Social Media as a Channel of Communication with Customers in the Hospitality Industry

How can social media be used as a communication channel between hospitality providers and customers, in synergy with other channels?
A study for VierVakantie®, a camping startup in the Netherlands

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The thesis was submitted for the department of ICT Management and Design, a specialization for the Engineering and Policy Analysis master program, within the Faculty of Technology, Policy and Management at Delft University of Technology. Customer behavior during the decision-making process of a holiday destination was studied with the help of a structured survey. Moreover, a social media platform was designed for VierVakantie, a camping startup in the Netherlands, with the purpose of creating a customer database.

The study is part of a research project at IT-Councelor, a management strategy organization that offers services and products in the IT management domain. I worked as a research intern for IT-Councelor and I would like to thank them for offering me the opportunity to do an internship in this particular field. Since I am interested in the development of social media and technology innovations, as well as traveling is one of my hobbies, the topic of the use of social media in the hospitality industry was extremely interesting as research.

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It was an interesting experience, from which I learned a lot both in terms of technical knowledge and resource management. I hope that this work can be further improved by researchers, so that hospitality managers or policy makers can make use of the results in order to establish a better customer-relationship management.

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Abstract

Social media have become a representative part of people’s lives. Nowadays, companies rely on the information on the web to study customer behavior and offer products that fit the needs of their customers. This situation is also valid for hospitality providers, who structure their holiday packages and offers based on reviews and feedback.

The main research question is how social media can be used as a channel of communication between hospitality providers and customers, in synergy with other channels. To answer this question, the study will focus on how customer-relationship management is already handled by hospitality providers, as well as what the existent channels of communication between providers and customers are, and how social media is already used as a channel. The main observation will be on how people interested in choosing a holiday destination make use of social media technologies. This practical problem has a broader interest and is framed as a project to research how hospitality providers can support customers in their whole transaction process of deciding on a holiday destination, by making use of social media combined with other channels.

The practical research for this thesis is conducted for a hospitality provider, VierVakantie, which is a camping startup concerned with increasing its number of customers, as well as maintaining a constant group of clients. The methods used to conduct this study are literature research on existing customer-provider channels, with the main focus on social media and electronic word-of-mouth, as well as a structured survey on how families from five European countries use social media when deciding on a holiday destination, from searching for a location, to booking and reviewing it.

The results from the survey stand as the basis for several strategies that will be suggested to hospitality providers – camping agencies from the Netherlands, in particular - to establish a solid customer database. Moreover, a great deal of questions from the survey focus on whether people are interested in the type of holiday VierVakantie is offering, thus the answers will help in designing a solution for this camping startup to enhance communication with customers. This solution is represented by a social media platform that allows customers to book a vacation, post reviews, photos and videos from their trips, as well as interact with other travelers and, perhaps, establish a travel community, where people not only discuss online, but also travel together. A social media platform is the desired alternative, since it will be connected to the most common social media websites, and will extract all the information in one place.

The social media platform is, however, at the design stage, so, as future work, it should be implemented and tested. The natural step is to implement a prototype to test the basic functionalities and analyze how users interact on it. This social media platform is believed to help customers to find all the information they need about their holiday in one place, in a timely manner, as well as to ensure that VierVakantie, as a hospitality provider, has access to most of the online information about their customers and services, hence it is the most holistic channel of communication.

Keywords: customer relationship management, social media, online tourism, travel community, multichannel, hospitality agency, word-of-mouth, social media platform
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1 Introduction

1.1 Motivation

According to the (European Commission, 2013), tourism plays a significant role in the development of countries. Infrastructure created for tourism purposes contributes to local development, while jobs that are created or maintained can help the economy. Tourism brings in large amounts of income into a local economy in the form of payment for goods and services needed by tourists. This income accounts for 30% of the world’s trade of services, and 6% of overall exports of goods and services (European Commission, 2013).

Nowadays, there is a multitude of channels on which hospitality providers can communicate with customers. Out of these channels, social media has become the most used by these two groups, because of the ease of use and the fast response time. Because social media constantly develops and IT innovations are made all the time, it is necessary to study what these changes are and how they impact the customer-provider relationship in the hospitality industry.

Decision makers and consultants in the tourism and recreation industry try to come up with ways in which providers can make use of social media, along with other channels, to attract, interact with and retain customers. By channel, it is meant a customer contact point, or a medium through which the firm and the customer interact (Neslin, et al., 2006).

This research is commissioned by a hospitality provider, VierVakantie, who has the goal to build a customer base, as well as to become an electronic travel agency for camping holidays. VierVakantie is a startup that offers luxury camping holiday packages in the Netherlands, also known as “glamping”. VierVakantie performed a successful pilot in 2011 and, as a result, aims to restart in Netherlands, using the information given by this research as a starting point (VierVakantie, 2013).

One of the objectives of this research will be to offer insight into the current situation of the channels of communication used in the hospitality industry, putting emphasis on social media tools. Moreover, with this knowledge, the final purpose will be to suggest several strategies that hospitality providers, in general, and VierVakantie, in particular, can implement, in order to attract, interact with and retain customers, using social media as the main channel of communication, but also having in mind an integrated single view of the customer across the other existent channels.

The strategies will be determined by analyzing the hospitality industry in the Netherlands and focusing on how social media can be integrated with different channels of communication with customers. The choice of country is made because VierVakantie will start its business in the Netherlands, therefore only the situation in this country will be described. Tourism policies and regulations are not the same in every country, and that is why the boundaries will be established in the Netherlands.

The analysis will be performed with the help of a survey on families from the Netherlands, Belgium, Germany, Denmark and the United Kingdom, who regularly take vacation trips and have access to the Internet.
The following section will describe more in depth the objective of this research.

1.2 Problem Description and Research Objective

The future of tourism will be focused on consumer centric technologies, since hospitality customers are gaining substantially more power in determining the production and distribution of information due to the flattening of Internet access. Also, it is becoming common for customers to use different channels at different stages when choosing a holiday destination.

According to (de Bruijn & ten Heuvelhof, 2008)'s definition of a problem, the observed situation here is that the web and social media in particular offer many possibilities for hospitality providers to facilitate their businesses, as well as many opportunities for customers to interact with companies (for example, to post reviews about certain products and services). However, it is still unclear for providers how to properly use the information on social media to communicate their ideas and to make sure they meet customer needs.

Customers can browse for product information using a website, then purchase at a store, and later obtain technical support over the phone. Hospitality providers can track customer behavior across channels, by asking questions such as “Do customers consult social media in the pre-purchase phase of the holiday?”, “Do they trust online payments in their planning phase or just use websites to obtain information but make the purchase offline?”, “Do they check-in at destination?”, “Do they post reviews after the trip?” By answering these questions, hospitality providers can improve their understanding of their customers’ decision making and develop a basis for creating strong relationships with customers and improving retention.

By looking at the synergy between channels, meaning how customers use several channels when searching for, selecting, interacting and evaluating a holiday destination and hospitality provider, provider processes can be adapted based on customer behavior.

1.2.1 Scientific Relevance

Nowadays it can be observed that customers are turning away from the traditional sources of advertising: radio, television, magazines, and newspapers and turning more frequently to various types of social media to conduct their information searches and to make their purchasing decisions (Mangold & Faulds, 2009). Hence it is relevant to analyze how social media contributes as a channel of communication between hospitality providers and customers.

The added value of this study for a researcher is to be aware of the constant IT innovations in the hospitality industry, as well as to analyze how people use social media as a channel of communication. This research will bring altogether the implications that IT innovations and social media have on the behavior of hospitality providers and customers.

Basically, from this study, researchers can understand the latest trends in social media, as well as how social media is used as a channel of communication in the hospitality industry. They can discover the impact IT innovations have on the hospitality industry in general, as well as what recent tools providers use to extract customer information. With this knowledge, researchers will know the direction of social media tools, as well as what people in general expect from a website.
1.2.2 Business Relevance

On the other hand, managers must understand how customers choose channels in their holiday transaction process and what impact that choice has on their overall buying patterns. They should ask themselves questions such as What channels synergize best with others? or What is the optimal channel mix? or How necessary is a Web presence and how to ensure that social media features are efficiently used? (Neslin, et al., 2006).

For a manager, this research will offer suggestions and ideas for establishing a better customer-relationship management, via social media content. Ways in which hospitality providers already use social media and the information within it will be presented and a practical solution that will make it easier for both the customers and the providers to communicate will be suggested. This solution can be used and improved by researchers or managers, to understand how to achieve customer integration, using social media.

1.2.3 Social Relevance

This study will give insight to a recent type of camping, glamping, a domain that has not been extensively studied and still needs improvement in the customer-relationship management. The reason why the focus will be on glamping is because this is the type of holiday that VierVakantie is offering. The first question that needs to be asked is why focus on glamping as a form of camping; even more, why people should pay attention to this new type of camping and why it is relevant to study.

Glamping is a growing global phenomenon that combines camping with the luxury and amenities of a home or hotel. People have direct access to nature without needing to find camp space, carry and take down their tents, have en suite washrooms, and can book additional services (Bean-Yancey, 2011).

First, people go camping for relaxation purposes, personal wellness and social interaction. Campers like to enjoy an outdoor hospitality experience. Many customer segments can go camping, from families who want to spend quality time together, to “partiers” who can attend events such as music festivals and hang out with their friends. Adding to the desire to recreate in the outdoors facilities that are normally offered by hotels and other indoor accommodations, camping can be made a more convenient experience for all types of people.

While natural settings are important, campers continue to minimize the discomforts associated with an outdoor experience. The search for comfort is not new. Glamping removes camping’s negative attributes, like leaky tents, sleeping bags and improvised food. For this type of camping, luxury cabins with beds, furnishings and bathrooms are offered.

Glamping accommodations take advantage of surrounding elements of nature. Composting toilets, solar power, and working gardens are just a few examples. This is in contrast with the high amount of energy and materials used in the construction and management of a small hotel. Also, glamping lets people connect with and experience nature, in a more comfortable manner. Moreover, biking, sailing, and animal watching are just a few of the activities people can participate in while enjoying a glamping experience.
1.2.4 Connection with EPA study program

The connection that this research study has with the study program of the author stands in its complexity. As mentioned, social media and the Internet are a continuously developing domain, with more people using them instead of the traditional channels of communication with providers, such as newspapers, phones and letters. The complexity stands in the fact that there are not so many studies made on how customers use social media in the holiday decision making process, therefore hospitality providers do not know exactly how to use this channel to achieve proper customer-relationship management. The challenge here is for hospitality providers to gather all the information about customer needs using both traditional channels and social media, and to respond in the mirror to each of their needs.

This problem of understanding customer needs and preferences is not only a problem for the hospitality providers, but it also involves other stakeholders and segments. Since tourism is an important segment for the economy of the Netherlands, public actors should also participate to the development of this industry. Thus, the government should ensure a proper functionality of tourism in the Netherlands, so that more people can be attracted.

Moreover, the problem of meeting customer needs cannot be solved by technology alone. So, for example, hospitality providers should not only develop a system that can read and interpret customer reviews and feedback on the Internet, but also try to understand what makes a good travel agency website, what are the most efficient ways to communicate back to the customers, how to offer services that are convenient and in the same time non-polluting and environmental friendly, and so on.

Hence, this is a problem at the border of technical and non-technical. The technical engineering approach is to design a social media platform that can create a better interaction between hospitality providers and their customers. The features of the social media platform will be defined using the help of a survey that was conducted for this research. This survey represents the non-technical approach of this research, since it focuses on customer behavior and preferences. The questions for this survey were designed after studying how hospitality providers and customers behave in terms of steps and transactions in the decision making process of a holiday destination, what their preferences are, as well as how they communicate.

The research objective can be reached by answering several research questions, which will be further presented.

1.3 Research Questions

Social media is continuously developing as a channel of communication between people and, from a researcher’s perspective, it is needed to see what the trends in innovations are, narrowing the research to the hospitality industry. From a business perspective, the problem of VierVakantie and other hospitality providers is to increase their number of (regular) customers. And this can be done using several channels of communication, where they can post holiday offers, ensure booking possibilities and facilitate ways to receive feedback. From these channels of communication, social
media is the one that will be studied, since it will be presented that it is the most common used channel by customers, because of its easiness and rapidity to use.

Hence, the main research question that arises is the following:

- **How can social media be used as a channel of communication between hospitality providers and customers, in synergy with other channels?**

The main research question can be split in three main sub-questions, which will be answered in the following chapters. The motivation for splitting the main research question is that it is first necessary to study the hospitality industry and how providers already communicate with customers, which channels are used and in what phase of the holiday decision making process, as well as how social media is used by these two groups of stakeholders. Moreover, to give a final answer on how social media can be used by providers to strengthen the customer-relationship management, a solution to develop a social media platform will be provided for VierVakantie, leaving to analyze if this solution is viable. As a first hunch, a social media platform for a hospitality provider would be a valid idea, taken into account the success of Facebook, Booking.com, and TripAdvisor. But this solution will be later presented.

At this point of the research, the questions that will answer the main research question will be further provided in Table 1.1.

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<thead>
<tr>
<th>Chapter</th>
<th>Research Domain</th>
<th>Research Question</th>
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<tr>
<td>Research Domain</td>
<td>How is the hospitality industry characterized in terms of state-of-the art, stakeholders, customer and provider objectives?</td>
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<tr>
<td>Literature Review</td>
<td>What are the channels that hospitality providers use to communicate with their customers? What is the role of social media in the customer-provider communication?</td>
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<tr>
<td>Research Results and Analysis</td>
<td>Could a community social media platform be considered a solution for enhanced communication between hospitality customers and providers?</td>
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Each question within a chapter will be further split into several sub-questions, which will be asked at the beginning of each section. The answers to these questions will stand as the basis for the deliverables of this research, which will be further defined.

### 1.4 Research Deliverables

The deliverables of this research stand in a report that will answer the research questions, as follows:

*How is the hospitality industry characterized in terms of state-of-the art, stakeholders, customer and provider objectives?*

* A description of the hospitality industry in the Netherlands, with focus on glamping and how familiar it is among Dutch people
Introduction

- A description of the main stakeholders in the hospitality industry, namely customers and providers, focusing on the impact ICT has on each of them, as well as on their transactions in the holiday decision making process

What are the channels that hospitality providers use to communicate with their customers? What is the role of social media in the customer-provider communication?
- A description of the existent channels of communication between hospitality customers and providers
- A description of the current situation of the use of social media as a channel of communication between the provider and the customer in the hospitality industry

Could a community social media application be considered a solution for enhanced communication between hospitality customers and providers?
- The design of requirements of a social media platform for VierVakantie, based on literature review and the analysis of a questionnaire on the use of social media for planning a holiday, for families in the Netherlands, United Kingdom, Denmark, Germany, and Belgium
- Strategies on how to use social media with respect to providers’ actions in the hospitality industry, as a response to customers’ feedback, in order to better approach the customers, as well as to understand the impact social media has on communication

These deliverables will be reached throughout the research, using the research methods next described.

1.5 Research Methods

This practical problem has a broader interest and is framed as a project to research how hospitality providers can support customers in their whole transaction process of deciding on a holiday destination, by making use of social media combined with other channels.

It is necessary to first understand, from literature, the environment in the hospitality industry, in terms of stakeholders and interaction between them, and second the camping domain in the Netherlands, since VierVakantie focuses on glamorous camping.

After this general analysis, a more in depth analysis, also using literature review, will be made on how hospitality providers communicate with their customers, focusing especially on social media and electronic word of mouth.

Next, how customers use different channels during their holiday decision making process will be analyzed, using a structured survey on families from five European countries, namely the Netherlands, Belgium, the United Kingdom, Denmark and Germany.

Using the results from the survey, several hypotheses will be tested using SPSS to see that social media is the most used channel of communication. Afterwards, a factor analysis followed by a regression model using the resulted factors will be performed, so that a social media solution can be suggested to VierVakantie in order to establish a better customer-relationship management. The
design of the social media application is made using the model described by (Verschuren & Hartog, 2005), which will be extensively described in the methodology of this research.

The regression model will also stand as the basis for suggestions for hospitality providers to use social media as the main channel of communication with their customers, as well as for researchers to understand the impact social media has nowadays on communication.

A representation of the methods and their results will be presented in Figure 1.1.

![Research Methods Flow](image)

**Figure 1.1 Research Methods Flow**

### 1.6 Outline of the Report

The research project is structured in such a way that it corresponds with the research questions and deliverables. This section provides an overview of the outline of the document.

The first chapter introduces the need to study the impact social media has on the communication between hospitality providers and customers, in relation to other channels. It also introduces the need of hospitality providers to use social media more intensely in order to attract, interact with and retain customers.

The second chapter describes the research domain, namely the hospitality industry. It answers the following research question *How is the hospitality industry characterized in terms of state-of-the art, stakeholders, customer and provider objectives?* Basically, it offers a broad description of the segments in the hospitality industry, of the situation of tourism in the world and in particular in the
Netherlands, as well as of the evolution and trends in the hospitality industry, due to the continuous technology developments. This chapter continues with describing the hospitality providers and customers, as well as the travel actions performed by these two groups of stakeholders. The chapter will end with the research model, represented by the interaction between the customers and the providers.

Furthermore, the third chapter represents the literature review, in terms of theoretical aspects for this research. Notions like customer-relationship management, multichannel theory, media richness theory, social media, electronic word-of-mouth and online travel communities will be defined, in order to introduce the terminology. It will answer the following question: What are the channels that hospitality providers use to interact with their customers? The model of the relationship between the customers and providers will be presented at the end of this chapter.

The fourth chapter stands as the research methodology and it describes the research hypotheses that will answer the third research question, namely Could a community social media application be used and will this lead to more bookings and retention? The research methodology presents the research population and how the survey was conducted, as well as the design approach for the social media platform for VierVakantie.

The fifth chapter gives an idea of the results of the survey. An analysis of the answers will be provided, in order to answer the hypotheses defined in the previous chapter. The analysis will be composed of descriptive statistics of the answers, testing of hypotheses, a factor analysis, as well as a regression analysis, all performed in SPSS.

The sixth chapter offers the design of the social media platform, in terms of user requirements and structural specifications. A graphical model of the platform will be presented, for the reader to get a better idea of how the platform should look like.

The final chapter represents the conclusions and reflections on the research. The conclusions reformulate the answers to the research questions, which will lead to answering the main research question, namely How can social media be used as a channel of communication between hospitality providers and customers, in synergy with other channels? This question will be answered by suggesting several strategies to providers on how to use social media along with other channels, in order to answer customers’ needs. Finally, limitations of the research and future work will be discussed.
2 Research Domain

Because the research focuses at a general level on the hospitality industry and it is important to know what this term stands for, this chapter focuses on determining the answer to the following question:

- How is the hospitality industry characterized in terms of state-of-the art, stakeholders, customer and provider objectives?

In the first part of the chapter, the boundaries of this research will be established. A general description of the hospitality industry will be provided, moving to specific facts about tourism and recreation in the world and in the Netherlands, in particular, and then finally narrowing to camping as an important segment in the Dutch tourism.

It will also introduce how ICT innovations, especially social media and electronic word-of-mouth impact the hospitality industry. Electronic word-of-mouth (e-WOM) represents all informal communications directed at consumers through Internet-based technology related to the usage or characteristics of particular goods and services, or their sellers. This includes communication between producers and consumers as well as those between consumers themselves (Litvin, Goldsmith, & Pan, 2008). Social media allow customers to be more involved in the process of designing holiday packages and, in the same time, push providers to offer packages according to changing customer needs and preferences.

Further, as already noticed, there are two main stakeholders in the hospitality industry, namely hospitality providers and customers or guests. The second part of this chapter will focus on providers, on how innovations affect their businesses, as well as on what steps they undertake in a holiday transaction. These are mostly in line with customer needs, as the whole purpose is to respond to the requirements of the guests.

The third part of this chapter focuses on customers and on how innovations such as social media and e-WOM made them “more equal” to the providers. This part will describe the customer segments that will take part in this research, as well as it will give an outline of the characteristics that are assumed to influence the decision making process.

The end of this chapter defines the model of the system that will be studied in this research. The research model is composed of the actions made by hospitality providers and customers throughout the process of interaction. Social media plays an important role in this interaction, thus it will be treated separately from other channels of communication between providers and customers.

2.1 Policies that stand as Research Premises

Before describing the research domain, namely the hospitality industry, it is important to underline that all the future observations and suggestions will be according to several policies and regulations in the Netherlands.

The business goal for any company is to implement strategies that help increasing the number of customers and enhancing the relations with them. The assumption made in this research is that
social media, seen as a channel between the customer and the hospitality agencies, can be influential in the customer-relationship management.

However, directly or indirectly, tourism is affected by governance characteristics and policy instruments, so, even though customers might look for certain holiday conditions and activities, it is important to define the policies for tourism in the Netherlands. Tourism affects various fields of governmental interest such as environmental protection, nature conservation, mobility, national culture, and heritage preservation.

Understanding policy design and its consequences is important, because it shows what hospitality providers can and cannot offer as a holiday package.

### 2.1.1 Policies for Tourism and Recreation in the Netherlands

First, hospitality providers need an environmental permit to operate, in line with national environmental and nature protection regulations (Dinica, 2006). Second, because the type of holiday in this research – camping – does not only focus on domestic tourism (residents of the given country traveling only within this country), but also on inbound tourism (non-residents traveling in the given country), it is important to look at the means of transportation to the holiday destination. Holiday transportation plays a large role in the air pollution problem in the Netherlands, thus providers should take into account environmental costs (Dinica, 2006). Furthermore, because we define a certain type of camping, “glamping”, spatial development and planning criteria for the activities and facilities that are offered need to support sustainable tourism.

Further, because of the nature of the solution, cyber privacy must be taken into account. Several policies will be further presented and need to be respected when coming up with the social media solution.

### 2.1.2 Policies for Cyber Privacy in the Netherlands

Information privacy affects the hospitality industry, more precisely, the transactions performed on the Internet, both by providers and customers. Information privacy is concerned about the relationship between collection and dissemination of data, technology, and legal and political issues (Hasty, Nagel, & Subjally, 2013).

According to the (Ministry of Security and Justice, 2014), the potential impact of cyber incidents has increased. This is caused by the increasing IT dependence, due to hyper-connectivity, cloud computing and the Internet ease of use. The main threat for governments is related to the confidentiality of information and the continuity of online services. There is a great challenge for organizations that hold customer data to achieve and maintain compliance with so many regulations on information privacy.

First, hospitality providers have to consider ethical matters and the usage of personal data stored on their customer databases. Privacy or the security of someone’s digital identity and the importance of access to online services are basic rights, which companies should respect. Even more, the extensive use of social media, as well as the information collated, processed and exchanged there, plays an important role when talking about privacy issues. Companies believe that by using data mining
technologies, they would be able to gather important information that can be used for marketing and advertising (Gladdis, 2012).

Further, consumers are always concerned about payment security. This might lead to the situation that many travelers use the Internet to search for information but still purchase offline (Buhalis & Law, 2008). Due to the increasing number of online transactions, digital identity has become the key to sensitive data. If identity cannot be sufficiently safeguarded, the individual interests of both users and providers might be compromised. The solution here is to secure online payments, in order to facilitate the customers’ trust in the reliability of the online facilities (Ministry of Security and Justice, 2014).

Lastly, customers are spanned with all sorts of online advertisements. In the Netherlands, the spam ban (article 11.7 of the Telecommunications Act) is intended to protect end-users from unwanted electronic messages, received by email, fax, SMS or social media (Ministry of Security and Justice, 2014). This limits hospitality providers to send unnecessary messages to the users in their database.

