**AN EXPLORATORY CONTENT ANALYSIS OF THE USE OF FACEBOOK
IN THE LODGING INDUSTRY**

by

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of the requirements for the degree of Master of Science in Hospitality Information
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CHAPTER 1- INTRODUCTION

Introduction

Access to the Internet is increasing rapidly. Tourism & hospitality organizations are grappling with the impact that the Internet is having on the distribution of their products and the control of their branding messages. The web provides access for consumers to communicate with other consumers, post and read consumer reviews, search for travel destinations and products and services based on price, identify competitors, and connect to most organizations that are competing in the marketplace for tourism related products and services.

Recently, the evolution of the Internet has moved into the so-called web 2.0 era. This has spawned a phenomenon in the use of social media. Social networking sites, first introduced to the online community in 2003, have recorded an extraordinary increase in the number of users. Thus, facilitating travel consumers to share their ideas, pictures, videos, recommendations, reviews, and experiences while developing relationships with family, old friends, and new virtual friends. This evolution has created a strong force for the hospitality industry to change its technological and communication strategies to adapt and embrace the current popularity of social media.

However, this paradigm shift should be made carefully and the potential impact should be examined wisely. There are two sides to the use of social networking. First, it can be a valuable tool to collect consumer feedback that is used to attract new customers and keep current customers by creating strong and effective customer relationships that strengthen the loyalty to the brand. However, if not used carefully

social networking has the potential to destroy consumers' faith and the market value of the brand. Kasavana affirms this by stating that:

"While social networking can help strengthen guest loyalty and satisfaction, it can also lead to unfair negativity, inaccurate information and undue criticism. When input is mostly anonymous, as it is with many social platforms, participants are likely to have a polarized stance, opinion or critique. The trend toward social networking offers an unprecedented opportunity for hospitality firms to garner a competitive edge by analyzing submitted feedback, contemplating constructive advice, and determining how best to enhance a guest's experience." (Kasavana,2008)

Businesses that want to be active in web 2.0 environments, participating in online communities should be considered as a part of its business model. Web 2.0 is a fuzzy term. Originally coined by Tim O'Reilly, he described web 2.0as"the business revolution in the computer industry"(Lincoln, 2009). While web 1.0 was static and is more of a place to find information, web 2.0 is a web in which people can interact and participate in sharing ideas or creating new products collectively. It is the online tools and platforms that allow people to share opinions, insights, experiences, and perspectives with each other (Lincoln, 2009).

Creating relationships and contacts in social media is often rewarded byan "abstract concept of social capital"(Ganley, 2009).The structure of online relationships has the most influence on generating of social capital. This concept is important in creating a sustainable and beneficial community (Ganley, 2009). Another important factor that has an impact in the successful development of online

communities is the proper understanding of the community and its members (Kim 2004). Thus social networking (and as the result social media phenomenon) cannot be a casual interaction and relationship with customers. As businesses from all over the world have taken notice of the power of social media they are learning that social networking is not just a tool used to attract consumers for their products and services, but has the potential to create strong and lasting relationships with their customers and to build value of their brands in the marketplace.

As hospitality and tourism is one of the most customer interactive industries it would seem reasonable that firms competing in this space would be interested in social networking. However, recent studies claim that with proliferation of blogs, message boards, and other such social media tools, hotels are losing control over what gets written about them online (Dwivedi, Shibu & Venkatesh, 2007).Thus supporting the notion that it is important to be aware of the potential of using social media tools and to enact strategies for dealing with this emerging medium of information sharing (Dwivedi, Shibu & Venkatesh, 2007). Without a solid understating of the role of social media in customers' purchasing and information gathering behavior, the return on investment for any level of the hospitality industry will not be guaranteed.

Managing an organization's social media strategies a relatively young concept and most organizations are not clear as to who in the organizational structure should be responsible for it. Today, we find companies assigning this responsibility to the sales & marketing department, the IT department, or the consumer services department as an additional responsibility to their existing responsibilities. Few organizations have embraced a social media strategy as a stand- alone department.

A comprehensive understating of multidimensional social structures and complicated relations within modern society has gradually become an emerging focus for researchers (Chung &Buhalis, 2008).This study was conducted to study the current situation of the use of facebook.com (Facebook) as a social media strategy in the hotel industry.

In the remainder of this chapter, Facebook (the social networks that was used for the current study) and the hotel brands and operators are introduced.

What is Facebook?

Online social networking sites provide an ideal medium for engaging with existing customers and building loyalty. Social network communities, such as, MySpace, Faebook, Linkden, and Twitter have been found to be a way to supplement or even replace existing stand-alone online communities. Communities on social networking sites have better distribution, feel more personal, and make it easier to reach customers and non-customers. From a distribution point of view, many, if not all, people a company is attempting to reach are likely already on social networking sites(Shih, 2009).Also communities on social networking sites feel more real and more personal than stand alone social media tools such as blogging. Because participants on these social networking sites are not completely anonymous, it is believed that participants tend to feel more engaged, accountable and often act more responsibly than stand-alone communities. Moreover, commercial organizations have found that reaching non customers on traditional stand-alone communities is difficult. Therefore, online social networks provide a unique opportunity to use existing customers as a bridge to access noncustomers (Shih, 2009).

Facebook is a social networking website that is operated and privately owned by Facebook, Inc. Since September 2006, anyone over the age of 13 with a valid e-mail address may become a Facebook user. Users can create profiles with photos, lists of personal interests, contact information, and other personal information. Communicating with friends and other users can be done through private or public messages or a chat feature. Also, users can create and join personal interest and fan groups, some of which are maintained by organizations as a means of advertising. Unlike other social network sites, Facebook clearly distinguishes between brands and regular members. Instead of profiles, brands establish communities using Facebook pages. For researchers, Facebook constitutes a rich site for those interested in studying the phenomena of social networks due to its heavy usage patterns and technological capacities that bridge online and offline connections (Ellison & Lampe, 2007).

Facebook.com is the largest social network. Created in 2004, by February 2010Facebook was reported to have more than 400 million active members. Other statistics that illustrate the size and reach of Facebook include:

- 50% of the active users log on to Facebook in any given day

- More than 3 billion photos uploaded to the site each month

- More than 5 billion pieces of content (web links, news stories, blog posts, notes, photo albums, etc.) shared each week

- More than 3.5 million events created each month

- More than 3 million active Pages on Facebook

- More than 1.5 million local businesses have active Pages on Facebook

- More than 20 million people become fans of Pages each day

- Average user spends more than 55 minutes per day on Facebook

- Average user becomes a fan of 4 Pages each month

- Average user is a member of 13 groups

- There are more than 100 million active users currently accessing Facebook through their mobile devices (Facebook Press Room).

Hotel Companies

In this study, the world's 10 largest hotel operators, ranked by total number of rooms as of year-end 2008, along with their brands and individual branded hotels were examined (HOTEL Magazine (2009)).

Table 1-1- 10 Largest Hotel Operators

rank	Company	Headquarters	No. of rooms	No. of hotels
1	IHG (Intercontinental)	Windsor, England	619,851	4,186
2	Wyndham hotel group	Parsippany, N.J. USA	592,880	7,043
3	Marriott International	Washington, D.C. USA	560,681	3,178
4	Hilton Hotels	Beverly Hills, Calif. USA	545,725	3,265
5	Accor	Paris, France	478,975	3,982
6	Choice Hotels	Silver Spring, Md. USA	472,526	5,827
7	Best Western	Phoenix, Ariz.	305,000	4,000

		USA		
8	Starwood Hotels & Resorts	White Plains, N.Y. USA	284,800	942
9	Carlson Hotels	Minneapolis, Minn. USA	151,077	1,013
10	Global Hyatt	Chicago, Ill. USA	114,332	375

Most of these hotel companies own, manage, and/or franchise different hotel brands in different market segments. Additional it is important to note that individual branded hotels may be owned by the hotel company or may be owned by a second party as franchised or managed property. It is not uncommon to have a hotel owner, a management company and a franchise brand company are three different organizations.

<u>Market Segmentation</u>

Market segmentation is the process of classifying customers and prospects into groups with similar needs and purchasing behavior (Weinstein, 1994). In 1985, Marriott Hotels, Resorts and Suites was a domestic (U.S.) mid- to large-size hotel chain, managing 67,034 rooms at 160 properties. Marriott decided to enhance travelers' value by segmenting the market and then targeting selected segments, each with a different brand.

Marriott believed all customers require a base level of service. However, it also believed that customers differ in their willingness to pay for different levels of comfort and luxury. The Marriott management also knew that many customers stay a few nights in a hotel — but a growing number, like business people on assignment —

need accommodations for several weeks. Recognizing that there were varying needs of hotel customers, Marriott was the first major hotel chain to base its growth strategy on market segmentation.

The following is a complete list of hotel brands that are found among the top 10 hotel companies investigated in the current research. Hotel brands are listed according to their price and service level ranging from high price and service level to low price and service level.

InterContinental Hotels Group PLC (IHG):

- Intercontinental Hotel and Resorts: a brand of upscale luxury hotels.

- Crowne Plaza: an upscale brand in major urban centers, gateway cities and resort destinations.

- Hotel Indigo: an upscale boutique brand.

- Holiday Inn: full-service brand with a global reputation for service, comfort and value

- Holiday Inn Express: a mid-priced hotel brand

- Staybridge Suites: An extended-stay hotel brand

- Candlewood Suites: A midscale extended hotel

Wyndham Worldwide:

- Wyndham Hotels & Resorts: A collection of premium, casual, full service hotels in key business and vacation destinations.

- Ramada: a brand of affordable hotels.

- Days inn: a motel brand.

- Super 8: the world's largest budget hotel chain.

- Wingate: it targets business travelers.

- Baymont Inn & Suites: a limited-service, discount-priced motel chain

- Microtel: award–winning chain of economy lodging.

- Hawthorn suites: an extended stay brand.

- Howard Johnson: range from limited-service motels to full-service properties with on-site concierges and business centers.

- Travelodge: a budget brand.

- Knights Inn: mainly located near major highways.

Marriott International:

- Courtyard by Marriott: Business travelers wanting a moderately priced hotel that provides some amenities, like an exercise room and a restaurant for breakfast.

- Fairfield Inn: Customers wanting an inexpensively priced, high quality hotel they can access by car, on or near the U.S. main interstate highway system.

- Residence Inn: Customers who require an extended-stay hotel for reasons like job relocation, job assignment, and government contracting.

- TownePlace Suites: Similar to Residence Inn, but for customers who want a lower price.

- SpringHill Suites: Customers wanting an all-suites hotel who will pay an upper-moderate price.

- Renaissance Hotels and Resorts: Customers who look for upscale amenities, internationally.

- The Ritz-Carlton: Customers looking for the ultimate in luxury hotels in urban centers.

Hotels by Hilton:

- Waldorf Astoria: luxury hotels located in exclusive travel destinations.

- Conrad: luxury boutique hotels.

- Hilton: Full service hotels.

- Doubletree: full-service hotels and resorts.

- Embassy Suites: a chain of upscale all-suite hotels.

- Garden Inn: moderate-scale mid-priced hotels.

- Hampton inn: limited-service hotels.

- Homewood: all-suite residential-style hotels.

- Home2 Suite: all-suite extended stay hotel.

Accor:

- Sofitel: refined luxury hotels.

- Pullman: High-end hotels, designed for business travelers and the organization of meetings and events.

- Mgallery: a collection of high-end, remarkable for their personality.

- Novotel: efficient and modern hotels.

- Mercure: boutique hotels.

- Suite hotels: Extended-stay hotels.

- Ibis: offering all the services of a modern hotel at economical prices.

Choice hotels:

- Comfort Inn

- Comfort Suites

- Quality Inn

- Sleep Inn

- Clarion Cambria Suites

- Mainstay Suites

- Suburban Extended Stay Hotel

- Ascend Collection

- Econolodge

Starwood Hotels & Resorts:

- St. Regis: Starwood's main luxury brand:

- Le Mederian: an international hotel brand with a European perspective.

- Sheraton: is Starwood's 'flagship' brand, providing luxury hotel and resort accommodation.

- Four Points by Sheraton: mid-market hotel brand, targeted towards business travelers and small conventions.

- Westin: an upscale hotel chain.

- Aloft: a mid-scale, urban-style business / boutique hotel brand.

- Element: Starwood's first environmentally friendly brand of hotels.

- W hotels: Starwood's luxury lifestyle / boutique hotel brand.

Carlson Hotels:

- Regent: a luxury brand.

- Radisson: a full-service brand.

- Park Inn: Carlson's economy brand.

- Park Plaza: The brand is dedicated to serving guests with individuality and passion at 35 locations, primarily in major markets of Europe, the Middle East and Asia.

- Country Inns & Suites: a mid-scale brand.

Global Hyatt:

- Hyatt Vacation Ownership: an upscale timeshare program.

- Hyatt Place: a limited-service brand

- Park Hyatt: Smaller, luxury hotels designed to cater to discerning travelers.

- Hyatt Regency: is the oldest brand in the Hyatt hotel chain.

- Hyatt Summerfield Suites: an extended-stay brand.

Research Questions

This study was conducted to address the following research questions:

- What is the current participation of the largest hotel corporations' participation in Facebook?

- What is the current participation of the largest hotel corporation's hotel brands' participation in Facebook?

- What is the current participation of the largest hotel corporation's individual braded hotels' participation in Facebook?

<u>Terms & Definitions</u>

<u>Social media</u>: While there is a lack of a formal definition, ''social media'' can is generally understood as Internet-based applications that carry consumer-generated content which encompasses ''media impressions created by consumers, typically informed by relevant experience, and archived or shared online for easy access by other impressionable consumers'' (Blackshaw, 2006). Some of the most popular social media tools are Youtube.com, Zagat.com, tripadvisor.com and social networking websites.

<u>Social Networking</u>: In the online world social networking is the term used to describe the way that users build online networks of contacts and interact with these personal or business friends in a secure environment. Some of the most popular social networking sites include Facebook, Twitter and MySpace.

<u>Web 2.0</u>: A web in which people can interact and participate rather than just read.

<u>Fan page</u>: A Facebook Page is a public profile that enables people to share their business and products with Facebook users.

<u>Facebook post</u>: Any comment and statement which is written on a Facebook profile or Page.

<u>Hotel</u>: A business that represents itself as one of the following: Hotel, Resort, Conference Center, Motel, Extended Stay, Convention Hotel, and All Suites Hotel.

<u>Summary</u>

In this chapter, the role of social networks in lodging industry was discussed. Additionally, the study's units of measurement (hotel Company, hotel brand and individual branded hotel) were introduced. This study was conducted using the popular social networking site, Facebook. A brief description of Facebook and its reach were provided in this chapter. The next chapter will include a review of the literature for the current study.

