders are assumed to spread positive messages about the product among friends and family (Kozinets et al., 2010). Third, it is the 'The Network Coproduction Model'. Consumers are seen as valuable and meaningful co-producer of the product. Consumers or opinion leaders are directly influenced by marketers. As in the modern Internet world, the transmission of messages is no longer unilateral but multilateral. Marketers actively prompt consumers to communicate within their network after the marketing message is seeded to one consumer (Kozinets et al., 2010). All three models have one goal, which is to increase customers' willingness to purchase. By utilizing word-of-mouth marketing, brand attachment can be enhanced among consumers.



One point that Barreto (2015) added is regarding credibility. As mentioned above, credibility is an advantage in word-of-mouth marketing, but when the scenario changes to the Internet, credibility can be a disadvantage. The Internet allows people to comment or post anonymously. People who are paid by companies can publish dishonest reviews to boost one company's sales or attack another company's reputation. Unlike real life, the Internet is a place where one's credibility can hardly be determined. Thus, only under careful utilization, word of mouth marketing can be a suitable phenomenon used by brands for business development.

#### 2.3 Perceived Value

The emergence of the concept of 'perceived value' started in the 1990s. The perceived value appears to be a concept that people express differently. Researchers have grouped these expressions into four main groups: is low price, is what they want, is the quality that they paid for, is what they get for what they give (Zeithaml, 1988). Based on these expressions, Zeithaml (1988) defined 'perceived value' as "the consumer's overall assessment of the utility of a product based on perceptions of what is received and what is given". However, in recent studies, researchers have concluded 'perceived value' to be broader than merely price and utility (Sánchez-Fernández & Iniesta-Bonillo, 2007).

In terms of the tourism industry, perceived value is also a complex construct that varies between stakeholders and time. Perceived value can be sensed differently between before purchase, during purchase, using and after using (Sánchez et al., 2006). This can be referred to as the change of view and expectations during different stages. Customers may have high expectations of the product before purchasing. However, during the purchase, the perceived value may be negatively impacted by the customer service or check-out experience. Perceived value can be affected when the customer receives their first purchase. After each purchase, the consumer would evaluate the actual value of the product. If the product lives up to expectations, the perceived value would not be changed. Yet, if the consumer disappoints with the products, the perceived value of the next purchase would be decreased. Different dimensions and constructs contribute to the result (positive or negative travel experience). Researchers have pointed out the cost and benefits of a



tourism-related experience. The costs that customers are willing to give up are mostly the time and money that they are ready to sacrifice. It can be seen as the money they are willing to pay or the risk that they are willing to take. With the costs that they are ready to pay, various benefits will combine to construct a travel experience. The benefits can be divided into five distinctive values, namely functional value, social value, emotional value, experiential value and epistemic value. (Shen, 2016)

Functional Value	The hardware of the tourism product. Refers to how well it performs its functions.  Example: The facilities of the hotel.
Social Value	The social benefits that the tourism product can bring to the consumer.  Example: Staying in that hotel can represent your social status.
Emotional Value	The sentiment that the tourism product can create.  Example: Staying in the hotel makes the consumer happy.
Experiential Value	The experience that the tourism product can bring to the consumer.  Example: Staying in that hotel gives consumers a feeling of escaping from stress.
Epistemic Value	The educational information that the tourism product can provide to the consumer.  Example: Staying in a historic boutique hotel can enhance the hotel guests' history knowledge.

Table 1: Perceived value benefits (Sources: Shen, 2016)



## 2.4 Relatability

Relatability is a construct that refers to how the individual and the individual's friends are connected and how influential between one another. People you know, such as friends and family, usually have a common ground with each other. These commonalities can be gender, age, education or social status-related. With this commonality, their circumstances can be relatable with their previous experience and knowledge. Compared to those who do not have this common knowledge or experience, the situation might be harder to comprehend (Vines et al., 2015). In marketing terms, relatability is all about understanding. When the product is specialized for certain types of people, the marketers do not necessarily be that type of people. All marketers need is to understand their needs and wants. Advertisements that show understanding of the client's circumstances would increase the relatability with the audiences and thus, heighten the purchase intention.

Relatability, in terms of social media, refers to the ability to attract audiences or followers and raise their desire to identify with the influencer (Abidin, 2016). Followers of the influencer would share similar feelings or opinions if they have strong relatability with the influencer. In the world of social media, this can explain why marketing companies would now hire influencers rather than doing traditional advertising. Undoubtedly, using celebrities as spokespeople has been yielding a certain degree of success in the past years. Yet, paying celebrities is expensive. With the emergence of bloggers and influencers, companies would rather hire these people with a guaranteed community, reachability and knowledge in that specific field (Wiley, 2014). According to The BlogHer Social Media Matters Study (Shayon, 2011), 53% of the respondents have purchased the item because they have seen some blogger's recommendation and 20% of them are more inclined to trust the blogger they know. In social media, celebrities do not share the same influence as they are in traditional media. Compared to celebrities, online influencers are more influential in terms of persuading their audience. This is because an ordinary person feels more related to an influencer, who is also an ordinary person, rather than a celebrity, who has higher social and financial status (Nouri, 2018). Social media users see these influencers' lives as an authentic lifestyle. If the content appeals to the users, they would try to replicate them as influencers are more reachable than



celebrities. The effect that marketers are trying to create is long-lasting relatable content. As mentioned, customers tend to trust someone they know as they have commonalities between them. If brands can create content that is relatable to their customers for the long term, they would be able to turn these customers into loyal customers (Bocking, 2020). Thus, to a certain degree, the higher relatability that the brand creates can bring higher and more potential sales.

In a sense, relatability brings small-scale businesses the same influence as those corporations have. As long as brands can create relatable content, the audience would be interested and turn into potential customers. Certainly, corporations which have big marketing funds can hire celebrities, get celebrity endorsements and increase sales. However, with a limited budget, publishing creative and relatable content, content that can communicate and connect with customers, can also attract customers.

#### 2.5 Brand attachment

Park, MacInnis, and Priester (2006) define brand attachment as "the strength of the cognitive and affective bond connecting the brand with the self". It is a psychological status that an individual and an object (in this case, a brand) have a bond together. The individual considers the brand as a part of his or herself cognitively. As brand attachment is a psychological relation, it is not easy for brands to successfully establish such a relation. It depends on how the customers perceive the brand and the brand's market position. Park, MacInnis, and Priester also added that, in theory, brands do not necessarily have to create an emotional attachment with the customer. However, if such a connection is created, the brands' competitive advantages and success can be raised.