All in all, the challenge in data privacy is to share data while protecting personally identifiable information. As the laws and regulations related to data privacy are constantly changing, it is important for a company to continually reassess its compliance with security regulations (Hasty, Nagel, & Subjally, 2013).

2.2 Description of the Hospitality Industry

Now that the regulation premises on which the research will be made were made clear, this section will answer the following descriptive questions:

- How is the hospitality industry defined and what are its focus segments?
- What are the future trends in the hospitality industry and how will these affect the customer-provider relationship?

These questions are relevant to this research because they focus on the current state of hospitality and tourism, more precisely on what this industry can offer to customers, as well as how the provider-consumer relationship will change due to technology innovations. And, since social media plays an important role in this relationship, as it will be shown throughout the paper, the main focus will be on ICT innovations.

These questions altogether answer the main question of this chapter, provided at the beginning. The main question is divided in this way in order to structure the answer more coherently.

2.2.1 General Aspects of the Hospitality Industry

Hospitality means providing service to others, as well as profitably providing value at any price level, while demonstrating own unique points of distinction. The hospitality industry is a broad category within the service industry and it mostly depends on people’s leisure time and disposable income. A hospitality provider executes a number of activities, such as facility maintenance, direct operations, management, marketing, amongst which multichannel management, and human resources management (Kapiki, 2012).
The focus of this research will be on recreational tourism, which is a part of the travel and tourism industry. Whenever a reference will be made about hospitality providers, the focus will be on recreational providers. Glamping is also among recreational tourism, but it will be further presented.

There are many different types of recreational tourism, namely (Top 7, 2014):

- Relaxation (beach/mountain) vacation
- City break
- Road trip
- Camping
- Cultural vacation

Camping, as the focus of this research, is an outdoor recreational activity, where the participants (campers) enjoy nature while spending one or several nights outdoors, usually at a campsite. As a recreational activity, it became popular in the early twentieth century (Top 7, 2014). Camping is often enjoyed in conjunction with activities, such as canoeing, climbing, fishing, hill walking, mountain biking, motorcycling, swimming, and kayaking.
There are several types of camping, as follows:

<table>
<thead>
<tr>
<th>Type of camping</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adventure camping</td>
<td>People race (possibly adventure racing or mountain biking) during the day, and camp in a minimalist way during the night, using the basic items of camping equipment</td>
</tr>
<tr>
<td>Glamping (glamorous or luxury camping)</td>
<td>A growing global phenomenon that combines camping with the luxury and amenities of a home or hotel. People have direct access to nature without needing to find camp space, carry and take down their tents, have en suite washrooms, and can book additional services (Bean-Yancey, 2011)</td>
</tr>
<tr>
<td>Historical camping</td>
<td>People camp using the methods and tools of a specific time in the past</td>
</tr>
<tr>
<td>Winter camping</td>
<td>People camp outside during the winter</td>
</tr>
<tr>
<td>Work camping</td>
<td>One of the fastest growing trends in the American job market. In most cases, work campers (both individuals and couples) with their own recreational vehicles offer their labor maintaining a recreational facility in exchange for a free camping site plus wages. (Recreation Resource Management, 2004)</td>
</tr>
</tbody>
</table>

From the types of specialized camping mentioned, VierVakantie offers luxury camping or glamping, thus the focus of this research will be on how people prefer this type of camping.

To find out how glamping is positioned among holiday possibilities, it is necessary to first know how tourism and hospitality are positioned among other industries in the Netherlands. After that, the situation of camping and glamping in the Netherlands will be presented. These will be covered in the following section.

### 2.2.2 Travel and Tourism in the Netherlands

Since VierVakantie will operate in the Netherlands, it is necessary to know if people prefer this location as a travel destination.

In 2011 the Netherlands was visited by 11.3 million foreign tourists. In 2012, the Dutch tourism industry contributed 5.4% in total to the country's GDP and 9.6% in total to its employment. With its global ranking of 147th and 83rd place for total contribution to respectively GDP and employment, tourism is a relatively small sector of the Dutch economy. This means that there is room for improvement in the Dutch hospitality industry (World Travel & Tourism Council WTTC, 2013).

North Holland was by far the most popular province for foreign tourists in 2011. Out of the 11.3 million tourists, 6 million visited North Holland. South Holland got the second place with 1.4 million. The majority of foreign tourists came from Germany, the United Kingdom and Belgium, respectively 3, 1.5 and 1.4 million (World Travel & Tourism Council WTTC, 2013).
**Camping as a Tourism Segment**

From the types of tourism, as previously mentioned, camping is the main focus of this research. First, camping is an important segment of the European tourism market. In 2008, over 15% of all tourist nights spent in collective accommodation establishments were spent on campsites, corresponding to an estimated 353 million nights (Demunter & Dimitrakopoulou, 2010).

Tourist campsites are collective facilities in enclosed areas for tents, caravans, trailers and mobile homes. All come under common management and provide tourist services, such as shopping, information, and recreational activities. Campsites are used for both permanent and holiday camping, but this study focuses on holiday camping (Demunter & Dimitrakopoulou, 2010).

For example, Camping.Info (Camping.Info, 2014) is a campsite directory that provides assistance to people planning a camping vacation. Every European campsite is entered in Camping.Info in principle, as long as it is an official campsite. Camping.Info is published with all its functions in all European languages, and thousands of people are jointly contributing to continually increasing the pool of information. Star ratings, comments, holiday pictures are provided by the campsite visitors, by giving his or her evaluation and opinion of the visited campsite on Camping.Info. In 2013, Camping.Info attracted around 10 million visitors (an increase of 17% compared to 2012) and the campers accessed a total of 35.9 million pages. In addition, around 28,000 campsite photographs had been uploaded by campsite visitors. This means that people are more and more interested in camping holidays.

According to a study conducted by CBS in 2008, over 3.6 million people stay on Dutch camping sites. The majority of camping guests are Dutch. More than half of foreign camping guests (57%) come from Germany in 2007, followed by Belgium, France and the United Kingdom with 10, 8 and 7% respectively, as shown in Figure 2.1, hence one more reason to observe how tourists from these countries would respond to the facilities and activities offered by a camping agency like VierVakantie.

![Figure 2.1 Foreign Guests on Dutch Campsites, Image retrieved from (CBS, 2012)](image-url)
Because location is also important, due to economics and sustainability laws in the Netherlands, it is important to see the most popular campsites in the Netherlands. Figure 2.2 shows a list of campsites, ordered by number of campers at location:

Among the provinces shown in Figure 2.2, many of them offer glamping facilities, since it is a growing phenomenon and more people prefer it before traditional camping.

Knowing what the situation currently is, it is now relevant to show how the expansion of the internet and social media play an important role in the future of hospitality industry. The future of hospitality will be covered next.

2.2.3 IT Innovations in the Hospitality Industry

Before Web 2.0, the Internet functioned in a “read-only” format (Borges, 2009), meaning that published information was static and interaction with other Internet users and/or publishers was basically non-existent. Web 2.0 came with user-generated content through social media and social networking sites. (Schegg, Liebrich, Scaglione, Syed, & Sharifah, 2008) claim that the evolution of Web 1.0 to Web 2.0 enabled “users rather than organizations to take charge of the Internet”. In the hospitality industry, marketers and institutions no longer have ultimate control over the image of their destination or product, because customers can now express their preferences with the ease of a click (Hays, Page, & Buhalisi, 2013).

(Lewis, 2014) claims that technology plays an important role in the hospitality industry. The popularity of online reviews and social media are changing the way the hospitality industry is gathering customer feedback, as well as how customers perceive certain products and providers. In the past, hospitality providers have relied on comment cards and extensive post-stay surveys to ascertain service levels, customer satisfaction, and areas for improvement. Today, customer-centric and forward-thinking providers are rethinking traditional surveys and looking at alternatives that
allow for free form responses to capture rich feedback, as well as customer trust (California Hotel & Lodging Association CH&LA, 2014).

According to (Brady, 2012), the future of the hospitality industry will be more information technology-minded, with social media primacy and focused on service. TripAdvisor has become one of the main sources of information for people researching holidays, hotels and leisure facilities. Meanwhile, social tools like Facebook or Twitter are quickly becoming just as influential. Social media monitoring must be interfaced with the providers’ management systems, to improve the agency’s online reputation. People’s comments can then be answered and addressed by both marketing and operational personnel (McIndoe, 2013).

Further, social media and mobile devices will be inseparable in the future, thus it will be even easier for customers to review the location on the spot. It is even more important to monitor, manage and market the reputation of the business. Considering there are millions of reviews written each day across a multitude of different platforms, and the World Wide Web has the power of influencing one’s decision making process, being able to manage the reputation of a hospitality provider will determine its success or failure (Rauch, 2013).

2.2.4 Conclusion

To sum up, this chapter defined the hospitality industry as an industry that mostly depends on people’s leisure time and disposable income. From this definition we already see how important customers are in this industry, hence the need for hospitality providers to establish proper communication with them.

Customers can choose from several holiday types, namely beach/mountain vacations, city breaks, road trips, camping holidays and cultural vacations. So, depending on the type of holiday people prefer, hospitality providers can improve their services. This study will focus more on camping holidays, since VierVakantie is a camping provider, but it will still have in mind Dutch hospitality providers in general. More in depth, VierVakantie offers luxury camping facilities, so it will be analyzed if people who like camping also enjoy having direct access to nature, without needing to bring their own tents or thinking how to take a shower. Also, these luxury facilities include services such as biking or sailing, and it will be analyzed if people enjoy these activities or if they are unnecessary add-ons.

All these preferences can be obtained from what customers post online and from how they react to certain services. The future of customer relationship management stands in IT innovations; since there is a continuous increase in the use of mobile devices, people will be able to stay more on social media, thus it is important for providers to be aware of what is posted and to try to satisfy customer needs as much as possible.

This section has described the situation of the hospitality industry, as well as how IT innovations influence the future of this industry. The next section will present the two groups of stakeholders, namely the hospitality providers and customers. Since the future of the industry is highly affected by technology, each stakeholder will be analyzed in this context.
2.3 Research Stakeholders

This section will analyze hospitality providers and customers, in relation to the hospitality industry. It will define the main actions of these two groups in the decision making process of a holiday destination, taking into account the IT innovations described earlier.

2.3.1 Hospitality Providers

This section will focus on the steps made by hospitality providers with respect to a holiday destination. But before going to describe the provider actions, it will be re-mentioned that this study will focus on hospitality providers from the Netherlands. Further, the direction will be towards resorts, more specific towards (luxury) camping providers, such as VierVakantie.

IT innovations offer more power to the customers, thus providers should direct their actions in a way that satisfy customer needs. Also, for each step made by providers in the holiday destination process, strategies will be suggested later in this study, after analyzing what real customers want from their entire holiday experience. Moreover, providers should rethink brand building, product development, and quality assurance through each phase of the process of interaction with their customers.

Each phase will be defined as a transaction and the model that will be used in terms of transactions will be the following: 1. Promotion of destination, 2. Attraction of tourists, 3. Customer Acquisition, 4. Holiday Presence, and 5. Aftercare. This model is defined as a response to the customer model, which is derived from literature, as it will be presented.

![Figure 2.3 Transactions made by Hospitality Providers](image)

Each transaction in the provider model has its correspondent in the customer behavior. It is important to have this correspondence, in order to have a clear delimitation between the types of information provided and the channels used for each transaction. The following section will present the actions performed by customers in the holiday decision making process.

2.3.2 Customers – Guests

As mentioned before, this section will answer customer-related questions, and the main question is the following:

- What are the steps made by customers with respect to a holiday destination?
But first, it is important to mention that the customers that will be considered for this research are narrowed to the research population of this study, which are families who regularly take vacation trips and have access to the Internet. Camping, and glamping in particular, are very oriented towards family and group activities, hence the choice of surveying families.

The research will be narrowed to families in five European countries, namely the Netherlands, Belgium, Germany, Denmark and the United Kingdom. The choice of countries is due to the reason that there are no major language difficulties for both the providers and the customers.

These countries were also chosen because they are more or less close to the Netherlands, where VierVakantie will start its business, thus distance from home to the destination will not be a problem. Being easier to travel and to reach the location is an important factor when deciding upon a holiday destination.

Further, IT literacy is high in these countries, with more than 80% of the families in these countries using the Internet, and also a quite high percentage reporting that they have purchased goods or services over the Internet during the last years (Euromonitor International, 2013). Therefore, it is relevant to study how these families use social media and the Internet, since the statistics from Euromonitor show that they actually use them.

To go more in depth with the description of the target population, there are several characteristics of the families, which will be analyzed. These features stand as criteria for customer segmentation and will help to explain the needs and preferences of certain groups of families, leading to the design of the social media platform. Distance and language are also among the criteria for customer segmentation.

First, the age groups of the parents will be taken into consideration, when studying behavior on the Internet. There are three types of parent generations that will make the target of this study:

- Young-elderly (born 1946-1964)
- Gen X families (born 1965-1980)
- Young families - Millennials (born 1981-2000)

Questions that rise from the type of generation of the guests are the following: How do Young-elderly/Gen Xers/Millennials behave as potential tourists and how do they make use of digital technology to find the holiday destination they want? and How responsive are Young-elderly/Gen Xers/Millennials to the destinations’ advertising they encounter in various media?

According to (Cohen, 2013), 84% of Millennials, 66% of Gen X, and 44% of Young-elderly are social media users. According to the study, more than half of the U.S. users on Twitter are Millennials and 75% of Millennials are Facebook users. 58% of Gen X and 39% of Young-elderly are on Facebook. These numbers show that, when targeting an audience, it is important for marketers to know where they are spending their time online and how these trends change over time. Moreover, Millennials have become the largest generation with the greatest combined purchasing power ($2.45 trillion worldwide by 2015) in history. That means that hospitality providers must focus their attention on the needs of this young generation.
However, this does not mean that hospitality providers should completely focus on Millennials. According to (Nanji, 2013), the Internet is the top source for gathering information on topics of interest for Young-elderly and seniors, outpacing television and print media by a substantial margin. Young-elderly in addition, have more disposable income than any other age group, thus it is relevant for hospitality providers to turn their attention towards them on social media. In 2013, eight in ten 65 to 75-year-olds reported to access the internet occasionally, more than twice as many as in 2005. The number of people indicating to have accessed the internet recently (during the past three months) has risen proportionately.

Moreover, in 2012 – the most recent year for which European figures are available – 74% of Dutch individuals aged between 65 and 75 indicated they had accessed the internet at least once. This share is nearly twice as high as the EU average. Together with Luxembourg, Sweden and Denmark, the Netherlands ranks high on the list representing internet usage among older people. In other Western-European countries like Germany and Belgium, the number of older people with internet experience is much lower, but still not to be neglected.

Furthermore, even though Gen X families represent a smaller generation than Young-elderly or Millennials, they represent a substantial population, often spending for its children as well as for itself. Moreover, Gen X-ers came of age alongside the internet. Nearly all are online and use social networks and smartphones. For marketers using digital technology to reach consumers, Generation X should be a natural target, according to a new eMarketer report, “Generation X: A Forgotten Population That’s Well Worth Remembering.” (Boyle, 2013)

Another presumably relevant feature for creating customer segments is the number of children the target families have. Here, the decision is to see the differences (if any) between families without children, with one child, with two children, and with more than two children.

The level of education is also important, since it adds insight into whether a family uses or not web-based platforms when deciding on a holiday destination. According to (University of Waterloo, 2013), people with lower levels of education are less likely to use the internet.

These characteristics are assumed to affect the decision-making process of customers, which will be further presented in the form of the research model. To analyze the relation between these characteristics and how they affect the decision making process, a questionnaire will be performed on a target population of families within the five mentioned countries, the Netherlands, Belgium, Germany, Denmark and the United Kingdom. The questionnaire will be in depth described in the Research Methodology section.

Figure 2.4 summarizes the features for families, which will stand as socio-demographic features in the survey. The respondents which in this research are considered hospitality customers are described by their country of origin, age generation, number of children and education level. In the Results and Analysis chapter it will be observed if these features have a significant impact on the use of social media in the holiday decision-making process or if most of the people nowadays use social media and the Internet on a regular basis. Of course the desired result is the latter, but these hypotheses will be later tested. Moreover, customers will decide if they want to use social media in
their holiday decision-making process, depending on their ability to use technology; therefore that is why social media is a direct link between customers and the holiday decision.

![Diagram of decision making criteria for customers]

**Figure 2.4 Decision Making Criteria for Customers**

Now that we know on what type of customers this research is focused, it is time to move to their transactions. These transactions will be studied throughout the research, and, based on the results, providers will adjust their actions in each transaction as a mirrored response to the transactions of the customers. The reason is that the hospitality industry is becoming more and more a consumer-centric industry, thus it is very important for providers to follow customer preferences and requirements.

IT systems empower consumers to identify, customize and purchase tourism products, to access reliable and accurate information, as well as to make reservations in a fraction of time. Also, the Internet allows consumers to interact dynamically with suppliers and destinations and often make requests that will enable them to customize their products. Basically, IT systems place users in the middle of the functionality and product delivery of the hospitality industry. The “new” tourist is becoming knowledgeable and is looking for exceptional value for money and time (Buhalis & Law, 2008).

Moreover, tourists are less interested in following the “crowds” in packaged tours and much more keen to pursue their own preferences and schedules. As a result, package tours lose market share in favor of independently organized tourism facilitated by dynamic packaging. Customers search for travel-related information, make online air-ticket bookings and room reservations, as well as other online purchases themselves instead of relying on travel agencies. This is happening because prospective travelers now have direct access to information provided by tourism organizations, private enterprises and increasingly by other users/consumers (Buhalis & Law, 2008).
Understanding how customers behave online and how much their decision-making process is affected by the internet can “make or break” a hospitality provider. Also, understanding how customers appreciate different tourism products and services and how they react during the phases of their decision-making process may enhance the possibilities to put suitable products forward or to offer access to a greater variety of options (Buhalits & Law, 2008).

Hence, it is time to look at the travel transactions performed by the customers. According to (Turner, 2010), the transactions made by tourists when considering a holiday destination include five phases: 1. Ongoing search, 2. Pre-purchase search, 3. Planning search, 4. En-route search, and 5. After-trip search.

Ongoing search is built upon an individual’s travel knowledge, experience, images related with destination, as well as personality and preferences related with travel. Pre-purchase search is the destination choice search, the most relevant part of the decision making process. Planning search means setting up the details of the trip. En-route search includes information search for visiting decisions and information acquisition through sightseeing, which can change the knowledge and image about the destination. Finally, after-trip search implies paying attention to the trip-related information even after the trip has finished, in terms of feedback and reviews. These transactions will be connected in Figure 2.5 to the providers’ transactions, and will represent the research model.
The double-sided arrows in the model represent the role social media has in the customer-provider communication, as it influences and is influenced by the hospitality providers and customers input.

The arrows that come out of the customer transactions join the respective transaction in a group. An assumption made in this research is that there are actually three consumer steps, namely 1. Before purchase and consumption (ongoing and pre-purchase), 2. During purchase and consumption (planning and en-route), and 3. After purchase and consumption (after-trip). Since the ongoing and pre-purchase phases are done before actually paying for the holiday, this is the reason they are together in a phase. Planning does not only mean searching for a holiday, but also deciding on the dates and paying for the holiday. That is why this phase is considered in the same group with the on-location or en-route transaction, namely the during purchase and consumption phase. And finally, the after-trip transaction is a standalone phase, after purchase and consumption, where the customers can express their opinions and feedback to the hospitality providers.

The idea is to observe the customer’s behavior in each phase of the process, namely to investigate what channels (especially social media) he uses when searching for a holiday destination, when booking and paying for a trip package, or when giving a review about the holiday and provider. The provider will then adjust his transactions as a response to the behavior of the customer.
2.4 Conclusion

This chapter has introduced the research model, in terms of transactions made both by consumers and providers in the decision making process of a holiday destination. The steps made by providers should mirror the customer transactions, because the whole purpose is to create a better customer-relationship management and to offer customers personalized offers, according to their needs. Social media will be considered an important channel of communication between the provider and the customer, since the online posts offer all the necessary information that providers need for their businesses.

Moreover, this chapter only introduced the influence technology, and more precisely social media and e-WOM have on tourists. With the speed of Internet and the expansion of Facebook, Twitter, Booking.com and TripAdvisor, customers are becoming more and more active in the hospitality industry, since they now have the power to influence other people’s opinions, as well as to suggest holiday offers and packages, through their reviews, feedback and discussions. The Literature Review chapter will present more information on how social media fits among other channels of communication with the customer, as well as how e-WOM and online travel communities influence customers’ decision-making and change the role of customers in the hospitality industry.
Chapter 3

3 Literature Review

Now that we have determined the two groups of stakeholders, namely the hospitality providers and the customers, as well as we determined that the communication between them is changing due to IT innovations, it is necessary to study more how this communication is changing compared to how it was in the past. This means that it is necessary to analyze the channels of communication between the customers and the providers, with emphasis on social media and electronic word-of-mouth. Even more, the use of these channels will be studied from both the customer and provider perspective, in terms of transactions. This chapter determines the answer to the following main question:

- What are the channels that hospitality providers use to communicate with their customers?
- What is the role of social media in the customer-provider communication?

This section provides a description of the current situation of the use of social media (as a channel of communication between the provider and the customer) in the hospitality industry. This represents the first deliverable of this research.

Before answering the question, the selection of articles and papers that form the theory of this research will be described. Second, by gathering all the hypotheses from the reviewed articles into a database and creating connections between ideas and notions, the model that describes the relationship between hospitality providers and customers will be presented. Further, in the first half, each theory within the model is described from a theoretical point of view. In the second half, each theory is analyzed from both the provider and customer points of view.

3.1 Selection of literature

Data gathering was based on a literature survey and, because the research covers multi-disciplinary topics, the online search database Scopus, as well as Google Scholar, and ScienceDirect were used.

The first step was to perform background reading on the general topic of social media in the hospitality industry, in order to get familiarized with the terminology and the context of the topic. The search was focused on articles that contain the following keywords, found in the readings:

- Multichannel
- Social media
- Hospitality industry
- Online review
- Travel community
- Customer retention
- Customer relationship management in tourism
- Media richness theory
- Electronic word-of-mouth
- Privacy policies in the Netherlands

As a general rule, the articles were selected using the advanced search in Scopus. The articles in all fields were considered, from Social Sciences to Computer Science and Information Technology. Moreover, the search terms can appear in all fields, from abstract, to title and keywords.

First, the relevance of the titles, abstracts, introductions and conclusions, with respect to the topic were considered. Then, the most recent articles were preferred (articles from 2010 until present), since the domain of social media / Web 2.0 technologies is one of the fastest growing segments in
information technology. From these, the ones with the most citations were given more attention. For each keyword or combination of keywords, the five or six most relevant sources were selected.

Moreover, after this first round of selection, the focus was on the bibliography of each article. The articles that appeared to be related to the topic were considered relevant literature. Further, a feature that comes with ScienceDirect is the recommendation of similar articles to the one already in the process of reading. These articles were also considered potential literature, again based on abstracts and titles.

At every stage, the records of all searches and sources, as well as a summary of the ideas and theories in each selected article were kept in a document.

The drawbacks for this method are in terms of information limitation, since articles do not focus on particular travel domains (here, camping). Thus, only certain information was be extracted, and this selection is biased, because it depends on what the reader considers relevant.

The theories from the articles stand as the basis for the notions that will be explained in the research. An overview of the theories was obtained using the approach described by (van deWijngaert, Bouwman, & Contractor, 2012) and it defines the system diagram. The system diagram stands as the basis for the literature review of this research and can be found in Appendix 1.

