The Role of Social Media to Influence the Decision Making of Consumers Toward Hotel Booking

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ABSTRACT

The emergences of social media have benefited many service industries in promoting their services locally as well as globally. Hotel industry is also no exception. The importance of social media marketing is gaining popularity for the promotion of brand in Hotel Industry. The online content such as customer experiences, user feedback and service ratings & reviews generated by user(User Generated Content) in various social media websites become the important source of information for both consumers as well as business. This study aims to explore the use and influence of social media platform in taking the decision from the consumer perspective about hotel booking of India. The study takes on an analysis of qualitative variables and the data collection has been done by using a semi structured interviewing technique. The findings of the study provide significant insights to the researcher, Hotel management and the consumer.

Keywords: *Social media, Hotel Booking, User Generated Content, Consumer's rating and Reviews*

1. ## INTRODUCTION

Social Media Marketing has largely includes three different types of site which are strongly focusing upon marketing strategy for hotel industry. Hotel industry has varoious categories as fas as market structure are concerned. The social media helps them in publicity, promotion, advertisement, brand promotions etc in all the catorgories of this particular industry. The concepts of hotel industry are changing over the time and take a shift from traditional mode of marketing to digital mode. This platform helps to generate huge shift with the help of three major tools that is web, mobile, cloud. In the last decade the media of communication that is social media has emerged as a most important and very strong influential marketing strategy for this particular industry. The use of social media is majorly based on web and smartphone oriented application for their marketing based activities. It acts as a bridge in marketing various products and services with the help of social media marketing through web and mobile phones, advertising in Google, linkedin by Search Engine Marketing. Tourism industry cannot be unnoticed considering the dynamic emergence of social media along with rapid change in customer expectations and their demand. The hotel industry themselves are adapting the social media tools for adding value in their marketing strategy. The emergence of social media tool have

benefitted hotel operators in promoting their hotels locally, nationally as well as internationally. This marketing strategy also cooperate in advertising their service facilities like rooms, breakfast, lunch and dinner buffet, transport, Spa and other services available.On the other hand through the shared experience of other travelers in social media platform a traveler can gather information about the travel destination, accommodation, attractions, promotions etc. so social media acts as a bridge between hotel operators and current and potential customers.

After the emergence of social media platforms, users mainly the travellers who frequently travel for business or leisure are enthusiastic about sharing their travel and hotel staying experiences on the social media platform. The future and potential consumers engage themselves in using the user generated content in the primary phase of their decision making for Hotel booking. This study aims to explore the implementation of social media marketing mainly the impacts of user's online reviews in the form of blogs or ratings and advertising in social media platform on decision making of the consumer. The paper is organized as follows. The first section outline the research background. The second part discusses the literature reviews or the previous studies related to this topic, the third section shows the research method including the data collection. The fourth section presents the findings and the last section concludes.

2. **Literature Reviews**

Exploring the literatures on social media marketing and its impacts on consumer decision making in Hotel industry it has been seen that previous studies have focusing majorly on issues like effects of using social media and examining the adoption issues related to digital platform. But studies on micro level analysis from the consumer perspective are very limited. Prior to the emergence of social media platform at rationalization phase consumers traditionally had not have enough sources to gather information on services and products (Hu and Wei 2013). Business travellers generally depended on the company's recommendation for booking a hotel and for leisure traveller friend's and colleague's recommendation are the most important influencing determinant in taking the decision regarding hotel booking(Mc Carthy et al.2010 , Verma et al. 2012). But in recent years the picture has been changed somehow. The information available in social media substituted the   traditional mode of collecting information (Fotis et al. 2012).Nowadays travellers used to refer user generated content (UGC) available on social media to plan and make decisions on their hotel stay (Browning and Sparks 2013). Social media is becoming an indispensable device in supporting travellers in planning their vacations(Hashim et al. 2015). Through the social media platform the traveller can gather information about travel destination, accommodations, attraction,shopping, from consumer's experience sharing (Munar and Jacobsen, 2014; Zeng and Geritsen 2014). The decision making parameter of consumer is of much importance to the Hotel operator because recently it has been emerged as main marketing tool. The fundamentals of decision making process have been changed (Hudson and Thal 2013), as in every phases of the decision making process the use of social media increases and it has been initiated to influence their decision (Fotis et al. 2012). This UGC(user generated Content) on social media plays a key role during the research phase of customers travel planning process. A significant percentage of travelers depend on UGC at the time of taking decision about visiting any travel destination (Simms, 2012). Apart from working as a marketing tool, social media is also used as one of the main connecting media between Hotel, Hotel Operators and existing as well as potential customers online (O'Connor,2008,Pan et al.2007). The adoption of digital media platform is indispensable for the benefits (Ham S, Kim WG, and Jeong S,2005) and for hotel Industry it is becoming essential(Olga Lo P, and Razaq R.).Again social media can be used as communication medium for understanding customer needs and perception and try to improve their services based on the   customer survey report (Zeng & Gerritsen,2014).

So this work is considered as an exploratory research   focusing on both the perspectives that the impact of demographic profile of the consumers and social media usage for hotel booking and idenbtifying the most

important element as decising factor to influence the decision making regarding hotel booking through social media.