Brand attachment refers to the trust built within the customer-brand relationship. The customers must be satisfied and committed to the product in order to build trust. Trust is of profound importance in building a strong customer-firm relationship which prompts customers to purchase and repurchase (Sirdeshmukh et al., 2002). When a customer trusts a brand, brand attachment is established. Brand Attachment can be assessed by 'Strength'. The strength in brand attachment can be determined



by how well the brand-customer relationship is as well as how well known the brand is. Brand attachment in some ways reflects memories and stories of the customer's own life with the attachment entity (the brand) (Park et al., 2010). According to Shah et al. (2012), brand attachment, core brand image and environmental consequence are the main variables that would positively influence customers' intention to purchase. In addition, as brand attachment is highly dependent on time, the linkage between the brand and the customer develops with the time invested. With that being said, if a brand provides satisfying goods or services in the long term, customers would become more committed to the brand. Thus, they would feel comfortable in paying the company. Although brand attachment is merely one of the key elements that positively influence purchase intention, it has been shown that it contributes more than other factors in multiple studies. To maintain and expand the customer base, companies must put effort into establishing brand attachment.

#### 2.6 Brand Attitude

Brand attachment and brand attitude are both constructs that refer to a brand's marketing and consumption activities psychologically. However, brand attachment goes with an emotional approach whereas brand attitude goes with a behavioral strategy and approach. Like brand attachment, assessment of brand attitude is usually measured with 'Strength'. Having a strong brand attitude is highly dependent on the target (customer) as well as the confidence of overmastering the target. To present a strong brand attitude, businesses usually show a high level of confidence when making judgments (Park et al., 2010). Making bold judgments is what defines a strong brand attitude. While considering what the existing customers want, a brand must make bold steps in order to expand its business size. It does not necessarily mean a brand should only make wild and audacious decisions but rather a confident and thoughtful judgment.

Percy and Rossiter (1992) also pointed out multiple vital features about brand attitude from the perspective of a customer. Brand attitude heavily relies on the customer's purchasing cause. When the cause changes, the customer may see and perceive the brand differently. This is caused by the fundamental constructs of brand attitude -- cognitive and affective part. The purchasing behavior is directed by the



cognitive part while the affective provides motivations and reasons for the purchasing behavior. The cognitive parts are rather a combination of a list of beneficial beliefs, which are the causes of brand attitude. In reality, basically every product has a brand attitude. When a customer searches for a specific item, they would compare and choose the brand that fulfills the motivation of that purchase. In other words, brands should actively search for customers' purchasing motivation plus satisfy their motivation in order to achieve a strong brand attitude.

#### 2.7 Purchase Intention

Purchase intention refers to the decision that the customer pays for the product or service under evaluation or assessment (Younus et al., 2015). Paying for a service or product is not only a single action but a series of chained psychological processes. Businesses would focus on creating purchase intentions for their customers as they long to turn customers into loyal customers in order to maintain a stable source of revenue. In addition, companies can no longer passively let customers find what they can provide. In order to gain more sales in this era, companies must actively bring out intentions in front of the customers, even if they did not search for the products (Excelerate, 2018). It helps companies to actively seek new customers as well as expand its customer base. Behind the decision of purchase, there are three factors that prompt customers to buy, which are behavior, perceptions and attitude. The process of purchase intention is dependent on the perceived value, quality and price. When these variables alter during the process of purchase, the customer may increase or decrease their desire to purchase (Mirabi et al., 2015). Moreover, Gogoi (2013) added that consumers are influenced by internal and external motives. For example, the intention of purchase may change due to improvement of service quality or simply personal preference. To improve or even create an intention to purchase, marketers must fully understand the current trend, customers' preference and the unique selling point of the products.

Creating purchase intentions is all about analyzing data. Marketers have been eagerly acquiring data from third parties in hope to convert these numbers into trends and



customer characteristics. Most of this data is gained from online shops and especially social media, where online users can freely speak out about their comments on the products. From analyzing users' conversations to viewing content, these are the data that marketers can hear about what the customers think and want about the product. By going through the data, marketers can keep track of the customer's experience and strategically formulate plans to bring customers back to the stage where they want to make a purchase of the product (Excelerate, 2018). To trigger customers' intention to purchase, the product does not only have to be attractive for the customer, but also, have to be seen by the customers. Marketers use promotions such as email lists, calls and targeted advertising to bring their products back to customers' sight.

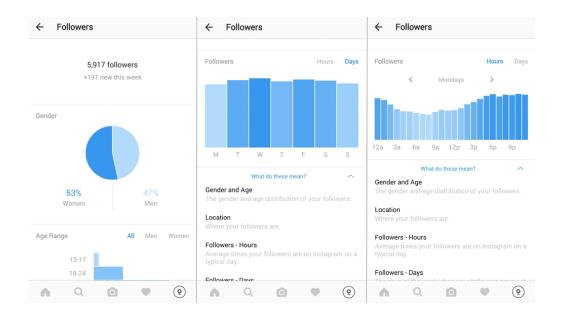
#### 2.8 Social Media Metrics

In recent years, social media is no longer limited to ordinary individuals. Companies began to infiltrate the social media network by opening business accounts to promote and to get in touch with potential customers. Considering the rise of demand and wants of business social media accounts, numerous social media platforms have pushed out business functions that allow users to analyze their content and to get a view of the effectiveness of their promotion campaign. Taking the Instagram business account as an example, it provides two main features. One is paid promotion, which allows non-followers and potential customers (who might have searched for relevant content) to be able to see the promotions and to potentially be attached to the brand. The cost of boosting and promoting a post can cost from \$0.20 to \$6.70 USD (WebFX, 2021).

Another feature that Instagram provides is Insights. As shown in the following figure, basic metrics such as total followers and post impressions can be reflected in a business account page where users can see changes within a certain period of time. Account reached refers to the number of non-followers who have clicked into your account and checked out the account content. Accounts engaged refers to the number of accounts that start an interaction, including replying to a story, post or commenting. In the total follower page, it shows the changes in the number of followers as well as the demographic of the followers. Age, location and gender are



basic information that can be collected to see the demographic of the audience and the potential customers. These tools can be used in regards to marketing campaigns that can be better focused and targeted on the right customer base.