The system diagram introduces the notions that will be discussed in the Literature Review section. From the Web 2.0 perspective, theories such as media richness theory as a consequence of the use of ease of Internet and web-based platforms, social media as a channel between the provider and the customer, and electronic word-of-mouth and online travel communities as possibilities to express ideas and holiday preferences, will be described. These theories affect consumer decision-making processes. Personal conversations and informal exchange of information among acquaintances not only influence consumers' choices and purchase decisions, but also shape consumer expectations, pre-usage attitudes, and even post-usage perceptions of a product or service (Jalilvand & Samiei, 2012).

From the provider's point of view, policies that affect travel and tourism in the Netherlands were briefly discussed in the Introduction chapter; they should be kept in mind when suggesting strategies for companies. Also, because of the possibility to find everything on the Internet and of price transparency, the competition between providers must not be neglected. Competition leads to a better quality of services and more branding for the hospitality agency. This leads to an increase in customer loyalty and, in the end, to the decision of choosing a certain holiday destination; the latter are related to the customer perspective and represent the target of this study.

The next section will define more in depth the theories used in this research. These theories will form step by step the model that defines the customer-provider relationship, using social media as a communication channel. This relationship model will be delivered at the end of the chapter.

### 3.2 Theoretical Aspects on Social Media

As previously mentioned, this chapter will focus in the end on social media as a channel of communication between the customer and provider. But, before going to the conclusion, several
notions have to be defined before, to make it more clear why it is needed to study social media as a channel, what other channels are there and how these channels can better synergize when used in the whole transaction process of both customers and providers. This chapter is more general, it will focus on hospitality providers, leaving glamping providers to be part of the larger group. This choice is made because the theoretical notions that will be discussed apply to all hospitality providers.

Hence, this section answers the following theoretical questions:

- What is electronic customer relationship management and how is it used in the hospitality industry?
- What is the multichannel concept? What is media richness theory?
- What is social media and how does it fit with other channels of communication with customers? How much does it facilitate communication with the customers?
- What is electronic word-of-mouth and what is its importance in the hospitality industry?

Electronic customer relationship management will be first introduced, since it is the key factor in every company, hence also for VierVakantie. Also, this research basically will look at social media in relation to other channels, with the purpose of improving customer relationship management.

3.2.1 Electronic Customer Relationship Management

Customer Relationship Management, at its basics, refers to a long term sustainable relation between the supplier and the buyer that adds value for both parties (de Reuver, 2013).

A traditional CRM model is based on four steps, namely (de Reuver, 2013):

- Selection: defining types of customers to market
- Acquisition: forming relationships with new customers
- Retention: keeping existing customers
- Extension: increasing depth or range of products customers purchase (re-sell, cross-sell, up-sell, reactivation, referrals)

Nowadays, because of the expansion of the Internet, one-to-one marketing is insufficient for communicating with customers, for attracting their attention and loyalty, and for creating customer value. Customers expect to become active in the firm, by creating and consuming their personalized products (Chaffey, 2011). Also, through social networks, customers can also generate value for and from each other.

Thus, the ease of use of ICT stands as the basis for the change in CRM, and it is the first important factor to be considered in the research model. Of course, how people use ICT should respect the policies for cyber-privacy on the Internet (which were briefly mentioned in the Introduction chapter), and that is why they (indirectly) influence the use of IT (it is common sense that laws and regulations should always be respected), as shown in Figure 3.1. The ease of ICT developed a new type of CRM, which is electronic CRM (e-CRM).
E-CRM reflects the shift from product ‘designing for customers’ to ‘designing with’ and ‘designed by’ customers. An e-CRM strategy can be to exploit the web 2.0 tools not only for learning about customers, but also for learning and improving with customers. By doing this, the maximum benefits of e-CRM can be obtained when providers establish co-creation and co-learning adaptable and flexible ecosystems with partners and customers alike (Sigala, 2011).

With the expansion of social networking platforms, customers are no longer limited to a passive role in the relationship with a company. Besides having more information about competitive products available anywhere on mobile devices, customers can easily express and distribute their opinions to large audiences. As a result, companies find it increasingly difficult to manage the messages that customers post about products and services (Malthouse, Haenlein, Skiera, Wege, & Zhang, 2013).

E-CRM is widely used in the hospitality industry, with loyalty programs keeping customers returning and travel websites yielding a large volume of e-transactions (Vogt, 2011).

By going back to the traditional CRM phases, (Sigala, 2011) suggests several web 2.0 e-CRM practices. Each phase will be associated with provider transactions defined in the Research Domain chapter. Policies of improving customer-relationship management will be later offered, for each e-CRM phase in relation to the provider transactions.
Table 3.1 Web 2.0 e-CRM Practices

<table>
<thead>
<tr>
<th>Phase</th>
<th>Provider Transaction</th>
<th>Focus</th>
<th>e-CRM practice</th>
</tr>
</thead>
<tbody>
<tr>
<td>Selection</td>
<td>-</td>
<td>Before going on the market</td>
<td>Customer identification and targeting</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Customer understanding and profiling</td>
</tr>
<tr>
<td>Acquisition</td>
<td>Promote destination, Attract customers</td>
<td>Of the customer information: transactional and personal data, data from social networks of customers</td>
<td>Brand awareness through word of mouth</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Brand reinforcement through customer education about the brand</td>
</tr>
<tr>
<td>Retention</td>
<td>Customer Acquisition, Holiday Presence</td>
<td>For the customer information: relationship and product data, customer feedback and performance monitoring data</td>
<td>Enhancing customer service</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Personalization of services</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Community building amongst potential and new customers</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Innovation and new product development</td>
</tr>
<tr>
<td>Extension</td>
<td>Aftercare</td>
<td>For the customer information: relationship and product data</td>
<td>Identifying and suggesting cross-selling opportunities</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Identifying and suggesting up-selling opportunities</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Affiliation programs for loyal customers</td>
</tr>
</tbody>
</table>

To communicate a message to a customer, a provider can use one or more channels for each transaction. This means that customer relationship management is achieved through several ways of communication, which will be further presented.

3.2.2 The Use of Channels for Customer-Relationship Management in the Hospitality Industry

By channel, it is meant a customer contact point, or a medium through which the firm and the customer interact (Neslin, et al., 2006). It is important to exemplify several channels, in order to see determine how social media fits among them.

As stated before, the ideal position for a hospitality provider would be complete customer data integration (CDI), or an integrated, single view of the customer across channels (Neslin, et al., 2006). The ideal situation for a provider would be to depict which channel(s) each customer accesses during each stage of the decision process and, using this information, to answer in the same way. This is what this research will try to achieve. But because there are so many channels of communication, it is necessary for a hospitality provider to strongly define a multichannel customer management, so that the communication is made more effectively.

Introduction of the Multichannel Concept

Multichannel customer management is “the design, deployment, coordination, and evaluation of channels through which firms and customers interact, with the goal of enhancing customer value through effective customer acquisition, retention and development” (Neslin, et al., 2006). In other
words, multichannel management is the way in which a firm reaches a customer; channels can be the store / agency itself, websites, order catalogues, emails, text messages, and so on.

Companies need to focus on their multichannel marketing strategy, to reach such customers who use more than one channel to interact with them, at different stages. It is becoming common for customers to use different channels at different stages of their decision-and-shopping cycles, for example, using Web sites to obtain information but making purchases offline (Rangaswamy & van Bruggen, 2005).

One point of this research paper will be suggesting a strategy of incorporating social media within the multichannel marketing strategy of the hospitality providers, in order to build long-lasting customer relationships.

Moreover, hospitality providers can target certain channels at different transactions in the process. To frame this problem in conceptual terms, it makes sense to look into contingency approaches that look into how people make their choices when they have to execute a task. These approaches will be further presented.

**Traditional versus New Channels of Communication in the Hospitality Industry**

Multichannel marketing enables firms to build lasting customer relationships by simultaneously offering their customers information about products, services, and support through two or more synchronized channels. For example, customers can browse for product information at a Web site, then purchase at a store, and later obtain technical support over the telephone (Rangaswamy & van Bruggen, 2005).

In the end, all the channel entities act as one unit to meet the needs of the customers. Integrated marketing communications attempt to coordinate and control the various elements of the promotional mix—advertising, personal selling, public relations, publicity, direct marketing, and sales promotion—to produce a unified customer-focused message and, therefore, achieve various organizational objectives (Boone & Kurtz, 2010).

The most common sources of advertising, also used by hospitality providers, are traditional call centers, mass media, tourist brochures, travel consultants, web sites, email-lists, newsgroups, and online communities, non-marketer dominated information sources, such as personal experience, family and friends (Turner, 2010). However, consumers are turning away from the traditional sources of advertising: radio, television, magazines, and newspapers, and demand immediate access to information at their own convenience. Thus, they are turning more frequently to various types of social media to conduct their information searches and to make their purchasing decisions (Mangold & Faulds, 2009).

Social media combines characteristics of traditional communication channels (companies talking to customers) with a highly magnified form of word-of-mouth (customers talking to one another), where marketing managers cannot control the content and frequency of such information (Mangold & Faulds, 2009).
(Khan, 2012) states that it is important for managers to understand how customers choose channels and what impact that choice has on their overall buying patterns. Also, social media is an important channel, since it provides opportunities for hospitality providers to manage and present business content, as well as to identify customer needs and preferences.

All in all, by using several channels, firms can build lasting customer relationships by simultaneously offering information about products (holiday destinations) and services, as well as support. However, without integrated customer databases and uniform content across channels, it is difficult for a hospitality provider to create positive brand-reinforcing across channels.

As discussed, each channel differs in its ability to communicate a message. Theory states that the “richer” a channel is, meaning the more information it offers in a user-friendly way, the easier it will be for a customer to understand the message. Media richness is a result of the expansion of the Internet and of the multitude of channels and it will be further described. From this, the purpose will be to observe how “rich” social media is, more precisely how much a social media environment facilitates communication with the customers.

Figure 3.2 expands the customer-provider relationship model. Because ICT is easy to use and people are used to the Internet and other technologies (phones, mail, and so on), multiple channels of communication have developed. Customers and providers can now choose how to effectively communicate. That is why the ease of use of ICT directly impacts the number of channels of communication, as shown in Figure 3.2. The number of channels of communications differ in media richness, meaning that the way they deliver the message is different from channel to channel. These two notions stand together.

Figure 3.2 Multichannels and Media Richness as a Result of ICT Ease of Use
3.2.3 Media Richness Theory as a Result of Multi-channels

(Trevino, Lengel, & Daft, 1987) consider that media differ in richness, which is defined as the ability of information to enhance understanding of something within a certain time interval. To better understand the notion of “richness”, face-to-face communication is the richest type of media, while e-mails and gestures provide less information, thus they are “leaner”.

The original premise of the media richness theory is the media’s ability to effect a change in understanding. Hence, depending on the “richness” of a channel, the more effective the understanding will be (Robert & Dennis, 2005). The theory states that the more ambiguous a message is to the receiver, the greater is the need of a richer medium to communicate. In general, media richness is used to determine the “most fit” medium for an individual or organization to communicate a message (Rice, 1993).

Social media are among the channels of communication between the providers and the customers, and, as technology evolves, it is more and more perceived by consumers as a trustworthy source of information regarding products and services, compared to corporate-sponsored communications transmitted via traditional channels (Mangold & Faulds, 2009).

Social media platforms have an asynchronous communication as part of their structure, which is an advantage over the other channels. This means that information can be transmitted intermittently, there are no time constraints, and the information is always up-to-date. As previously mentioned, media richness deals with the ability of a medium to ensure the understanding of a certain message. Almost all the information is available on social media, thus it is necessary to look at how a message is transmitted. Moreover, customers have become more familiar with social media websites, since they assist them in posting and sharing their travel-related comments, opinions, and personal experiences, which then serve as information for others (Xiang & Gretzel, 2010).

Therefore, social media as a channel is closer to the customers and hospitality providers can no longer ignore its role in distributing travel-related information without risking becoming irrelevant, according to (Xiang & Gretzel, 2010).

All in all, the concept of social media will be further discussed, as well as it will be added to the relational model, as shown in Figure 3.3. Social media is the main channel of communication between customers and providers, as it will be further demonstrated. The direct relationship between media richness and social media is explained by the fact that nowadays social media offers all the necessary information for customers to make a decision. This channel is “rich” enough – providers can post their holiday offers on social media and customers are so familiar with this channel, they expect to find all the information there.
3.2.4 Social Media as a Channel of Communication in the Hospitality Industry

Social media have revolutionized not only how people interact with each other, but also how businesses interact with consumers. The concept of “social media” refers to interaction among people in which they create, share, and exchange information and ideas in virtual communities and networks (Kietzmann, Hermkens, McCarthy, & Silvestre, 2011).

(Kaplan & Haenlein, 2010) define social media as "a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of user-generated content." Social media are diverse and can be grouped into several categories, depending on how people use them; for example, some sites, like Facebook and Twitter, are for general masses, some are more professional focused (LinkedIn), and others like YouTube and Flickr are more concentrated on sharing videos and photos (Kietzmann, Hermkens, McCarthy, & Silvestre, 2011).

Social media refers to “participatory”, “conversational”, and “fluid” online communities, focused on user-generated content. Social media is relevant in the hospitality industry, since it is an “information-intensive industry”. Consumers use social media in the trip-planning process, by making informed decisions about destinations, accommodation, restaurants, tours, and attractions (Xiang & Gretzel, 2010). Personal recommendations are very important in the decision making process, since more users rely on other travelers opinions and advice, rather than on travel guides and advertisements (Buhalis & Law, 2008).
Consumer reviews of hospitality facilities and travel destinations have become vital to the success of tourism businesses as potential customers rely on these reviews to make purchase decisions. Consumers are often encouraged to post pictures and videos and tell their experiences. By giving users the opportunity to comment, link, share and embed information, connections are created between sites and users. Even though content is originally generated by and for users, hospitality agencies are the ones who make use of it to ultimately drive sales (Tourism Economics Oxford Economics Company, 2013).

Hence, the focus of this research will be on the degree of richness of social media, as well as how it works as a channel between the hospitality provider and the customer. Channels, and therefore social media, are core in customer relationship management. By analyzing the content within social media, travel providers can understand customers’ behavior and undertake corrective actions to improve their offers. They can also increase brand awareness and strengthen brand association through the assistance of social media (Buhalis & Law, 2008).

Further, the social media websites that are the most used by people will be presented. The reason of presenting them is not only informative, but also some of their features will stand as the basis for the functionalities of the social media platform for VierVakantie.

Table 3.2 Social Media Websites

<table>
<thead>
<tr>
<th>Social Media</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Google/Bing/Yahoo</td>
<td>General Search Engines</td>
</tr>
<tr>
<td>Facebook</td>
<td>There are 845 million active monthly users, thus no hospitality agency should bypass this site. Facebook is extremely important in the social media world and there are so many ways that the hospitality industry can utilize to get their message out (SLIM, 2012). According to a 2011 Skyscanner.com poll, featured on UK-based flight comparison, 52% of Facebook users stated that seeing vacation pictures taken by their friends inspired them to book a trip to that particular place (Travel Industry Wire, 2011).</td>
</tr>
<tr>
<td>Twitter</td>
<td>Has over 465 million accounts and with the real-time aspect, a search on Twitter might already show users discussions about the establishment. The customer service can be taken to a new level, by being present on Twitter, answering questions, solving problems and helping users to engage (SLIM, 2012).</td>
</tr>
<tr>
<td>TripAdvisor</td>
<td>A travel website providing directory information and reviews of travel-related content. It also includes interactive travel forums</td>
</tr>
<tr>
<td>TrustYou</td>
<td>Accesses the TripAdvisor, Expedia, TravelPost and Venere databases, to track reviews content. This means that TrustYou can offer real-time monitoring and analysis on what is being said about hotels on the reviews giants, thus saving time. TrustScore represents the overall reputation score for a particular hotel based on all reviews, with newer written reviews carrying more weight than older ones. It is also better than using Google, Bing or Yahoo, because it uses semantic search technologies, scanning for keywords and phrases and analyzing the patterns in which they appear (O’Neill, 2010)</td>
</tr>
<tr>
<td>YouTube</td>
<td>A video gives an insight to what people’s expectations. Posting videos on</td>
</tr>
</tbody>
</table>
Social media, with word-of-mouth from other consumers, can influence decision-making processes. According to (Ye, Law, Gu, & Chen, 2011), reviews provided by other travelers are often perceived by readers to be more up-to-date, enjoyable, and reliable than information provided by hospitality providers. Online, most commonly known as electronic, word-of-mouth can have important implications for managers in terms of brand building, product development, and quality assurance (Ye, Law, Gu, & Chen, 2011).

Online interpersonal influence has the ability to change people’s minds. Since tourism products are intangible, e-WOM plays an important role in the level of “richness” of social media as a channel, thus it will be added to the relational model and further described (Jalilvand & Samiei, 2012).

Social media leads to e-WOM, which influences people’s decisions. People share their opinions and experiences on social media, and this sharing creates what is called e-WOM. That is why a direct relationship exists between social media and e-WOM, as shown in Figure 3.4.
3.2.5 Word-of-Mouth from Social Media

For decades there was a saying in hospitality management, namely “you do one thing bad ten people will know by the word of mouth.” Because of the expansion of social media, this phrase has changed as the “word of million mouths.” This expression means that the spread of communication is so fast it can make or break businesses. Social media can reach global audiences in all parts of the world, with no time lag and easy accessibility by those receiving the information as long as they have an internet connection (Khan, 2012).

Based on the definition of WOM by (Westbrook, 1987), as “all informal communications (communications of interpersonal relationships, and not those through mass-media channels that pass product knowledge from providers to consumers) directed at consumers about the ownership, usage or characteristics of particular goods and services or their sellers”, electronic word-of-mouth (e-WOM) can be defined as all informal communications directed at consumers through Internet-based technology related to the usage or characteristics of particular goods and services, or their sellers. This includes communication between producers and consumers as well as those between consumers themselves (Litvin, Goldsmith, & Pan, 2008).

(Litvin, Goldsmith, & Pan, 2008) define a WOM model by taking into account the attitude toward visiting a location, as well as the perceived social pressure and ease or difficulty to visit that location. These three factors have a significant impact on the intention to travel to that specific location (Jalilvand & Samiei, 2012). Also, the valence of the reviews, meaning if are positive or negative, significantly affect consumers’ attitude toward the reviewed product. Awareness is also an important factor in the decision-making process; the more conversations there are about a location
or hospitality provider, the more people will become informed about it. According to (Godes & Mayzlin, 2009), the persuasiveness of a message is the highest when sent by a loyal customer to friends and relatives, thus familiarity is important.

By analyzing studies on online consumer reviews, we can see that e-WOM influences consumer behavior (Jalilvand & Samiei, 2012). For example, people make purchasing decisions based on consumer-created information over the internet and rely on internet postings to make travel decisions (Godes & Mayzlin, 2009). Also, personal conversations and informal exchange of information among acquaintances not only influence consumers’ choices and purchase decisions, but also shape consumer expectations, pre-usage attitudes, and even post-usage perceptions of a product or service. This means that e-WOM leads to more product sales, which in turn generate more e-WOM and then more product sales (Khan, 2012). Thus it is vital to know how much importance consumers give to e-WOM and why they search for advice from virtual opinion platforms when making purchase decisions.

Several types of e-WOM can be used in the hospitality industry, also by glamping providers, namely (Litvin, Goldsmith, & Pan, 2008):

- Email and IM, as asynchronous one-to-one mediums, in the form of e-newsletters
- Websites, as asynchronous one-to-many mediums, that offer web visitors the ability to access the opinions of satisfied guests. Loyal customers should also be encouraged to post links on their personal websites that direct visitors to the tourism provider’s website. The key idea is to nurture a community of interest in which visitors and potential visitors talk about the destination product as part of their shared interest in travel
- Blogs, as asynchronous mediums, represent the short version of the term “web log”, commonly a publicly accessible web-based journal (Techdictionary, 2014)
- Virtual communities; far different from physical WOM, e-WOM can create virtual relationships and communities, that can influence readers during their online information searches. They are closely related to e-CRM - by using social media to initiate conversation and encourage interaction with customers, hospitality providers can use this involvement to develop customer loyalty, generate interesting content and increase awareness

**Virtual Communities**

The idea of a community has been a central element of the Internet, since its beginning. The Internet is used to share data, collaborate and exchange messages. In the hospitality industry, more and more travelers are turning to online travel communities to fulfill their travel-related tasks, namely looking for travel information and tips, making travel transactions, fostering relationships with people from different regions, finding travel companions, or simply playing games for entertainment purposes (Wang & Fesenmaier, 2004).

(Wang & Fesenmaier, 2004) claim that virtual communities are useful for managing customer relations by attracting them through in-depth, focused and member-generated content, engaging them through social interactions, and retaining them through building relationships with other customers. Online communities also build customer value, by developing interactive communication channels and establishing social and structural bonds with devoted users (Sigala, 2011).
(Sigala, 2011) shows that virtual communities possess several features, such as quality and credibility of information, service quality, member interaction and leadership, brand reputation and (intrinsic and extrinsic) rewards for members’ activities. These features can contribute to increased users’ brand loyalty, commitment and sales, which can influence the intention to travel to a particular destination. Also, besides collecting customer knowledge, online communities can also be used for cooperating with customers (individually or within communities) for new products development and innovation (Sigala, 2011).

Therefore, one of the major implications of social media are virtual communities and, since they are so popular among the customers and offer such valuable customer information to hospitality providers, the solution that will be proposed to VierVakantie will stand in the development of an environment that facilitates the creation of a virtual community.

3.2.6 Conclusion

To sum up, this section presented how customer-relationship management is achieved using several channels of communication with the customers. Hospitality providers can communicate using traditional channels, such as traditional call centers, mass media, tourist brochures, travel consultants, web sites, email-lists, and newsgroups; they can also interact with customers by social media and online communities. These new channels offer customers immediate access to information at their own convenience, thus they are more preferred.

Further, all these channels are used to communicate a message, here to offer a good holiday package. The richer a channel is, the better the message can be understood by the customers. Media richness theory explains how several types of media can enhance understanding. The assumption is that hospitality providers should focus on social media, since it is an important channel through which destinations and tourism enterprises can reach and persuade potential customers.

Social media can reach global audiences in all parts of the world, with no time lag and easy accessibility by those receiving the information as long as they have an internet connection. Social media can also offer customers the possibility to interact in the form of virtual communities. Hospitality providers can extract valuable information from these virtual communities, hence a solution of a virtual community could be valid for VierVakantie.

All in all, the theories discussed – multichannel, media richness theory, social media, electronic word-of-mouth, and online travel communities – have a great influence in customer-relationship management. Further, these elements will be analyzed from the point of view of both hospitality providers and customers.

The following section will analyze the point of view of hospitality providers with respect to the theories aforementioned. Each move made by a hospitality provider should consider the consequences on the customers’ transactions.
3.3 Hospitality Providers

Now that the general notions on social media have been presented, the focus will be on how the two groups of stakeholders use this channel, together with other channels, to communicate and understand each other. This section focuses on the providers’ perspective, leaving the other section to focus on the customers’ perspective. The following provider questions will be answered:

- How do hospitality providers collect customer information?
- How and what channels are used by hospitality providers to communicate with their customers?
- What are the advantages and disadvantages for hospitality providers that already offer a social media platform for their guests?

3.3.1 Analytical Tools for Collecting Customer Information

The rapid growth of internet tourism applications has lead to a great amount of reviews for travel-related information. An intrinsic problem of this information is that it is overwhelming and overloading. Hence, a better classification would be valuable to both hospitality providers and customers for understanding and planning processes (Ye, Zhang, & Law, Sentiment classification of online reviews to travel destinations by supervised machine learning approaches, 2009)

Travelers are willing to share their experiences with hospitality providers online, posting photos and videos on social networks like Facebook or Twitter, posting online reviews on TripAdvisor and Yelp, as well as using more traditional means like surveys, emails and calls (Attensity, 2011).

