Business Project Report

Research title
Social media marketing and its impact on travel decisions

Wai Fung Cheung 10030145
Date: 2016, April, 15th
# Contents

Introduction .................................................................................................................. 3
Abstract ......................................................................................................................... 3

Literature Review .............................................................................................................. 3
  Social Media .................................................................................................................. 3
  Social media in Travel .................................................................................................. 4
  Influence and peer review ............................................................................................. 4
  Social media use .......................................................................................................... 5
  Social Media- the Impact on decision making .............................................................. 6
  Conclusion .................................................................................................................... 7

Methodology ..................................................................................................................... 8
  Introduction ................................................................................................................... 8
  Research Questions ....................................................................................................... 8
  Research Hypotheses ..................................................................................................... 8
  Research Design Strategy ............................................................................................. 8
    Descriptive research .................................................................................................. 9
    Quantitative ............................................................................................................... 9
  Research tools .............................................................................................................. 9
    Non-Probability sampling – Sampling method ........................................................... 9

Data Analysis ................................................................................................................... 10

Conclusions & Recommendations .................................................................................. 13
  Conclusions .................................................................................................................. 13
  Recommendations ....................................................................................................... 14

References ....................................................................................................................... 15

Appendix .......................................................................................................................... 17
Introduction
The topic in question was chosen by the researcher that believes there was a potential in study of social media and its correlation and the relation between it and the travel industry. How social media has an impact on effecting consumers now days. To gain the better idea and the existing problems such as “How social media take place when it involve trip planning”, “How it is been use” and “what is the impact of it” on this research within the report, by the aid of secondary data and primary research that allows the researcher to gain a better knowledge to deliver the better information for readers.

Abstract
The aim of this project revolves around social media marketing, and how it is been use by consumers to benefit and carry out their trip planning in an efficient way also to the impacts there is. In addition to seeing the social media tool out on the market for consumers, evaluate the level of trust and he usage level consumer has towards social media and the impact it may involves.
To do so firstly carrying out secondary research about what social media is and relating topic that involves travel industry, the aim for the study is to gain a better knowledge of exactly what potential elements I could develop on, and with the aid of the secondary research to then effectively carry out the social media marketing and the impact through primary research, with the chosen descriptive research and following by an online survey to then analyse the results and give me the evidences to back up my research of study.

Literature Review

Social Media
Social media is define as “a group of internet-based applications that build on the ideological and technological foundations of Web2.0, and that allow the creation and exchange of User Generated Content” (Kaplan and Heinlein, 2010, p.61) is a way for people to communicate and interact online. While it has been around since the dawn of the “World Wide Web”, in the last ten years or so we’ve seen a surge in both the number ad popularity of social media sites. It’s called social media because users and other user-generated annotations and engagement interactions that it allows us to share or gain information.
Social Media are surrounded us on a day to day basis, such as the traditional media newspaper, television, radio and magazine. On the non-traditional media that are more involve with digitals “such as blog, social network (Facebook), and media sharing site (YouTube), bookmarking and voting
site (Digg) and review site (Yelp).” (The social media marketing book, p.3 - Dan Zarrella.) Showing us all forms of media that comes to allows to use or gain information.

“Social media allows [small businesses] to have direct communication with their customers, with the potential to transform [the business] into a virtual sales team.” (Hannah Twigg, Digital Producer with the Program) hinting social media continues to change the way people communicates, and no longer a fad but an important tool for businesses to use to promote their products and series.

Social media in Travel

Holiday travel related purchases are considered complex due to the composted and experiential nature of the holiday travel product, “involve high risks and as a result require extensive information search” (Sirakaya & Woodside, 2005). Meaning We seek for information or ask for advice by using different sources of social media because we as consumer want to be certain on our decision before the holidays start, such as putting our safety in consideration, if the hotel meets our standard and most importantly what consumer can see and do on their trip, but how social media influence us on these decision making?

Influence and peer review

Many of the users in relation to online social media content had received their recommendations from people such as their friends and family as well as those who had similarly minded ideas in terms of travel locations and these were used to form their opinions and decision.

“It became apparent that their online content was perceived similar to recommendations provided by friends, family and “like-minded souls”.” (Fernback & Thompson, 1995; Wang, Yu & Fesenmaier, 2002).

“Social Media are therefore becoming increasingly important in travel planning primarily for their function as vital information sources providing access to other travellers experiences” (Chung & Buhalis, 2008). Not only social media is an important tool for those here are planning on a holiday but gaining information on others travellers experiences is also curtail.