(Figure 4: Instagram business account insights (Sources: Lewis, 2019))



# 3. Hypothesis Development

Perceived value refers to how a customer expresses the product before the purchase. It is an expectation that customers acquire from friends or family suggestions or promotions from the business itself. Potential customers see the promotions and would normally expect to receive the same benefits. The definition of the word 'appealing' cannot be quantified. It is a construct that is closely related to an individual's aesthetic point of view. Although different objectives stimulate differently between individuals, the general public has an objective point of view that has a similar opinion on the same content. With that being said, the effort that the social media posts put in, the high perceived value that the potential customers would expect. Thus, the following hypothesis is formulated:

H1: The more appealing the social media post, the more likely the viewer intends to stay in the hotel.

Good perceived value and the relatability between the brand and customer means a high possibility of returning customers and a strong customer base. As mentioned, perceived value can be determined by the customer's previous experience with the brand and their initial feelings of the brand. It is an expectation of what they would get out of what they paid (money and time). If the experience matches with their expectation and what they perceive to get, it is proposed that the customer would choose to stick with the brand and turn into a loyal customer. In addition, boutique hotels are unique. From designs to service, everything is distinctive. Despite one boutique hotel brand being highly anticipated by travelers, some people might have different tastes and feelings. The ability to link people and turn them into potential customers is relatability. Is it suggested that the effort that the business puts into connecting the customer can create relatability and thus enhance brand attachment. Thus, the following hypotheses are formulated:

H2: The higher the perceived value of the product, the stronger brand attachment it creates.

H3: There is a positive relationship between relatability and brand attachment.



Boutique hotels are unique. They are not franchised or standardized. The uniqueness of boutique hotels makes them unrestricted and incomparable with their competitors. It is proposed that, as boutique hotels do not have to follow trends and rules, they are more able to make bold judgments and thus have a positive relationship with brand attitude. As mentioned, brand attitude is composed of cognitive and affective parts (Percy & Rossiter 1992). Standing from a consumer point of view, the non-standardized service and intimateness fulfill the customer's beneficial beliefs in the cognitive part. This can be both physically and mentally. For the most effective parts, the distinctive features of boutique hotels provide people with motivation and reasons to visit. Taking the Hotel Gotham in Manchester as an example, it's dark and the Batman theme is the motivation and reason for their customers to visit as no other hotels are providing the same ("Art Deco Opulence Meets the Glamour of a 1920s...", 2020). This is proposed that the distinctive features of boutique hotels can direct the cognitive and affective part of brand attitude. Thus, the following hypothesis is formulated:

#### H4: Uniqueness of Boutique Hotels leads to strong brand attitude.

Social media has become a new platform for brands to share their businesses development as well as to advertise. It is proposed that brand attitude is increased with the effort put in the social media post (publication frequency, aesthetic of the post and interaction with other users). Research has shown that social media users tend to trust the content published by the brand more than other social media users, even with negative reviews. Only 13% of the respondents would choose to discontinue following the brand when they see negative reviews of the brand posted by other users (Murphy, 2014). This has shown that if a brand puts more effort into social media, such as having more interaction with other users and publishing more posts with good graphic designs, it would help build up the brand's confidence in interacting with online users and lead to a stronger brand attitude. Thus, the following hypothesis is formulated:

#### H5: Appealing social media posts create a strong brand attitude.

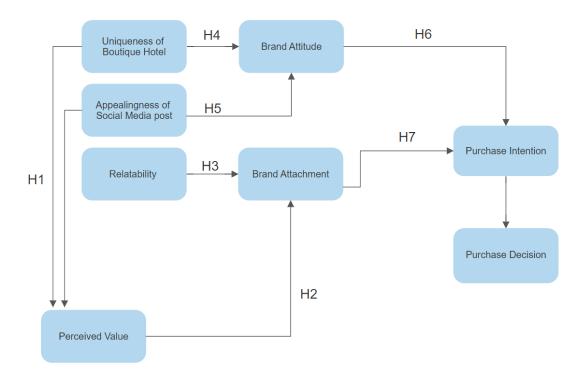
Purchase Intention is essential to create sales. To be able to expand and maintain a strong customer base. It is proposed that brand attitude and brand attachment are the main constructs that bring to an intention to purchase and thus a purchase



decision. It has been widely proved by multiple studies that these two constructs can create a purchase intention in other industries. Solely focused on the boutique hotel market has not been investigated. With the above hypotheses, it is aimed to show social media is also applicable to the boutique hotel market as a promotional strategy. Thus, the following hypotheses are formulated:

H6: Strong brand attitude has a significant impact on the purchase intention of boutique hotels.

H7: Strong brand attachment has a significant impact on the purchase intention of boutique hotels.



(Figure 5: Conceptual framework)



## 4. Method

## 4.1 Research design

In this study, quantitative research will be the main research method. By using quantitative research, it helps sum up the general opinion in statistical figures. It utilizes quantifiable information to present a pattern or a correlation between each variable (DeFranzo, 2011). As the correlations between word-of-mouth marketing, brand attachment, brand attitude and intention to purchase are almost certain, the research gap of this study would be the usefulness of these tactics for boutique hotels. In this way, surveys would be the major data collection method to collect data specifically focusing on boutique hotels.

Surveys will be used to generalize the view and the responses of the respondents. The sample population would be the boutique hotel's target market which is people aged from 20s to 50s. The data will be recorded to identify any phenomenon in which the respondent would tend to pay for a stay in the boutique hotel or not after seeing social media posts published by their friends, family and the hotel marketing team. Web surveys will be the major method in order to save cost and time.

## 4.2 Survey development

The hypothesis of this study will be tested with the result of the surveys. The majority of the questions are multiple-choice questions which can be analyzed with PSPP and graphs. The survey consists of three major parts. The first part consists of questions that are about the respondents background information. Information such as gender, age and their knowledge and experience on social media will be gathered. This information can be used to identify the social media users and to see which age group is most reliant on social media when it comes to deciding on travel accommodation. Although the age of respondents is not limited, the data can reflect if Millenials are the majority of social media users.