Until recently, collecting feedback from guests through surveys was the most common used method by hospitality providers. However, nowadays, thousands of reviews are generated each day, with the help of social media, thus compiling and interpreting all this data can become overwhelming for the typical hospitality provider. It has become increasingly more important for companies to manage the hospitality customer experience, not only by listening to customer feedback from a variety of channels, but also by analyzing conversations to extract valuable business insights, in order to improve customer experience with their business. According to (Vogt, 2011), analytical tools coupled with customer relationship management include prediction of future purchases or customer behavior, sequencing of actions by consumers, and association of customer characteristics and purchases, such as product preferences.

These tools automatically index relevant information across different social media platforms on a frequent basis, provide a mechanism for users to search or interrogate this information, and return results which can form the basis for further analysis and data visualization (Gretzel, Sigala, & Christou, 2012)

The analysis of customer data and behavior to aid product and service decision making, management decision and prediction of customer can be made using data mining. Data mining tools identify patterns in data and deliver information that can help an organization to better understand its customers. There are three types of data mining, namely: prediction, sequence and association. Prediction is when companies make use of historical data to determine future behavior; sequential analysis identifies combinations of activities that occur in a particular order, to determine if
customers are doing things in a particular order; and association analysis detects groups of similar items and events (Padariya, 2013). It can be tracked how information seekers use a website by surveys, click-stream analysis, and other data-mining tools. (Vogt, 2011)

Another customer analytical tool is sentiment analysis; research shows that today’s social customers are increasingly sharing the full range of their travel experiences, both positive and negative. Knowing if customers feel positively or negatively about the brand, offerings and services, offers hospitality providers an accurate perspective of the health of the business, as well as the knowledge of where and how to prioritize change (Attensity, 2011).

Web crawlers, which are scraper algorithms that download the content of web pages and find the necessary information, are also relevant analytical tools used by hospitality providers. Content analysis can code words, sentences, or themes. By examining the Twitter feeds and Facebook pages of hospitality agencies, an understanding of the types of content, information, and engagement customers are producing can be developed. Methods are looking at tags (@) and hashtags (#), retweets, likes, whether comments include links to other websites, videos, photos, audios, is the comment responding to a criticism or compliment, is the author of the comment requesting for feedback? (Hays, Page, & Buhalis, 2013).

All these tools require extracting information from multiple sources and this process takes a great deal of time. However, if there were only one place that had all the information from the main social media websites presented before, and where people would post information regarding their holiday experiences with the provider, it would be easy for both groups to handle information. The solution might be the development of a social media application that gathers customer information and feedback from the major social media websites and where customers can manually add more feedback. This, added to the need for customers to develop virtual communities, can be added to the features of the social media solution for VierVakantie.

This social media solution can strengthen the communication between the customers and providers, therefore it can be considered the main channel of communication. However, there are other channels that providers use to communicate with their customers, at all the transaction levels. These channels will be further presented.

### 3.3.2 Synergy of Channels of Communication with Customers

Some determinants of channel selection are ease of use, minimum search effort, information quality, aesthetic appeal, service, risk, information comparability, speed of purchase, privacy, ease of moving from a channel to another, social influence, and previous experience (Neslin, et al., 2006).

Going back to the transaction model for hospitality providers, for each phase of the model, the channels used will be analyzed. It will be demonstrated that social media plays an important role in each phase.

Table 3.3 associates each provider transaction to the accurate channels of communication with their customers.
### Table 3.3 Associations of Provider Transactions with Channels

<table>
<thead>
<tr>
<th>Transaction</th>
<th>Channel(s)</th>
<th>Discussion</th>
</tr>
</thead>
</table>
| **Promote destination** | • Social Media (reviews from Booking.com or TripAdvisor, blogs, Online Travel Communities)  
                          • Traditional surveys                                                  | Before offering certain holiday packages, a company must perform market research, to gather information about target marketers or customers. Market research provides important information to identify and analyze the market need, market size and competition (McDonald, 2007). Providers must test and assess the appropriate channels to convince and convert their specific targets. As mentioned throughout the paper, providers can gather important information about customers and their needs from social media – e-WOM and OTCs. Even though there is no qualification, verification, criteria, rules or guidelines for those who review, this information is usually in line with the reality. Information about customers can be gathered using the analytical tools previously described. Moreover, providers can email surveys to their customers, or perform traditional phone-calls, to gather information about the holiday experience. All in all, hospitality providers need to collect, archive, and periodically update background information on consumers, so that they make updated offers. By collecting customer information such as demographics, preferences and behaviors, providers can turn it into corporate strategy for targeting customers to “act” at higher levels of market share and performance (Vogt, 2011). |
| **Attract customers** | • Social Media (Facebook, Booking.com, TripAdvisor, Online Travel Communities, websites)  
                          • Emails  
                          • Printed advertisements, flyers  
                          • Non-marketer dominated information sources (personal experience, family) | Providers should keep their channels updated and synchronized; promotions and packages can be highlighted on the agency’s website, or on the Facebook or Twitter pages. Flyers can be distributed to customers, including newsletters. Also, electronic postcards and emails can be sent to customers, to inform them about holiday packages. Web-based marketing campaigns have become an increasingly important means of promoting destinations and services (Euromonitor International, 2013). Organizations can create communities of like-minded individuals, so that customers not only communicate with people who have interests and desires that are similar to their own, but also to the... |
and friends) agency; this will make consumers to feel more engaged with products and packages, since they are able to submit feedback (Mangold & Faulds, 2009).

<table>
<thead>
<tr>
<th>Customer acquisition (booking)</th>
<th>Social Media (Booking.com)</th>
<th>Offline booking at agency</th>
<th>Bank transfer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumers are always concerned about payment security; this leads to the situation that many travelers use the Internet to search for information but still purchase offline. Companies provide online secure payments, in correspondence to the laws and regulations concerning cyber security. Bookings can also be made using traditional channels.</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Holiday presence</th>
<th>Social Media (Foursquare, Facebook, Twitter)</th>
<th>Face-to-face interaction with personnel</th>
</tr>
</thead>
<tbody>
<tr>
<td>Besides the traditional interaction with the personnel and the facilities offered on location, customers can make use of wireless during their stay. Customers usually post photos and videos on location, or check-in on Foursquare or Facebook, or post tweets; providers can make use of this information, by offering special services to those who are willing to post during their stay.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Aftercare</th>
<th>Social Media (reviews on Booking.com and TripAdvisor, Online Travel Communities)</th>
<th>Surveys, holiday forms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Guests can recommend or not the location and the provider to others using social media, since it is the easiest method. They can post holiday photos and videos on Facebook or YouTube, as well as share their experiences on blogs or company websites. They can also rate their holiday experience on websites such as TripAdvisor, Yelp, Booking.com, or using more traditional channels such as surveys or completing holiday forms directly provided by the provider. By analyzing what customers have to say, providers can target their offers to the needs and preferences of their customers, leading to a better promotion of holiday packages, thus to attracting more customers. OTC users’ behavior and motivation can help hospitality providers to establish, operate, and maintain OTCs in a more efficient way. This, in turn, facilitates consumer centric marketing or relationship marketing (Buhalis &amp; Law, 2008). Hospitality providers integrate social media sites like Twitter, LinkedIn or Facebook to track and communicate with customers sharing their opinions and experiences with the company, products and services. It is also possible to combine internal survey data with trends identified through social media to allow providers to make more accurate</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
decisions on which destinations packages to offer (Vogt, 2011).

All in all, insight into vacationer satisfaction is a major factor for the evaluation and improvement of hospitality products and services (Bronner & de Hoog, 2011).

As it can be observed, social media is used as a channel throughout all the phases in the model. This is due to the fact that it has the advantage of (a) reaching global audience, even in remote corners of the world; (b) offering immediacy with no time lag; (c) offering easy accessibility by those receiving the communication as long as they can get their hands on a computer keyboard; (d) offering 24/7 operations, thereby overcoming the time difference; and (e) offering ubiquitous versatility for interactive exchanges (Khan, 2012).

A study developed by IBM in 2011 shows the most common activities that organizations in general perform using social media. The activities are presented in Figure 3.5 and, as it can be seen, social media is mostly used to communicate with customers. Hence, the better hospitality providers present the information on social media, the higher the chances for customers to choose that provider with its holiday offers.

As seen, social media is the most common channel between providers and customers. Hospitality providers enhanced their position due to the increased possibility of interconnectivity and interactivity with customers. Also, reaching worldwide customers in a cost-effective way allows providers to easily engage in a direct dialogue with customers, at each stage (Khan, 2012). The following section will offer examples of hospitality providers who became brands because they use social media as the main channel of communication with their customers. Using their model of
offering social media platforms to their customers, with different functionalities, VierVakantie can learn from them.

### 3.3.3 Impact of Electronic Word-of-Mouth and Virtual Communities on the Market Position

Virtual communities have increasingly become a vital information source to potential tourists. Due to this, companies such as VirtualTourist.com, Trekshare.com, LonelyPlanet.com, IgoUgo.com and TripAdvisor.com already provide updated information from people all around the world (Chung & Buhalis, 2008). Online travel communities change the line of communication from producer-to-consumer, to consumer(s)-to-consumer(s) and consumer(s)-to-producer (Hays, Page, & Buhalis, 2013).

Further, let us take a look at hospitality providers who offer online platforms; these names are internationally known, hence the conclusion to be made is that the better a tourism provider is represented online and can compete with the rankings of social media sites or integrate social media components on its website, the more aware (potential) customers will be about that particular provider (Xiang & Gretzel, 2010).

First, VirtualTourist.com is one of the largest online travel communities, as it hosts content such as tips and reviews, online forums, sells advertising and provides travel booking or link to travel booking. They use social media not only to provide content for travel issues, but also to enable a sense of community through its active travel forums. Each destination page offers information on the local time and date, number of members living there, member tips, hotel reviews, must-see activities, restaurant reviews, local customs, nightlife, off-the-beaten path tips, tourist traps, warnings, transportation, packing lists, shopping, sports travel and general tips, making it easier for customers to search and decide upon a holiday destination (Chung & Buhalis, 2008).

Further, travel companies such as LonelyPlanet.com developed their own online travel community to engage travelers in conversations, making them worldwide known. LonelyPlanet.com is the largest travel guide book publisher in the world. They have also developed an online community, Thorn Tree, where more than 600,000 users give and ask for tips and advice (Lonely Planet, 2014).

TripAdvisor is among the most successful social networking/virtual community websites in tourism. The system provides independent travel reviews and comments written by TripAdvisor members and expert advisors. Users can also interact on a social platform. User satisfaction is important in evaluating a hospitality provider, thus by analyzing the content of an OTC, providers can understand the needs and behaviors of their customers and perform actions that can improve their offerings (Buhalis & Law, 2008).

To increase customer loyalty, the site of a hospitality provider should stimulate the level of member’s participation, by offering chat rooms and bulletin boards where members can share their previous experience. This should increase member’s interest, and provide more opportunities to suggest individual ideas (Kim, Lee, & Hiemstra, 2004).

One of the real benefits of social media for travel and recreation is that it describes a very personal experience. One reason why people use TripAdvisor so much is that it contains real reviews from real people talking about their own experiences. But rather than just using experiences as reviews,
personal experiences can be also used as inspiration tools. This is what Best Western does so well with On the Go with Amy, a blog where a travel journalist shares first hand travel experience about her trips and visits (Rhodes, 2009).

The long-term economic trend is towards an active customer. Establishing a possibility of a forum of discussions as a menu option on VierVakantie’s homepage can attract customers and retain them as loyal customers. Because, as seen, hospitality providers who offer the possibility for users to interact have an advantage on the market. Also, because they allow people from all around the world to communicate, they are widely known.

Figure 3.6 explains that e-WOM influences people in such a way that providers should be careful about their offers and products; if they offer something bad, the word will spread and their name will fall on the market. That is why they should ensure what their competition is doing and try to come up with better products and offers. Also, competition means that providers, and in this case travel agencies, should ensure they respect the policies for tourism in the Netherlands, basically that it is a legal and transparent competition. That is why the policies influence the competition between providers. Furthermore, better products naturally represent better quality, as well as a name on the market. That is the signification of the direct relationships between the variables.

Figure 3.6 The Influence of e-WOM and OTCs on Providers

3.3.4 Conclusion

Now, that we know how hospitality providers collect information about customers, not only using the traditional method of surveys, but also with analytical tools such as data mining and sentiment
analysis tools, as well as web crawlers, it is important to know where all the important information comes from. Of course this information can be found online, on websites where people post reviews, photos and videos, but it is impossible to extract and analyze all of it in an effective time. Thus, it is needed to study which are the social media websites the most used by consumers, as well as how and when they use them during the decision making process.

By knowing where to look for customer preferences, hospitality providers can ensure a better communication of their offers and deals, as well as a more reliable way of searching for and booking a destination. This can be achieved by using all the channels of communication with the customers in a complementary way; by channels, not only social media is referred to, but also more traditional ones, such as surveys, non-marketer dominated (friends, family and personal experience), and travel agents. Indeed, social media is the channel that dominates all the provider transactions, and it is important to focus on it, because it offers a direct relationship with customers, in real time, regardless of the distance. Even more, social media allows customers to interact with other customers, not only with providers, to exchange opinions. If the medium on which they communicate is user-friendly, then customer satisfaction might increase.

Moreover, by providing platforms where travelers can interact at any hour from every part of the world, hospitality providers ensure world-wide recognition, thus they reposition themselves on the market. If an agency is widely-known, more people will become interested in it, and customer loyalty can be built, which can lead to a higher possibility to choose a holiday destination offered by that provider. The decision making process is also influenced by customer satisfaction with respect to the whole experience of traveling.

The following section will present how customers communicate with providers, focusing on social media as one of the channels. Also, the impact of e-WOM and virtual communities on customers’ decisions will be described.

### 3.4 Customers – Guests

Insight into the vacationer’s satisfaction is a major factor for the evaluation and improvement of holiday products and services. Users are thus placed in the middle of the functionality and product delivery, making the hospitality industry a consumer-centric industry (Bronner & de Hoog, 2011). Therefore, this section determines the point of view of customers, by answering the following questions:

- What is the shift of customer involvement in the hospitality industry?
- How do customers use social media along with other channels when searching for, selecting, interacting and evaluating a holiday destination and hospitality provider - do they consult social media in the pre-purchase phase, do they trust online payments in their planning phase, do they check-in at destination, do they post reviews after the trip?

The ability to interact directly with firms, through the Internet, has changed the status of consumers. The following section will describe the activity of consumers in the hospitality industry.
3.4.1 Impact of (Electronic) Customer Relationship Management on Customer Choices

The traditional CRM model assumes that customers are passive, as they only respond to a company’s actions through their purchasing behavior. As seen throughout the paper, ICTs have enabled customers to become active participants in this relationship. When a user generates content related to a specific brand, he or she is engaging with the company (Malthouse, Haenlein, Skiera, Wege, & Zhang, 2013).

In table 3.4 (Sigala, 2011) provides examples of how customers have become more and more active in the hospitality industry:

<table>
<thead>
<tr>
<th>Practice</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prosumerism</td>
<td>Consumers can create and share travel videos and reviews</td>
</tr>
<tr>
<td>Team-based co-learning</td>
<td>Collaborative creation of travel guides, using consumer reviews</td>
</tr>
<tr>
<td>Mutual innovation</td>
<td>Firms and customers collaborate</td>
</tr>
<tr>
<td>Communities of creation</td>
<td>Social networking websites and blogs</td>
</tr>
<tr>
<td>Join intellectual property</td>
<td>Mash-up applications that combine resources from different partners for developing new business models and customer value</td>
</tr>
</tbody>
</table>

Further, an analysis of how customers are becoming more and more involved and what channels they use to communicate with providers will be performed.

3.4.2 Social Media Use in Travel Transactions made by Customers

By looking back at the transaction model from the point of view of customers, it will be demonstrated how social media is used in every phase.

In many countries, including the ones of interest for this research, traditional travel retailers are being outperformed by online competition. Consumers are turning away from package holidays offered by travel retailers in favor of dynamic packaging, because they want to have the flexibility to put together their own packages (Euromonitor International, 2013). Further, more families have permanent access to the internet at home, thus it is easier to make online purchase. For example, 94% of the Dutch families have internet at home and they consider that it can save time, as well as offer the possibility to compare prices and find the best holiday offer (Euromonitor International, 2013).

Travel planning is more and more dominated by online resources. Travel review websites have most influence (69%), followed by online travel agencies (57%), travel provider sites (56%) and friends and relatives (43%) (MarketingCharts staff, 2013). From information search, to destination or product consumption and post experience engagement, ICTs offer a range of tools to facilitate and improve the decision-making process. Customers search for travel-related information, make online bookings, online room reservations, and other online purchases themselves, instead of relying on hospitality providers to undertake this process for them (Buhalis & Law, 2008).
Table 3.5 describes how customers use social media (and other channels) throughout their decision-making process, as well as how social media makes the decision-making process easier.

Table 3.5 Association of Customer Transactions with Channels

<table>
<thead>
<tr>
<th>Transaction</th>
<th>Discussion</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Before purchase and consumption</strong></td>
<td>Ongoing</td>
</tr>
<tr>
<td>Pre-purchase</td>
<td>A typical travel shopper will visit 22 websites in “multiple shopping sessions” before booking a trip (MarketingCharts staff, 2013). Travelers are able to find relevant information online regarding preferred travel options, and can also clearly compare similar options according to price. There is also a change in emphasis from price to quality, effectively increasing the average quality of the product available at all prices (Tourism Economics Oxford Economics Company, 2013).</td>
</tr>
<tr>
<td><strong>During purchase and consumption</strong></td>
<td>Planning</td>
</tr>
<tr>
<td>En-route</td>
<td>Customers can check-in on-location, on websites such as Facebook, Foursquare, TripAdvisor; they can post tweets about the location, or share photos and videos on YouTube or Yelp, especially nowadays when tablets and smartphones are gaining more importance. As a fact, 44% of travelers use their smartphone to research travel while they are traveling (MarketingCharts staff, 2013).</td>
</tr>
</tbody>
</table>
After purchase and consumption

After-trip

Besides completing the traditional survey about the holiday experience, social network sites provide forums for travelers to discuss the places they have visited. Since many travelers like to share their travel experiences and recommendations with others, OTCs have become one of their favorite areas to post their travel diary (Buhalis & Law, 2008).

With the rapid development of the Internet, users at present can easily spread their complaints which, in turn, can significantly affect a company’s image. Electronic Word-Of-Mouth (WOM) is a useful tool to disseminate complaints (Buhalis & Law, 2008). 81% of travelers find user reviews important & 49% of travelers will not book a property without reviews (Breure, 2012).

All in all, consumers feel more engaged with products and organizations when they are able to submit feedback. This sense of community will lead to customer satisfaction and even brand loyalty (Mangold & Faulds, 2009).

Finally, studies show that online bookings will continue to grow and are expected to account for the largest proportion of sales in the near future (Euromonitor International, 2013). This means that social media are very likely to become the main channels in the hospitality industry, active at every phase of the transaction model.

Moreover, as previously mentioned, e-WOM can significantly influence the popularity of certain destinations (Jalilvand & Samiei, 2012). Consumers have the ability to exert powerful influences upon each other, thus they consider (especially negative) information before making a decision upon a product or service (Litvin, Goldsmith, & Pan, 2008). Travel reviews are helpful in decision making on travels because they provide tourists with indirect experiences.

Further, most customers perceive online opinions to be as trustworthy as brand web sites. E-WOM provides an alternative source of information to customers; hence hospitality providers cannot anymore influence these consumers only through traditional marketing and advertising channels (Jalilvand & Samiei, 2012). Customers read and consider other people’s opinions from virtual communities. These communities are therefore producing significant changes in consumer behavior in the travel industry, because travelers prefer to rely on other travelers’ opinions and recommendations to plan their routes and base their decisions (Casalo, Flavian, & Guinaliu, 2010).

Table 3.6 provides several benefits perceived by customers, derived from being active on virtual communities (Chung & Buhalis, 2008):
Table 3.6 Benefits offered by OTCs

<table>
<thead>
<tr>
<th>Category</th>
<th>Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information Acquisition</td>
<td>Getting updated information</td>
</tr>
<tr>
<td></td>
<td>Searching for information efficiently</td>
</tr>
<tr>
<td></td>
<td>Finding information more conveniently</td>
</tr>
<tr>
<td></td>
<td>Sharing experiences</td>
</tr>
<tr>
<td></td>
<td>Having trust in the community</td>
</tr>
<tr>
<td>Socio-psychological</td>
<td>Seeking identity</td>
</tr>
<tr>
<td></td>
<td>Keeping relationships with members</td>
</tr>
<tr>
<td></td>
<td>Seeking a sense of belonging</td>
</tr>
<tr>
<td></td>
<td>Getting involved with members</td>
</tr>
<tr>
<td>Hedonic</td>
<td>Having fun with contents</td>
</tr>
<tr>
<td></td>
<td>Entertainment</td>
</tr>
</tbody>
</table>

According to (Chung & Buhalis, 2008), if members find the information they are looking for, as well as if the content is updated, then they will show a positive attitude. A positive attitude can lead to a higher intention of choosing a particular destination or hospitality provider. Also, the more members, the more valuable contents can be generated by customers, thus the right information can be easier found and the needs of a certain niche of customers can be more efficiently addressed (Jalilvand & Samiei, 2012).

Social media have changed the role of customers in the hospitality industry. With the possibility of posting reviews, photos and videos of a destination, to communicate with and influence other consumers, and to suggest ways of improvement directly on the providers’ websites, customers have become an active part of the industry. From this chapter it has been observed that virtual communities play an important role in the decision making process, because they (a) offer updated information about a destination from reading and trusting other people’s experiences, (b) offer a sense of community and belonging, and (c) by reading other people’s stories, customers are entertained.

Therefore, social media with e-WOM and virtual communities have become the main channel of communication between the customer and the hospitality provider. The following section will graphically describe how social media acts as a channel.

### 3.5 Customer-Provider Relationship Model

The model for representing the relationship between the customer and the provider ends with the customer perspective; the proper use of channels by hospitality providers increases customer loyalty and level of satisfaction, leading to a clear decision making process of a holiday destination. Figure 3.7 describes the three interconnected layers of the research: social media, hospitality providers and customers.
The flow of the theory explains the relationship model. First, because ICT is easy to use, multiple channels of communication have appeared, out of which social media is the one with the highest impact on people nowadays. Social media creates e-WOM, which influences people’s decisions. Companies want positive e-WOM so that they convince more customers to choose their services, therefore they compete with other firms, in better products or offers. This competition leads to higher quality of what they offer, as well as a name on the market. Because people enjoy qualitative products, as well as trust a brand, this will lead to an increased customer loyalty and satisfaction. If customers feel satisfied about a product or a provider, they will choose the products that company is offering.

Social media and e-WOM can be seen as the link between the hospitality providers and the customers. By looking back at the research model described in the Research Domain chapter, and the use of social media by both hospitality providers and customers in this chapter, social media are used in all the transactions made by these stakeholders. From the theory, providers can assure quality by including the new technology in all their transactions, as a response to the customers’ transactions. When social media, customers and providers meet, a balance between the customer needs and provider offers is achieved.

3.6 Conclusion

This chapter has introduced the theoretical aspects of this research. Multichannel and media richness theory are important notions for this research and refer to where and how hospitality providers communicate their offers on several channels of communication with the users. From all the channels, social media is the one who stands out, since it is used in each provider and customer.
transaction in the decision making process, from searching websites such as search engines, agency websites, to booking sites such as Booking.com, to reviewing sites like TripAdvisor, Facebook, Twitter, and individual blogs.