3.RESEARCH METHODOLOGY

Both from the consumer as well as from the hotel operators it is necessary to know the consumer profile which influences their decision making process regarding hotel booking.Following hypotheses have been developed to test the relationship between demographic profile of the respondents and the social media usage for hotel booking. The hypotheses are as follows:

H_O: **There is no relationship between demographic profile(gender, age, education level and income level) of the respondent and social media usage for hotel booking.**
H_1: **There is significant relationship exists between demographic profile of the respondent and Social media usage for hotel booking.**

3.1 Data Collection & Methodology

To collect data a sample survey using questionnaire has been conducted. The target population selected for this study is the average middle class Indian. Participants in this study are from a post graduate educational organization. The experiment was conducted via an online survey through google form utilizing an anonymous questionnaire which included two sections of questions. The first section focuses on demographic aspect of the respondents, the second section was comprised of questions related to assess the importance of parameters in making decision about hotel booking. Second section questions contained multiple selection or exclusive selection questions using a Likert scale (1-5 scale, where 1 denotes the least and 5 denotes the most important criteria) and the level of agreement by 5 point interval scale ranging from strongly agree to strongly disagree. The aim of our experiment is to obtain insights about the usage of social media in hotel booking by prospective tourists in accordance with their demographic profile, and their perceived importance on using specific social media towards finding useful information.

The analysis is subdivided between two parts. Targetting the first research question, as the whole research work is based on frequencies and categorical variables has been considered so to assess the association chi square test has been performed. For the second research questions a rank order analysis has been done to find the insights regarding the perceived importance of the elements which have most important role as deciding factor of hotel booking through social media.

3.2.ANALYSIS & RESULTS

This research work aims to describe the influence of social media regarding decision making for hotel booking from the consumer perspective. The various parameters of demography are equally contributing in the decision related to selection of social media platform. Table 1 depicts the customers demographic profile. The study tried to derive the association between below mentioned parameters. The various independent variables were being taken to evaluate the and established the decision making factors on the the research topic.

The demographic profile of the sample can be shown in Table 1.

Table 1

Description	N=120	Percentage
Gender		
Male	55	45.8
Female	65	54.1
Age Bracket		
20-29	32	26
30-39	53	44
40-49	35	29
50 & Above	None	-
Education		
Post Graduate	76	63
Graduate	44	36
Income Level		
3-5 Lacs	48	40
5-7 lacs	39	32.5
7-10 lacs	33	27.5
Daily Internet Usage		
< 2 hrs	10	8.33
2-4 hrs	52	43.33
>4 hrs	58	48.33
The Elements for Hotel Booking with strongest Rating		
Price shown In Social Media	48	40
Location	27	22.5
Online Rating	25	20.8
Blogs Regarding past Experioence	12	10
Friend's Recommendation	8	6.66
Usefulness of Social Media in Finding Hotel		
Extremely Useful	88	73.3
Moderately Useful	30	25
Not Useful	2	1.66

From Table 1 it can be found that the majority of the responses are coming from female(54%) and major percentage belongs to to the highly educated category(post graduate 53%) . Majority of the respondents are from middle income group and highest percentage falls in the group of internet savvy(more than 4 hours of internet usage everyday). Price emergence as the most important determinant at the evaluation stage of the decision regarding hotel booking. 73% of the respondents find social media as extremely useful in helping the decision making for hotel booking. Finally a chiSquare test has been conducted in this research work to test the association between the demographic profile of the consumer and social media usage in making decision toward booking of hotel.The test result has been shown in table 2.1. A significant association between gender and social media usage and between education and social media has been found.

Table 2.1.a. Age and social media usage

Chi Square Test	Social Media usage
Age	X-squared=6.4
P value	0.1712

2.1.b.Education and social media usage

Chi square Test	Social Media Usage
Education Level	X-squared = 16.364
P value	.002568**

2.1.c.Income and Social media usage

Chi square Test	Social media usage
Income per annum	X-squared=4.1558
P value	0.3853

2.1.d.Gender and Social media usage

Chi square Test	Social media usage
Gender	X-squared=11.273
P value	.003566**

Calculating Rank order

The study has tried to rank the preferences to deciding factors on the basis of rank order analysis.For the second research question a rank order analysis also have been used to prepare a summarized rank ordering of various attributes which influence in making the decision regarding booking hotels through Social media. The ranking of attributes can be presented in the form of frequency distribution in Table No 4.

Table 3:Attributes Ranking with frequency

Attributes	1	2	3	4	5
Location	14	15	19	30	42
Customer Ratings	10	17	20	26	47
Past Experience	13	8	51	28	21
Friend's Recommendation	8	18	40	38	16
	11	11	18	36	44
	120	120	120	120	120

Table 4.The summarized rank order is obtained with the following computations as:

Attributes	Rank Total
Location	(14*1)+ (15*2)+(19*3)+(30*4)+(42*5)=431
Customer Rating	(10*1)+(17*2)+(20*3)+(26*4)+(47*5)= 443
Past Experience	(13*1)+(8*2)+(51*3)+(28*4)+(21*5)= 399
Friend's Recommendation	(8*1)+(18*2)+(40*3)+(38*4)+(16*5)=396
Customer Review in the Social Media	(11*1)+(11*2)+(18*3)+(36*4)+(44*5)=451

The study found on the basis of rank order analysis that location is second most preferred attribute out of five factors. The highest score element is 451 which considers that nowadays preference has been given to the review by customer in social media. So consumer review in social media emerges as most important factor

among all the factors taken in this research work. The friend's recommendation factor is least preferred attribute while using the the social media during selection of Hotel.

4. CONCLUSION

The study reveals that location, price,customer reviews, past experience and friend references are factors which influences consumer decision making towards hotel booking. Eduction level,age as well as gender also has association with the usage of social media regarding decision making for hotel booking at the evaluation stage. The research work has revealed that customer reviews is the most important element in selecting hotel through social media. Aggregatively these research work imply that hotel industry should emphasize the economic value by using the demographic and personal traits of the reviewers by weight and analysing thereafter. Thus integration of information from social media can help hotels in doing the segmentatiuon and consequentially it will help them in business value enhancement. The small sample size, online survey and respondent mostly belongs to the same income group, are the limitations of the study so future research can be aimed at doing same kind of a study for a larger sample size from with various socio demographic traits of consumers.

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