The second part will concentrate on the influence of social media content published by the business. It is to show the psychological effects of social media promotion on



brand attachment and brand attitude. The respondents would be exposed to statements regarding brand attitude, brand attachment and boutique hotels. The respondents are required to respond on a likert scale from one to five. In the third part of the survey, the respondents will be exposed to two social media posts published by two different boutique hotels. It is aimed to reflect the use of social media posts (both text and visual content) and how much the viewer can expect and perceive solely by looking at the post.

#### 4.3 Data collection and analysis

In order to develop a valid result for this study, a large number of respondents is required for data collection. The survey is proposed to reach 70 responses. The survey question will be formulated in English and recorded using Google Forms. The survey is proposed to be published for 1 week, from 21st November to 28th November 2021. Within the timeframe, respondents would be able to respond to the questionnaire by clicking on the link. The link will immediately expire after 28th November 2021. The link of the Google Form will be distributed by the author on various social media, such as forums, Instagram, Whatsapp and Facebook. The form will be distributed on multiple platforms as the authors want to involve people with various backgrounds, age, education, gender as well as nationality. Online platforms like Modul University Community group and survey exchange group on Facebook are places to acquire responses from students and people with international backgrounds. The form will record the respondents' age group, gender and education level. However, there is no limitation on age or gender as the aim of this study is solely focused on people's purchase intention on boutique hotels, rather than the difference between age group or gender. In the first part of the survey, there will be a statement introducing the purpose of this study to let the respondents have a basic idea of the project. In the second section of the survey, the respondents have to read 13 different statements regarding their purchase behavior and their usage of social media. The respondents have to give a score on a 1-5 likert scale, from strongly disagree to strongly agree. Within the survey, the author also provided various social media posts samples for survey respondents to review. In the third part of the survey, the respondents are exposed to 5 Instagram posts published



by different boutique hotels from different countries. Survey respondents have to rank the posts on a scale of 1-5 according to their personal preference. The aim of this question is to present the correlation between the appealingness of social media content and their intention to stay. The result was recorded anonymously, and the name, phone number and email address were not recorded. The result of the questionnaire is directly stored in Google Sheets and the data can be drawn out as a figure and in graphical formats such as pie charts and line charts.

After the result of the survey is gathered, the data will be analyzed with PSPP. Statistical tests, such as the Spearman test and Pearson test, will be applied to prove or reject the hypothesis as well as discover the correlation between variables. Numerous graphs namely Scatter Plot graphs will be used for presenting the relationship visually.



# 5 Data Analysis

# **5.1 Background of respondents**

The data collected in the survey is imported to PSPP for data analysis and to prove the validity of the hypotheses. Yet, it is also important to understand the background of the respondents. In the first section of the survey, background information such as gender, age group and knowledge regarding the topic are collected. These demographic questions are asked for gathering knowledge of the target audience. Especially for marketers, it is important to understand who is the target audience for this topic.

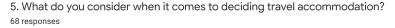
Total Number of Respondents		70
Gender	Male Female Prefer not to say	36 33 1
Age Group	13-18 years old 19-24 years old 25-40 years old 41 or above	0 47 21 1
Do you have an Instagram account?	Yes No	66 2
How often do you use social media?	Once per week Once per day Multiple times per day	4 10 53

Table 2: Respondents Background

In the above table 2, it has shown that the total number of respondents that have completed the survey is 70. As all of the questions are not set mandatory to answer, not all questions have reached 70 responses. However, all questions have at least 65



responses or above. Out of the 70 respondents, there are 36 males, 33 females and 1 of the respondents prefer not to disclose the gender. The gender distribution in the survey is even between the two genders. In this survey, the main age group is from 19 to 24 years old (65.2%), followed by 25-40 years old (30.4%). 97.1% of the respondents have an Instagram account and only 2 of the respondents do not have an Instagram account. Out of the 97.1% respondents, 53 of them use social media multiple times per day and 10 of them at least use it once per day. It is shown that the Millenials are frequent social media users. This does not only define the demographic of social media / Instagram users but also shows which age group should the online marketers be aware of.



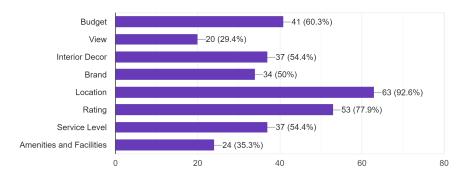


Figure 6: What do you consider when it comes to deciding travel accommodation?

In the survey, the author also included questions to get a grasp of the respondents' preference for travel accommodation. When it comes to traveling (See Figure 6), the top priority that the respondents consider is mainly location, with 92.6% of them. Next, it is followed by the rating of the hotel (77.9%) and their own budget (60.3%). From this result, it can be generalized as the location of the hotel is the main concern of travelers. To focus more on the topic of 'Boutique Hotels', questions 6 and 7 asked about the respondents' understanding and value of boutique hotels. 76.8% of the respondents have heard of the hotel type 'Boutique Hotels'. Out of the 53 respondents who know what a 'Boutique Hotel' is. The majority of them consider 'Unique decor' and 'Fashionable', with 75.5% and 77.4% respectively (See figure 7), to be the top two criteria that they would value when they choose to stay in a boutique hotel. The uniqueness of boutique hotels and fashionable designs is what



makes boutique hotels different from other hotel classifications. This has shown the respondents have a basic idea of what a boutique hotel is. In addition, it has represented what the top-selling points of a boutique hotel are and how a boutique hotel should position itself in the market in order to attract customers.

7. Which of the following elements that you value when you choose to stay in a boutique hotel. 53 responses

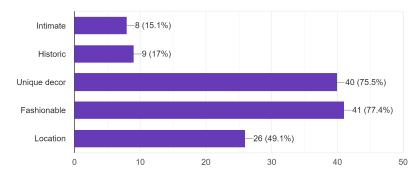


Figure 7: Which of the following elements that you value when you choose to stay in a boutique hotel?