Social media produces electronic word-of-mouth, which can be found in virtual communities. There, customers can interact with other travelers and express their holiday-related experiences. From this literature survey, websites who offer the possibility of online interaction are better positioned on the market, because customers value more a medium where they can find out about and review destinations in real time. That is why a solution for VierVakantie is to offer an environment where customers can create virtual communities.

It was relevant to spend more time on social media concepts, since it is assumed to be the main channel of communication between the providers and the customers. With now knowing that hospitality providers communicate more efficiently with their customers using social media as a channel, the following sections will focus on how a group of customers respond on this channel. This analysis will be done on a social media survey on families from the Netherlands, Belgium, Denmark, Germany, and the United Kingdom. This survey will be further presented and, after analyzing the results, suggestions will be given to providers in order to offer mirrored responses to the needs of the consumers.
Chapter 4

4 Research Methodology

This chapter focuses on the research methodology for this study. This study is a design-oriented research, since it focuses on offering strategies and making recommendations to hospitality providers to better engage with their customers - to attract, interact with and retain more customers – using social media as the main channel of communication. The practical purpose is to design a social media platform that will improve CRM for the company.

The main aim of this study is to research how hospitality providers can support customers in their whole transaction process of deciding on a holiday destination, by making use of social media combined with other channels. The final deliverable of this research is to suggest several strategies that hospitality providers, in general, and VierVakantie, in particular, can implement, in order to ensure a strong customer-provider relationship.

This topic has been chosen because of the novelty of the issue, as well as the need to explore more in depth how social media can be used as a channel of communication with the guests. Social media is continuously expanding, which allows customers to become more involved in the holiday decision-making process. As previously mentioned, customers are now “prosumers”, meaning their reviews and feedback have the power to produce new offers, which cannot be neglected by hospitality providers if they want to remain on the market.

For all the research purposes, a survey was sent out and will be further presented.

4.1 Description of Data Collection

The collection of the theoretical aspects was described in the Literature Research section, namely a content analysis of written documents was conducted, to gain as deep an insight as possible into the problem at hand, taking into consideration relevant aspects. This literature survey was used to define and analyze the background and the existent problems.

Moreover, since this research is about observing customer behavior and preferences, data collection consisted of a survey that measured how people use the Internet and social media in their decision making process of a holiday destination.

The stakeholders of this research are hospitality providers and customers or guests. First, a brief description of the hospitality providers will be provided, continuing with mentioning the customers, which represent the population to be observed through the survey. In the end, the survey will be described.

4.1.1 Hospitality Providers

This research focuses on the hospitality industry as a travel and tourism segment, narrowing to hospitality providers from the Netherlands. Further, the direction will be towards resorts, more specific towards camping agencies, such as VierVakantie. As previously mentioned, VierVakantie is a camping startup, with the goal to build a customer base, as well as to become an electronic travel agency for camping holidays. Resorts are places, towns or sometimes commercial establishments operated by a single company, with the purpose of relaxation or recreation.
Advice will be provided to these hospitality providers, in order for them to better response to the customer needs and preferences. But, before giving recommendations, the target customers will be presented, as well as the process of gathering the data that will allow coming up with strategies.

### 4.1.2 Research population

The research population is the actual segment of reality that will be studied. As previously mentioned, the population of the study comprises families who regularly take vacation trips and have access to the Internet.

The research was narrowed to approximately 20 families from five European countries, namely the Netherlands, Belgium, Germany, Denmark and the United Kingdom. The choice of countries is due to the reason that there are no language barriers. Moreover, the distance from home to the destination is not a major issue, since these countries are more or less close to the Netherlands.

These people were surveyed with the purpose to discover the type of holiday packages they prefer the most, as well as how they use social media to search for, book, and evaluate holiday destinations. Their answers will give a clear representation of where social media stands as a channel in the holiday decision-making process.

The first step was to gather a list of contacts that might be willing to answer the survey. A letter of request has been sent by e-mail to the participants, asking them to procure a list of names and e-mail addresses of their friends and acquaintances that might be willing to participate, as well as to fill in this survey. The letter of request can be found in Appendix 2. After accepting to participate in the questionnaire, a second e-mail was sent, with the link to the survey. The message within the e-mail can be found in Appendix 3.

In order to gather 20 families per country, the letter of request with the survey link was constantly sent. Social media websites, such as Facebook and LinkedIn were used to search for friends or acquaintances of the people from the initial list, who were living in one of the five mentioned countries.

The data was collected during the last two weeks of May. The results were stored in an Excel file that was later converted into a SPSS-readable format.

The total number of respondents was 116. The distribution of the answers for the socio-demographic questions is further presented.
Chapter 4

Country of living
- The Netherlands – 35 respondents
- Belgium – 19 respondents
- Germany – 21 respondents
- Denmark – 21 respondents
- The United Kingdom – 20 respondents

Education level
- Secondary education – 5 respondents
- Undergraduate – 25 respondents
- Masters – 77 respondents
- Doctorate – 9 respondents

Age group
- Young-elderly – 21 respondents
- Gen X families – 35 respondents
- Young families – 60 respondents

Number of children
- 0 – 60 respondents
- 1 – 31 respondents
- 2 – 16 respondents
- 3 – 6 respondents
- 4 – 3 respondents

4.1.3 Description of Survey

As previously mentioned, the instrument used to obtain the travel preferences of the families from the five selected countries was a structured questionnaire, designed specifically for this work and based on the contributions and scales in the reviewed literature.

The survey has six sets of questions; the first set of questions is meant to be introductory, so that the respondent gets familiar with the topic – Introducing the survey. The following three sets of questions are connected to the three main bulks of transactions performed by customers in their holiday decision making process. The section Before purchase and consumption or searching for a holiday destination analyzes how the respondent uses social media when looking for a holiday destination. Then, there is the During purchase and consumption set of questions. These questions focus on how people select a holiday destination, more precisely on the main process of purchasing a holiday package. Lastly, After purchase and consumption or how people use social media during and after their holiday trip looks at how customers respond about the holiday experience. The fifth set of questions, Introducing yourself, is composed by socio-demographics questions, about the age, education level, country of living, and number of children of the respondent. This last set of questions is useful for descriptive statistics.

A table with the questions and an explanation of each question in relation with the hypotheses and the objective of this research is extensively shown in Appendix 4.

Moreover, the tool used to send the questionnaire and collect the answers was provided by TU Delft – SyncForce SurveyWorld (http://www.surveyworld.net/default.aspx). After creating an account and logging in, it is possible to create a new survey. Before adding questions to the survey, the languages in which the survey has to be available can be entered; here, only English is relevant. After this, general information, like the name and preferred layout, were introduced. There was also a scheduling possibility, which allowed the tool to send the survey at the specified date, as well as to send reminders to participants. The next step was to add questions to the survey; several types of questions can be selected, from yes/no questions to ranking questions to multiple choice questions.
Each question was filled in with its corresponding answers. After creating the survey, participants were added, using the lists of contacts acquired. The requests were sent out by e-mail. The results and reactions could be seen continuously, using the “view report” option.

The reason for choosing a survey as an extensive research method is that it enables to make valid observations based on a larger quantity of data. It is safe to assume that the population sample is significant for the purpose of the conducted study, thus the results can be generalized.

Also, with a survey, large amounts of information can be collected from a large number of people in a short period of time and in a relatively cost effective way. Because the focus is on families from five European countries, it eliminates the problem of distance.

Moreover, since the answers will be reported in a summary format, the results of the survey will be quickly and easily quantified through the use of SPSS, thus data analysis can begin immediately after the survey is closed.

The drawback for choosing the survey as a research method would be that there is no way to tell how truthful a respondent is.

Also, because of using the “friend of a friend” approach, the answers might be similar, since the families can be in similar circles. However, due to time and space constraints, the answers will be considered significant for this research. An assumption that will be made for this research is that, even though people are in the same circles, they might not have the same expectations from a holiday destination.

This survey is meant to discover if people use social media and the Internet in their holiday decision making process and, if yes, how they use it. This analysis will stand as the basis for the design of requirements of a social media platform for VierVakantie. This platform, however, can be generalized for other Dutch hospitality providers. As shown in literature, hospitality providers who use social media on their website have a greater number of customers and are widely known. Therefore, this platform is meant to strengthen the customer-provider relationship, by putting altogether travel-related information, so that the customer does not need to search on multiple random websites. Also, it offers the provider, in one piece, information about customer needs and preferences, so it makes the information extraction about customers easier.

4.2 Description of Statistical Analysis

4.2.1 Descriptive Statistics and Hypotheses Testing

Descriptive statistics will be performed to form a clear idea if the respondents make use of the Internet and social media when they search for a holiday destination, as well as of what the respondents expect from a travel agency website. Moreover, several hypotheses will be tested that will lead to defining, if any, customer segments. These hypotheses will establish if people, regardless of their socio-demographics, use the Internet and social media on a regular basis in their holiday decision making process. The testing of these hypotheses is relevant, since the final product, the social media platform, should be designed for the relevant customer groups, in order for VierVakantie (and other hospitality providers) to make sure they achieve full customer integration,
4.2.2  Factor Analysis

Furthermore, after knowing how the Internet and social media are used and by which customer segments, the design of the social media platform should be introduced. To find out what specific functionalities to add to the social media platform, a factor analysis will be performed in SPSS. This factor analysis is used for data reduction purposes, namely to get a small set of variables (the blocks of the platform, which should preferably be uncorrelated), from a large set of variables (the questions from the survey, most of which are correlated to each other).

The sample size is 116, which is large enough for this study; factor analysis is a technique that requires a large sample size. The variables are scales (usually from 1 least important to 5 most important) and we shall consider the difference between the answers equal. For this study, we will use the principal components method as the method of extraction, to summarize all the information. To validate the method and obtain an unambiguous interpretation of the data, a varimax rotation will be performed. This rotated solution not only does it offer a set of factors that best explain a certain amount of variance, but it gives the set of factors that best simplify the factor structure. The varimax rotation was chosen because the factors remain independent, and we want to extract independent functionalities and blocks for the platform.

A set of 24 variables will be tested, defined by questions 7, 9, 16 and 18 from the questionnaire (found in Appendix 4). Each question represents a group with several answers as scales. A factor analysis for all these questions together will be performed; the purpose is to find out the dimensions that all these variables represent. However, a factor analysis for each group will be performed and will probably offer independent factors that will better define the functionalities of the platform. The two methods, namely the factor analysis for all the questions together and for the questions within each group separately, will be compared, leaving to choose the one that better explains the research boundaries (the one with the highest statistical variance).

4.2.3  Regression Analysis

Finally, the independent factors from the factor analysis will not only stand as the basis for the functionalities of the platform, but they will also make part of a regression model where the dependent variable is the probability for customers to choose VierVakantie as a hospitality provider. This variable is represented by question 10, namely if people read many bad reviews about their holiday choice they would choose a different location. It is also the final concept of the customer-provider relationship model defined in chapter 3 Literature Review and it will emphasize on the fact that e-WOM and online reviews are major factors in the holiday decision making process. Basically, by knowing which factors influence how people make their choices, several strategies for hospitality providers can be offered, in general, so that they establish a better customer-relationship management. These strategies or pieces of advice will be offered later in the Conclusions chapter and will represent the final deliverable of this study.

However, coming back to the social media platform, the following section will introduce the methodology for designing the platform, leaving to present the design of the platform after performing the factor analysis. After all, the social media platform is the promised deliverable for VierVakantie to use to create and maintain a customer base.
4.3 Methodology for the Design of the Social Media Platform

A methodology can be simply defined as a set of procedure that one follows from the beginning to the completion of the software development process. Different methodologies have been developed to resolve different types of problems.

For the design of the social media platform for VierVakantie, the design method offered by (Verschuren & Hartog, 2005) will be used. The process of designing the platform usually has six stages, namely 1. The first hunch, 2. Requirements and assumptions, 3. Structural specifications, 4. Prototype, 5. Implementation, and 6. Evaluation. However, for this research, the first three stages will be covered, leaving the last three as future research.

The first hunch is the initial stage of the design process and its main results are defined by the problem statement and research goals mentioned in the Introduction chapter. To briefly mention them, the problem is the necessity to study how social media is used as a channel of communication between hospitality customers and providers. From literature, people prefer to find holiday-related information on the internet, since it is less time consuming. They are also highly influenced by online reviews they read on virtual communities and they expect to find all the information they need about their holiday choice. So, the first hunch would be to create an environment where they would be able to perform all the transactions in the holiday decision making process. Such an environment stands in the form of a social media platform that will be designed for VierVakantie.

The requirements and assumptions of the platform will be gathered by analyzing the responses of the survey, using descriptive statistics. For example, they will analyze if users prefer to find all the holiday information online, from one or several websites, as well as if they consider online booking reliable and people’s reviews important when deciding upon a destination. These requirements and assumptions stand as the basis for the structural specifications of the platform, basically for its functionality.

For defining the structural specifications, the bottom-up methodology will be used. In the bottom-up approach, the designers must identify a basic set of modules and their interrelationships that can be used as the foundation for the problem solution. Higher-level concepts are then formulated based on these primitives. Basically, the platform will be formed by putting together blocks with several functionalities that will be defined by the results of the factor analysis previously mentioned. The blocks will be further described in this document.

Now, that we have defined the methodology used, the following section will give information about the number of collected and valid responses. Based on these answers, the need of a social media platform will be introduced.
Results and Analysis

This section focuses on answering if a community social media application is relevant for hospitality providers in general, and for VierVakantie in particular.

The main research question is how social media can be used as a provider-customer channel of communication. In order to answer this question, several sub-questions were asked, as described in Chapter 1. Theoretical questions, such as how the hospitality industry is characterized in terms of state-of-the-art, stakeholders, customer and provider objectives, as well as how hospitality providers interact with their customers, were described in the previous chapters.

From the literature study, we found out that the hospitality industry is an industry that mostly depends on people’s leisure time and disposable income. From this, we already see how important customers are in this business, hence the need to offer them personalized holiday packages. Technology also plays an important role in this industry, since it makes the communication between the providers and customers easier and in real-time. Moreover, customers are becoming more and more active in the industry, since they have the possibility to post comments and feedback about holiday packages and destinations, as well as they can interact with other people and influence their decisions. Hence, hospitality providers should focus on their customers, since they have become now an active part of the hospitality industry.

Furthermore, hospitality providers must test the channels that make the communication with their customers more effective. From the literature, social media has become the most used channel, since it is the fastest way in which customers express their opinions, as well as the most convenient source of information. And because more and more people have access to social media websites and they frequently use them, it is interesting to find out how much they actually use social media in their decision-making process of a holiday destination, as well as how much they rely on word-of-mouth and on other people’s opinions.

To find out the answer to these questions, as well as if a community social media application can be used, with the purpose of bringing more bookings and retention, a survey was conducted, on a sample population from five countries (the Netherlands, Belgium, Germany, the United Kingdom and Denmark), as described in the Research Methodology section.

There will be three defining parts in this section. The first one will deal with descriptive statistics and it will not only give numbers regarding the answers, but also form a clear idea of what people expect from a travel agency website, as well as if they would consider glamorous camping as a holiday solution.

The second part will deal with some statistical hypotheses that correlate socio-demographic factors with customer preferences. These hypotheses will suggest if the social media platform is a viable solution only for specific customer segments or for the entire population, making it even more accurate to design and implement.

The third part is more interesting, since it will offer ideas for most of the functionalities of the social media platform, as well as strategies and for hospitality providers to use in order to achieve better
customer integration. This third part will use the results from the first two parts, namely if people are familiar with using the Internet and social media during their travel transactions, as well as the customer segments, if any, that are supposed to use the platform the most, and, with these results, it will first define categories of blocks and functionalities for the platform. This will be done using the factor analysis method in SPSS. This factor analysis will search for a pattern in the correlations between a large group of variables, like the ones in this survey. Each factor will explain a subset of variables that are strongly correlated, as well as it will stand as the basis for a functionality of the platform, as it will be further presented. Two factor analyses will actually be performed; as mentioned in the Research Methodology chapter, one factor analysis will be performed for all the variables together, and the other for each group of variables; the results will be compared and the method that best explains the possible functionalities of the platform will be chosen.

Second, after extracting the independent factors from the factor analysis, a regression analysis will be performed, with the purpose of establishing the main factors that influence the probability for people to choose a particular hospitality provider. These factors will stand as the basis for the strategies that will be suggested to hospitality providers. These strategies will be categorized for each transaction made by the providers, transactions which can be found in the research model in chapter 2 Research Domain.

Now that we know the storyline of this chapter, the following sections will analyze the questions, as described.

**5.1 Descriptive Statistics**

This section deals with analyzing how much the respondents use the Internet or social media in their holiday transactions. This part is relevant since it is important to know how people rely on the Internet when searching for, booking and/or reviewing a holiday destination. The purpose is to conclude if a social media application makes sense, or if the majority of respondents prefer the more traditional channels to communicate with hospitality providers.

This section also counts the number of people who would choose the Netherlands as a holiday destination, and, even more, the number of people who would consider glamorous camping a possible holiday solution.

After this section, it will be clear that the majority of the respondents are not only familiar, but also prefer to use the Internet and social media in the process of searching for, booking and reviewing a holiday destination. Therefore this provider-customer channel of communication should be constantly monitored and updated.

Moreover, from the answers, it will be observed that people interact with other people, and the opinions of others are very important as a decision factor. The purpose of this analysis is to show the social behavior of people, which will lead to the relevance of designing a community feature, of a forum for example, in the social media platform.

These being mentioned, descriptive statistics will be presented for the questions that deal with the use of social media and reviews.
Q2: The majority of respondents use social media or the Internet to find accommodation for their next holiday.

Possible answers for finding accommodation:
- Travel agents: 14 respondents
- Free tourist information leaflets or travel guides: 12 respondents
- Newspapers, TV or radio: 2 respondents
- Friends or relatives: 36 respondents
- Internet or social media: 51 respondents
- Other: 1 respondent

The total number of respondents is 116. From these, 51 respondents answered they use the Internet and social media to find accommodation for a particular holiday. Also, 36 respondents trust friends and relatives with the holiday information. These answers show the relevance of a social media platform, because it offers both the functionality of posting holiday information online, as well as of interacting with people.

Q7: The majority of respondents use social media or the Internet to search for reviews for their holiday preferences.

Intensity with which respondents use social media or the Internet to search for reviews (1 is the lowest, 5 is the highest)
- 1 Not applicable: 5 respondents
- 2 Rarely applicable: 5 respondents
- 3 Neutral: 10 respondents
- 4 Often applicable: 34 respondents
- 5 Highly applicable: 62 respondents

The total number of respondents is 116. From these, most of the respondents go online to search for reviews for their holiday preferences. A great number also collects ideas for future destinations using the Internet. Again, the Internet is an important source of information for people. This question also emphasizes on the impact of electronic word-of-mouth, hence providers should take care of the feedback that concerns them.

Q8: The majority of respondents prefer to find ideas about places to visit from several websites.

Possible answers for the method of searching for a holiday destination
- Gather ideas about what to visit from several websites: 88 respondents
- Prefer to find all the necessary information on one website: 28 respondents

The total number of respondents is 116. This answer is surprising, because the social media platform will offer the users all the necessary information in one place. The assumption is that, if people were offered a website with functionalities such as updated offers, possibility to review holidays and talk to other travelers, possibility to make a safe online booking, and so on, they would prefer to use this website for holiday purposes. Also, if this website comprises all the information from most of the
major social media websites, then people would definitely prefer to use it, because it would be the same information, but in the same place, making the search less time-consuming. Probably it will be more difficult at the beginning, but people will get used to this platform if they see that more and more are using and recommending it.

Q10: **The majority of respondents would choose a different location if there were many bad reviews of their initial choice.**

Probability to choose a different location/hotel if there were many bad reviews on initial choice:
- 1 Highly disagree: 2 respondents
- 2 Mostly disagree: 1 respondent
- 3 Neutral: 26 respondents
- 4 Mostly agree: 46 respondents
- Highly agree: 41 respondents

The total number of respondents is 116. As observed in the data, people have plenty of confidence in online reviews, thus a bad review will even make them change their destination. The majority of respondents would probably change the location, after searching for more reviews. The platform would have a review section, as well as a forum, where people can interact, and providers can react to the customers’ feedback. The answer to this question shows that electronic word-of-mouth is very important in the decision-making process of a holiday destination.

Q11: **The majority of respondents visited between one and three websites before booking their last trip.**

Number of websites visited before booking a trip:
- None: 6 respondents
- 1-3 websites: 51 respondents
- 4-7 websites: 41 respondents
- More than 7 websites: 16 respondents

The total number of respondents is 116. For them, the trend is to gather information from only a couple of websites and then make a holiday decision. Hence, this answer supports even more the assumption made for question 8, that people would prefer to have all the necessary information on one website. If the information is sufficient and consistent, then people would probably not search on other websites.

Q13: **The majority of respondents booked their last holiday online.**

Methods of booking a holiday
- Online, using the travel agency website or an online booking portal: 99 respondents
- Personal visit to agency: 3 respondents
- Direct phone call to agency: 6 respondents
- Other: 8 respondents
The total number of respondents is 116, out of which 99 choose to book online. Thus, people feel comfortable with booking online, they trust websites. Moreover, an online booking functionality for the platform would be valid.

**Q14: The majority of respondents use social media on vacation to contact family and friends.**

Possible reasons to use social media while on vacation:
- To contact family/friends online: 98 respondents
- To get recommendations online: 6 respondents
- To stay informed with the latest news: 6 respondents
- To update social networks on a daily basis: 2 respondents
- Other: 4 respondents

98 out of the 116 respondents, which is the total number, use social media while traveling to get in touch with their friends and family. On a social media platform, people can constantly post photos, videos, and reviews about the destination, and their families can see them in real time. What is different than Facebook is that people can see similar posts from other users, and they can compare their experiences. They can also communicate with their families using the platform.

**Q17: The majority of respondents use a personal computer to search for holiday information.**

Preferences of using a personal computer of laptop to search for holidays:
- 1 Least likely: 4 respondents
- 2 Rarely: 2 respondents
- 3 Neutral: 3 respondents
- 4 Often: 17 respondents
- 5 Most likely: 89 respondents

The total number of respondents is 116. Even nowadays, with the development of mobile devices such as smartphones and tablets, people still use personal computers or laptops for making online decisions (information search, online transactions, and online reviews). It is important for the platform to work efficiently on a personal computer, so the initial design will be for PCs and laptops. However, in the future, the platform must work on tablets and smartphones, so that people can quickly check for offers, for example.

**Q20: The majority of respondents would consider the Netherlands as a holiday option.**

Is the Netherlands a possible holiday destination:
- Yes: 92 respondents
- No: 24 respondents

92 out of the 116 respondents would go see the Netherlands as a holiday option, therefore this country as the location for VierVakantie is possible and recommended.

**Q21: The majority of respondents feel comfortable with going on vacation with friends and relatives.**

Would you go on vacation with friends or relatives:
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- Yes: 109 respondents
- No: 7 respondents

The total number of respondents is 116. From these, people feel comfortable with going on vacation with their friends or family, hence the idea of a community where people interact can be introduced. Some customers can be open to traveling together with similar travelers met on the platform. Therefore, the platform could offer the idea of a forum of discussions, as well as of private messaging.

Q23: The majority of respondents would consider glamorous camping as a holiday option.

Would you consider glamorous camping as a holiday option:
- Yes: 72 respondents
- No: 44 respondents

The total number of respondents is 116. For most of them, glamorous camping is a holiday option, given the opportunity. This answer is indeed positive, since the entire business of VierVakantie is to offer glamorous camping. Two thirds of the respondents answered positively, and, since this type of camping is still new, it can be considered a remarkable number.