CHAPTER II: LITERATURE RIVIEW

Every day articles can be found in the business mass media and blogosphere exalting the opportunities for organizations to deploy social networking strategies in their businesses. These so-called experts espouse astronomical growth potential in a company's reach and revenues by using social media. Often these reports are filled with real world examples of success from businesses. For example, recently it was announced that Marriott had earned $5 million in bookings from people who clicked through to the reservation page from the company's corporate blog. The Marriott blog, which averages 6,000 visitors per week, has had more than 600,000 visitors since its launch in January 2007 (Business blogging blog, 2009).Often these pundits that support the development of a social media strategy suggest that the use of social media tools allows for smaller firms to level the playing field when competing to get their message out in the marketplace. One such recent claim was made by a website suggesting that just because an individual hotel lacks a big budget for social media does not exclude it from competing for followers and fans. Using an example of the Hilton Las Vegas, a case was presented where the hotel attracted more than 20,000 followers in Twitter without using any marketing budget dollars (Kirby, 2010).

However, there are few academic reports of researchers studying the efficacy of the use of social networks in business. Most of the previous academic works are related to the psychological and educational aspects of social networks in business and society. While these research reports are very valuable, they are mostly out of the scope of the current study.

In this chapter the current status of the academic literature is reviewed. First an overview of the lodging industry and social media will be presented. This will

consist of research and theory that focused on the impact and importance of social media in the tourism and hospitality industry. Defining "social networking sites" as is presented in the literature will follow. Next will be a review of articles found, which were considered most related to the current study. Then the characteristics of a successful social network profile and advices for the companies and businesses will be addressed. At the end the list of the successful companies in Facebook in 2009 will be presented.

Overview

The Internet has fundamentally changed the way people plan for travel and the way they find tourism-related information (Buhalis& Law, 2008). As tourism commerce is an information-intense industry, it is critical to understand how changes in technology and consumer behavior impact the distribution and accessibility of travel-related information (Xiang &Gretzel, 2010). It seems obvious that when tourism marketers promote their products, the Internet has become one of the most important marketing communication channels (Mack, Blose & Pan 2007). The tourism, hospitality, and leisure industry has evolved and is experiencing core alterations to the methods deployed by organizations to compete in the marketplace. The industryis going through a watershed marketing transformation process; brought about by the Internet interactive exploration. Geographic distances are no longer barriers to entry for many retail businesses competing in this space. Globalization has expanded the leisure industry's reach (Badawy, 2009). Today, online communities have gained attention of both consumers and businesses as a reliable information source for consumers and an emerging marketing channel for marketers (Wang, Yu &Fesenmaier, 2002).

Cultural norms and life-style changes are creating disruptive business forces. Many believe that face-to-face communication is fast becoming a lost art (Badawy, 2009). At the beginning of the millennium, Internet related technologies such as email, online bulletin boards, and instant messenger allowed people to extend their relationships beyond their immediate community to exchanged information (Chung &Buhalis 2008). Recently, social media websites, representing various forms of consumer-generated content (CGC) such as blogs, virtual communities, wikis, social networks, collaborative tagging, and media files shared on sites like YouTube and Flickr, have gained substantial popularity by travelers who desire to share their experiences over the Internet (Gretzel, 2006). Consumers are posting and sharing their travel-related comments, opinions, and personal experiences in many of these social media websites, which then serve as an information base for others (Xiang &Gretzel, 2010).

Social media exist in a variety of forms and serve numerous purposes. Consumer-generated content supported through social media is "a mixture of fact, opinion, impression, and sentiment, founded and unfounded tidbits, experiences, and even rumor" (Blackshaw&Nazzaro, 2006). New online applications have emerged that add more flexibility to the exchange of information among consumers. Today, Web 2.0, also referred to as "Travel 2.0" in the tourism industry, includes a range of new technological applications such as media and content syndication, mash-ups, AJAX, tagging, wikis, web forums and message boards, customer ratings and evaluation systems, virtual worlds, podcasting, blogs, and online videos (vlogs) (Schmallegger& Carson, 2008).

Social Media Tools

Blogging

Blogging is one of the most increasingly popular social media, where people are engaged through being part of a conversation. Blogs in general have become among the more popular forms of online consumer-opinion platforms. The conversation begins with one person publishing a post followed by readers giving their comments based upon the original blogger's perspective. A measure of a blog's success is the number of comments it receives (Thevenot, 2007).

In the lodging industry there are a few examples of organizations that have begun to use blogging as a tool to connect with the marketplace. "Marriott on the Move" is an example of a corporate blog. This blog was started with the aim to provide a voice for Bill JW Marriott. Mr. Marriott regularly updates this blog with his commentary about the lodging industry in general and the Marriott lodging brands specifically. The "Lobby" is an example of a blog that has been created to promote a lodging brand. On this blog, owned by the Sheraton Hotel brand, allows customers to post their own experiences from their stays in Sheraton Hotels.

Facebook

Facebook, founded on February 1, 2004 is the largest social network, with over 400 million users. Facebook is a social networking website that is operated and privately owned by Facebook, Inc. Since September 2006, anyone over the age of 13 with a valid e-mail address may become a Facebook user. Users can create profiles with photos, lists of personal interests, contact information, and other personal information. Communicating with friends and other users can be done through private or public messages or a chat feature. Also, users can create and join personal interest and fan groups. Previous studies showed that more than 90% of college students use Facebook (Ellison et al., 2007; Wiley & Sisson, 2006).

Twitter

Twitter founded March 21, 2006, is a micro-blogging service where postings are limited to 140 characters, which are referred to as "tweets". Hotels are utilizing the social media channel of Twitter to reinforce their brand image and to communicate directly with their guests. The hotel brands that excel using this tool have achieved a level of interaction with followers who are their current and future guests. There are several examples of hotels sending out tweets to connect with their customers and these are typically composed by the President at the corporate headquarters or by the concierge at the property level (Calary, 2010). The list below shows the top 10 brands that are active using Twitter.

1- MARRIOTT HOTELS & RESORTS

2- RITZ CARLTON HOTELS

3- HYATT HOTELS & RESORTS

4- JOIE DE VIVRE HOTELS

5- OMNI HOTELS

6- STARWOOD HOTELS & RESORTS

7- MORGANS HOTELS

8- FAIRMONT HOTELS & RESORTS

9- MILLENNIUM HOTELS & RESORTS

10- TIARA HOTELS & RESORTS

Location-based Social Networking

The development of wireless technology enables information services to be provided based on location of the participant (Curran & Smith, 2005). Location based service (LBS) refers to services provided users based on the user's current location through specific mobile devices, at any time. In other words, it allows mobile users to

"take the current position of the user into account when performing their task" (Zipf&Malaka, 2001).The number of cell phone subscribers estimated to increase by almost 12% by the year of 2013 compared to 2008 (eMarketer Report, 2008). The adoption of mobile phones enables marketers to reach customers at a personal level (Nikolov&Shukla, 2008). Besides, mobile Internet technology creates a new channel that mobile subscribers can access the Internet anywhere and anytime. Apparently, LBS, especially mobile phone apps, are opening opportunities to consumers and businesses as a new method to connect with people and is speculated to create and entire new form of commerce.

Relationship Marketing

Relationship Marketing refers to a long-term and mutually beneficial arrangement where both the buyer and seller have an interest in providing a more satisfying exchange. Relationship marketing can be applied when there are competitive product alternatives for customers to choose from; and when there is an ongoing and periodic desire for the product or service (Berry, 1983). Five general phases through which relationships can evolve are as follows (Dywer, 1987):

1. Awareness: When two parties comes to attention of each other as a possible exchange partner.

2. Exploration: Parties investigate and test each other's performance.

3. Expansion: There is increasing interdependence.

4. Commitment: It is about understating roles and goals.

5. Dissolution: Not all the relations end up in commitment. Some may terminate before stage four or some may terminate after that because of other reasons.

From a service-centered view of marketing with a heavy focus on continuous processes, the consumer is always involved in the production of value. Interactivity, integration, customization, and coproduction are the hallmarks of this view and its inherent focus on the customer and the relationship. (Vargo & Lusch, 2004). When the customers have a choice the first assumption is that they will remain loyal to a service firm they receive greater value relative to what they get from the competitive firms. The fact is customers benefit from the long-term relationships, because such associations contribute to overall quality of the life (Bitner, 1995). For an organization, loyal customers are the most profitable type of customers. Loyal customers represent a positive source of word of mouth communication, resulting in referring business (Berry, 1995). Basically CRM (Customer Relationship Management) is an idea regarding how a company can keep their most profitable customers by increasing the value of interaction (Xu, 2002).

CRM is one of the newest innovations in customer service. The role of CRM is improving the business performance in relationship process with the customers. It helps enhancing customer satisfaction and driving up customer loyalty. The general goal of CRM is to develop profitable relationship with customers and reduce costs. CRM has become widely recognized as an important business approach, but still there is no generally accepted definition of CRM (Lin & Yeng, 2001) . Buttle in his book defines CRM as:

> *"CRM is the core business strategy that integrates internal processes and functions, and external networks, to create and deliver value to targeted customers at a profit. It is grounded on high-quality customer data and enabled by IT."*

CRM involves gathering a lot of data about the customer. A very simple CRM has data about customer name, address, demographic information, transaction date, transaction quality and quantity, returns & complaints, status of order, shipping and fulfillment dates, and account information. The CRM framework can be classified into operational and analytical (Berson, 2000). Operational CRM refers to the automation of business processes, and analytical CRM refers to the analysis of customer characteristics and behaviors. Generally CRM has four main dimensions (Ngai, 2009):

1. Customer identification: This phase involves gathering information about target population and the most profitable customers. Also it analyzes the lost customers and probable ways to bring them back to the company. Elements of this phase are target customer analysis and customer segmentation.

2. Customer attraction: After identifying the segments, organizations allocate resources to attract target segments. One element of this phase is direct marketing. Direct marketing is a part of promotion in company's marketing mix, which motivates the customers to place order immediately.

3. Customer retention: This is the main concern for CRM. It is all about customer satisfaction. Elements of this phase include elements of customer retention include one-to-one marketing, loyalty programs and complaints management.

4. Customer development: The main focus in this phase is on expansion of transaction intensity and value. The elements are customer lifetime value analysis, up/cross selling, market basket analysis.

The rules of the marketing game have changed. The command and control television era, where big brands were built by heavyweight messaging to the nation every night, is drawing to an end. The growth of brand marketing created a climate of receptiveness for a new formula, and brands that could read the changing emotions and needs among their consumers in this new landscape would enjoy reaping the benefits (Meadows-Klue, 2007). Many brand owners are using the power of social media for their marketing campaigns. The rise of social media in brand names is significant in the degree of interactivity the companies are searching for. Many brands are asking either for feedback and comments from customers or they are looking for an "entry" into a competition or interactive fun event in return (Clayson, 2010). As blogging and social media moved from the margins to the mainstream, the impact on commerce starts to become clear.

Web 2.0 social media allows social marketers to directly engage their consumers in the creative process. Customers become creators or co-creators with the organization. The customers are an active participant instead of a passive recipient (Thackeray et al, 2010).Encouraging the customer to be part of the creative process has advantages. First, it can increase buying and loyalty to the program. In this regard, customers who are invested are more likely to "purchase" the product, including engaging in the desired behavior (McKenzie et al.,2009). In addition, they may be more likely to talk to their friends and associate about the product (Thackeray et al, 2010).Web 2.0 social media facilitate increased viral marketing, also called word-of-mouth. Program planners need to be creative in their promotion efforts and consider how Web2.0 social media can be incorporated to better market their products to the intended priority population (Thackeray et al, 2010).

Many companies try to create a meaningful relation with their customers via social networking sites. For organizations to realize tangible business benefits, they need to better plan, manage, and measure their social networking efforts. This is where CRM (Customer Relationship Management) intersects with social networking When social networks and CRM work together well, businesses gain the ability to better listen to customer conversations and engage social customers on their own terms while managing and measuring their efforts to do so (Microsoft Dynamics CRM, 2009).

Sigala recently conducted a research about the application of social networking sites on Greek tourism CRM. The findings described the factors influencing the adoption of web 2.0 that empower CRM (electronic Customer Relationship Management) practices and reveals that firms need to address the following three issues in order to increase their current exploitation levels of web 2.0: "enhance the technological skills and competencies of their staff and/or outsource such skills to third parties; incorporate web 2.0 responsibilities into e-marketers' job descriptions; identify and use more appropriate CRM metrics that can be used for customer segmentation, targeting and reward strategies; and use mechanisms to identify and eliminate the malicious usage of web 2.0 " (Sigala, 2010).

Definition of Social Network Sites

In 2007 Ellison and boyd published a popular paper titled: Social Network Sites: Definition, History, and Scholarship. The following definition is from this paper:

Social network sites are defined 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. The nature and nomenclature of these connections may vary from site to site.

As the term "social network site" (SNS) is used to describe this phenomenon, the term "social networking sites" also appears in public discourse, and the two terms are often used interchangeably. What makes social network sites unique is not that they allow individuals to meet strangers, but rather that they enable users to articulate and make visible their social networks. This can result in connections between individuals that would not otherwise be made, but that is often not the goal, and these meetings are frequently between "latent ties" (Haythornthwaite, 2005) who share some offline connection. On many of the large SNSs, participants are not necessarily "networking" or looking to meet new people; instead, they are primarily communicating with people who are already a part of their extended social network (boyd& Ellison, 2007).

Social Media & Travel

The researchers paid more attention to the effect of social media on travel & tourism than hospitality during first few years of introduction of social media. Xiang and Gretzel conducted a study about "role of social media in online travel information search". The goal of the study was to determine the impact of social media in travel and tourism in relation to the overall online tourism domain and specifically within a travel information search context. A set of 10 predefined keywords in combination with nine destination names were used to form queries to search Google.

The keywords included "accommodation", "hotel", "activities", "attraction", "park", "events", "tourism", "restaurant", "shopping", and "night life". Around 11%

25

of search results identified as social media websites. They presented the distribution of social media by keywords and "hotel" ranked 9 and "accommodation" ranked 7 among the mentioned keywords (Xiang &Gretzal, 2010).

Implications for The Hotel Industry

First of all the effect of social networks' content on lodging industry attracted the attention. In 2007 the Institute for International Management & Technology in Haryana, India did a study about the implications of social software for the hotel industry. The researchers examined two luxury hotels and tracked the reviews and posts about these two hotels online. Their findings show that social software is changing the rules of engagement between companies and their customers. Traditionally, corporations had an upper hand because of their greater reach to get their message across through mass media. Now, the customers are also acquiring a voice that can spread virally over the Internet. They suggested the firms to attend the online conversations to gather customer feedback. Also they believed not only gathering data is going to be important but also being proactive about the issues the data might throw up (Mridula et al, 2007).

Advice For Companies

There are several non-academic and a few academic papers that suggest some advices for companies deciding to use social media.

Kaplan and Haenlein suggested these advices in their paper (Kaplan, Haenlein, 2010):

- Choose Carefully: Choosing the right medium for any given purpose depends on the target group to be reached and the message to be communicated.

- Pick the application or Make your own: The next decision involves whether to make or buy. In some cases, it might just be best to join an existing social media application and benefit from its popularity and user base.