A number of students focus in the impact and role of social media in travel related decision found out that “online reviews posted in a travel related consumer review and rating website increase traveller confidence during decision making, reduce risk, assist them in selecting accommodation “(Mack, Blose & Pan, 2008) therefore facilitate decision making and it was found that travellers read accommodation reviews throughout the various stages of the travel planning process: Before travel as a source of ideas, as a mean to narrow down choices, and post accommodations choice in order to confirm the choice made; during the trip; after the trip to compare and share experiences; but also as an ongoing process even if there is no trip ahead.

“Those consumers who frequently view online travel reviews are more likely to be influenced by those reviews and thusly more likely are of the opinion that viewing reviews is and efficient and effective way of researching and planning a trip to a destination.” (TripAdvisor-OnlineTravelReviewReport, Dr. Ulrike Gretzel, 2007) These readers are also more likely to believe
that it saves time and increase their confidence and helps assuring them that a certain destination is a great manner to plan as it helps paint a clear and vivid image of the previous experiences of those who have gone and helps motivate them if those review are positive to take action on those reviews.

There was once a research on Nielsen Media and according on the result they had after the survey, it turns out “70% of consumers trust consumer opinion that were posted online.” (The social media marketing book, p.132 - Dan Zarrella.)

The chart below was taken from the Nielsen Media research from traditional forms of media to internet. (The social media marketing book, p.132 - Dan Zarrella.)

![Chart 1: Have some degree of trust in the following forms of advertising in April 2009](image)

Social media use
When it comes to planning a holiday, social media takes a huge part in this process, for example we seek for advice or information up online from blogs, review and even socialising with people online that shares the same interest, but in this case “online reviews” is curtail to look at.

There were once a study on Tripadvisor.com on consumer online review report, shown us the important element on how social media being use during trip planning.

According to the report from “TripAdvisor” (2007)” a result of 96.4% respondents use the internet as a sources to seek information when it comes to trip planning”. Many others traditional media was taken in concern in the report such as” Travel books were getting a respondents of 68.3%,” listed as the second most used source for trip planning, followed “by 35.6% referring to magazine and 27.8% for newspaper.” (TripAdvisor-OnlineTravelReviewReport, Dr. Ulrike Gretzel, 2007)

Now that we know when it comes to trip planning, online usage takes a significantly important role as a sources to seek for information, but now let’s take a look at how social media has an impact on our trip planning relating to decision marking.

When we put online content in a global perspective, result shown on a previous research is remarkable, how social media shows an important role when it come trip planning. A results shown In China, India and Malaysia, for example, internet and travel reviews have a greater impact on initial decision of vacation destination with the percentage of “71% indicate internet usage and 69% travel reviews.” Diagram shown below shows all results on each continent includes
Social Media- the Impact on decision making

“More and more tourism businesses use social networking sites to achieve better position in the competition for the grace of tourists”, (Fotis et al. 2012). For instance the stages that travellers would go through by going on “Facebook” fan page that’s been created to enables different tourism businesses to easily, cheaply and quickly reach scores of people, interact with past and potential visitors, attend interaction with fans or even give opportunity for reserving their accommodation on the page. Almost everyone loves sharing experiences about their vacation. Past visitors’ positive experiences and stories are genuine third party contributions which may encourage others to visit. It is a free of charge marketing tool for all tourism businesses and an efficient tool for those who need to seek for greater information.

Those who travel for pleasure general plan their trip far ahead of time and enjoy this process more so than those who are required to do so for business and thusly are more engaged in the literature that and information that available to them as can see the advantage if consumer generated content as it gives them generally a neutral point of view. In addition to this they also will engage with the literature provided by the travel providers too so they can get a clearer picture of what it is that they are exactly planning.

In terms of the most best and efficient strategy for expanding the influence of travel reviews and the perceptions that travellers who read them is to provide incentives to aid the in the process so they too look at reviews more often and also write their own in addition as this can help to continuously
expand and increase the influence of these in result to have a higher impact on trip planning or decision making.

The previous studies which have been done indicate that the readers of these reviews take several important factors into account when and require a certain context for the reviews to create a meaningful impact on them and their opinion of them on the reviews.

For the readers the most important aspect of a review was that it needed to be objective and as it provided a better insight and enabled the reader to be more likely trust and engage with the review. These lead to the reviews being more successful and leading to the review readers taking actions on what they’ve read and gain a higher level of trust to lead to a better decision making.