To sum up the answers, for hospitality providers to be more successful, it is important to be in control of the online communication with their customers. To do so, they can 1. Choose to gather customer information only from the common social media websites, mentioned in the Literature Review chapter, or 2. To be active on these websites, but also implement and advertise their own platforms, where customers can personalize their experience.

It can be observed that people prefer to search for, book and write reviews online, therefore a platform that offers all these features in one would be a good idea. Furthermore, people tend to interact with other users and the feedback they read and offer is highly important for the final decision. People also like the idea of a community and, since they feel comfortable to travel with friends and families, given the idea to travel with the people they meet on location or on the platform, they would probably consider it. Thus, a community social media platform would be a valid alternative for a provider to implement for its customers, since it is highly probable for people to use it, based on the answers to this survey.

To better emphasize on the need of the social media platform, several hypotheses will be tested in the next section.

5.2 Testing of Hypotheses

In this section, a list with hypotheses which will help in answering the final research question, namely Could a community social media application be used and will this lead to more bookings and retention? will be presented. The hypotheses will be further tested using SPSS as a tool, as they represent the null hypotheses in statistical theory. The alternative hypotheses will be non-directional, meaning that they will just be concerned that the null hypotheses are false.
These hypotheses will correlate certain answers with socio-demographics, as they will establish the customer segments that will use the social media application at its most. The sample population is large enough and, according to the Central Limit Theorem, is a sample is larger, it gives a better estimation.

In the following part, the hypotheses will be tested using correlations, to determine if two variables are linearly related to each other. The tests that will be performed are the Chi-square test and the Kruskal-Wallis test, because of the type of the questions (which are mentioned in Appendix 4).

\( H_01: \text{There is no relation between age and the use of internet and social media (null hypothesis).} \)

The idea is to see in the end if younger families use the Internet and social media more often than the other two age generations when searching for holiday accommodation.

- Significance value = 0.002
- Phi-correlation factor = 0.487

The null hypothesis is rejected and, using the Phi-correlation factor, it can be observed that age has a great impact on the choice of using the Internet and social media for searching for accommodation. Therefore, there is a relation between the age group and the use of Internet.

By looking at the crosstabulation table, it was observed that the majority of respondents who use social media and the Internet to find accommodation are from the Millennials age group. Also, if we look better, the numbers are not very different for Young-elderly and Gen-x families. This was also shown by the descriptive statistics, that normally people use the Internet and social media for their search. This very strong answer shows that indeed a social media application for a hospitality provider will be efficient, since people search online.

\( H_02: \text{There is no relation between the education level and the use of the Internet and social media when looking for holiday accommodation (null hypothesis).} \)

The purpose is to analyze if families with higher levels of education use the Internet and social media more often when searching for holiday accommodation. This hypothesis correlates Q2 with Q29 and will use the Chi-square test.

- Significance value = 0.072

The null hypothesis is accepted. This is explained by the fact that everybody nowadays can use the Internet and social media in searching purposes. They have become so common and everybody has Internet nowadays, therefore education does not influence how people use the Internet.

\( H_03: \text{There is no relation between the age group and the preference of gathering ideas from several websites (null hypothesis).} \)

This hypothesis wants to test if younger families prefer to gather holiday ideas from several websites. This hypothesis correlates Q8 with the age group and will use the Chi-square test.
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- Significance value = 0.017
- Phi-correlation factor = 0.27

The null hypothesis is rejected. Age does influence the number of websites used for searching for holiday ideas. By looking at the crosstabulation table, younger families indeed prefer to search for holiday information on more websites. Young-elderly and Gen-x families prefer more to find the information on one website. Therefore, the social media platform could be used by these two age groups, leaving in the end to find ways to attract Millennials.

\(H_4\): There is no relation between the age group and the likelihood to post reviews when returning from a holiday (null hypothesis).

This hypothesis tests if younger families are most likely to post reviews when they get back from their holiday.

- Significance value = 0.428

The null hypothesis is accepted. This means that people, regardless of their age, post reviews about their holidays. By looking at the crosstabulation table, most of the people post reviews when they have time and, of course, more Millennials post reviews.

\(H_5\): There is no relation between the age group and the likelihood to choose camping as an accommodation option.

This hypothesis tests if younger families would choose camping as an accommodation option.

- Significance value = 0.129

Age has no effect on the choice of going camping. By looking at the crosstabulation table, there is a small number of people who would choose camping as an accommodation option. But, this answer, combined with the descriptive statistics for the number of people who would consider glamorous camping as an option, still makes camping viable. By looking back, the majority of respondents would choose glamorous camping, and the reason is, perhaps, the fact that it combines the possibilities offered by camping, but with facilities offered by hotels.

\(H_6\): There is no relation between the age group and the choice of glamorous camping (null hypothesis).

This hypothesis will test if more mature families would choose glamorous camping as an accommodation option.

- Significance value = 0.023
- Phi-correlation factor = 0.26

The null hypothesis is rejected; age does have an effect on the choice of glamorous camping. Interesting, younger families would go on glamorous camping more than the other two age groups.
**H₇:** There is no relation between the number of children and the choice of glamorous camping (null hypothesis).

This hypothesis will test if families with more children would choose glamorous camping as an accommodation option.

- Kruskal-Wallis Significance = 0.471

The choice of choosing glamorous camping is regardless of the number of children of the respondents.

**H₈:** There is no relation between the number of children and what people look for in a campground (null hypothesis).

This hypothesis will test if families with more children would look for family camping in a campground.

- Kruskal-Wallis Significance = 0.105

We accept the null hypothesis. Children do not affect what families are looking for in a campground. By looking at the answers, the majority of respondents are looking for large sites and activities. All in all, most of these hypotheses have proven that there is no need for customer segments when deciding how to approach customers to make them choose a holiday package. The majority of respondents know how to use the Internet, how to book online, how to post reviews. They also would be interested in the type of holiday that VierVakantie is offering, regardless of their age and number of children. Therefore, an online solution for VierVakantie can be designed for and will be expected to be used by all the age groups.

### 5.3 Factor Analysis for Platform Functionalities

As mentioned at the beginning of this research, the intention of VierVakantie is to find out what they can use or do to bring more bookings and retention.

We have already agreed that people use the Internet and social media in general, to make bookings and post reviews. Thus, a social media application for a random hospitality provider should cover all the basic online functionalities, such as the possibility to search for, book and review a holiday destination. However, VierVakantie offers glamorous camping, thus the social media application should concern this specific type of holiday.

At first, descriptive statistics were performed, to observe if the variables are normally distributed, or at least there are not standard deviations that stand out upon gross observation as remarkably larger than the other variables. The variables are normally distributed; hence the factor analysis can be performed.

Then, two factor analyses models were provided, as described in the Research Methodology chapter. The variables that were used for the factors analyses are defined by questions 7, 9, 16 and
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18 from the questionnaire (see Appendix 4). This means that there are 24 factors that need to be grouped.

5.3.1 Factor Analysis on All Variables

The first factor analysis is performed on all the variables and the results can be found in Appendix 6. As mentioned, these variables are all scales, with equal differences between the answers.

The options for the factor analysis were to look at the Kaiser-Meyer-Olkin Measure of Sampling Adequacy and Bartlett’s test to check how well the variables belong together, based on partial correlation coefficients. Based on this test, the KMO is 0.67, meaning that the variables are adequate to be tested together.

Bartlett’s Test of Sphericity tests the null hypothesis that the correlation matrix is an identity matrix; the desired result is to reject the null hypothesis, and, since the significance value of this test is less than 0.05, the null hypothesis is rejected.

From these two numbers, the variables that are tested belong together. Taken together, these tests provide a minimum standard which should be passed before a factor analysis (or a principal components analysis) should be conducted.

The threshold used to determine the number of independent factors is 0.5 and the validation of the factor analysis was made using the varimax rotation. The varimax rotation gave a rotated factor matrix, with all the initial factors grouped in eight independent dimensions, as seen in Appendix 6.

The problem with this factor analysis is that there were four initial groups at the beginning, assumed to represent four independent dimensions, and now there are eight independent factors given by the factor analysis. It can be also observed after looking at Appendix 6 that the answers within one question or group do not form the same dimension. This means that each question might represent more than one dimension, as previously assumed. Hence, for each question, a factor analysis was performed, leaving to determine the dimensions they represent.

5.3.2 Factor Analysis for Each Group of Questions

The factor matrixes from the factor analyses for each question can be found in Appendix 7. The results were as follows:

Q7: Please indicate why you use the Internet and social media when you plan your holiday.

Only one factor was determined from this set of answers and it stands as the Review dimension. These answers emphasize on the idea that the respondents write reviews and expect to find feedback about their holiday option. Moreover, they expect hospitality providers to read their reviews and make some changes in their holiday offers if needed. Therefore, it is important to have a section on the platform that deals with people’s reviews and can be easily accessible by the hospitality provider. This section can be in the form of a forum of discussions, where people can create threads and interact with each other.

Q9: Please rate the following criteria for choosing a holiday destination.
Three factors were determined, namely *Ways of Transportation, Facilities and Description of Attractions*.

These factors are concerned with the basic functionalities of the platform. The platform can have a section where people can insert the number of days they want to stay, the facilities they want to rent, and the number of people who will join for the holiday. So these factors stand as the basis for a module of the platform that searches for dates and additional features.

Also, in this section people can choose what activities they would prefer to have during their vacation, such as canoeing, or sailing with a motorboat, or biking.

Distance is also an important factor to be taken into consideration, so the platform could offer some transport guidance, in terms of time and costs. So this factor stands as the basis for a module of the platform that allows users to insert their current location and to be given a time-cost estimation of the journey.

**Q16: Why would you post a review on a website?**

Two factors were determined, namely *Interaction with Members* and *Motivation for Feedback*. The interaction with members can be implemented using the forum section previously mentioned. Besides posting their reviews and opinions on forums, users can also communicate in private, using instant messaging features. They can see a list with all the members, look at their activity and, if they discover they have many features in common, they can choose to initiate a private conversation. This function can allow room for creating travel groups on-location.

Further, people have different motivations for offering feedback. People’s opinions should be constantly read by the hospitality provider, so that improvements can take place. The platform should also offer a contact section, where people can talk to the contact team about travel options or problems with the platform.

**Q18: Please rank the following expectations from a travel website.**

This group of answers returned two dimensions, namely the *Need for Personalized Features* and the *Reliability of the Website*.

For the first factor, users can share their travel experience in a separate way. On the page, they have their personal profile, which they can update any time they want. This function allows them to post photos and videos after their trip, as well as to import posts from other social media websites where they are connected.

The second factor deals with the functionalities of the platform in terms of quality of services, response speed, security of data and bookings. This factor should take into account the policies for privacy and Internet described at the beginning of the research. The information should also be updated in real-time.
5.3.3 Results of Factor Analysis

All in all, both of the factor analysis methods provided eight independent dimensions. But the one that is more accurate is the second analysis, since it gives a better structure of the questions, hence it will be used in the next part. The eight factors that were defined are:

- Review
- Ways of Transportation
- Facilities
- Description of Attractions
- Interaction with Members
- Motivation for Feedback
- Need for Personalized Features
- Reliability of the Website

These eight factors not only stand as the basis for the functionalities of the social media platform, as previously presented, but also can define the probability to choose VierVakantie (or any other hospitality provider) as a hospitality provider. This is the defining factor in the relationship model for the customer’s side, defined in the Literature Review chapter. To see which of these eight factors contribute more to the result of the holiday decision-making process, namely the choice of the hospitality provider, a regression analysis will be performed in the next section. The results from the regression model stand as the basis for the strategies that will be suggested to providers, in the Conclusions chapter.

5.4 Regression Analysis for Provider Strategies

As previously mentioned, the factor analysis resulted in eight dimensions that have two main utilities. The first was to introduce several functionalities for the social media platform, which will be rigorously presented in the next chapter.

The second is to determine which of these factors affects the most the decision of a customer to choose a hospitality provider. This can be done using a regression analysis in SPSS, with the eight factors as independent variables that influence the dependent variable in question 10, namely that people would choose a different location or hotel if they read many bad reviews of their holiday choice. What we want to observe is what bad reviews represent – do people choose a different provider if the website is not reliable, or if they do not find their required facilities, or if they decide that the means of transportation to the location are not suitable.

This will be decided using a regression model, with the backward method. The linear regression was run on the factor component scores given by the factor analysis for each group. The matrix of coefficients can be found in Appendix 8.

To shortly describe the process, all of the eight factor component scores were inserted into the regression model and, after performing several steps of backward regression, the following three were observed to have the greatest influence on the result of the holiday decision-making process, namely the dependent variable from question 10:
• Facilities
• Interaction with Members
• Motivation for Feedback

The variance explained by these three factors is 68%, meaning that the factors explain quite well the dependent variable. Also, the statistical significance of the entire regression model, given by the F-test, is 0.001, meaning that the overall model is significant for the population and not caused by a sample error.

It can be easily understood why the facilities offered by the hospitality provider are relevant for the final decision. People expect good quality of services when they go on vacation and, if they face or read about bad experiences, they will decide to choose another provider. Interaction with members is an interesting factor; people expect feedback from others and they usually offer feedback in return, if asked. Hospitality providers can make their customers interact; here, the interaction will be covered by a function in the social media platform. The third factor is motivation for feedback and it is less intuitive. The explanation is that people read reviews and find out if people’s feedback was answered or not. If, after bad reviews, come good reviews, where people mention that the provider has made changes, then they will consider choosing the holiday package offered by the provider.

5.4.1 Validation of Regression Model

Since the variance ($R^2$) does not guarantee that the model fits the data well, the validation of these three factors was performed, by analyzing residuals. The residuals appeared to behave randomly, therefore this suggests that the model fits the data well.

Besides this, cross-validation was performed, to assess how the results will generalize to an independent data set. The 2-fold cross-validation was performed, meaning that the sample was shuffled and split in two. The results for the test set were similar to the main ones, therefore the model is fit.

Knowing that the regression model is valid, these three factors will be used when suggesting strategies for hospitality providers to implement, in order to achieve a better customer-relationship management. The other five factors should not be neglected however, since they are also important; it is common sense that attractions at the destination, means of transportation and reliability of website are very important when deciding on a holiday destination.

5.5 Conclusion

After being aware of the preferences of the respondents, in terms of Internet and social media use, as well as interaction with other travelers, a practical solution for VierVakantie will be presented.

To sum up, respondents prefer to use the Internet when searching for, booking and writing reviews about a holiday destination. They also rely on others’ opinions when making a holiday decision; bad reviews can even change their minds on a particular holiday choice. Further, respondents feel comfortable about the idea of a community, of going on vacation with their family and friends, as well as interacting online with similar travelers.
Therefore, a social media platform for VierVakantie can be a good idea to create a customer database and to become known as a hospitality provider. The design of the platform will be next described, using the guidelines from (Verschuren & Hartog, Evaluation in Design-Oriented Research, 2005), as well as the results from the factor analysis.
6 Design of the Social Media Platform

This section will use the answers in the survey related to what the respondents require from a travel agency website. The Results and Analysis chapter has proven that users are familiar with the Internet in all their travel transactions. Also, they prefer to read and write reviews, as well as to interact with other travelers. Therefore, an alternative for a hospitality provider to improve customer-relationship management is to offer its customers all the functionalities of the Internet in one platform. This platform should be constantly updated using information manually inserted by the users, as well as information from the Internet.

The need of a social media platform will be further discussed, continuing with defining the requirements and assumptions for the platform, leaving in the end to describe the structural specifications of the platform using the notions and concepts defined by (Verschuren & Hartog, 2005).

6.1 Defining the Need of a Social Media Platform

As proven by most of the answers in the questionnaire, social media is the most common used channel of communication between the customers and hospitality providers. Customers search for ideas of holiday destinations on Google, Facebook, Booking.com, they read reviews of other people and, based on these reviews, they might change their minds with respect to their initial holiday destination. Moreover, they post photos, videos and reviews online, so that other people see them and get an idea of what the holiday experience is from the point of view of real people.

With this rise of social media, the power is now in the hands of the consumers. Communication about brands happens with or without permission of the hospitality providers, and it is now their decision if they want to participate in this communication or continue to ignore it (Kietzmann, Hermkens, McCarthy, & Silvestre, 2011).

Communication, sharing and building relationships are important features of social media. This being said, hospitality agencies should make social media as part of their business. For now, what has been observed is that companies gather information from different social media websites, such as blogs, product ratings, discussion forums, and customer comments; this information is scattered and sometimes hard to coordinate. Each solution focuses on its part of the CRM process. A good example is when a customer tweets a complaint, and, in the same time, he posts a remark on the company’s product review site. Because these two applications are implemented separately, the company can’t see the connection between these posts. The first possibility here is that the company addresses the same problem twice, leading to a waste of time. The second, even worse, the company addresses two different problems, since there might be different teams of people who analyze the two posts and they might interpret the problem in a different manner.

Figure 6.1 describes in a simplistic way the relationship between hospitality providers and customers. The explanation of the cycle is that, based on reviews and feedback, agencies can make improvements, which lead to increased customer satisfaction. This might gain more feedback and reviews, this time more positive, since the customer needs have been met. In the end, the agency gets more bookings, which normally lead to more reviews and feedback.
What hospitality agencies should do to ensure a positive increase in the cycle is to think about managing the entire customer relationship (data, processes and channels) in a more strategic and integrated way. With internet availability, travelers and suppliers can directly communicate. So, rather than installing social media applications as point solutions to point problems (blogging tools, customer discussion forum sites, or product review web pages), they can offer a platform that has all these integrated. A solution would be to design a social media platform, with the role to enable a company to identify and aggregate all of its interactions with customers.

The following section will focus on the requirements that apply to the platform. (Verschuren & Hartog, 2005) define three types of requirements, namely user, functional and contextual requirements. User requirements focus on user preferences, on what they expect from the platform; for example, a user requirement would be for the platform to have a user-friendly interface, easy to use. Functional requirements represent on the functions that the platform should fulfill once it is released, according to its goals. An example of a functional requirement would be for the platform to allow users to make a reservation for specific dates. Finally, contextual requirements are imposed by external factors, such as policies and regulations, as well as economic and social environment. A contextual requirement would be for the platform to use a secure authentication protocol, to protect the privacy of the user.

A second aspect in this stage of design, identified by (Verschuren & Hartog, 2005), are the assumptions for the social media platform, meaning the specification of its well-functioning. The assumptions are also separated into three parts, namely user, functional and contextual assumptions.
6.2 Requirements and Assumptions for a Social Media Platform

6.2.1 User Requirements

The user requirements are based on the survey and indicate what customers would require from a social media platform of a hospitality provider.

But before defining the user requirements of the social media platform, several questions need to be answered:

- Who are the users of the platform?

The users of this platform are, first, (potential) customers, who seek accommodation in a camping area in the Netherlands.

Moreover, users of this platform will be the contact and support team of the hospitality provider. They will keep all the information up-to-date, as well as monitor the discussions and reviews on the platform. They have to make sure they answer in time if a customer asks a direct question. They also have to ensure the functionality of the platform all the time, even in stress conditions, when there are many users online.

- What do the users seek to find out from this platform, in terms of information and functions?

According to both the theory and the survey, customers usually look for information about the location, the weather, attractions and food possibilities. They also expect to read reviews about the location, since feedback from others is important. Even more, bad reviews can change a customer’s mind regarding the destination and accommodation.

Customers should be able to find information quickly and easily on the platform. They should be offered various ways to find information, such as navigational elements, search functions, clearly labeled sections, page numbers, color-coding.

- What is the users’ experience with the platform?

First, the support team should have technical knowledge, in case something goes wrong with the platform and they should recover it. They should also be able to answer diplomatically to customer problems and complaints and try to solve them.

Second, customers are not required to have too much experience in advance; they should only be familiar with websites and search on the Internet. Since most of the respondents have clearly shown familiarity with social media websites like Facebook, Booking.com, and TripAdvisor, navigation on this platform will not be a problem.

These being said, the user requirements arise from the answers of the survey from the Results and Analysis chapter. One user requirement would be for him to have a personal profile, with his name, address, card details (if preferred), and history of his reviews, discussions and posts on the platform.
Also, the user can have a history of his bookings on the platform. This leads to a second user requirement, which is the possibility to book certain dates, as well as additional features, such as bungalows, bikes, motorboats.

Furthermore, since the data analysis concluded that users rely on reviews and feedback, one user requirement will be to have access to the existing reviews, as well as to the possibility of posting additional feedback. In relation with this feature, since most of the respondents feel comfortable with traveling within groups of people, being active on the platform could lead to meeting users with similar interests, on location or online, and keeping in touch with the possibility of going together on vacation. This feature will be in the form of a forum of discussions, where users can openly post messages, or privately chat with other users.

6.2.2 Functional Requirements

Functional requirements represent the actual functions of the system, which will stand as the basis for the structural specifications. These functional requirements are based on the survey, as well as on the findings from the literature research.

With this social media platform, hospitality providers and VierVakantie in particular should ensure that they incorporate four core components, namely community services, integration with external social media channels, text analytics, and CRM integration. Each component will be further described.

First, by ensuring community services it is meant that companies can build and maintain onboard communities. These technologies provide social media services, such as:

- Ratings and reviews that will allow web viewers to rate holiday products and services and comment on the quality of those reviews
- Referrals and sharing that will give users display badges for sharing holiday content through traditional and social media
- Forums as multi-brand, multi-topic bulletin boards that let customers participate in discussion groups
- User-created content management, in the form of a multi-brand, multi-user media-sharing platform for videos and images
- Member profile management, in the form of tools that allow customers to decide what information they want to provide on a website (photos, information preferences, linked channels, and privacy settings)
- Social networking, namely integrated multi-brand networking platforms that allow becoming friends with or following other people, joining groups, calendars and events, and having access to direct messaging, tagging, and activity feed

The second option offered by the social media platform is integration with external social media channels. A company's social media capabilities should be linked to other social media channels, such as Facebook, Twitter, Foursquare, and external blogs. Some alternatives are to develop utilities that connect a company to external social media services or to come up with advanced algorithms that parse the web looking for structured and unstructured data in search of comments about a
company, its products, people, and policies. The link with social media can be made directly when signing up on the platform, by choosing to register with existent data, or by importing into the platform only some details from the social media accounts of the user.

This integration with external social media is in line with the third functional requirement, namely text analytics. This keeps a company alert all the time, as it monitors user feedback. These solutions mine documents and other forms of "unstructured" data; they analyze linguistic structure and apply statistical and machine-learning techniques to reveal entities (names, dates, and places) and their attributes and relationships, concepts, and sentiments.

The last functional requirement is CRM integration. Hospitality providers must link their social media platforms to their enterprise CRM systems to get the most out of the information. The key elements that link a social media platform to marketing include:

- Customer dialogue front end, an application for public relations professionals, marketers, and customer service agents, which allows them to interact with customers in social channels across brands and organizations
- Social dashboard, which measures how well a company addresses customers' problems
- Centralized moderation, which enables a company to centralize the moderation of content on its social media channels (automatic spam detection, smart filters for moderation prioritization, and conflict management tools)
- Auditing, which provides historical tracking of conversations and interactions

6.2.3 Contextual Requirements

Furthermore, (Verschuren & Hartog, 2005) mention that political, economic, juridical and social contexts are external factors, which do not influence the design of the platform directly. However, they should be taken into account. An important contextual requirement is privacy and security of the user’s personal data, as also discussed in the Introduction chapter.