- Ensure activity alignment: It is crucial to ensure that he social media activities are all aligned with each other. One goal of communication s the resolution of ambiguity and reduction of uncertainty, and nothing is more confusing than contradicting messages across different channels.

- Media plan integration: It is suggested to make the relationship between social media and traditional media.

- Access for all: Many companies block Facebook, YouTube, and Twitter on corporate PCs for dear that staff might spend too much time networking instead of working.

- Be active: In developing a relationship with someone, it is always advisable to take the lead and to be active.

- Be interesting: First listen to the customer and find out what they want to hear.

- Be humble: Social media existed before the firms decided to engage in them. So first the founder should learn about it.

- Be unprofessional: The firms would be wise to avoid overly-professional content offerings.

- Be honest: It is very important to be honest and respect the rules of the game.

There are many websites offering rules and steps to have a successful role in social media. Mashable.com (social media guide) in one of its recent post introduced 5 steps to have a successful Facebook page.

1. Networking with other platforms: Many companies lack this level of dedication, expecting their consumers on Facebook to find them automatically

2. Creating a resource: Some pages are used as connection hubs, but others offer information pertinent to their consumers. They use the information as added value to have consumers create a connection with the brand. Dell has done a great job with their social media resource for small businesses. Understanding that small business owners buy computers, by offering them this resource, small business owners interested in social media keep Dell top of mind.

3. Creating contests that include participation: For brands that want fan pages to have added value (a reason for users to join the page, aside from brand loyalty), but don't want to become a resource portal; offering contests and coupons specifically to Facebook users can entice consumers to join

4. Empowering pre-existing pages: If there is a fan page founded by one of your fans, just try to keep and empower it.

5. Targeting the proper demographic: Sometimes no matter what a brand does, Facebook page won't grow. This can simply be a side effect of Facebook's demographic. There are just some brands that will not have a strong presence on Facebook. Understanding the demographic present can help a firm decides if Facebook is worth it for the business.

Fifty Companies That Use FacebookWell

At the end of the 2009 Big Money published the list of top 50 companies that use Facebook best. They rated the companies using a variety of criteria: how often they update their Facebook offerings; the level of engagement demonstrated by their fans; how fast a company's site has grown; and how creatively the companies are using their Facebook presence, as evaluated by a distinguished panel of outside judges.

There are many hospitality firms (mostly restaurant chains) among the top 50 companies. Here is the list of the top 10 companies and their number of fans by Nov 2009 (Ledbetter, 2009)

1. Coca Cola - 3,996,163

2. Starbucks - 5,034,578

3. Disney - 2,119,773

4. Victoria's Secret- 2,151,895

5. iTunes - 2,236,306

6. VitaminWater - 1,087,153

7. YouTube - 3,733,242

8. Chik-fil-A - 1,221,064

9. Red Bull - 1,623,102

10. TGI Friday's - 974,192

The other hospitality firms in this list are: 12. Dunkin Donuts, 17. KrispyKreme, 20. Papa John's, 23.McDonald's, 35.Pizza Hut, 47.Taco Bell, 48. Buffalo Wild Wing,

Summary

In this chapter a brief literature review was presented. At the beginning some recent news about the lodging industry and social networks were presented. Then the overview of available academic papers showed the important role of social media on travel and tourism and thus hospitality. More specific studies were discussed and they showed that the social networks definitely have changed the relationship between customers and lodging firms and they have an important impact on the industry. At the end of this chapter the successful companies in Facebook and advices to have a successful fan page were presented. The factors which were used to determine the successful companies are used in this study to examine the successfulness of hotel operators and their brands and hotels in Facebook.

In the next chapter the methodology of this study will be presented. This methodology chose based on the review of the literature. It was the best methodology to examine the current situation of lodging industry based on the common factors of social networks.

CHAPTER III: METHODOLOGY

Research Design

The planning and development for the current research study began in March 2009 and continued through March 2010. During this time a review of literature was conducted, research questions and hypotheses were developed, and data collection procedures were determined. A content analysis research design was selected to complete the study. The main purpose of this study was to conduct an exploratory content analysis of the use of Facebook.com as a customer relations and marketing tool in the lodging industry. This was conducted by collecting the content presented in Facebook pages by the ten largest hotel companies in the world, their hotel brands, and a random selection of their affiliated hotels. The study design consisted of two steps in the collection of data.

The first step was to identify how the world's top 10 hotel companies, their hotel brands, and affiliated hotels were usingFacebook.com as a business strategy. For the second step, a survey instrument was developed to collect data from the administrators of individual hotel's pages as to their efforts of promoting their hotels through Facebook.com.Facebook.com was selected as the social network site to use for the current study because Crunchbase.com (a free database of technology companies, people, and investors) reports that Facebook.com is the most popular social network site in the world.

Research Instrument and Data Collection Strategy

Facebook's search feature was used to find the official page of hotel operators, brands, and hotels. In this search engine ,the researcher searched by using the hotel

corporations' and hotel brands' names. The administration of Facebook does not control the use of page names when new Facebook pages are created therefore, to find the official pages, the researcher manually visited all the related fan pages (based on keyword used) to identify the official page of each hotel corporation and hotel brand.

All data from the Facebook pages (number of fans, number of posts, date of foundation and so forth) were collected manually, only from the official fan pages. The data collection phase was done in the third week of March 2010 and the number of fans and posts reported in this study were the information found at that specific period of time.

Additionally, a self-administered questionnaire was created from information obtained from the author's observation and Facebook features. The questionnaire was sent to individual hotels that were affiliated with a hotel brand of the top ten hotel companies. A total of 80 surveys were posted on the official hotel's page and the administrator was asked to complete the questionnaire. For brevity and to ensure participation, the survey contained 3 questions and 1 statement. The questions and statement on the survey were:

1. State the brand of your hotel.

2. Specify the top three ways for promoting your hotel's Facebook page to your customers.

3. Do you check and update your hotel's Facebook during weekend and holidays?

4. It is easy to promote the hotel's Facebook page? (agree/disagree)

This questionnaire was sent to individual hotels in Facebook to obtain a better understanding about individual branded hotels' strategies for promoting their hotel through Facebook.com. At the end of the questionnaire there was a space for the

Facebook page administrator to enter their email address if they wanted a copy of research results.

Sampling Plan

The world 10 largest hotel operators, ranked by total number of rooms, along with their hotel brands and affiliated hotels were selected for the current study. The 10 largest hotels were identified based on HOTEL magazine's list of hotels for 2009. Data were collected only from the official Facebook.com pages for each hotel operator and their hotel brands.

For the survey part, the target population was hotels (those that were affiliated the world's top 10 hotel companies) that had a Facebook fan page at the time of the study. A list of survey participants was created from the result of first three pages of the Facebook search. Each Facebook search result page consists of 10 Fan pages. The search results are presented by ranking updated/active pages. Again, only the official hotel fan pages returned in the keyword search, which had more than 10 fans were recorded and used for the current analysis. From this list 100 hotels were randomly selected to receive an invitation to complete the survey. From this random selection, the researcher omitted 20 fan pages as the primary language was not English. The author then became a fan of remaining 80 hotels so that she was able to post a link of the survey to their wall. Facebook.com has a maximum limit for users when posting links, so the author was able to post the survey link to all 80 hotel fan pages over a three day period. Forty-one hotels responded to the survey for a 51.2% respond rate.

Data Analysis

For the survey, data was coded and analyzed using Statistical Analysis Software (SAS). For each question normal histogram and the normal diagram's

parameters (mean, standard deviation, P value and etc) were obtained from the Software.

For the search data, Microsoft Excel was used to categorize the data and show them in the meaningful tables and find any possible relationship.

<u>Limitation & Assumption</u>

The samples used for this study are the largest lodging operators in the world, so the companies and their brands are well-known around the world. This study did not address social media strategies in Facebook.com for local, non-chain affiliated, or independent hotels. Additionally, the survey was sent only to the hotels that were active on Facebook and had at least one post over the first three months of 2010. Moreover, it was assumed that respondents completed the questionnaire objectively.

The environment for social networks is very dynamic and the exact statistics used in the current study can change quickly (for example number of each page fans). Thus, this study provides only a brief picture of current situation of the use of Facebook.com as a social media marketing strategy in the lodging industry.

In the next chapter the results of the study are presented.

CHAPTER IV: RESULTS

The purpose of this study was to identify the current use by the lodging industry on the most popular social networking site, Facebook.com. Additionally, the current study was designed to investigate if there is a relationship between different activity factors (number of posts, level of activity, length of activity) when using social networks and the number of fans to the Facebook.com pages.

The specific objectives of this study were to:

- Determine the level of activity and popularity of major hotel corporations in creating and maintaining pages on Facebook.com.

- Determine the level of activity and popularity of hotel brands in creating and maintaining pages on Facebook.com.

- Determine the level of activity and popularity of the individual branded hotels in creating and maintaining pages on Facebook.com.

The factors which were collected consist of these main parameters:

- Number of fans of each page: Number of users which like the page.

- Level of activity of founder: Number of founder's total posts and post per month of activity.

- Level of activity of fans

- Content of founder's posts

As discussed in chapter 1, the unit of measurement for the current study was the world's 10 largest hotel operators, their brands and individual branded hotels. Data were collected during third week of March 2010.

In this chapter the results for each level of the lodging companies (operators, brands, and hotels) will be presented.

Results for hotel Operators

The ten largest hotel operators were searched in Facebook.com to identify if they had an official page. As shown in Table 4-1, of the 10 hotel corporations, seven have an official page. Additionally, it was found that Starwood and Wyndham have more than one official page. When there were more than one page, the most active page was used for the analysis.

In Table 4-1 these characteristics are presented:
- Main Purpose: The posts are mainly created to attract which segment of the market.

- Who provide content: Who can post on the wall? Just founders or fans and founders?

- Active party: Fans are more active or the founder.

Table 4-1- Hotel Operators and general characteristics of Facebook.com page

Hotel Operator	Facebook page	Main purpose	Who provide content	Active party
IHG	**YES**	General	founder+ fans	Fans (individual hotels advertise for themselves)
Wyndham Hotel Group	**YES**	General	founder	founder
Marriott International	**NO**			
Hilton	**YES**	General	founder+ fans	fans (customers' experiences)
Choice	**NO**			
Best Western	**YES**	General	founder+ fans	founder
Starwood	**YES**	Preferred guests	founder	founder
Carlson	**NO**			
Accor	**YES**	General	founder+ fans	fans
Hyatt	**YES**	Recruiting	founder+ fans	founder

In reporting the following analysis for the hotel operator pages, only the companies with Facebook.com pages will be analyzed and data will be presented based on the size of company. After the official pages for each hotel corporation was

identified, further analysis was conducted to collect data of the level of activity for each official page. The activity information collected included the number of fans, number of posts by founder, level of activity of fans, content of posts and other factors were collected.

<u>Number of Fans</u>

Figure 1 shows the number of fans of each operator's page. As is shown, Hilton, Starwood, and Hyatt have the most fans.
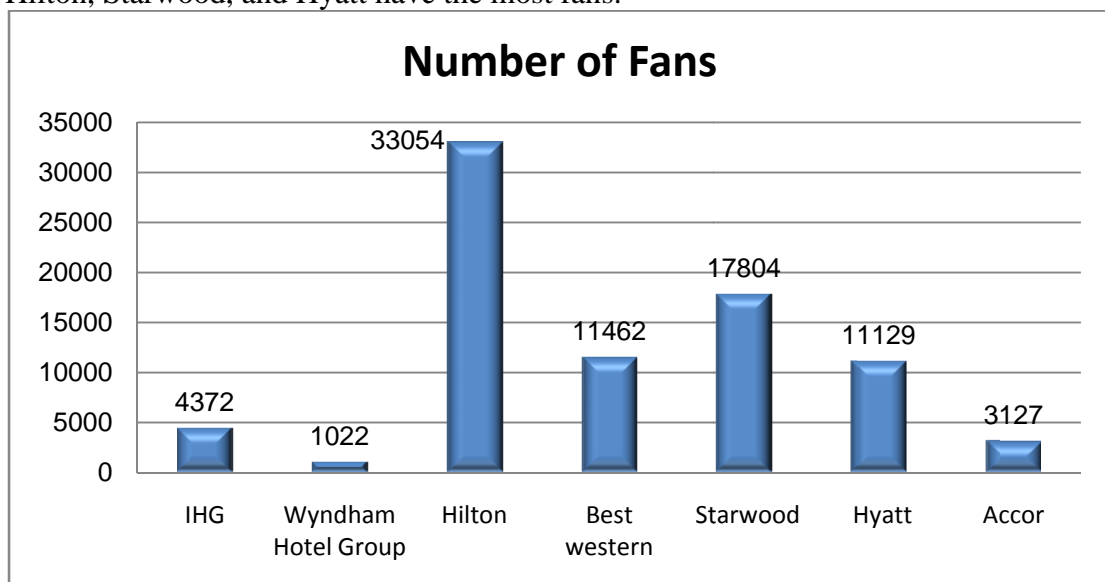
Figure 1- Number of fans

As it was stated in chapter 1, Facebook.com has around 400 million users. In the current study, the total number fans for the top ten hotel corporations official page is 81,970, which is 0.02% of potential fans. Figure 2 shows the rate of attracting the fans in the duration of activity. The average number of operators' fans is 11,710.

As shown in Figure 2, Hilton page has shown the most in attracting new fans of the hotel corporations used in this analysis, IHG was the first operator, to create a

Facebook page, however has not been successful in attracting fans. Moreover, no new posting to its page has occurred since July of 2008.