#### 5.2 Results

The first hypothesis to be tested is **H1:** The more appealing the social media post, the more likely the viewer intends to stay in the hotel. This hypothesis proposed that there is a positive correlation between appealingness and the intention to stay. The appealing social media posts can attract holidaymakers or potential travelers to select and stay in the hotel. In this way, multiple survey questions were formulated to investigate respondents' views on their personal opinion on 'appealingness'. To investigate audiences' perspectives on rating and ranking hotels by reviewing their published social media content, the respondents are exposed to five various boutique hotel social media posts. The hotels that are selected for this survey, are all selected as the top 50 boutique hotels and resorts in the year 2019 ("Top 50 Boutique Hotels & Resorts 2019", 2021). This is to ensure the quality of the hotels selected are all up to standard and are not affected by the author's personal view. The hotels are selected in the interval of 10, which means the five hotels are 1st, 10th, 20th, 30th, and 40th place in the Top 50 ranking. Yet, this is not disclosed to the respondents in the survey. The respondents are required to rank the social media



posts from 1 to 5 by how likely they would stay in the hotels. From the data received, Kensho Mykonos has 33 respondents (49.3% of the responses) voting it to be the most likely boutique hotel that they would stay in. For The Olympian Hong Kong, it has the most respondents, with 15 respondents, ranked it as the least likely boutique hotel to stay in. The average score that each selected boutique hotel is as shown below:

	Average Score
Hotel TwentySeven	3.27
The Olympian Hong Kong	2.47
Kensho Mykonos	4.14
Cap d'Antibes Beach Hotel	3.46
Nimb Hotel	3.62

Table 3: Average score of the Boutique Hotels

It is shown that Kensho Mykonos has the highest average score of 4.14 while The Olympian Hong Kong has the lowest average score of 2.47.



Figure 8: Rankings of the five hotels according to their social media posts



To investigate the linkage between the appealingness of the social media posts and the audience's likelihood to stay in the hotel, two survey questions were formulated to see which boutique hotel social media posts are considered to be the most appealing and least appealing. From figures 9 and 10, it can be seen that Kensho Mykonos and The Olympian Hong Kong are considered to be the most appealing and least appealing social media pictures respectively. 53.1% of the respondents consider Kensho Mykonos social media picture as the most appealing while 47.7% of the respondents consider The Olympian Hong Kong to be the least appealing. To see the correlation between the most appealing social media post of the hotel and likelihood to stay in, Wilcoxon Test is used as the data is nonparametric and the two groups are related. As shown in Table 4, the z-score is -4.96 and the asymptotic significance is 0.01, which shows a significant correlation between the appealingness of social media posts and the likelihood to stay. In this way, **H1** can be accepted.

## **Test Statistic**

	Appealingness - Likelihood to stay
Z	-4.96
Asymp. Sig (2-tailed)	0.01

Table 4:Wilcoxon Test for Hypothesis 1

By comparing the data of the most appealing boutique hotel social media post and the most likely boutique hotel to stay in, it can be seen that appealingness is closely associated with the intention to stay. The respondents' view on appealingness matches the responses of intention to stay. Thus, the more appealing the social media post, the more likely the viewer intends to stay in the hotel.



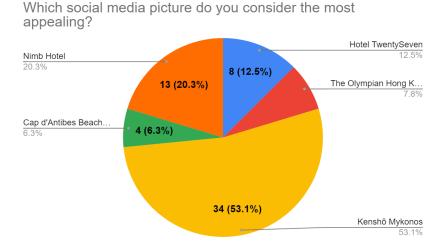


Figure 9: Which social media picture do you consider the most appealing?

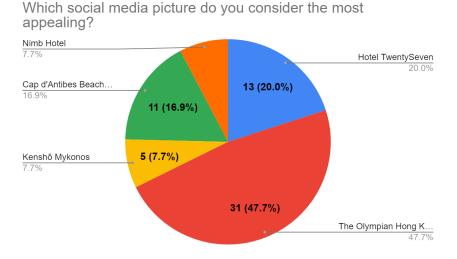


Figure 10: Which social media picture do you consider the least appealing?

The second hypothesis to be tested is: **H2:** The higher the perceived value of the product, the stronger brand attachment it creates. The hypothesis proposes that there is a positive correlation between perceived value and brand attachment. Perceived value can be defined as the previous experience with the product or brand. If there were positive experiences, the consumer would expect the product to perform the same or better. Thus, multiple survey questions were set to investigate the correlation between two constructs. As seen below in Figure 11, 52 respondents strongly agree and agree that social media prompts them to attach with one brand.



61 respondents would choose to stick with the brand if they have a positive experience with it. 48 respondents are satisfied with the brand or products that they find on social media. 61 respondents strongly agree and agree that they expect to have the same experience as what they see from the social media posts. By looking at the graphic representation of the responses, the vast majority of the respondents agree that brand attachment can be enhanced by the high perceived value of the product.

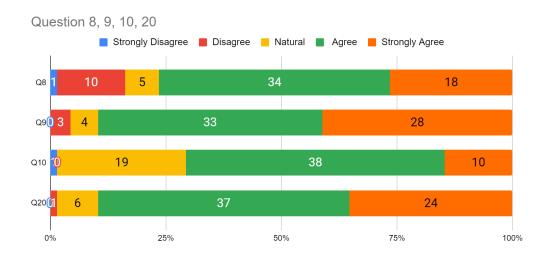


Figure 11: Likert Plot for Questions 8, 9, 10, 20

To find out the relationship of the two constructs, a Spearman test is used to statically test the correlation. As shown in Table 4, the correlation coefficient of the two variables is 0.50. It reflects that there is a strong positive correlation between the two variables. In addition, the significance value is less than 0.05, which shows a significant correlation between perceived value and brand attachment. In this way, **H2** can be accepted and perceived value can enhance with the strength of brand attachment.

#### **Correlations**

		Rank of Brand Attachment	Rank of Perceived Value
Rank of Brand Attachment	Pearson Correlation Sig. (2-tailed)	1.00	.50 .000
	N	68	68



Rank of Perceived	Pearson Correlation	.50	1.00
Value	Sig. (2-tailed)	.000	
	N	68	68

Table 5: Spearman Correlation for Hypothesis 2

The third hypothesis to be tested is: H3: There is a positive relationship between relatability and brand attachment. The hypothesis suggests that the higher the relatability, the stronger brand attachment it creates. To see the effectiveness of social media in creating and enhancing brand attachment, survey questions 8, 14, 15 and 17 were set. As shown in Figure 12, the majority of the respondents agree with the statements. However, the questions regarding how much they trust and rely on business accounts and friends and family reviews show an indecisive result. Less than half of the respondents agree that they trust and rely on business accounts. While for question 15, although more than half of the respondents agree that they would trust and rely on friends and family reviews of social media, it is still an indecisive result. This can be interrupted as the distrust against business promotions on social media. The general public sees business accounts as a paid promotional strategy that holds a biased opinion. The content may only show a partial opinion on a product which the consumer would not want to see. As it is not seen as a genuine suggestion, the respondents would not feel relatable with the product itself.