One major function of social media is the possibility of users to include disclosing information, such as name, age, gender, profession and location, features that can be used when offering holiday packages. However, data privacy issues occur, so companies should ensure control tools for cyber privacy. For this, the provider should ensure they follow a privacy policy that keeps the customers informed of what information is collected and how it is used. Then, the website should have the latest security software, as well as it should ensure it respects the EU cookie law or e-privacy directive, where a website can store a text file on a personal computer to help keep track of different user preferences on a website. This helps companies to keep track of logging activity and inform the user if something seems suspicious, such as logging in from a different machine or country.

6.2.4 User Assumptions

The assumption here is that users of the platform can be anyone with Internet access. The users are from the two groups of stakeholders, namely the customers and the providers. The customers do not require special training before using the platform, as mentioned in the User Requirements
section; if they have previous experience with posting reviews or photos, as well as with searching for and booking holidays online, the platform will be easy to use. As seen from the survey, all of the respondents normally interact with online applications. From the providers’ side, the users of this platform will be customer service, thus the assumption is that they will be trained to answer customer questions and to solve maintenance problems.

6.2.5 Functional Assumptions

The function of the social media platform is to gather most of the customer information on the web into one virtual environment. For the platform to respect this function, it is necessary to maintain a permanent analysis of the already existent social media platforms, like Facebook and Booking.com. This platform should also work in the so-called stress conditions, even when there is a great number of users looking for and booking a holiday.

6.2.6 Contextual Assumptions

An assumption will be that the social media platform is a viable alternative to establish a solid customer database for hospitality providers in general, and VierVakantie in particular. Market acknowledgement can be obtained by first promoting the platform and the agency on known social media websites like Facebook, Booking.com and TripAdvisor, which are the websites that customers have the most confidence in, as resulted from the survey. Then, after acquiring the first set of customers, advantage can be obtained by ensuring a highly secure platform, as well as holiday offers that respect the environment regulations.

6.2.7 Conclusion

All in all, a social media platform is an alternative for a hospitality provider, in order to keep track of its clients’ needs and requirements, as well as to offer, in a compact way, information regarding holiday offers and packages. Further, the design of a social media platform for VierVakantie will be described; the design can be generalized for other hospitality providers, but in other studies.

These being mentioned, a social media platform enables a company to provide better customer experience by receiving social media content from many channels. By using software to analyze trends, managers can better decide what to do about those trends in an efficient way. Also, the platform should be integrated with the company's existing CRM system, in order for the traditional marketing channels to interact easier with social media. And, probably the most important feature is that the platform combines and connects all the relevant software that enable companies to understand customers more completely, in order to offer personalized holiday packages.

6.3 Structural Specifications of the Social Media Platform

The requirements and assumptions gathered from the analysis of the survey and presented in the previous section stand as the basis for the structural specifications of the platform.

The blocks of the platform, as well as their relevance, will be further presented, as they were correlated to several questions from the survey. These functionalities are based on the results of the
factor analysis performed in the previous chapter. These blocks represent the third stage in the design cycle, namely the structural specifications (Verschuren & Hartog, 2005).

Figure 6.2 presents how the factors resulted from the factor analysis, as well as the notions from the literature review contribute to the functionalities of the social media platform. Each functionality will be associated to a provider, respectively a customer transaction from the research model. This social media platform will be a standalone channel for the communication between the customers and VierVakantie, on all the transactions.

![Figure 6.2 Model for Platform Functionalities](image-url)
Each functionality will be briefly described, to be more aware of its content. However, because it is only a design of the platform, there will not be much time spent on content.

6.3.1 Sign In | Join Now

On each social media platform, users need to create and maintain an account, hence this functionality is implicit. This functionality is derived from the need for personalized features, from the factor analysis.

First, to promote, improve and facilitate the platform and the offered services, social media will be used. Social media plug-ins will be integrated into the website. For example, a customer can register with his or her social media account; the information can be shared with the social media provider, and possibly presented on the user’s social media profile to be shared with others in his or her network. The user can choose what to share with the VierVakantie platform; this information is necessary to create a unique user experience, by personalizing the experience on the platform to suit the customer’s needs, as well as connecting him with his friends, for several holiday activities.

Using the Booking.com model, as well as other websites that store customer data, when manually registering, the user will be asked for his name, address, telephone number, e-mail address, payment details (which can be inserted later, if he or she will book a date), and preferences for the holiday experience (which he or she can fill in later).

Possibility to View History

This feature allows a user to track all his bookings, as well as his posts in terms of photos, videos, reviews and forum activity. This feature is also relevant for VierVakantie, to analyze the behavior of a user. A constant activity shows that the customer uses the services offered by VierVakantie. However, if a user is inactive for a long period of time, then VierVakantie can try to offer him more personalized offers, in order to gain him back as a customer.

6.3.2 Campsite Map

This facility is part of the first transaction for providers and customers, namely promote destination, respectively ongoing search. It is derived from the facilities factors in the factor analysis.

The platform will show a map with the campsite and activities per area. By looking at the map, customers can choose when and what to book, depending on their preferences, as well as on the weather, since it influences the types of activities they want to perform. Accommodation will not be affected by weather, because there will be glamping studio apartments, designed with their own bath, kitchen, sofas, beds, and ovens.

6.3.3 Contact

This feature is also part of the first transaction in the customer-provider model of transactions, similar to the campsite map. This feature is also used in the third transaction (holiday presence, respectively en-route), because guests can communicate with the providers in case of any problems or requests.
This feature strengthens the CRM integration factor, because it allows direct communication with the customer, in due time. The e-mail and contact address of the support team will be provided, so that when a customer faces a problem on the platform or during his holiday, he can directly contact the team and explain the inconvenience.

6.3.4 Forums

This functionality is used for both searching for a destination, since customers read reviews and form an opinion, but also for the after-trip transaction, where they post their experience for other customers to take into account. The need for this functionality is derived from both literature, because e-WOM is an important decision-making factor in the choice of a holiday destination, as well as from the factor reviews from the factor analysis.

Another important feature of the platform is creating connections with other members. Customers can see a list with all the users of the platform; they can initiate private conversations of forum threads. Each thread can stand as a set of reviews or a mini travel community, where users can discuss from holiday experiences to the possibility to travel together.

When posting a guest review, if a user does not want his or her name to show with the review, he or she can use a screen name, which can be chosen in the user account. Also, the review can be displayed anonymously.

6.3.5 List of Members

The list of members is closely connected to the possibility of using forums for discussions. The need for this functionality is the same as the need for forums, customers need to read and write reviews, so that they make it easier to choose a holiday destination.

People can connect with other users, they can create an online community, and they might even plan a holiday together.

6.3.6 Search for and Book Holiday Dates

This facility is derived from the need for determining ways of transportation, another factor from the factor analysis. This facility is part of the third phase in the customer / provider transactions, namely customer acquisition, respectively planning and booking.

First, the user has the possibility to search for dates that are suitable for his or her holiday. The user can also insert the number of guests, as well as other facilities they will be requiring, since it is a platform for an agency that offers luxury camping. For example, the customer can choose for tents with electrical power and full-size regular mattresses. Among features that the user can choose are renting a bike and sailing with a motorboat. Also, comfortable transportation is usually provided from the campsite to the excursion and back, and guides are responsible for providing full-course meals and laundered clothing upon a guest’s return to camp.
In accordance with European data protection laws, the platform will use security procedures and technical and physical restrictions for accessing and using the personal information on the server. Only authorized personnel are permitted to access personal information in the course of their work.

6.3.7  Estimate Distance from Location

This facility is strongly related to the process of searching for and booking a destination. It is also part of the third phase in the transaction model.

Moreover, because customers prefer to find everything fast, this social media platform also ensures they know how to reach the destination. Once they select their preferred booking period and insert their current location, the platform will list several travel itineraries, along with transportation information, such as time spent on the road, gas consumption for traveling with the personal car, or price of tickets for public transportation. This functionality is related to the answers from question 18, where some of the respondents expect from a travel website to offers travel options from their location.

6.3.8  Share your Travel Experience

This facility is part of the last phase in the transaction model, reviews.

One major feature of the social media platform will be the possibility to share personal experiences related to traveling and holidays in general but also to camping experiences at VierVakantie. Users can create their own travel logbook; they can upload pictures, add notes, rate holiday experiences, and then make this all visible to other travelers. Also, while browsing through others’ travel logs, users can add ideas to their own logbooks, in the form of Favorite Activities, Wish list Activities, Tried Activities or Sports, and so on.

6.3.9  “How to” on Campsite

An important feature of the platform will be offering camping guidelines, so that all the activities are smoothly conducted.

6.3.10  Search option

For faster browsing on the platform, users can search for keywords within the platform, related to bookings, offers, other members, old posts, forum topics, and so on. This feature underlines again the idea that people want to find information fast and efficient.

6.3.11  Mobile Application

This tab stands as future work, since, from the answers, people use personal computers or laptops more in the whole decision-making process of a holiday destination. However, since mobile technology is developing more and more and people always want to find information in a less time-consuming manner, this platform should also be functional on tablets and mobile phones.

All the blocks linked together will give an idea of the structural specifications of the social media platform, using the bottom-up design approach.
A rough description of the social media platform can be seen in Figure 6.2:

<table>
<thead>
<tr>
<th>Search for dates</th>
<th>Estimate distance from location</th>
<th>&quot;How to&quot; on campsite</th>
<th>Forums</th>
<th>Share your travel experience</th>
<th>Contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Insert check-in and check-out dates, number of guests and additional features (rent a bike, a tent, a boat)</td>
<td>Insert current location</td>
<td>General rules will be provided on what is allowed on site, location, recreational activities, map of the campsite</td>
<td>People can connect with each other, they can indicate discussions, or reply to posts</td>
<td>Possibility to import photos to and from Instagram, Flickr or Pinterest, and videos to and from YouTube</td>
<td>Possibility to receive e-mails with offers, promotions, the activity of your friends from the travel community</td>
</tr>
<tr>
<td>The price for the trip will be given with or without cancellation, meals</td>
<td>The time, price and distance estimation will be given: by car, by train or by public transport, where several options will be provided</td>
<td>Similar to Google Maps</td>
<td>Possibility to create threads with travel communities</td>
<td>Possibility to import posts to and from Facebook, Twitter, TripAdvisor</td>
<td>The e-mail and contact address of the support team will be provided, for direct communication with the organization</td>
</tr>
<tr>
<td>Similar to Booking.com (reservations, payment)</td>
<td>Similar to Booking.com</td>
<td>Possibility to create threads with travel communities (people can travel together)</td>
<td>Possibility to create threads with travel communities</td>
<td>Possibility to import posts to and from Facebook, Twitter, TripAdvisor</td>
<td>Possibility to receive e-mails with offers, promotions, the activity of your friends from the travel community</td>
</tr>
</tbody>
</table>

Map with campsite + possibility to zoom in and see street view (like in Google Maps)

See all members of the website + possibility to connect

Download Mobile App (future work)

![Figure 6.3 Social Media Platform Design](image)

The need for this social media platform is that, every time someone plans his or her travel, it takes a lot of time to organize the itinerary. There are too many information sources available on the internet and no guidelines whatsoever about the travel products that are the most suitable for the
person who searches. Also, there is not a lot of information available about local transportation and attractions. So, adding all these, plus a section with reviews from other guests, creates a great environment for travelers that want to be informed about their holiday experience in advance, in a timely manner.

6.4 Conclusion

At this point, the first three stages of the design cycle have been covered. To briefly re-mention, the first hunch is represented by the goals of this research, namely to establish what the position of social media among other channels of communication with customers is, as well as how a community can influence customers into choosing a particular hospitality provider and holiday destination.

These goals have lead to the idea of designing a social media platform for a hospitality provider, as an alternative for improving customer-relationship management. This alternative came up after analyzing a survey sent to families in several countries close to the Netherlands. The main response of the survey is that people use more and more the Internet and social media to search for, book and review a holiday destination, as well as they rely on other people’s opinions when deciding on a holiday destination. Also, what was interesting is that not only do Millennials constantly use the Internet, but also Gen-Xers and Young Elderly, thus a social media platform would be of use for all these age generations.

This chapter defined the requirements and structural specifications for the social media platform, designed for VierVakantie. Hence, the second two stages of the design cycle have been covered (Verschuren & Hartog, Evaluation in Design-Oriented Research, 2005). The final three stages, namely prototype, implementation and evaluation stand as future work for this research. The prototype can be realized using the graphical representation of the social media platform, designed in this chapter.
7 Conclusions

The purpose of this research was to offer insight to a researcher on how social media will influence the future of the hospitality industry, namely the relationship between the customer and provider. From a business perspective, it offered a solution to a hospitality provider in general and to VierVakantie in particular on how to use social media, along with other channels, to attract, interact with and retain specific groups of customers, by also taking into account tourism and cyber-privacy policies.

This chapter will present the conclusions for each research question, which will lead to an answer to the main research question. A model was associated to each sub-question throughout the research.

Afterwards, several recommendations will be given to hospitality providers, regarding their transactions as a response to the behavior of the customers. Social media will be an integrative part of the customer-provider interaction, for each transaction in the process. The recommendations will be offered by taking into account the results from the regression analysis in the Results and Analysis chapter.

The chapter will end with possible ideas for future work, as well as with reflections on the research process.

7.1 Research Findings

A research question has been associated with the main chapters of this research. This section will present the summarized answers to the questions, which will lead to an answer to the main research question, which is How can social media be used as a channel of communication between hospitality providers and customers, in synergy with other channels?

7.1.1 Research Domain

Research Question: How is the hospitality industry characterized in terms of state-of-the art, stakeholders, customer and provider objectives?

Answer: The hospitality industry, as part of travel and tourism, is a booming industry that depends on people’s leisure time and income. An important segment of the hospitality industry, in Netherlands, in particular, is camping. Because the research is commissioned for a camping startup, who focuses its business around luxury camping or glamping, the focus is towards people’s acceptance of this new type of camping. From this description, customers are important stakeholders in the hospitality industry, since they are the ones deciding on a holiday offer. Hospitality providers should try their best to provide personalized offers to their customers, so that they acquire a solid customer database. The objectives of the customers are to find the perfect holiday and, in order to do so, providers should ensure that they are aware of their customers’ needs and preferences and they respond according to them.

The model that was used for the interaction between providers and customers was presented in the Research Domain chapter. This model stood as the basis for this research and strategies for
providers to better communicate with their customers at each stage will be offered in the next section.

7.1.2 Literature Review

Research Question: What are the channels that hospitality providers use to communicate with their customers? What is the role of social media in the customer-provider communication?

Answer: Based on the literature review, there are several channels of communication with customers. Among these are traditional call centers, mass media, tourist brochures, travel consultants, web sites, email-lists, newsgroups, and online communities. However, according to literature, consumers are turning away from the traditional sources of advertising and demand immediate access to information at their own convenience. Thus, they are turning more frequently to various types of social media to conduct their information searches and to make their purchasing decisions. Companies can use social media to talk to their customers through platforms such as blogs, as well as Facebook and MySpace groups. Also, the novelty brought by social media is that customers can use it to communicate with one another, making them an active part of the hospitality industry. Hospitality providers should be active on the Internet and social media in order to keep their offers updated according to customers’ needs and preferences.

Electronic word-of-mouth and online travel communities are an important aspect to be considered. People make their holiday decisions based on what other people have to say, therefore, it is necessary for providers to be aware of the existent feedback and discussions about their holiday offers.

All in all, it is important for providers to use several channels of communication; firms can build lasting customer relationships by simultaneously offering information about products (holiday destinations) and services, as well as support. However, without integrated customer databases and uniform content across channels, it is difficult for a hospitality provider to create positive brand-reinforcing across channels.

The theory that stood as the basis for this research was presented in the Literature Review chapter. The idea is to integrate the three main components, namely social media, hospitality providers and customers, in order to achieve a better customer-relationship management. And since the information on the Internet is more than sufficient and everybody has access to it, providers should organize that information so that, on the one hand, customers have an easier access to it, and on the other hand, providers are always aware of the reviews and feedback. Of course, more involvement from the provider’s side means more customer loyalty and satisfaction that will lead to choose the holiday package offered by the particular provider.

7.1.3 Research Results and Analysis

Research Question: Could a community social media platform be considered a solution for enhanced communication between hospitality customers and providers?

Answer: A survey was conducted to analyze how a group of people use social media along with other channels in their holiday decision making process. The answers to the survey lead to the conclusion
that users are familiar with the Internet in all their travel transactions, from searching for, to booking, to reviewing holiday destinations. Users are also comfortable with interacting with other travelers, both online and offline. An alternative for a hospitality provider to improve customer-relationship management is to offer its customers all the functionalities of the Internet in one platform. This platform should be constantly updated using information manually inserted by the users, as well as information from the Internet.

Moreover, it has been proven by the answers from the survey that not only do Millennials use the Internet for daily operations, but also Gen X-ers and Young Elderly families. Thus, a social media platform is a viable solution for everybody. Especially nowadays, when technology develops at a fast pace and people do not have sufficient time to spend searching travel related information on several websites, a platform that incorporates most of the information on the Web would be a commode idea.

The design of the social media platform, with its functionalities, can be seen in the Design of the Social Media Platform chapter.

7.1.4 Summary of Research Question

These being said, the three questions mentioned above answer the main research question, namely *How can social media be used as a channel of communication between hospitality providers and customers, in synergy with other channels?*

From the research, the main conclusion is that customers need to gather information in a less time-consuming way. In order for hospitality providers to make their holiday offers easy for customers to choose, it is important to offer this information on one or several channels that are the most used by people. It has been determined that social media is the channel that is the most used by customers.

From literature, high percentages of people in the world are using social media in the holiday decision making process, and this situation can be also observed from the answers in the survey, where the majority of respondents answered they use social media and the internet when they search for, book and review a holiday destination. Hence, it is safe to conclude that social media is the main channel of communication between hospitality providers and customers, and it will continue to improve in time (Figure 7.1).

Moreover, also from literature, with the evolution of social media and the internet, customers are becoming more involved in the providers’ process of offering holiday packages. With their feedback and possibility to influence other travelers, hospitality providers and social media researchers could constantly analyze the changing role of customers in the hospitality business process.
For now, customers use more than one website to gather holiday related information, but the challenge would be to gather all this information into one platform and keep it updated all the time, leaving customers in the end to only use this platform. This is what the solution of social media platform for VierVakantie tried to introduce, namely the idea of gathering all the glamping related information into their website, where people can regularly add content. Figure 7.2 shows the major social media platforms and the functionalities people use the most on them. These functionalities might be incorporated in the general social media platform. It is assumed that a platform that provides all the functionalities in a way in which they are provided on these social media websites will make the customers more confident in using only the information on it.
A social media platform for a hospitality provider with the functionalities from the major social media platforms that are the most used by customers is a good idea to be tested, since the future seems to be internet-based. From literature and the survey, the main direction is for customers to search for, book and write reviews online, making traditional channels obsolete. And since customers need less time-consuming solutions, the idea is to offer them all the necessary information in one place.

Furthermore, the following section will provide suggestions to hospitality providers, in order to establish a better customer-provider interaction. This is related to the business part of the research.

### 7.2 Recommendations for Hospitality Providers

Hospitality providers in general, and VierVakantie in particular, can establish a better communication with (potential) customers by adjusting their business strategy as a response to the customer needs. This section will provide recommendations to providers for each travel transaction, mirrored to the customer transactions, which is the final research deliverable.

The strategies will be defined in relation to the results of the regression analysis performed in the Results and Analysis chapter. To briefly re-mention, facilities, interaction with other people and motivation for feedback were the main factors that influenced the decision-making process of a holiday destination.
This section is meant to correlate the customers’ behavior in each transaction defined in the Research Domain chapter with what the providers can do to establish a better customer-relationship management. The recommendations are provided while taking into consideration the questions from the survey. Based on the answers given by the respondents, providers can react to customer requirements as it will be further explained. Of course, other alternatives can be provided, but for this study, the results from the survey will be taken into account.

7.2.1 Before purchase and consumption

This step has two sets of transactions for both the customer and the provider. It can be related to the interaction with other people factor. Customers search for feedback and reviews about their holiday choice, they listen to other people’s opinions, therefore hospitality providers should make sure they read and implement the feedback they receive.

**Customer Transaction:** Ongoing  
**Provider Transaction:** Promote destination  
**Recommendations:** Customizing service: From the answers in the survey, it can be observed that most of the respondents search for a holiday idea on the Internet and social media, with Booking.com and TripAdvisor being their main sources of information. People also consider recommendations from people they know, thus word-of-mouth is an important factor in the decision making process. People mostly search for ideas for future destinations, offers and promotions, as well as reviews for certain locations. It is then important for travel agencies websites to have updated information about their holiday packages and offers. They should always be online, to see the offers from their competitors and come with better plans for guests. Hospitality providers should constantly update their information on social media websites like Booking.com and TripAdvisor.

**Customer Transaction:** Pre-purchase  
**Provider Transaction:** Attract customers  
**Recommendations:** Adapting customer profiling: Quality of services and price are important criteria for choosing a holiday destination. Thus, hospitality providers should ensure high quality conditions so that (potential) customers choose to book them. Interestingly, most of the respondents consider that the possible means of transportation to the destination are a relevant criterion, therefore hospitality providers can offer possibilities of transport on their website or on other websites where they are promoted. They can use the model of Google Maps, where people can choose if they travel by car or by public transport, to see the estimated time and cost of transport.

7.2.2 During purchase and consumption

This step has two sets of transactions for both the customer and the provider. This step can be related to the facilities factor. A positive decision of the customers is induced by the quality of the offered services. Hence, providers should ensure they do their best to improve the facilities they offer.

**Customer Transaction:** Planning  
**Provider Transaction:** Customer retention (booking)
Recommendations: Securing payments: People normally book online, on the travel agency website or on websites like Booking.com. It is then important for hospitality providers to ensure that their payment method is secure, that the credit card details are not copied on other sources, and that the customer data is not used in other purposes than the moment of booking. The privacy and security policies of the area should be respected. The website should be secure and it should allow cookies, as mentioned in the Introduction chapter.

Customer Transaction: En-route
Provider Transaction: Holiday presence
Recommendations: Informing customers: On location, the majority of respondents use social media, mostly to contact families and friends, as well as to get recommendations while traveling. It might be relevant for hospitality providers to ensure that the location has access to Internet. Nowadays, most of the holiday accommodations provide access to free Wi-Fi, thus guests expect it even more.

7.2.3 After purchase and consumption

This step only has one set of transactions for both the customer and the provider. Moreover, this step is related to the third factor, namely motivation to offer feedback. Providers should ensure they offer all the means for customers to express their opinion about the experienced holiday.

Customer Transaction: After trip
Provider Transaction: Aftercare (evaluation)
Recommendations: Customer support: If people read many bad reviews regarding their initial holiday choice, the majority will choose a different location, while searching for more reviews in the same time. Therefore, it is important for providers to ensure that they read the feedback provided by their guests and improve their conditions where needed. Electronic word-of-mouth is the main factor in the decision-making process of a holiday destination, as it is seen from question 10. Question 12 also shows how much people trust consumer opinions posted online and blogs, since the majority of respondents answered they trust them a lot. Recommendations from people they know are again very important, so people really trust other’s reviews. It is then important for hospitality providers to ensure that the location is clean, close to conveniences, and that it respects the norms and regulations of the area. Moreover, if people post reviews after their trip, it is mostly because they want to enable other vacationers to make a good decision, as well as they expect to get contributions from others. Again, word-of-mouth is important, thus providers should definitely take care of managing the reviews and solve their problems in a timely manner. Not surprisingly, respondents consider that posting reviews online makes the companies more willing to change something, as well as it is more convenient than writing or calling. Therefore, providers should ensure a virtual environment where people can post reviews and the contact team can gather them and solve the issues.