Trend of Increasing in Number of Fans From the Date of Foundation
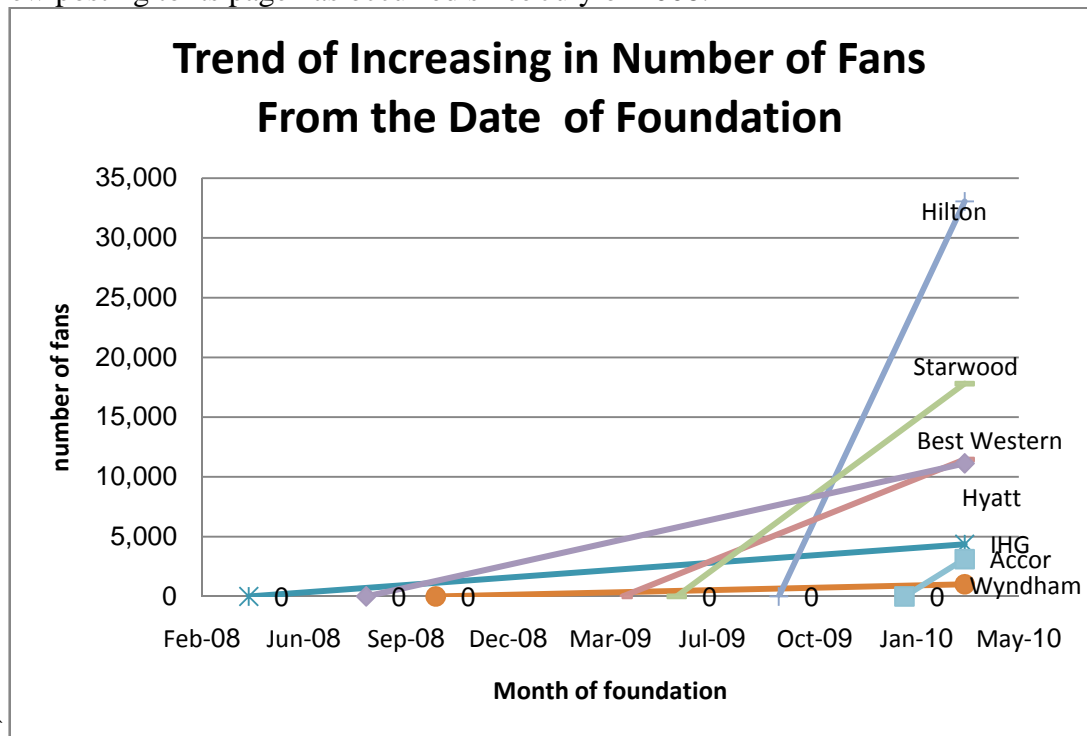
Figure 2- Trend of increasing in Number of fans

Level of Activity of Founder

There are many challenges for industries in using social networking. The level of activity and the content of their posts are among the major challenges. In Figure 3 the total number of founder's posts from the foundation of the page is presented. Another way to evaluate the level of activity by the founder on their facebook.com page is to present the number of posts by the number of months the page has been created. Figure 4 shows the average number of posts per month for each of the hotel corporations. Because the dates of foundation of pages are very different (around 2 years difference between first and last), the total number of posts per months of activity is a better indicator for founder activity.
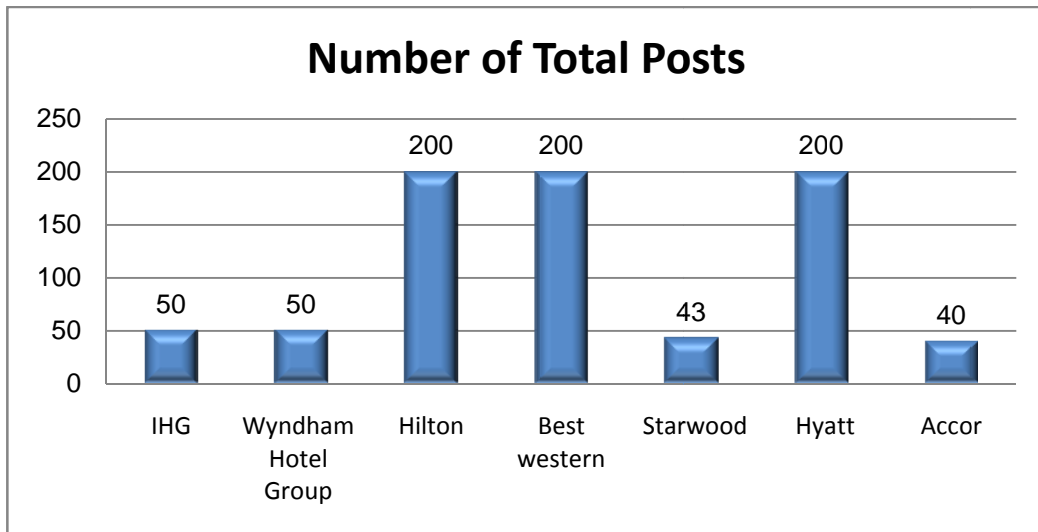
Figure 3- Number of founder's posts
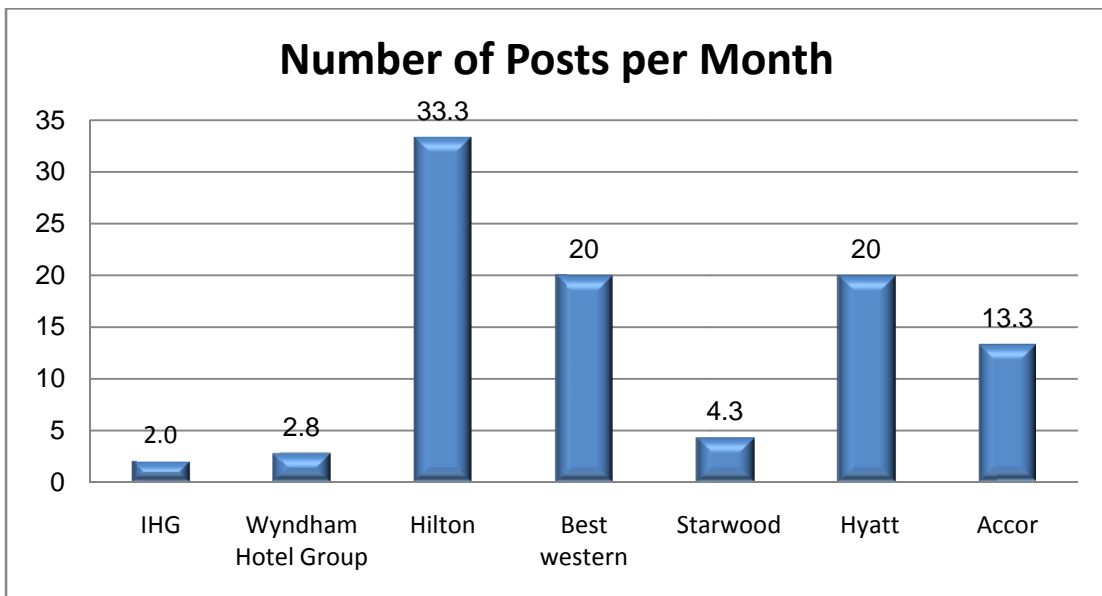
Figure 4- Number of total posts per month

As seen in Figure 4 Hilton is the most active operator on its page. Also as shown in Figure 1 Hilton also has the most number of fans. However, there does not appear to be a relationship between level of activity by the Hotel Corporation and number of fans for its page. For example, Starwood was found to be ranked 5 in the level of activity, but has the second most number of fans for its page.

In Figure 5 the data for the number of fans is presented along with the number of posts to provide a better visual presentation of the information. In Table 6 the number of fans shown is a multiple 100.
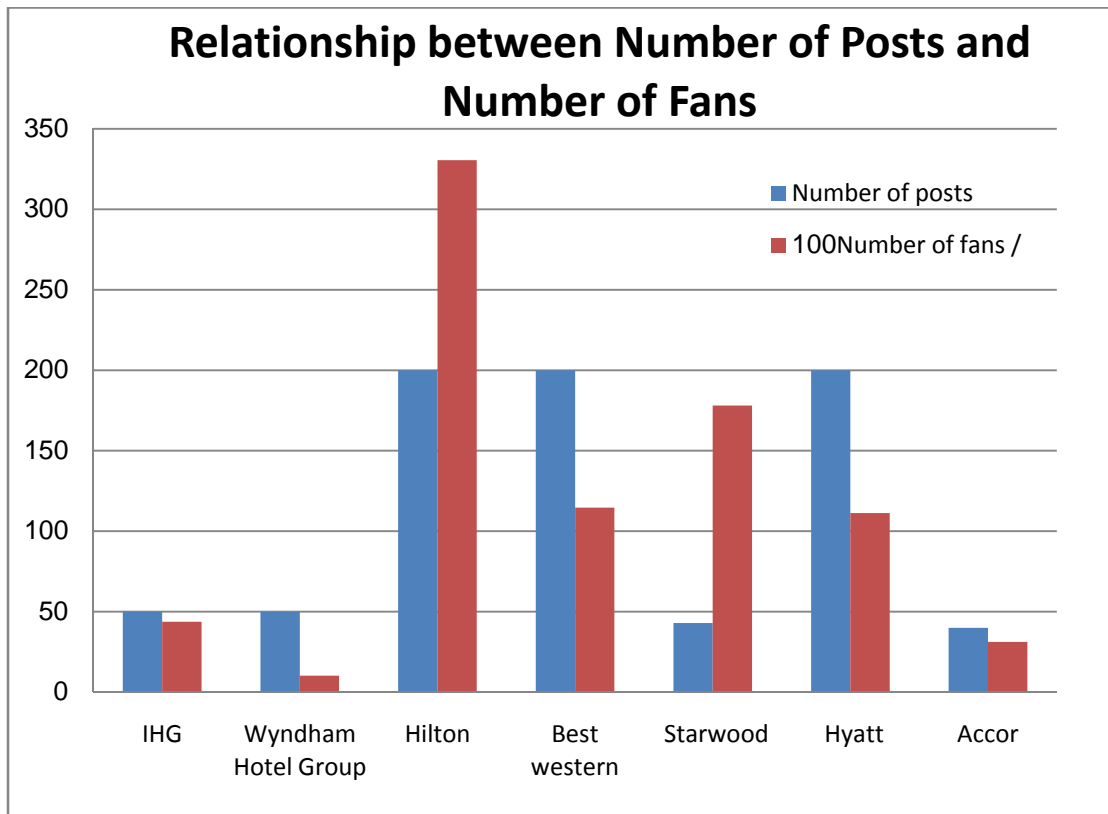
Figure 5- Relation between Number of posts and Number of fans

In addition to the number of posts it is important to consider the contents of posts. For the analysis of the content of the posts, the researcher categorized the posts into seven categories as shown in Figure 6. Additionally, the table includes the percentage of the pages that had at least one post related to the category.
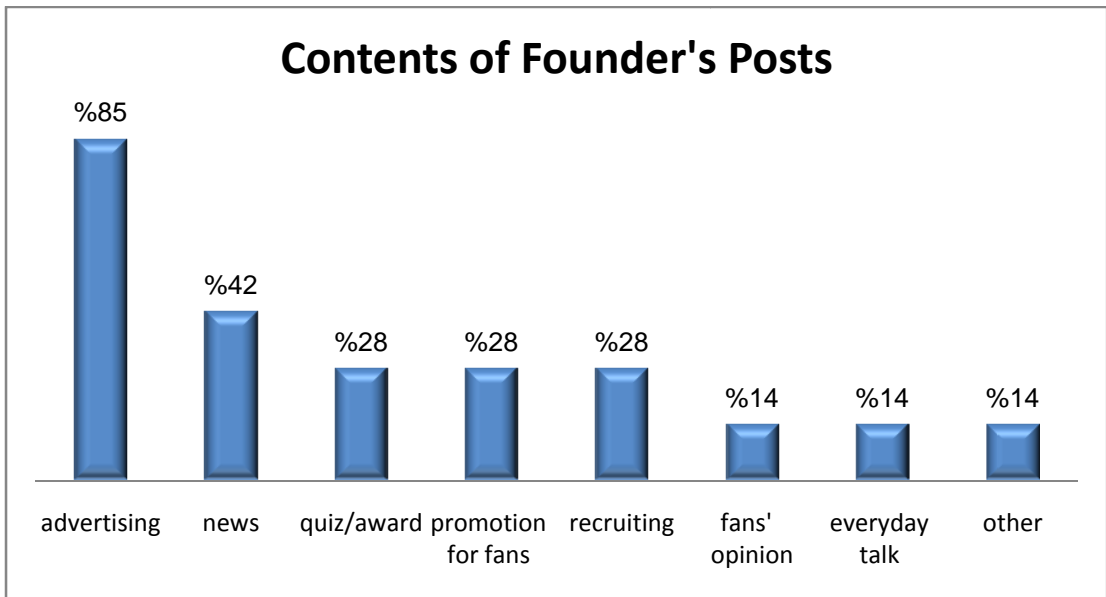
Figure 6- Content of founders' posts

In this analysis content containing an advertising post were found on 85% of the pages. As a percentage of occurrences this was followed by news (42%), quiz/award (28%), fan specific promotion (28%), recruiting (28%), fan opinion (14%), everyday talk (14%), and other (14%). In summary, the hotel corporation's pages were used more to advertise new hotels or services, which is similar to traditional one-way marketing strategies. Given that the use of pages as a tool to hear customers and build a casual relationship was only found in 14% of the hotel corporation's pages. It appears that these firms are underestimating the power of social networks in building a mutual relationship and as a tool to get consumer feedback.

Level of Activity of Fans

One of the unique characteristics of using Facebook.com and a social networking tool is the interaction between the company and its customers. Figure 7 provides the results of the average level of fans' activity per post made by the founder. In Facebook.com, when a founder of the page makes a post, fans can comment on the post or click the "like" button to show interest.
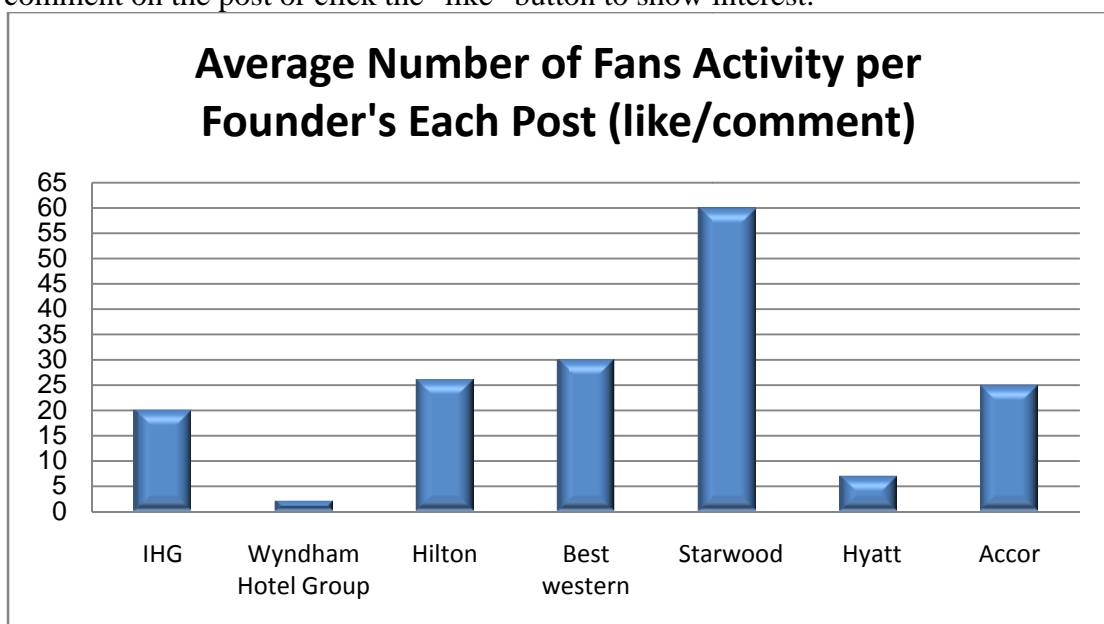
Figure 7- Average number of fans activity per founder's each post

As can be seen in Figure 7, Starwood receives the highest level of fans' activity of likes and comments with 60 per founder's post. It should noted that the Starwood page has been created specifically for its preferred guests, so this may the reason for the highest level of activity when compared to the other hotel corporations' pages. Best Western had the second highest level of fan's activity. Best Western's page included a trivia question every Tuesday, which generated a high participation in response to the questions. It was found that Wyndham had the lowest

level of activity, which may be why the company stopped posting on the page as of September 2009.