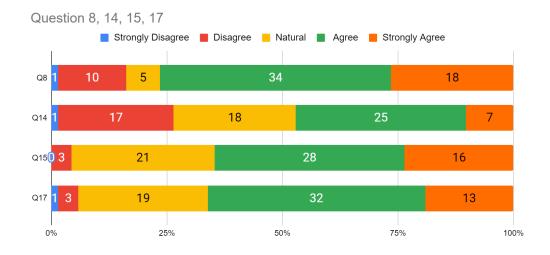


Figure 12: Likert Plot for Questions 8, 14, 15, 17

To test the correlation between the construct of relatability and brand attachment, a Pearson test is performed using Question 8 and Question 17 to test the hypothesis.



As shown in Table 5, the correlation coefficient of the two variables is 0.25. It reflects that there is a moderate positive correlation between the two variables. In addition, the significance value is 0.040 which is less than 0.05. This shows a significant correlation between relatability and brand attachment. From this result, H3 can be accepted and relatability can enhance brand attachment. As above mentioned, Questions 14 and 15 showed an indecisive result of trustiness of business accounts and friends and family. This can be reflected as a different level of trust depending on how the information is received. 66% of the respondents would stay in a hotel because friends and family or an influencer suggested it. It has shown that if the suggestion is passively received or an indirect suggestion, the respondents would feel less trusted and relatable with the suggestion. Vice Versa, if it is a direct suggestion, which the friends and family or an influencer suggested the accommodation through direct dialogue, it would be more relatable and thus enhance brand attachment.

#### **Correlations**

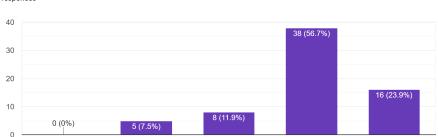
		Brand Attachment	Relatability
Brand Attachment	Pearson Correlation Sig. (2-tailed) N	1.00 68	.25 .040 68
Relatability	Pearson Correlation Sig. (2-tailed) N	.25 .040 68	1.00 68

Table 6: Pearson Correlation for Hypothesis 3

The fourth hypothesis to be tested is: **H4: Uniqueness of Boutique Hotels leads to strong brand attitude.** It is suggested that the unique features of boutique hotels can direct the cognitive and affective part of brand attitude, and thus lead to a strong brand attitude. As defined in the literature review, having a strong brand attitude refers to the ability to make bold judgments and steps in the business development. While taking what the customers want into consideration, being able to lead the customers is as simultaneously important. The ability to attract customers with their own strength is a brand attitude. As illustrated in Figure 13, 80.6% of the respondents agree or strongly agree that the uniqueness of the hotel is what they



look for when it comes to choosing a stay. The mode of the data received is 4 and the standard deviation is 0.82. The skewness is -0.81. This has shown that the data is leaning to the right side of the graph. This presents that the major opinion received is agreeing that the uniqueness of boutique hotels is the first reason that travelers would stay in a boutique hotel. The majority of the respondents would consider the unique features of a boutique hotel over the price, location or hardware it has. As mentioned by Percy and Rossiter (1992), brand attitude relies on the customers' purchasing cause heavily. The uniqueness of what boutique hotels have is creating the purchasing cause. The hotel guests actively look for something distinctive from traditional hotels or hotel chains in which everything is standardized. This is what creates the demands passively and creates the brand attitude. Thus, the data have reflected that the uniqueness of boutique hotels can create a purchasing case and thus lead to a strong brand attitude.



24. The uniqueness of the hotel is what I look for when it comes to choosing a stay. 67 responses

Figure 13: The uniqueness of the hotel is what I look for when it comes to choosing a stay.

The fifth hypothesis to be tested is: **H5:** Appealing social media posts create a strong brand attitude. This hypothesis suggested that the appealingness of social media posts influence the affective part of brand attitude, and further enhance brand attitude. Appealing social media posts trigger the affective part of brand attitude, which provided the motivations and reasons for the purchase. It is a vital psychological effect that leads to the purchase behavior. To enhance brand attitude by using appealing social media posts, it is also to show the confidence of leading the potential customers to make the purchase, without adopting a proactive approach like sales war. A strong brand attitude is proposed to acquire customers and expand a customer base by using its own strength, uniqueness and make social media



aesthetic. To test the hypothesis, two survey questions were formulated. As shown in figure 14, 54.4% of the respondents strongly agree or agree that they would decide where to stay from social media posts when they travel. This shows that social media is an important source of information when travelers do research for their journey. The level of dependence and influence of social media can be reflected. Moreover, 70.6% of the respondents strongly agree or agree that attractive social media content influences them to like the brand. It refers to the influence of social media on the affective part of brand attitude. The attractive social media content provides the potential customers reasons (they like the brand or product) to complete the purchase.

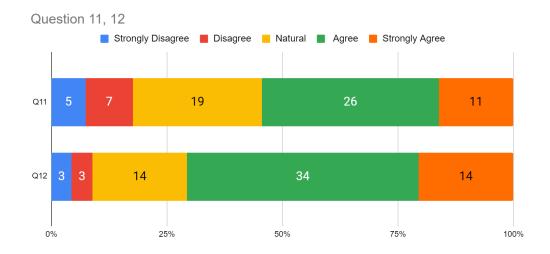


Figure 14: Likert Plot for Questions 11, 12

To test the correlation between the appealingness of social media content and brand attitude, a Spearman test is performed using the data from Question 11 and Question 12 to test the hypothesis. As shown in Table 6, the correlation coefficient of the two variables is 0.47. It shows the two variables have a moderate positive correlation. In addition, the significance value is 0.000 which is less than 0.05. This shows a significant correlation between the appealingness of social media content and brand attitude. As reflected from the result, H5 can be accepted and appealing social media can create a strong brand attitude.



#### **Correlations**

		Rank of Brand Attitude	Rank of Appealingness
Rank of Brand Attitude	Pearson Correlation Sig. (2-tailed) N	1.00 68	.47 .000 68
Rank of Appealingness	Pearson Correlation Sig. (2-tailed) N	.47 .000 68	1.00 68

Table 7: Pearson Correlation for Hypothesis 5

The sixth and seventh hypotheses to be tested are: H6: Strong brand attitude has a significant impact on purchase intention of boutique hotels. H7: Strong brand attachment has a significant impact on the purchase intention of boutique hotels.