7.2.4 Social Media Bookmarking

Besides the transactions, a provider such as VierVakantie can take advantage of social media marketing, by updating its website frequently with interesting material. This will lead to more people browsing on the website, increasing its page rank. Page ranks improve search engine results,
meaning that the website will appear more frequently when people search for glamping in this case (the position of the website will be driven up in search engines).

All in all, with the help of the social media platform and the previously presented recommendations, hospitality providers and VierVakantie in particular can change their management towards a more customer-oriented approach.

7.3 Reflections

7.3.1 General View on the Research

A lot of choices have been made during this research, regarding the specific objective of this project, the research questions and the questionnaire. A critical reflection on this work will be provided, in order to bring insight to future researchers when they start working on a project similar to a thesis.

The idea was to determine the use of social media in the hospitality industry, more precisely to camping agencies. The decision to look at camping agencies was because the research was commissioned for a camping startup in the Netherlands, VierVakantie. More precisely, the decision was to look at how social media is used by the customers when they decide to search for, book and review a holiday destination. Even more, the focus was on how customers answer to feedback and reviews from others. To analyze this behavior, the methods that were considered were literature review and a structured survey. Statistical analyses were performed on the answers of the survey and a social media platform for VierVakantie was designed. Furthermore, conclusions and recommendations were provided to hospitality agencies, to improve their relationship with their customers, in terms of communication channels for each transaction performed during the holiday decision making process.

The added value of this research is pointing out the need for social media in people’s lives, as well as showing the changes in the customer-provider relationship because of the expansion of social media. Information was gathered about the latest innovations and how they affect the hospitality industry, in terms of customer-provider roles. Also, this research has shown that the majority of people use social media in their holiday decision-making process, making the traditional channels of communication obsolete.

By answering the research question of How can social media be used as a channel of communication between hospitality providers and customers, in synergy with other channels?, a better view was provided on how customer-relationship management can be improved. Social media is definitely a major part of the channels of communication for each transaction and, with the constant development of the Internet and technology gadgets, more and more people will consider social media the main means of interaction with other people.

For now, people look for information from several websites, however the study showed that in the future people will want to find information using less time-consuming sources. Therefore the suggestion that came with this study is to gather all the information about a hospitality provider into one platform. On this platform, customers should be able to execute efficiently and securely all the customer transactions defined in the research model. Also, providers should be able to respond to
that is why the social media platform for VierVakantie was introduced using the most common features from the social media websites that are already extensively used by people.

The design of the social media platform can be used and improved by researchers and hospitality providers to test how customers respond to having all the necessary information in one place.

7.3.2 Limitations and Future Work

This research focused on how social media can contribute as a channel of communication between hospitality providers and customers. Several questions on how hospitality providers can use social media as a channel to attract, interact with and retain customers have been answered throughout the research. However, the present study has several limitations that should be acknowledged and discussed, in order to define directions for future research.

Firstly, the design of the social media platform must be improved and finalized, in order to achieve customer data integration. Future studies could probably contribute in this field suggesting additional factors and variables to be incorporated. For example, the language in which the information is presented on the platform can correspond to the target population. Hence, the customer can choose to browse either in English, Dutch, German, Danish, or French. This option can lead to adding other countries of interest (for example France).

Another interesting research issue could be a horizontal development on the camping market for VierVakantie, which can lead to changes in the social media platform in terms of locations and booking possibilities, as well as again to an extension of the target population. This practically means to add more holiday locations, close to several attractions or outdoor possibilities, so that the customers have the increased ability to choose what activities to perform during this holiday.

Finally, to test the findings of the research and the efficiency of the design of the social media platform, its implementation, for VierVakantie to use, is the last step. The platform will be constantly improved based on customer feedback on the main forum, as well as on the e-mails sent to the contact team. The final three steps defined by (Verschuren & Hartog, 2005) will represent the main future work, namely creating a prototype, implementing the platform and evaluating it by verifying and validating its functionality.
8 Bibliography


List of Appendices

9.1 Appendix 1 - System Diagram for the Literature Review
Dear Sir/Madam,

Do you usually browse online to find destination ideas or read reviews about places you want to visit? Or do you use the Internet to post photos or write reviews about places you’ve been to? Customer feedback is not only important for travel agencies to improve their services, but also for you to find a vacation package that fits your needs and preferences.

If you have some time to answer a couple of questions, I would like your input on what holiday packages you prefer the most, as well as how you use social media to search for, book, and evaluate holiday destinations.

Let me present myself. My name is Cristina Surdu and I am a master student at Delft Technical University. I have your details from X.

I am currently working on my master thesis, “The Use of Social Media in the Hospitality Industry”. This project is also part of a research conducted by IT-Councelor (http://www.it-councelor.nl/uk/). It partially consists of a 10-minute survey on families from the Netherlands, Belgium, Germany, Denmark and the United Kingdom, who regularly take vacation trips and have access to the Internet.

Your answers will be completely confidential, since the results of the survey will be reported in a summary format and only used for the research purposes of this project.

Also, if you know anyone from the mentioned countries, who might be interested, can you send me the name(s) and e-mail(s) in the following week?

Thank you in advance for your participation in this very important project for me. I am looking forward to your reply. If you have any questions about the survey, please contact me at A.Surdu@student.tudelft.nl.

Sincerely,

Cristina Surdu
Delft Technical University
+31642665695
A.Surdu@student.tudelft.nl
9.3 Appendix 3 – Participation Request

Dear Sir/Madam,

Thank you for accepting to participate in my survey on the use of social media in the hospitality industry.

By determining the types of holiday packages that you as a tourist prefer, as well as how you use social media to search for, book, and evaluate holiday destinations, hospitality agencies can answer more in line to your requests, by offering personalized services.

I estimate that the survey will take 10 minutes, so I hope that you will take the time to participate. Your answers will be completely confidential; the results of the survey will be reported in a summary format and only used for the research purposes of this project.

To complete the survey online, please click on the link below or copy and paste the entire URL into your browser:

URL.

Thank you in advance for your participation in this very important project for me. If you have any questions about the survey, please contact me at A.Surdu@student.tudelft.nl.

Sincerely,

Cristina Surdu
Delft Technical University
+31642665695
A.Surdu@student.tudelft.nl
### 9.4 Appendix 4 – Survey Questions with Explanation

<table>
<thead>
<tr>
<th>Set of questions</th>
<th>Question</th>
<th>Type and motivation for asking the question</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Introducing the survey</strong>&lt;br&gt;- This set of questions is meant to be introductory, so that the respondent gets familiar with the topic.</td>
<td>Q1: In which country will your next holiday be?</td>
<td>Nominal&lt;br&gt;This question is meant to attract the respondent</td>
</tr>
<tr>
<td></td>
<td>Q2: How do you plan to find accommodation for this holiday?&lt;br&gt;-&lt;br&gt;☐ Travel agents&lt;br&gt;☐ Free tourist information leaflets or travel guides&lt;br&gt;☐ Newspapers, TV or radio&lt;br&gt;☐ Friends or relatives&lt;br&gt;☐ Internet or social media&lt;br&gt;☐ Other:</td>
<td>Nominal&lt;br&gt;This question points out if the respondent uses social media when looking for accommodation</td>
</tr>
<tr>
<td></td>
<td>Q3: For a holiday break of at least one week you usually travel&lt;br&gt;-&lt;br&gt;☐ In your home-country&lt;br&gt;☐ In Europe&lt;br&gt;☐ Outside Europe</td>
<td>Nominal&lt;br&gt;This question analyzes if the respondent is interested in travelling outside his country (relevant question for families from Belgium, the United Kingdom, Germany and Denmark)</td>
</tr>
<tr>
<td></td>
<td>Q4: How many times did you travel outside your home-country last year, for holiday purposes?</td>
<td>Ratio&lt;br&gt;This question follows the previous question; the more the respondent travels outside his country, the greater the chances are to visit the Netherlands</td>
</tr>
<tr>
<td></td>
<td>Q5: What type of activities do you prefer to do on vacation?&lt;br&gt;-&lt;br&gt;☐ Sailing&lt;br&gt;☐ Hiking, trekking&lt;br&gt;☐ Swimming, water sports&lt;br&gt;☐ Cycling&lt;br&gt;☐ Walking, sightseeing&lt;br&gt;☐ Fishing&lt;br&gt;☐ Other:</td>
<td>Nominal&lt;br&gt;The mentioned activities are offered by VierVakantie. The purpose is to see if the respondent is interested at least in one of these activities; if he or she is, he or she might be interested in what VierVakantie offers</td>
</tr>
<tr>
<td><strong>Before purchase and consumption</strong>&lt;br&gt;Searching for a holiday destination – This set of questions analyzes how the respondent uses social media when looking for a holiday destination.</td>
<td>Q6: When you planned your last holiday, how much did you use the following sources? [1 = not at all, 2 = I briefly looked over the reviews, 3 = it was my main source of information]&lt;br&gt;-&lt;br&gt;Company Websites&lt;br&gt;Search engines, like Google or Bing or Yahoo&lt;br&gt;Social networks, like Facebook or</td>
<td>Ordinal&lt;br&gt;Perhaps most of the respondents do not use social media in general, so a social media platform is not the answer. The purpose of this question is to count how many people use social media and which sources are the most used, so that increased attention should be given to them when</td>
</tr>
</tbody>
</table>
### List of Appendices

| Linkedin | designing the platform. |
| Blogs or microblogs, like Twitter | |
| TripAdvisor/Expedia/TravelPost/Venere | |
| Booking.com | |
| TrustYou | |
| Multimedia websites, like YouTube or Flickr | |

Q7: Please indicate why you use the Internet and social media when you plan your holiday.
- To get ideas for future destinations
- To search for offers and promotions
- To search for reviews for certain hotels, restaurants and attractions
- To post photos, videos or reviews about your latest trip(s)

Ordinal (for each answer)
All the options will be implemented in the platform, since together they form the entire decision making process, but enhanced focus will be on the option with the greatest number of votes.

Q8: While searching for a destination, you

- Gather ideas about places to visit from several websites, and then make a reservation on a travel website, like Booking.com
- Prefer to find all the necessary information about the destination and booking on one website

Nominal
This question analyzes if the respondent prefers to gather information from several websites and to make his own reservation, or he prefers to have everything in one website. The purpose of the social media platform is to have information about the trip, activities and attractions, as well as booking options, in one website. We would like to know if a platform with everything on it is relevant.

### During purchase and consumption
- Selecting a holiday destination – This set of question focuses on the main process of purchasing a holiday package

Q9: Please rate the following criteria for choosing a holiday destination
- Quality of services
- Language
- Price
- Distance from home
- Means of transportation to destination
- Weather
- Attractions and sightseeing opportunities at destination

Ordinal (for each answer)
We would like to see whether distance from home is an important issue, for example, since the campsite will be in the Netherlands and 80% of the target families are from outside the Netherlands. Language is also important and, maybe, if it is an issue, the platform might be available in more languages or there can be staff on-location who speak the languages of the target population.

Q10: If you read many bad reviews of your holiday choice, you would
- Choose a different location/hotel
- Search for more reviews
- Still book your original holiday choice

Ordinal (for each answer)
The purpose is to find out how much impact does electronic word-of-mouth have on people. According to the source credibility theory which is an e-WOM attribute, people tend to trust
<table>
<thead>
<tr>
<th>Q11: How many websites did you visit before booking your last trip?</th>
</tr>
</thead>
<tbody>
<tr>
<td>○ None</td>
</tr>
<tr>
<td>○ 1-3</td>
</tr>
<tr>
<td>○ 4-7</td>
</tr>
<tr>
<td>○ More than 7</td>
</tr>
</tbody>
</table>

This question is related to online activity.

<table>
<thead>
<tr>
<th>Q12: To what extent do you trust the following forms of advertising:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer opinions posted online, blogs</td>
</tr>
<tr>
<td>Branded websites</td>
</tr>
<tr>
<td>Advertising e-mails</td>
</tr>
<tr>
<td>Ads on mobile phones/TV/radio, in magazines/newspapers, in search engine results/on social networks</td>
</tr>
<tr>
<td>Recommendations from people you know</td>
</tr>
</tbody>
</table>

Again, we want to analyze how many people are influenced by e-WOM, since the platform will also have a forum of discussion, where users can share their opinions and perhaps influence potential customers.

<table>
<thead>
<tr>
<th>Q13: How did you book your last holiday?</th>
</tr>
</thead>
<tbody>
<tr>
<td>○ Online, using the travel agency website or an online booking portal, like Booking.com</td>
</tr>
<tr>
<td>○ Personal visit to agency</td>
</tr>
<tr>
<td>○ Direct phone call to agency</td>
</tr>
<tr>
<td>○ Other</td>
</tr>
</tbody>
</table>

This question introduces the idea of online booking. We would like to know if customers can make online payments or are afraid of cyber-attacks. The platform can also offer online bookings, so we would like to know if this will be a used feature. For example, if many respondents answer they prefer to book by phone call, then a call center service should be a priority when opening the platform. An online booking system should definitely be a priority in any case, since security of credit cards is an issue.

<table>
<thead>
<tr>
<th>Q14: If you use social media while on vacation, the most probable reason is:</th>
</tr>
</thead>
<tbody>
<tr>
<td>□ To contact family/friends online</td>
</tr>
<tr>
<td>□ To get recommendations while travelling</td>
</tr>
<tr>
<td>□ To stay informed with latest news</td>
</tr>
<tr>
<td>□ To update social networks on a daily basis (post photos, check-in)</td>
</tr>
<tr>
<td>□ Other</td>
</tr>
</tbody>
</table>

The hypothesis is that people use social media to get recommendations about attractions and what to do, as well as they post in real-time impressions about the places they visit. Good reviews on-location might attract other users that visit the platform, since the first impression is what matters.
<p>| Q15: What is the likelihood for you to post a rating, review, experience, suggestion or critical remark on a travel site, when you get back from your holiday? | Nominal | This question focuses on the future use of the discussion forum. If many respondents post reviews, then the forum should work even in critical conditions, when many reviews are posted in the same time |
| Q16: Why would you post a review on a website? | Ordinal (for each answer) | This question is intended to give insight on the motivation of a user to post a review; informative question that studies user behavior |
| Q17: When you search for accommodation or a review on a certain holiday destination, you use a Mobile phone Tablet Laptop or personal computer | Ordinal (for each answer) | This question is relevant for the design and implementation of the social media platform; normally it should be accessible from a laptop or personal computer, but it should also allow easy access from a mobile device |
| Q18: Please rank the following expectations from a travel website, from the most to the least important to you | Ordinal (for each answer) | The website team will know what features of the platform are the most relevant; they will focus on all of them, but give special attention to the feature with the most votes |
| Q19: What kind of information | Nominal |  |</p>
<table>
<thead>
<tr>
<th>Question</th>
<th>Response Options</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q20: Would you consider the Netherlands as a holiday destination?</td>
<td>Yes, No</td>
<td>This question is similar to the previous question. Information about the option with the most votes will be constantly updated.</td>
</tr>
<tr>
<td>Q21: Do you feel comfortable with going on holidays with friends or relatives?</td>
<td>Yes, No</td>
<td>Nominal Since the campsite offered by VierVakantie is in the Netherlands, it is important to know if people consider it a holiday destination.</td>
</tr>
<tr>
<td>Q22: What kind of accommodation will you chose for your next trip?</td>
<td>Book a room in a hotel, Stay with local family, Camping, Other</td>
<td>Nominal This question is related to the idea of going on vacation in groups of people. One of the purposes of this research is to see if segments of travelers can be determined.</td>
</tr>
<tr>
<td>Q23: Would you consider glamorous or luxury camping as an option? (this means having direct access to nature without needing to find camp space, carry and take down your tent, having en suite washrooms, booking additional services such as bikes or boats)</td>
<td>Yes, No</td>
<td>Nominal This question goes more in depth; people might not be interested in camping in the previous question, but, given luxurious camping, the purpose is to find out if they would choose this type of holiday. The target here is to have the majority of respondents interested in this type of camping, offered by VierVakantie.</td>
</tr>
<tr>
<td>Q24: Which of the following applies to you?</td>
<td>I own a mobile house / tent, I rent a mobile house / tent if needed, None of the above</td>
<td>Nominal VierVakantie offers the possibility to rent a tent, since it is more comfortable this way. We would like to count the number of people who prefer to rent tents, to be sure to make a sufficient investment.</td>
</tr>
<tr>
<td>Q25: If you (would) go camping,</td>
<td></td>
<td>Nominal</td>
</tr>
</tbody>
</table>
what would you look for in a campground?
- Large sites
- Closeness to home
- Activities
- Family camping
- Closeness to conveniences
- Other

Location is an important factor, hence, depending on the option with the majority of votes, VierVakantie can decide upon a location.

<table>
<thead>
<tr>
<th>Introducing yourself</th>
<th>These are socio-demographics questions; they relate to the age, education level and country of living.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>These three factors influence the decision to travel to the Netherlands (because of distance and cost of transport), to use social media (one hypothesis is that older families do not use the internet as much as younger families, preferring to rely on traditional methods of searching for, booking and reviewing a holiday). Another question is related to the number of children; having children has a great impact on the decision of the holiday destination – it should be a safe place that allows family activities.</td>
</tr>
</tbody>
</table>
9.5 Appendix 5 – Tests of the Statistical Hypotheses

H₀₁: null hypothesis rejected

Question 2 : How do you plan to find accommodation for this holiday? * AgeGroup

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>df</th>
<th>Asymp. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>27.514</td>
<td>10</td>
<td>.002</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>33.062</td>
<td>10</td>
<td>.000</td>
</tr>
<tr>
<td>Linear-by-Linear Association</td>
<td>1.674</td>
<td>1</td>
<td>.196</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>116</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. 10 cells (55.6%) have expected count less than 5. The minimum expected count is .18.

Symmetric Measures

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>Approx. Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phi</td>
<td>.487</td>
<td>.002</td>
</tr>
<tr>
<td>Cramer’s V</td>
<td>.344</td>
<td>.002</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>116</td>
<td></td>
</tr>
</tbody>
</table>

a. Not assuming the null hypothesis.
b. Using the asymptotic standard error assuming the null hypothesis.

H₀₂: null hypothesis accepted

Question 2 : How do you plan to find accommodation for this holiday? *
Question 29 : What is the highest level of education you have completed?

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>df</th>
<th>Asymp. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>23.590</td>
<td>15</td>
<td>.072</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>15.933</td>
<td>15</td>
<td>.387</td>
</tr>
<tr>
<td>Linear-by-Linear Association</td>
<td>.198</td>
<td>1</td>
<td>.656</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>116</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. 18 cells (75.0%) have expected count less than 5. The minimum expected count is .04.
### Hₐ3: null hypothesis rejected

Question 8: While searching for a destination, you * AgeGroup

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>df</th>
<th>Asymp. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>8.183 *</td>
<td>2</td>
<td>.017</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>7.458</td>
<td>2</td>
<td>.024</td>
</tr>
<tr>
<td>Linear-by-Linear Association</td>
<td>7.067</td>
<td>1</td>
<td>.008</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>116</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 5.07.

Symmetric Measures

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>Approx. Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phi</td>
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<tr>
<td>Cramer’s V</td>
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<td>.017</td>
</tr>
<tr>
<td>N of Valid Cases</td>
<td>116</td>
<td></td>
</tr>
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</table>

a. Not assuming the null hypothesis.
b. Using the asymptotic standard error assuming the null hypothesis.

### Hₐ4: null hypothesis accepted

Question 15: What is the likelihood for you to post a rating, review, experience, suggestion or critical remark on a travel site, when you get back from your holiday? * AgeGroup

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>df</th>
<th>Asymp. Sig. (2-sided)</th>
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</thead>
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<td>Pearson Chi-Square</td>
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a. 3 cells (33.3%) have expected count less than 5. The minimum expected count is 1.45.
H₅: null hypothesis accepted

Question 22: What kind of accommodation will you choose for your next trip? * AgeGroup

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<tbody>
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<tr>
<td>Linear-by-Linear Association</td>
<td>.765</td>
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a. 6 cells (50.0%) have expected count less than 5. The minimum expected count is 1.81.

H₆: null hypothesis rejected

Question 23: Would you consider glamorous or luxury camping as an option? (this means having direct access to nature without needing to find camp space, carry and take down your tent, having en suite washrooms, booking additional services such as bikes or boats) * AgeGroup

Chi-Square Tests

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<tr>
<td>Likelihood Ratio</td>
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<td>.024</td>
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<tr>
<td>Linear-by-Linear Association</td>
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<td>1</td>
<td>.007</td>
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<td>N of Valid Cases</td>
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</tbody>
</table>

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 7.97.

Symmetric Measures

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<td>Cramer's V</td>
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<tr>
<td>N of Valid Cases</td>
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<td>116</td>
</tr>
</tbody>
</table>

a. Not assuming the null hypothesis.
b. Using the asymptotic standard error assuming the null hypothesis.
### H$_0$7: null hypothesis accepted

Test Statistics$^{ab}$

<table>
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<tr>
<th></th>
<th>Question 30 : Do you have children? If yes, how many? If no, please insert 0.</th>
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a. Kruskal Wallis Test  
b. Grouping Variable: Question 23 : Would you consider glamorous or luxury camping as an option? (this means having direct access to nature without needing to find camp space, carry and take down your tent, having en suite washrooms, booking additional services such as bikes or boats)

### H$_0$8: null hypothesis accepted

Test Statistics$^{ab}$

<table>
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a. Kruskal Wallis Test  
b. Grouping Variable: Question 25 : If you (would) go camping, what would you look for in a campground?
## 9.6 Appendix 6 – General Factor Analysis

### Rotated Component Matrix

<table>
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<tr>
<th>Question</th>
<th>Component</th>
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<td>Question 7.4 : To post photos, videos or reviews about your latest trip(s)</td>
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<td>Question 7.1 : To get ideas for future destinations</td>
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### 9.7 Appendix 7 – Individual Factor Analyses

#### Question 7:

**Component Matrix**

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<tr>
<th>Question</th>
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<tbody>
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<tr>
<td>Question 7.2: To search for offers and promotions</td>
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</tr>
<tr>
<td>Question 7.1: To get ideas for future destinations</td>
<td>0.628</td>
</tr>
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<td>Question 7.4: To post photos, videos or reviews about your latest trip(s)</td>
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</tbody>
</table>

Extraction Method: Principal Component Analysis.

#### Question 9:

**Rotated Component Matrix**

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<tr>
<th>Question</th>
<th>Component</th>
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<tbody>
<tr>
<td>Question 9.5: Means of transportation to destination</td>
<td>0.790</td>
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<tr>
<td>Question 9.4: Distance from home</td>
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<tr>
<td>Question 9.3: Price</td>
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</tr>
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<td>Question 9.7: Attractions or sightseeing opportunities at destination</td>
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Question 16:

Rotated Component Matrix

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<td>Question 16.4 : You expect to get the contributions of other vacationers</td>
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<td>Question 16.1 : You want to shake off frustration</td>
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<td>Question 16.7 : You expect that companies will be more willing to change something when you tell it in public</td>
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<td>Question 16.8 : It’s more convenient than writing to or calling the company</td>
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Question 18:

Rotated Component Matrix

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<td>Question 18.6 : I expect a travel website to offer me a personalized section with history of my bookings, recommendations and reviews</td>
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<td>Question 18.3 : I expect a travel website to post up-to-date special offers</td>
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## 9.8 Appendix 8 – Regression Analysis of Factor Scores

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<td>.079</td>
<td>.041</td>
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<tr>
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<td>-.190</td>
<td>.078</td>
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</tr>
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a. Dependent Variable: Question 10.1 : Choose a different location/hotel