In addition to the fan's ability to write a comment or clicking on the "Like" button, it was found that fans were able to post their own content on some of the hotel corporation's pages (refer to Table 1). Figure 8 presents the information that in 57% of the hotel corporations' pages, the founders were the most active participants on the page, compared to 43% of the pages where the fans were the most active participants.
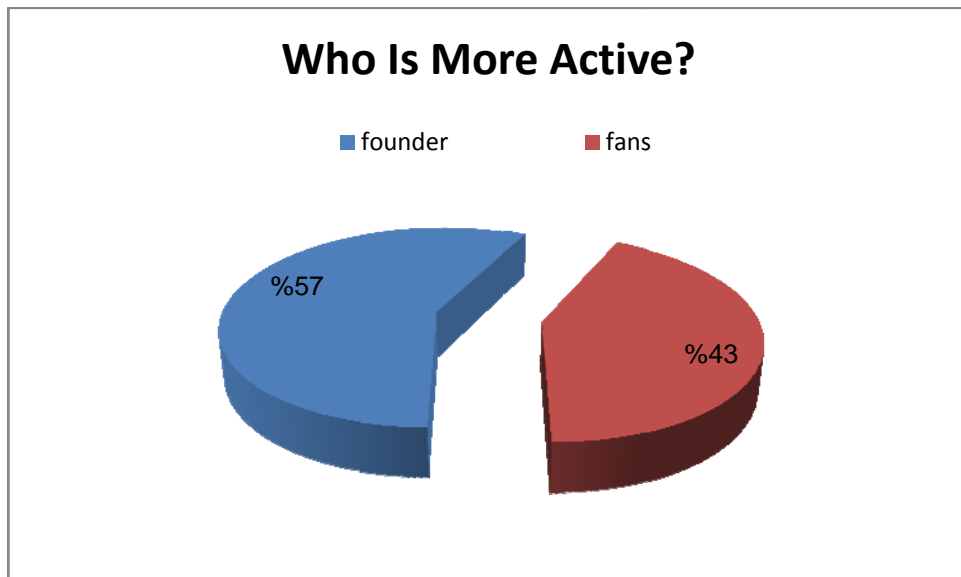
Figure 8- Who are more active in each page.

Results For Hotel Brands

For each of the hotel corporations used in the current every one owns and manages a system of multiple hotel brands except for Best Western). In this section each of the hotel brands associated with these hotel corporations was studied and the data collected from their Facebook.com page was analyzed in a similar fashion as was presented in the previous section.

Similar to Table 4-1, Table 4-2 shows information regarding the general characteristics the hotel brands' page. Of the 61 hotel brands that are part of the hotel corporations' portfolios, 26 (42.6%) were found to have a page for the brand.

Table 4-2- Hotel brands and general characteristics of Facebook's page

Hotel company	Brand name	date of foundation	who provides content	Active party
IHG				
	Crown plaza (no page)			
	indigo (no page)			
	Holiday inn	May-08	founder+fans	fans
	Holiday inn express	May-09	founder+fans	founder
	Staybridge (no page)			
	candlewood (no page)			
Wyndham				
	Ramada	Nov-09	founder+fans	founder
	Days inn	July-09	founder+fans	fans
	Super 8		founder+fans	fans
	Wingate by Wyndham	Feb-08	founder+fans	founder
	Baymont inn (no page)			
	Microtel inn & suite	Dec-08	founder+fans	fans
	Hawthorn (no page)			
	Travelodge	Apr-09	founder+fans	fans
	Knight inn (no page)			
Marriott				
	JW marriott (no page)			
	Renaissance Hotels	Nov-09	founder	founder
	Edition (no page)			
	autograph collection (no page)			

	courtyard (no page)			
	residence inn (no page)			
	fairfield inn (no page)			
	towneplace (no page)			
	Spring Hill Suites (no page)			
	Ritz-Carlton hotel company	Jan-09	founder+fans	founder
	Ritz-Carlton Destination club	June-09	founder	founder
Hilton				
	waldrof (no page)			
	Conrad (no page)			
	DoubleTree	Feb-09	founder+fans	founder
	Embassy suites	May-09	founder+fans	fans
	Garden Inn	Apr-09	founder+fans	founder
	Hampton	Oct-09	founder+fans	fans
	Homewood suites	Jan-10	founder+fans	founder
choice				
	comfort inn (no page)			
	Quality inn (no page)			
	sleep inn (no page)			
	Clarion (no page)			
	Econolodge	July-09	founder	founder
	Suburban (no page)			
Starwood				
	Le Meridien	Jan 08	founder+fans	fans
	Four points	Jan 09	founder+fans	fans
	Westin	March 08	founder+fans	fans
	aloft	March 09	founder+fans	fans
	Sheraton	March-08	founder+fans	fans

	element (no page)			
	W hotels	Apr-08	founder+fans	fans
Carlson				
	Regent (no page)			
	Radisson (no page)			
	park plaza (no page)			
	Park inn (no page)			
	country inn (no page)			
Accor				
	Sofitel	Feb-2010	founder+fans	founder
	Novotel (non ENG)	Jan-2010	founder+fans	founder
	Mgallery(no page)			
	Mercure(no page)			
	Pullman(no page)			
	ibis (no page)			
Hyatt				
	Hyatt Vacation (no page)			
	Hyatt place(no page)			
	Park Hyatt	Apr-09	founder+fans	founder
	Hyatt Regency (no page)			
	Hyatt Summerfield (no page)			

As can be seen in Figure 9, most of Starwood's (85.7%), Hilton's (71.4%) and Wyndham's (55.5%) brands have created Facebook.com page. On the other end of the spectrum Choice and Hyatt had only one of the brands with page and none of the

Carlson hotel brand had a facebook.com page. As noted earlier Choice and Carlson also did not have corporate page either.

Percentage of Brands With FB Page
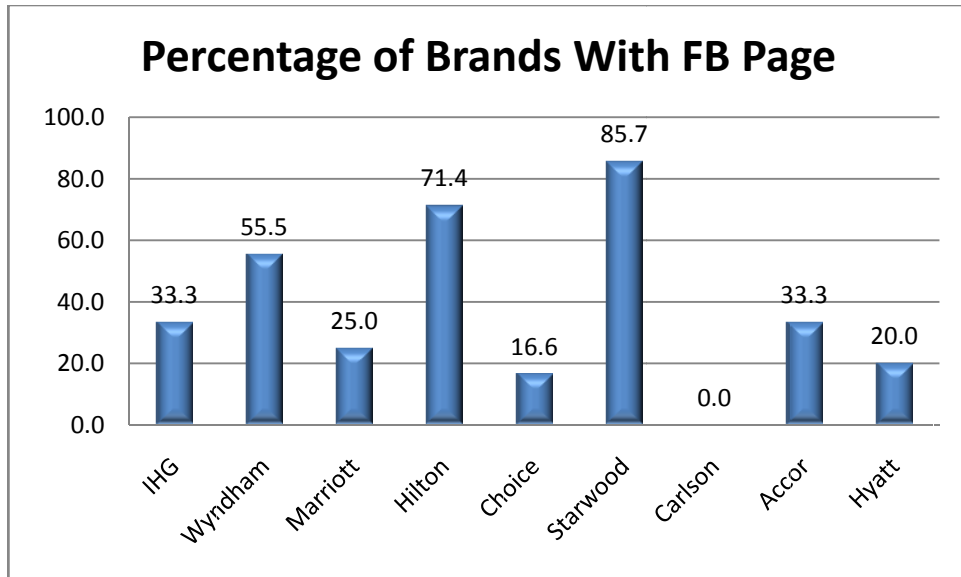
Figure 9- Percentage of each operator's brands with Facebook page

From an analysis of the page characteristics, Starwood's brands had the most similar characteristics among their hotel brands. At this point, further analysis only included those hotel brands that had a facebook.com page.

Number of Fans

Figure 10 presents the number of fans for each of the hotel brand's pages.
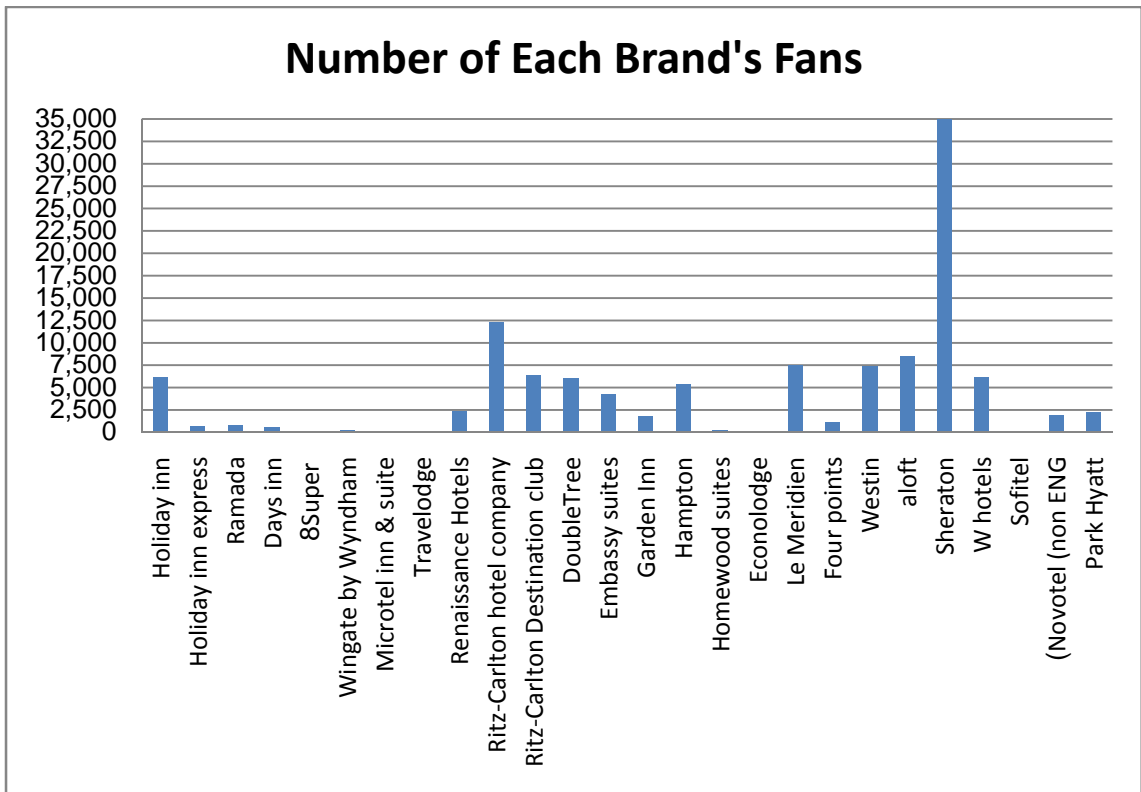
Figure 10- Total number of brand's fans

As it is shown in Figure 10, Sheraton has an exceptional number of fans, which is on a different order of magnitude as compared to the other hotel brand pages. Therefore, for a better graphical perspective, in Figure 11 Sheraton was removed from the graph.

Number of Brand's Fan (Except Sheraton)
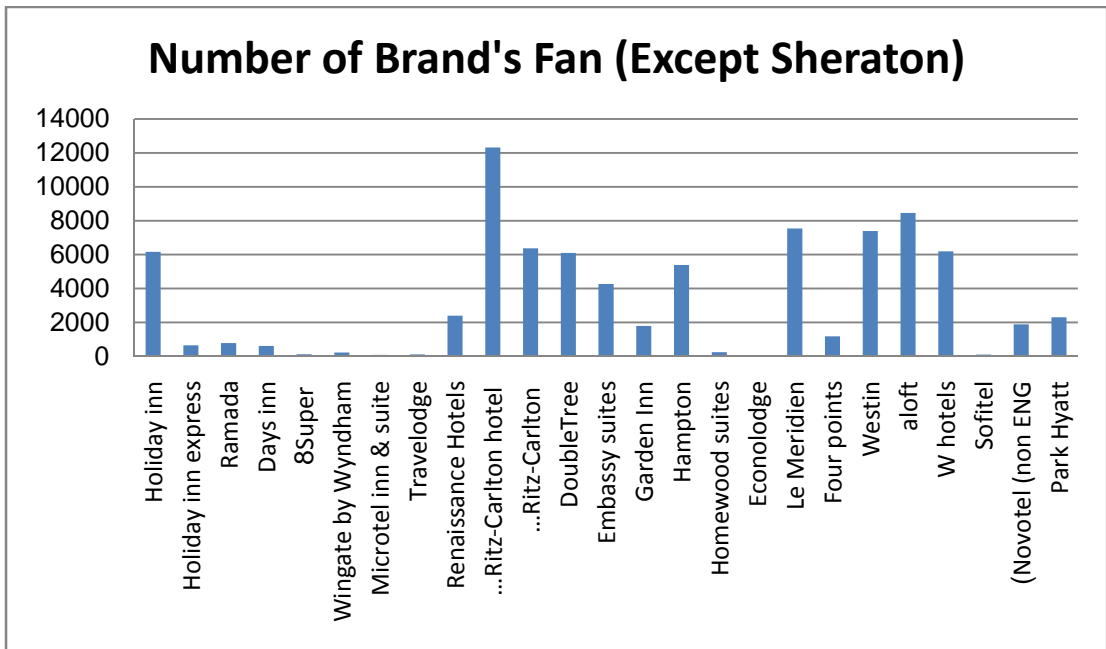
Figure 11- Total number of brand's fans (except Sheraton)

As can be seen, after Sheraton, Ritz-Carlton, aloft, LeMeridien, Westin, and W hotels have the most number of fans. It seems interesting that given the fact the most of the population in Facebook.com are college students; in the current analysis it is the luxury brands that have the most fans. However, having a high-tech hotel brand such as the W appears to make sense to have a large number of fans based on the characteristics of the population that participates on Facebook.com.