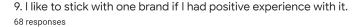
This hypothesis suggested that, after integrating various constructs, such as uniqueness and appealingness, a purchase intention will be created. The above hypotheses have proved that brand attitude and brand attachment can be strengthened by the uniqueness of boutique hotels and the appealingness of the social media content. Thus, to show the correlation between brand attitude, brand attachment and purchase intention in the context of boutique hotels, both hypotheses are tested.

Numerous existing literature have suggested that brand attachment and brand attitude are both psychological relations that can positively affect customers' purchase intention. It is a bilateral relationship between the customer and the business in trusting the business can continuously provide the same level of service or product. Moreover, a strong brand attitude provides the motivation needed for the purchase intention. The motivation can be to fulfill personal interests, demands or wants. A complex buying behavior is highly involved with the customer. Differences of features between brands are significant in the purchase decision.

The survey data have shown that brand attachment and brand attitude have a significant impact on the purchase intention of a boutique hotel. 89.7% of the respondents indicated that they would stick with the brand if they have a positive



experience with it. The mode of the data is 4, with a standard deviation of 0.77 and skewness of -1.11. This represents that the data is skewed to the right side of the graph and thus, the majority of the opinion received is accepting the statement. The positive experience can be the perceived value that they acquire from viewing their social media content, previous purchases or recommendations from friends and family. If they have a positive experience with the brand, a relationship between the firm and customer will be established. This reflects that brand attachment can create a bond that enhances trust, and thus the purchase intention. In addition, 70.6% of the respondents also indicated that attractive social media content influences them to like the brand. From the data received from survey question 12, the mode is 4, standard deviation is 0.97 and skewness is -1.03. This shows that the data is directed to the right side of the graph, which refers to the majority of the respondents accepting the statement. Attractive social media content that presents the features, strengths and benefits in accommodating the hotel can enhance the purchasing cause. This is also closely associated with the perceived value of the product. Potential customers see the features of the hotel and are attracted to it. The satisfaction of staying in the hotel becomes the cause of the purchase. This reflects brand attitude that can create the purchase cause and thus enhance the purchase intention. After integrating H1-H5, it can be accepted that brand attachment and brand attitude have a significant impact on the purchase intention of boutique hotels.



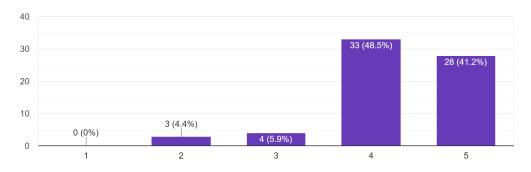


Figure 15: I like to stick with one brand if I had positive experience with it.



12. Attractive social media content influences me to like the brand. 68 responses

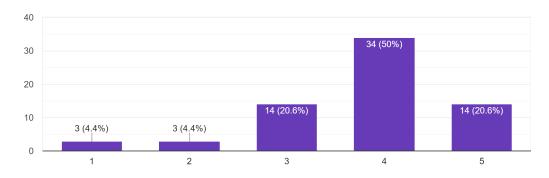


Figure 16: Attractive social media content influences me to like the brand.



### **6 Conclusion**

In conclusion, all the hypotheses are accepted. A summary of the hypothesis are listed below:

H1: The more appealing the social media post, the more likely the viewer intends to stay in the hotel.	Accepted with 0.01 asymptotic significance
H2: The higher the perceived value of the product, the stronger brand attachment it creates.	Accepted with 0.000 significance value
H3: There is a positive relationship between relatability and brand attachment	Accepted with 0.040 significance value
H4: Uniqueness of Boutique Hotels leads to strong brand attitude	Accepted; with mode is 4 and the standard deviation is 0.82 and skewness is -0.81.
H5: Appealing social media posts create a strong brand attitude.	Accepted with 0.000 significance value
H6: Strong brand attitude has a significant impact on the purchase intention of boutique hotels	Accepted; with mode is 4, the standard deviation is 0.77 and skewness is -1.11.
H7: Strong brand attachment has a significant impact on the purchase intention of boutique hotels.	Accepted; with mode is 4, the standard deviation is 0.97 and skewness is -1.03

The aim of this thesis is to investigate the effectiveness of social media as a promotional strategy for boutique hotels. Knowing that boutique hotels have distinctive features, target customers and operating style, it was unknown whether social media can be as successful as it is in other traditional industries and hotel classifications. In other words, this thesis was to see if the psychological effects of social media are also useful for boutique hotels.

The results of the thesis have shown that social media is effective in promotional strategy in boutique hotels. Primary research has been conducted in the form of a survey. The result of the survey has shown that a good social media promotional strategy can be useful for boutique hotels. The major points that potential customers



would consider is the appealingness of social media posts and how it represents the uniqueness of the hotel. This refers to the perceived value of the product - the expected experience of stay. Having a good social media marketing strategy helps adding value to the product. Yet, in the survey, there was an indecisive result on trusting and relying on business promotion on social media. This reflects that a direct promotion may have negative effects or even backfires. The more appropriate approach is word-of-mouth marketing, in which new customers are acquired from good reviews and recommendations from friends or family.

In addition, to target the right group of customers, it is also vital to use social media metrics to analyze the audience demographic. As mentioned above, boutique hotels are unique. Some boutique hotels are movie-themed, some are themed in a vintage atmosphere. Knowing social media helps is not enough to get the right group of customers. A well-rounded marketing strategy is to let the content be presented to the right group of people.

In conclusion, this thesis supports the hypothesis that social media is an effective marketing tool for boutique hotels. It helps present the uniqueness of the business as well as adding value to the product. It has shown that social media can enhance purchase intention for boutique hotels.

#### 6.1 Limitation

Even though this thesis has shown the effectiveness of social media as a promotional strategy for boutique hotels. The usefulness may alter in post-COVID time. In post-COVID time, how tourism would be is still unknown. Yet, if the general tourists turn to focus on local hotels and choose to have a 'Staycation', rather than traveling abroad. The reasons and motivations for choosing a boutique hotel to stay in would not be the same. This may hinder the brand attitude of the boutique hotel as well as the brand attachment of the product. Marketers may need to shift their focus and modify their promotional strategy in presenting their advantages to potential customers.