Figure 12 shows the total number of brands' fans for each operator.
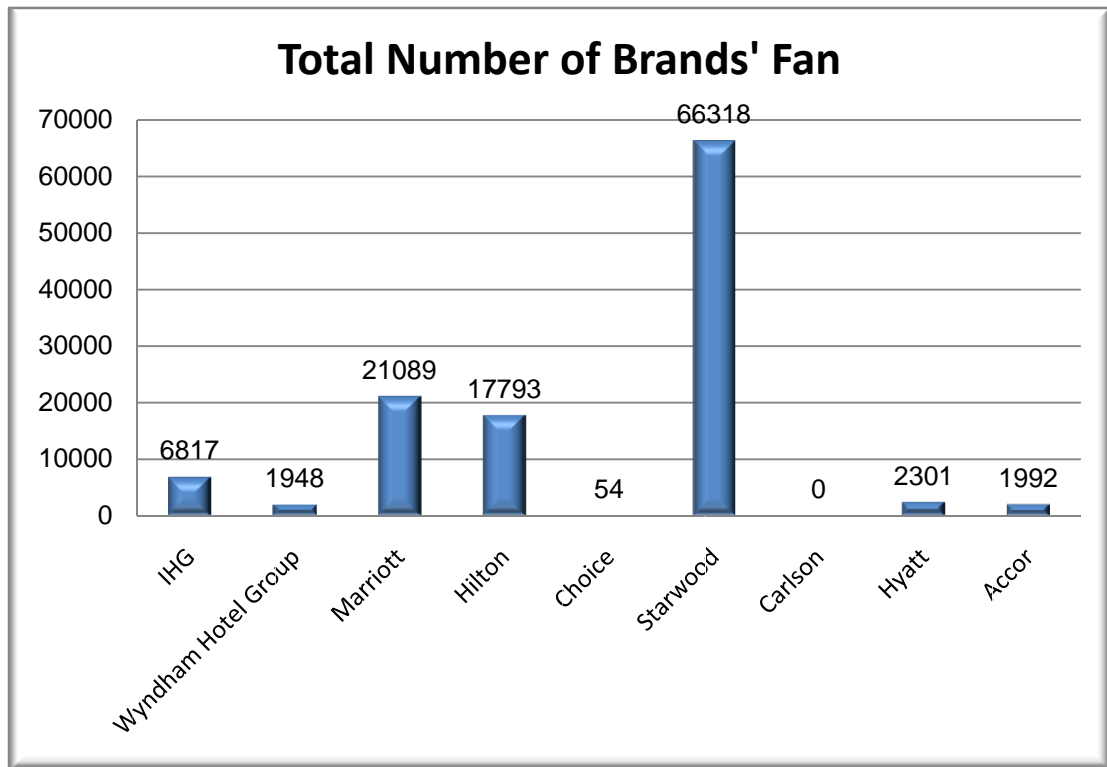
Figure 12- The total number of brands' fans for each operator

In Figure 1 it was shown that Hilton has the highest number of fans among hotel operators. In Figure 12 Hilton has the third place. Starwood based on popularity of Sheraton has the highest number of fans. The interesting point in this table is Marriott fans. Marriott has the second place in Figure 12, but the operator doesn't have any official page.

Level of Activity of Founder

Figure 13 shows the length of activity. Many brands founded their pages around 2 years ago and many are new to Facebook.
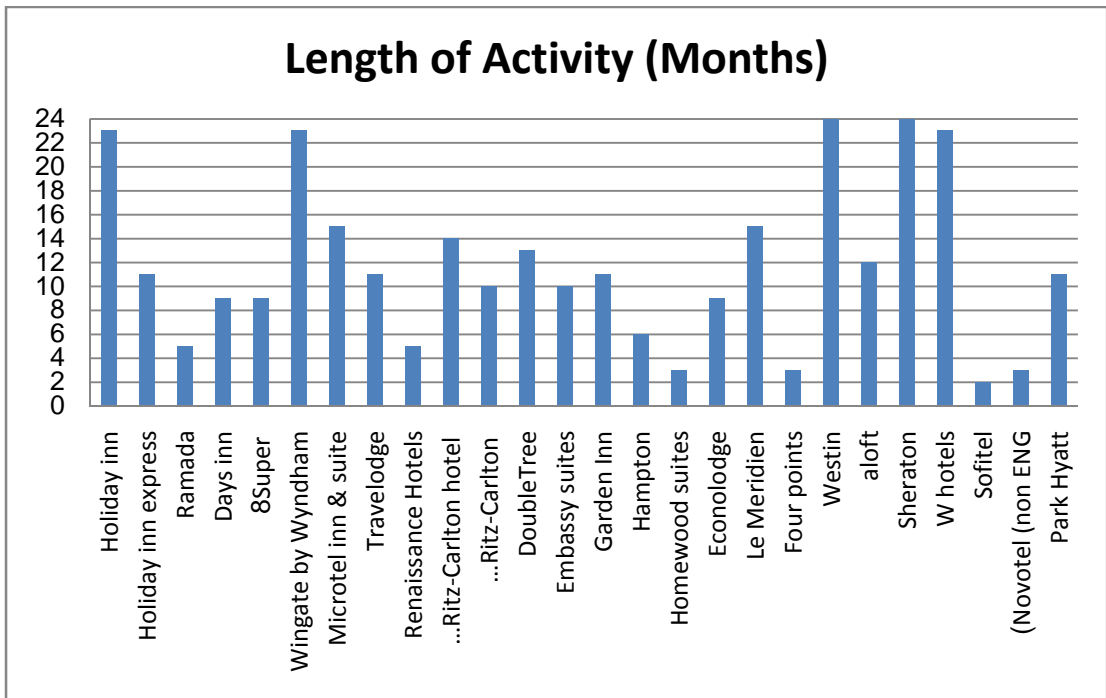
Figure 13- Length of activity of brands on Facebook

As it is shown in Figure 13 Sheraton, Westin and W hotel (all Starwood's brand) have the oldest pages.

Figure 14 shows the total number of posts of founders. Founder's level of activity is very different among these brands. The number of posts is not related to the length of activity. For example Holiday Inn is one of the oldest pages, but it just has two posts; one post in 2008 and one in 2009. In contrast Holiday Inn express has much newer page with the second place in number of posts.
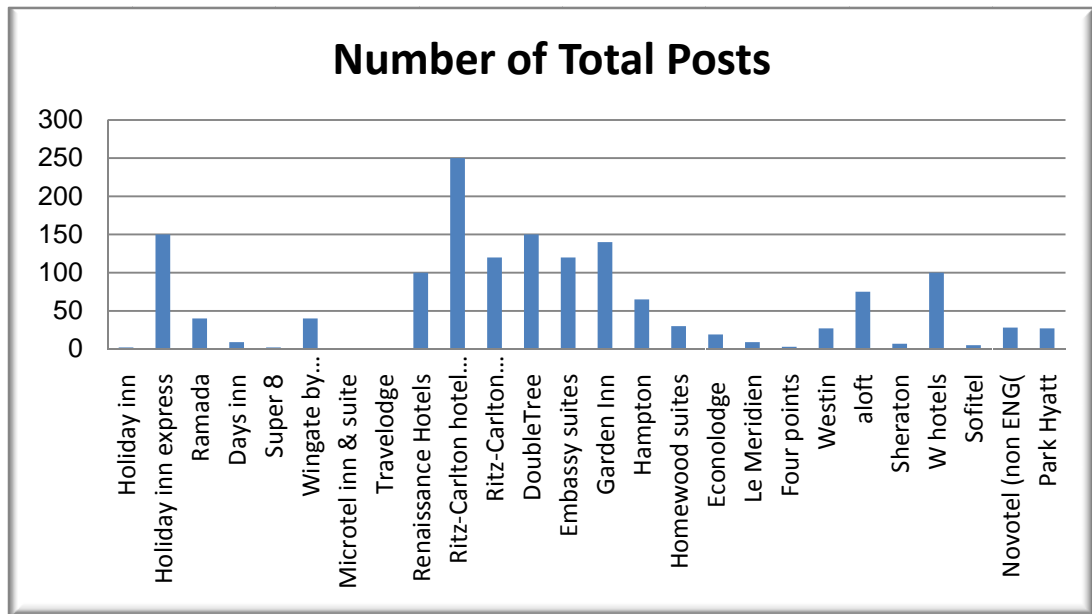
Figure 14- Total number of posts

Figure 15 shows the level of activity per month. It makes the earlier discussion about the relation between length of activity and number of posts more clear.
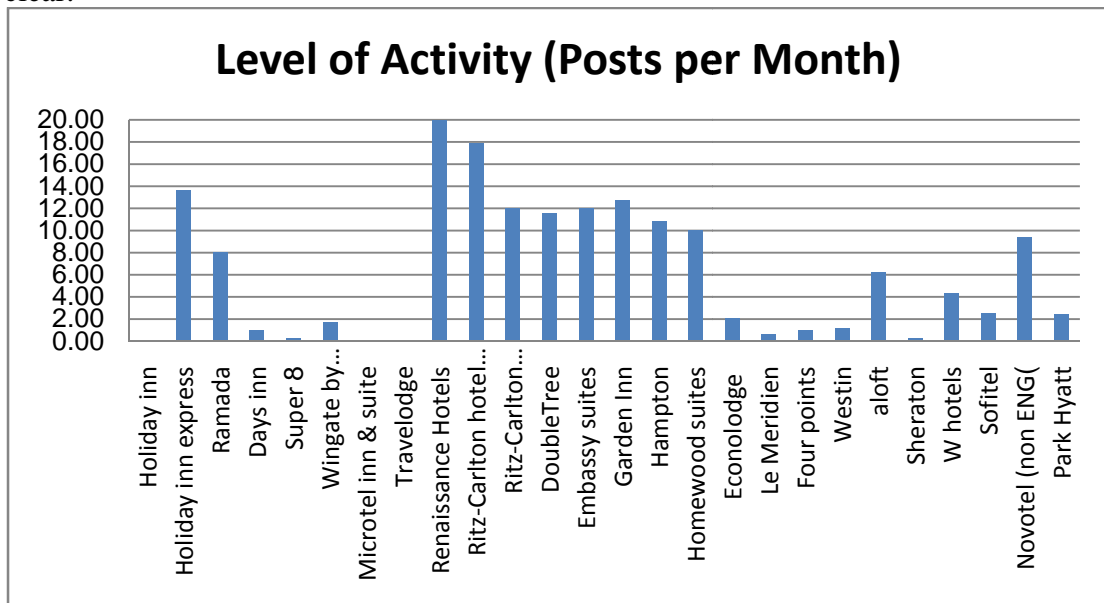
Figure 15- Number of brand's posts per month

Marriott's brands (Renaissance and Ritz-Carton) are the most active pages. It follows by Hilton brands.

Figure 16 shows the number of each operator's brands' posts. With comparing this table and Figure 3 it is shown that Hilton Company and its brands have the highest number of posts. The other interesting point is the level of activity of Marriott's brands. As it is discussed earlier Marriott doesn't have corporation official page. Level of activity of IHG and its brands and Wyndham and its brands are relatively very similar.
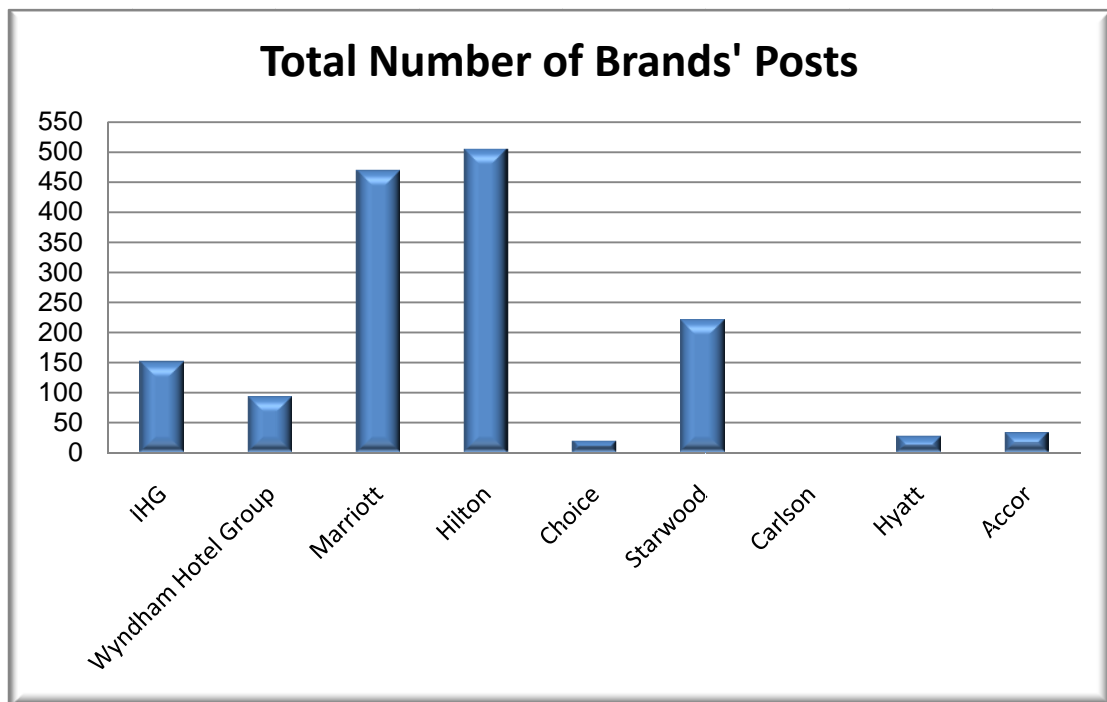
Figure 16- Total number of each operator's brands' posts

Level of Activity of Fans

As it was said in operator's result, the other parameter which is very important for founder of page is the level of activity of fans. The founder wants to be sure that

the fans read the page's posts. As it is shown in Figure 17 the level of participation of the fans are very low in most of the pages.
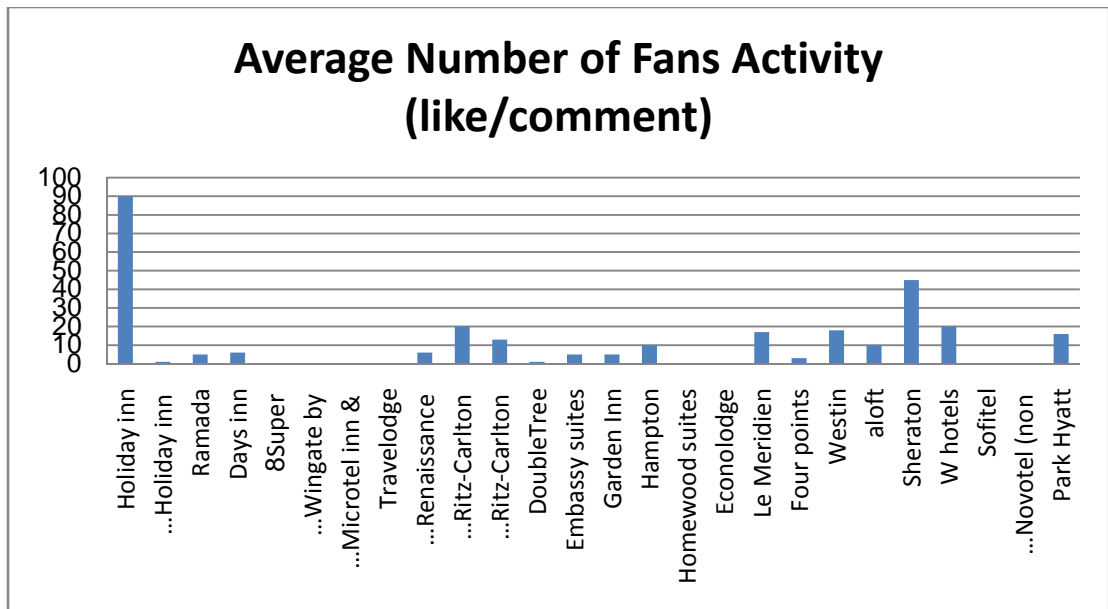
Figure 17- level of fan's participation (on founder's posts)

Again it is shown that the number of posts do not lead to the fans' participation. Holiday Inn had around 90 comments/likes on its two posts. The active brands do not have more participation from their fans than others. The reason may be the content of the founder's posts. Based on Figure 18 most of the pages (95%) have advertising posts. Similar to the operators' pages, brands pages are less likely to use as a interactive communication tool.
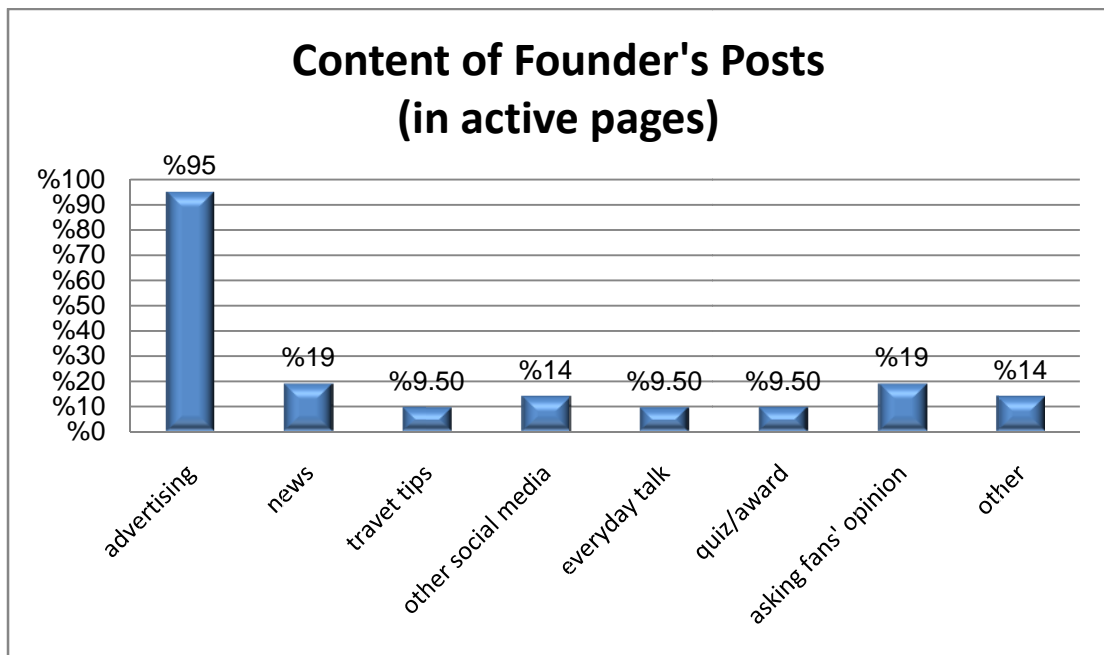
Figure 18 – Content of brands' posts

Result For Hotels

From each operator two brands were randomly selected. Then all of those brands' individual hotels were studied and these results were obtained from Facebook. These are the selected brands:

- Crowne Plaza (IHG)

- Indigo (IHG)

- Windgate by Wyndham

- Baymont Inn (Wyndham)

- Renaissance (Marriott)

- Fairfield Inn (Marriott)

- Waldorf Astoria(Hilton)

- Embassy suites (Hilton)

- Quality Inn (Choice)

- Econo Lodge (Choice)

- Fourpoints (Starwood)

- Aloft (Starwood)

- Regent (Carlson)

- Radisson (Carlson)

- Sofitel (Accor)

- Mercure (Accor)

- Park Hyatt

- Hyatt Regency

Figure 19 shows the number of hotels with Facebook page. Many of these hotels are non-English.

Number of Individual Hotels With FB Page

Crowne Plaza: 132, indigo: 36, Wingate by Wyndham: 42, Baymont inn: 64, Renaissance Hotels: 31, Fairfield inn: 107, Waldorf Astoria: 5, Embassy suites: 134, Quality inn: 141, Econolodge: 15, Four points: 60, aloft: 26, Regent: 5, Radisson: 93, Sofitel: 35, Mercure: 39, Park Hyatt: 7, Hyatt Regency: 88
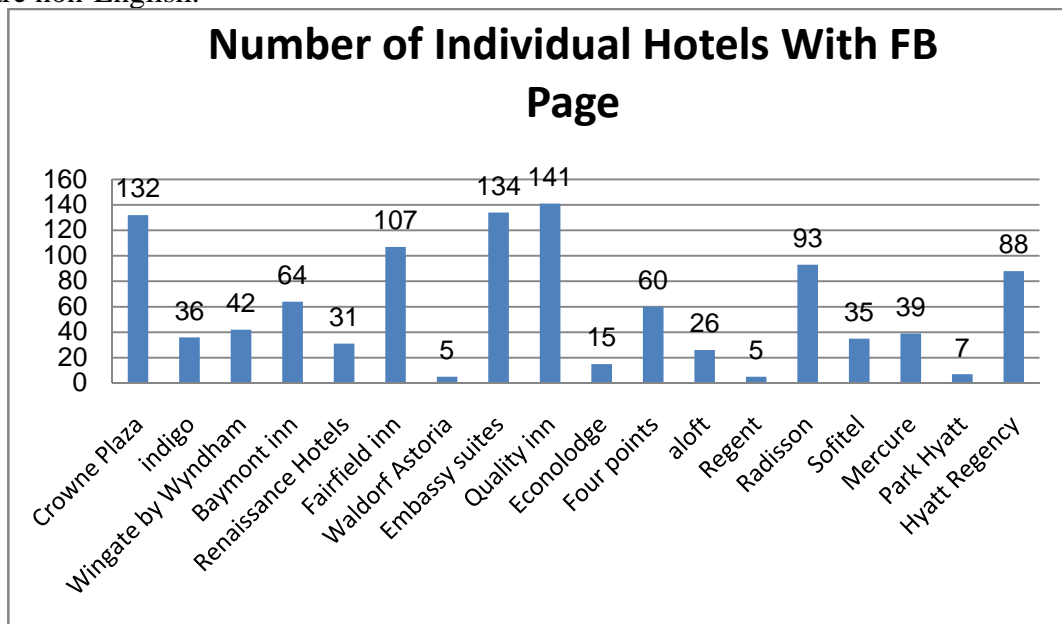
Figure 19- Total number of hotels with page

As it is shown above, Quality inn, Embassy suites and Crwone plaza have the highest number of hotels with page. Figure 20 shows a better parameter. It shows the ratio of hotels with page to the total number of that brand's hotels.
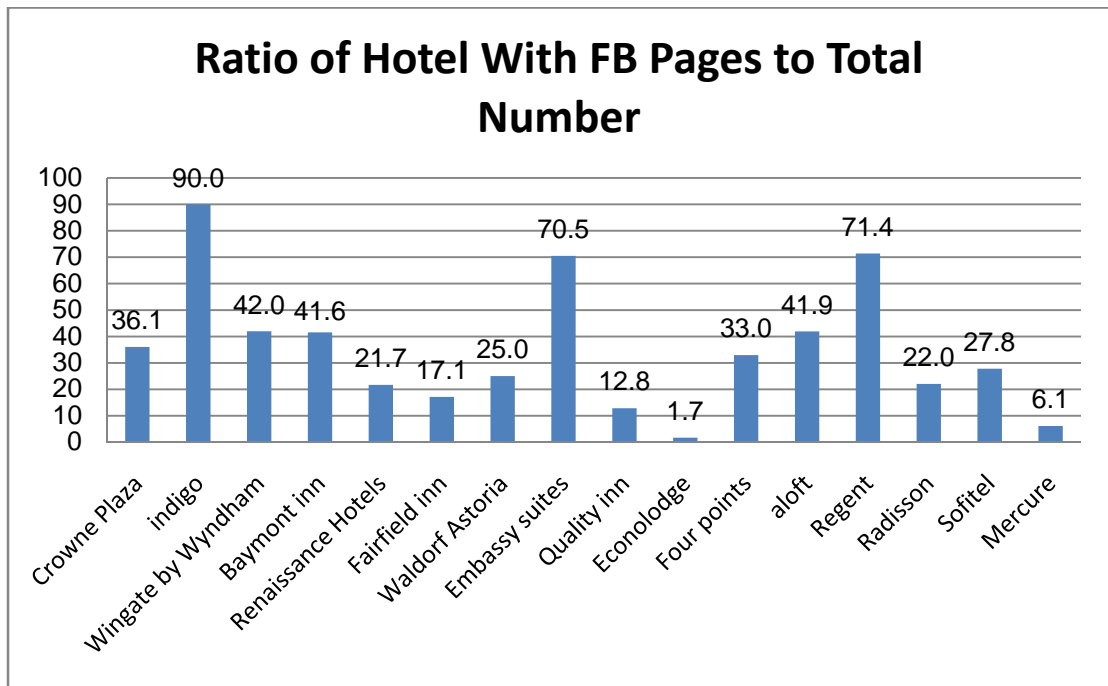
Figure 20- Ratio of hotel with fb pages to total number

Most of Indigo hotels have Facebook pages. It is followed by Regent and Embassy suites. Regent belonged to Carlson. As it was discussed earlier Carlson and its brands do not have any official page, but Figure 20 shows that at least of its brands is very active in the hotel level. As it was shown in Figure 19 Quality Inn has the highest number of hotels with pages, but because of high number of hotels this ratio is just around 13%.

As it is said in chapter 2 studies show that social media is very useful and beneficial for local businesses. These hotels are part of big companies, but they can

be considered as local businesses. Figure 21 shows the total fan of each brand's hotels.
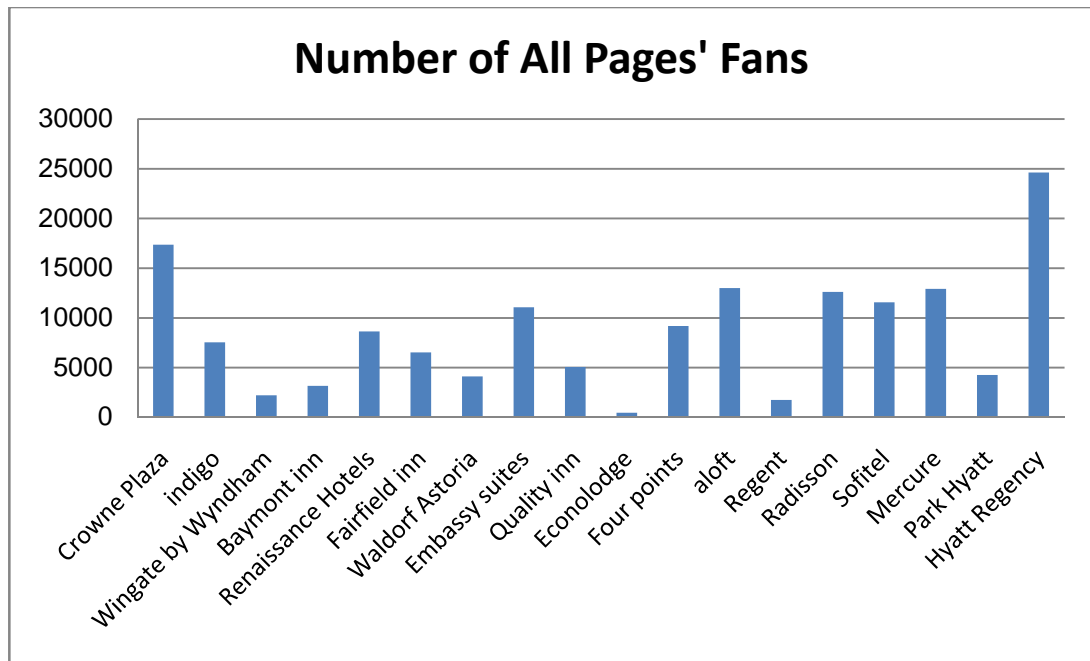

Figure 21- Number of all pages' fans

As it can be seen in Figure 21 the brands with more number of fans are classified as luxury or upscale hotels. Again this finding is totally different from the public beliefs. Most of the people think that because students are the main user of Facebook, the luxury brands are not successful. As it was discussed in brands result part, some other factors (for example prestige) play an important role in social networks.

Some of the hotels have an exceptional number of fans. These hotels mostly located in the famous tourist destinations. Figure 22 shows the maximum number of fans for each brand. Then Figure 23 shows the average number of fans of each page.

In Figure 23 one bar shows the real average and the other is the average without the maximum one.
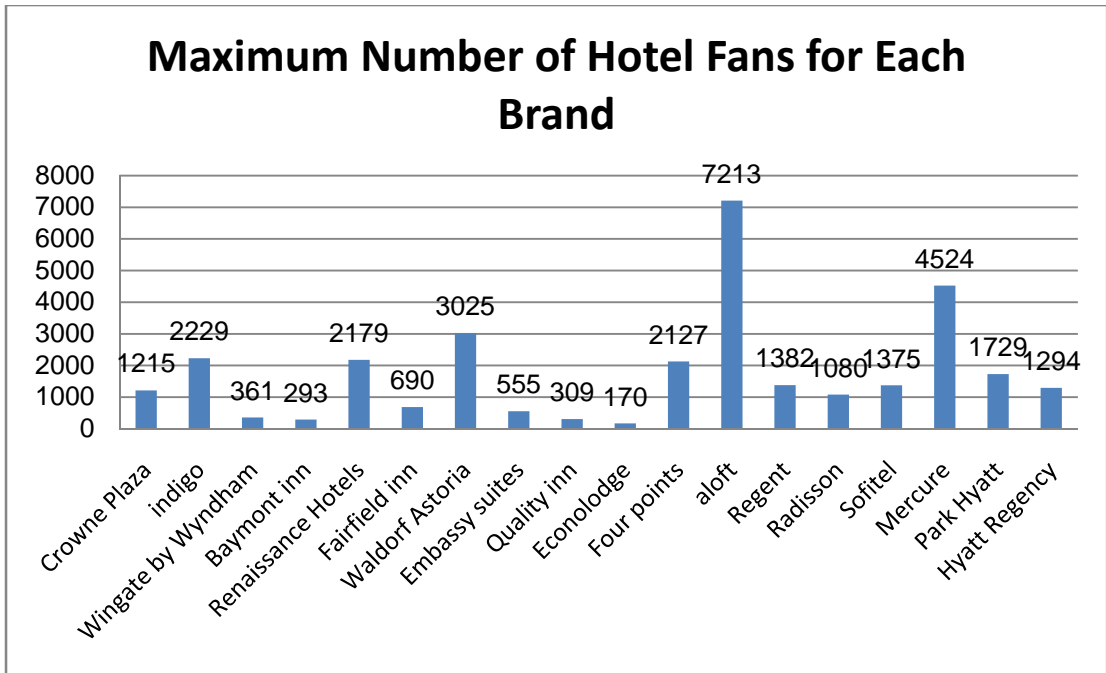
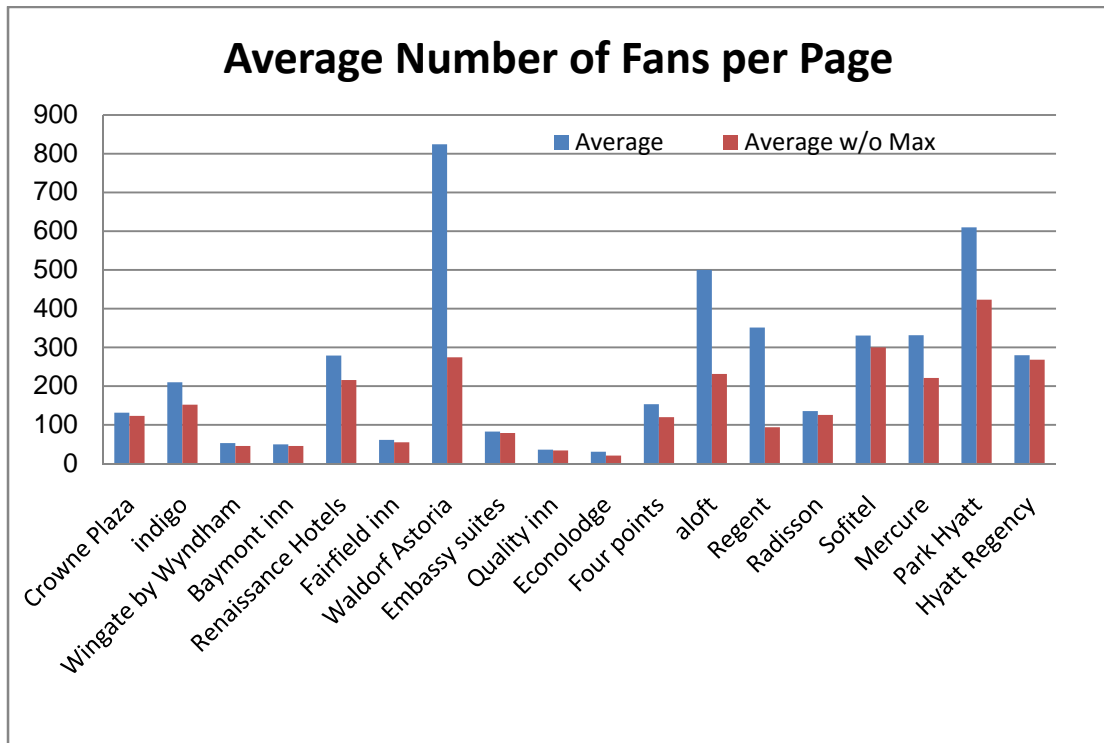