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# **Appendices**

### **Appendix 1- Questionnaire**

## Social media as a promotional strategy for boutique hotels

Dear participants,

Thank you for participating in this survey. This survey is formulated to investigate the effectiveness of social media in regards to using it as a promotional strategy for boutique hotels. Your replies will be highly appreciated and will be used for research in social media related studies.

The survey will take around 5 minutes to complete. Your responses will be anonymous and the data gathered will be kept confidential and only be used for the thesis.

If you have any enquiries, please do not hesitate to contact me Felix Sung Chiu Ngui, via 1711022@modul.ac.at.

1. Gender  ☐ Male	
☐ Female	
☐ Prefer not to say	
2. Age Group	
$\square$ 13-18 years old	
$\square$ 19-24 years old	
☐ 25-40 years old	
☐ 41 or above	

3. Do you have an Instagram account?



□ Yes
□ No
4. How often do you use social media?
☐ Once per week
☐ Once per day
☐ Multiple times per day
5. What do you consider when it comes to deciding travel accommodation?
☐ Budget
□ View
☐ Interior Decor
☐ Brand
☐ Location
☐ Rating
☐ Service Level
☐ Amenities and Facilities
6. Have you heard of 'Boutique Hotel'?
□ Yes
□ No
7. Which of the following elements that you value when you choose to stay in a boutique hotel.
☐ Intimate



☐ Historic	
☐ Unique decor	
☐ Fashionable	
☐ Location	
To what extent you agree with the following	g statements.
8. Social media prompts me to be attached to one brand.	
Strongly Disagree	Strongly Agree
9. I like to stick with one brand if I had positive experience w	ith it.
Strongly Disagree	Strongly Agree
10. I am satisfied with the products or brands that I discover	on social media.
Strongly Disagree	Strongly Agree
11. When I travel, I decide where to stay from social media p	osts.
Strongly Disagree	Strongly Agree
12. Attractive social media content influences me to like the	brand.
Strongly Disagree	Strongly Agree
13. I read related social media posts before deciding on a pur	chase.
Strongly Disagree	Strongly Agree
14. I trust and rely on business promotion by business account	nts on social media.
Strongly Disagree	Strongly Agree
15. I trust and rely on friends and family reviews on social me	edia.
Strongly Disagree	Strongly Agree



16. Appealingness of the social media pictures causes me to feel comfortable in choosing the ammondation.

Strongly Disagree Strongly Agree

17. I would stay in a hotel because friends and family or an influencer suggested it.

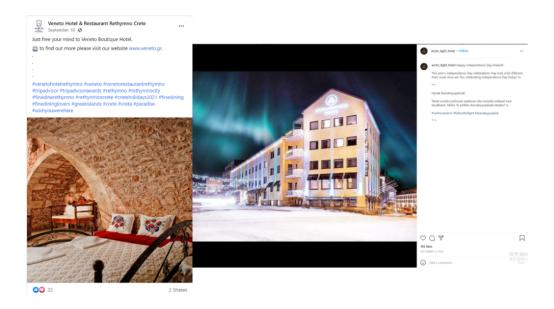
Strongly Disagree Strongly Agree

18. I would regularly interact (including like, follow, comment, subscribe...) with boutique hotels social media accounts.

Strongly Disagree

Strongly Agree

# Please review the following social media posts from two boutique hotels.



19. What do you focus on when you read the above social media posts?

Ш	view	ΟŢ	tne	notei

 $\square$  Design



□ Caption		Ca	pti	on
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 $\square$  Other

20. When you see the above social media post, you expect to see and experience the same.

Strongly Disagree

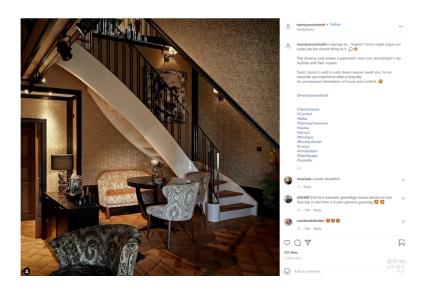
Strongly Agree

21. Please rank the following social media posts by how likely you would stay in it.

1 to be "Least Likely"

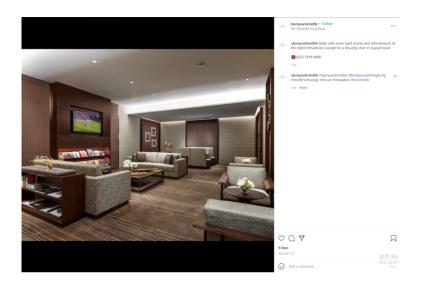
5 to be "Most Likely"

#### **Hotel TwentySeven**

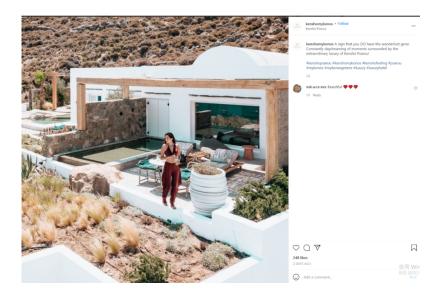


The Olympian Hong Kong





# Kensho Mykonos

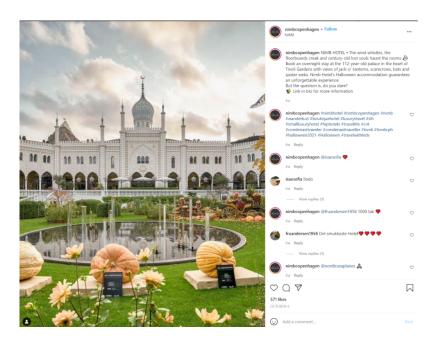


Cap d'Antibes Beach Hotel





#### **Numb Hotel**



## 22. Which social media picture do you consider the most appealing?

- $\square$  Hotel TwentySeven
- $\hfill\Box$  The Olympian Hong Kong
- ☐ Kensho¯ Mykonos
- $\square$  Cap d'Antibes Beach Hotel



☐ Nimb Hotel	
23. Which social media picture do you consider the least app	pealing?
☐ Hotel TwentySeven	
☐ The Olympian Hong Kong	
☐ Kensho¯ Mykonos	
☐ Cap d'Antibes Beach Hotel	
☐ Nimb Hotel	
24. The uniqueness of the hotel is what I look for when it co	mes to choosing a stay.
Strongly Disagree	Strongly Agree