Figure 22 – Maximum number of fans

Figure 23- Average number of fans per page

Aloft has one hotel with more than 7,000 fans. This can be the result of high activity of aloft in social media and also the characteristics of the brands.

For most of the brands there were some hotels with zero or one fan. As it is seen in Figure 23, average of fans with and without the maximum fan number have a huge difference for some brands like Waldrof, aloft and Park Hyatt. It shows that one hotel has a relatively high number of fans. For other average of fans with and without maximum are quite same and it shows that there is no exceptional hotel page.

Result of Hotel's Survey

As it is discussed in Chapter 3 a survey was conducted among hotels with Facebook page to illustrate their habits.
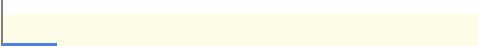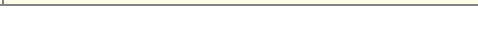
First Question- Define your hotel's company:

The questionnaire sent to the equal number of hotels from each operator. The most answers are from IHG with 27% of respondents and the least answers are from Marriott with 3% of respondents.

Question 2- Please specify your first three options for promoting your hotel Facebook page to your customers:

Table 4-3 shows the answer to this question.

Table 4-3- Answer to the first three options for promoting the page

#	Answer		%
1	Facebook advertisement		23%
2	Promoting in hotel's website		63%
3	Promoting to your friends		34%
4	Promoting to the hotel's employees		34%
5	Direct promoting to the hotel's guest		77%
6	Using other social media websites		49%
7	Other		11%

Seventy-seven percent of the pages promote directly to the hotel's guest. 63% promote it in their website and 49% promote it via other social media tools (blogs, Twitters and etc). It is very interesting that using Facebook features (advertisements, promoting to networks) are not among the top three options. Actually they are less likely to take advantage of "networks". Also when a customer follows one of the social media tools, there is a little benefit when s/he becomes a fan in others. At least the benefit is much less than what a hotel can gain in attracting new non-customer.

Question 3- It is easy to promote Facebook page.

The respondents were asked to answer this question by saying they are strongly agree/agree/disagree/strongly disagree. Table 4-4 shows the answers.

Table 4-4- It is easy to promote Facebook page

#	Answer		%
1	Strongly Agree		20%
2	Agree		63%
3	Disagree		17%
4	Strongly Disagree		0%

Table 4 shows that 83% of respondents agree with the statement. It shows that the hotels are satisfied with number of their fans and they do not feel much of difficulty in promoting their pages.

Figure 25 shows the Histogram diagram for this question.
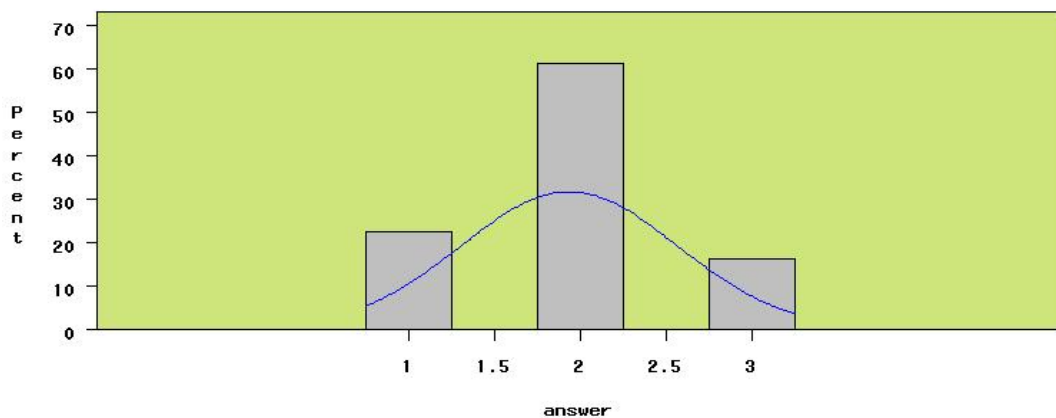

Figure 25- Histogram diagram for question 3

Parameters for normal distribution are:
- Mean: 1.935484

- Std Dev: 0.629046

- Goodness-of-Fit Tests for Normal Distribution:

Test	---Statistic---- -----	--p Value-----
Kolmogorov-Smirnov	D 0.31503819	Pr > D<0.010

Question 4- Do you check and update your hotel Facebook page during weekend and holidays?

As it was said in chapter 1 more than 50% of active users check their Facebook profile once a day. Managing Facebook page cannot be limited to business days. Table 4-5 shows that 94% of respondents check/update their Facebook pages during weekend and holidays.

Table 4-5- Checking/Updating Facebook page during holidays

#	Answer		%
1	often		50%
2	Sometimes		44%
3	Rarely		6%
4	Never		0%

Figure 26 shows the right skewed histogram of answers.
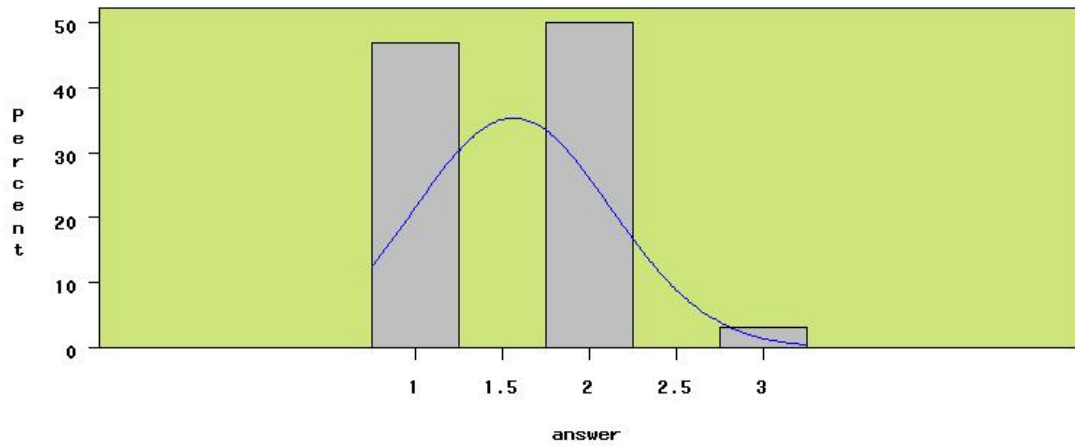
Figure 26- Right skewed Normal diagram for question 4

Parameters for this distribution are:

- Mean: 1.5625000

- Standard deviation: 0.5644009

- Variance: 0.3185484

- 95% Confidence interval for mean: [1.3590118   ,   1.765988]

- 99% confidence interval for mean: [1.2887189   ,   1.836281]

- Skewness: 0.3139881

- Goodness-of-Fit Tests for Normal Distribution:

    Test   ---Statistic----   -----p Value-----

    Kolmogorov-Smirnov   D   0.31212691 Pr > D   <0.010

At the end of survey there was a place to enter an email address if the respondents like to receive a summary of results.

CHAPTER V: CONCLUSIONS & RECOMMENDATIONS

In the previous chapter, the results of the current study were presented. In this chapter, these findings are discussed. Also, recommendations for possible directions of future research will be presented and implications for the lodging industry will be identified.

The main purpose of the current study was to provide a snapshot of the current situation of lodging industry's use of social networks as a competitive strategy. To accomplish this, Facebook.com was selected as the social networking tool selected for the analysis because it is the most popular social networking website in the world. Additionally, to evaluate the how and why hotels will choose a social media strategy, the world's 10 largest hotel operators (Corporations) along with their brands and individual hotels were studied. The applied objective of the current study was to report an exploratory content analysis of the use of a social networking strategy by hotels. The findings of the current research provide a base for the future studies on the use of social media in the lodging industry as well as providing a benchmark for operators in the lodging industry.

Presently, hotel companies are competing to take advantage of social media and are exploring strategies for dealing with this new marketing stream. However, much of this investment does not seem to be noticed by a significant proportion of users. The current study showed that the strategies of different levels of the hotel companies were not aligned. Additionally, hoteliers should become more familiar with the environment and spirit of social networks and use it as an interactive tool to engage in mutual communication with their customers and not as a one direction advertising media.

Conclusions for Operators

The current study found that of the ten hotel corporations studied seven have created and maintained Facebook fan pages. Marriott, Choice and Carlson do not have an Facebook official pages. Marriott is one the most active operators is Twitter, but they are not involved with Facebook. Two of remained companies do not allow fans to post content on their wall. They still can comment on the founder's posts, but the two operators miss the opportunity to communicate more with fans and hear their opinion about different things.

Total number of operators' fans is 81,970, which is negligible in compare with the number of Facebook users (more than 400 million). Hilton has the highest number of fan (33054) which still very low compare to the successful companies which introduced in Chapter 2. It is worth to mention that Hilton has the highest rate of attracting fans per months of activity. It was shown that there is no relationship between the length of activity and number of fans. The oldest pages have the lowest number of fans. Moreover, there is no relationship between the size of the company and the number of fans or founder's posts. IHG was the first operator which created an official Facebook page, however has not been successful in attracting fans.

The other important factors are the level of activity and the content of the posts. The operators behave totally different from each other. One corporation has more than 30 posts per month (almost daily) and the other just has 2 posts per month. Again there is no direct relationship between the number of posts and the number of fans. As it was discussed in Chapter 4 one of the reasons may be the content of the posts. Most of the posts are some kind of advertisements. It is totally in contrast with

the nature of web 2.0 and social media. People do not want to just hear, they want to participate. It is shown in the posts of some operators, which have Trivia questions. Fans' activity is relatively higher on posts which asked about their opinion or offered some kind of prizes.

Conclusions for Brands

In the next step the brands were studied. It was obvious that there is no common strategy between corporations/brands/hotels. One of the operators, which doesn't have any page, has the most active brand. Also all of the operators have some brands with Facebook pages and some brands without one.

Same as the operators, there was not any direct relationship between number of posts/ length of activity and number of fans. The most interesting thing was the relative popularity of luxury brands. It seems that despite the fact the most population of Facebook is college students; the luxury brands have more fans. It may have some psychological reasons which are out of scope of this study.

As study showed most of the brands use their page for advertising. Again the brands are losing the opportunity to hear from their customers and make a real relationship with them.

Conclusions for Hotels

Results for hotels add to the complexity of the situation. The hotels which belonged to a brand/operator without any page, has the highest number of active pages. Ratios of each brand's hotels with Facebook page to the total number of hotels are totally different. In one hand 90% of one brand's hotels have fan page. On the other hand another brand just has 1% active hotels. The study couldn't find any relationship between numbers of fans of operators/brands/hotels.

The study showed that the hotels are less likely to use Facebook features to promote their pages. They prefer to promote directly, use other social media tools and promote in their website. The whole thing about Facebook is "networks" which cannot be reached without connecting with them.

At the end the study showed that the hoteliers are not unsatisfied with the situation and they believe that it is easy to promote their pages and attract fans. By comparing the numbers of hotels' fans and other local businesses (like restaurants) it is obvious that the hotels are missing lots of potential fans and therefore potential customers.

As it is discussed in chapter 2 creating relationship and enhance a relation marketing through social media is very important. Using social networking sites just as a direct marketing tool prevent the organizations from many more benefits.

Moreover, by studying different level of the hotel organizations (operator, brand, individual branded hotel) it was shown that there is no aligned and cogent strategy along different part of the organization. Some individual hotels are very active and high number of fans, where their operator does not have any Facebook page. In some cases all levels have Facebook pages, but the content of posts and the pages strategies are different.

Recommendation For The Industry

Based on the findings of this study, the following recommendations are offered for consideration:

- Operators should consider unique and aligned strategies among different level of their organizations.

- For all level of organizations it is better not to have a social networking profile than a non-active page with the last update of one year ago.

- The operators and brands should take advantage of the nature of social networks and try to hear more and communicate more. The studied pages use their wall posts as a one-way advertisement tool, even when they use informal language to make it friendlier.

- The most important characteristic about social networking is "networks". Hotels should try to attract more fans by using the networks and try to build more networks connected to their pages.

Future Research

Social networking is a relatively young concept and there are a few studies about social networking and lodging industry. This study can be used as a base for many future works. Some of the recommended works are:
- Finding the relationship between the class of brands and number/level of activity of fans.

- Finding the current situation of non-chained hotels.

- Doing more depth research for each operators and finding "why" they use social networks and "who" manage it.

- Finding the difference between American hotels and non-American hotels. (Based on the fact that 70% of Facebook users are outside of US)

- Finding the financial improvement by using social networks.

- Finding the difference between performance of franchised hotels and owned hotels on social networks.

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