**Conclusion**

In this literature review all the secondary resources shown me a better picture how I will carry more of my own primary research. From the literature review I was able to gain a better understanding of what the term of “Social Media” Is about, how is it been used and how is important to consumer. This helped inform my primary research on what questions I should really ask and support the hypostases I wrote. The area that needs more reading are facts about how social media becoming the most important research tool for us in this century, a gap I discover was the studies of statistic in relation consumer’s opinion on social media could develop in greater details in the case study I read, to discover the platforms best for travel.
Methodology

Introduction
In this chapter is about how I will use different ways and methods to carry out my primary research, therefore I will firstly go through my research questions and Hypotheses to show an overall picture of what my business project would look like and the strategy I intent to implement, and what I’m trying to achieve. At last to show my research design strategy which I will explain why of the choices I choose “descriptive research” in further detail throughout this section of my report.

Research Questions
1. How to ensure the information tourist seek are trust worthy
2. Why it is social media would be the very first and useful tool for tourist when it comes to holiday planning.
3. How social media has change the way which consumer plan their holiday.
4. What makes a “Review reader” engage in certain website than others

Research Hypotheses
Social media has changed almost every single industry especially travel industry, due to rapidly growing social media allow us to seek for many different sources we needed, therefore there will be an increase on online usage for trip planning comparing many other traditional media and an increase on how important it is by reading “reviews” part of an element consumer looks at when it comes to holiday planning.

Research Design Strategy
A research design is the scheme of research. According to Domegan and Fleming a research design is “ an overall plan for the remaining steps of the research project and can only be chosen after all the objectives of the project have been decided on” (Domegan and Fleming,2007, p66) is like a roadmap for conducting the marketing research. It provides details steps in the marketing research project.

In this sector of my business project report I will explain my reasoning for the decisions in term my choice of descriptive research over exploratory search and also the reason being quantitative method would be more suitable for the needs of my study as well as the report which the researcher is currently conducting.

Primary research
Primary sources were either created during the time period being studied or were created at a later date by a participant in the events being studied.
**Secondary research**

In the social sciences, a secondary source is usually a scholar book, journal article, or digital or print document that was created by someone who did not directly experience or participate in the events or conditions under investigation. Secondary sources are not evidence per se, but rather, provide an interpretation, analysis, or commentary derived from the content of primary source materials.

**Descriptive research**

The reason for my choice of descriptive research is because it “concerned with describing the association between two or one more variables.” (Domegan and Fleming, 2007) it measures the relations between two elements on any studies how each variables is concerning the dependent or independent, in this case I would like see the relations between social media and travel planning and how these to correlate to each other. Descriptive research is question-driven and also highly structured, formal and mathematically known as “hard data”, descriptive data could “divided into either longitudinal or cross-sectional data” (Domegan and Fleming, 2007) longitudinal data a length of study where cross-sectional data is more like a snapshot study. Therefore I will carry out a survey which involves a high level data collection and question design on whichever way is the best for this case of study to achieve a faster way collecting my data.

**Quantitative**

“Quantitative methods emphasize objective measurements and the statistical, mathematical, or numerical analysis of data” (Muijs, Daniel. Doing Quantitative Research in Education with SPSS. 2nd edition, 2011) all collected through questionnaires, surveys or by manipulating pre-existing statistical data using computational techniques.

“Quantitative research focuses on gathering numerical data and generalizing it across groups of people or to explain a particular phenomenon.” (Muijs, Daniel. Doing Quantitative Research in Education with SPSS. 2nd edition) It looks at the relationship between one thing [an independent variable] and another [a dependent or outcome variable] within a population.

**Research tools**

**Survey** would be ideal tool to use for my report, it’s simple to carry and also very efficient, with the aid of [www.surveymonkey.com](http://www.surveymonkey.com) an internet survey, it allows me clearly structure my questions most importantly the techniques it provides to “clean” up my data set, which is a huge benefit to my data analysis that I will discuss in further details.

**Non-Probability sampling – Sampling method**

“Non-probability sampling represents a group of sampling techniques that help researchers to select units from a population that they are interested in studying.”

The reasoning for my decision to use Non-probability sampling is due to the fact that the primary research I will be conducting requires a general response from a high number of respondents.
Data Analysis

Introduction

“The analysis is looking for links between different answers to see if a relationship exists between two or more variables” (Market Research in Practice, 2016 - Paul N. Hague, Matthew Harrison, Julia Cupman And Oliver Truman.) With the data I have collected showed me following results.

Within this section I will be discussing the findings of the research which has been conducted through Survey Monkey and involved 21 respondents as well as the findings and results of these going through each question in depth and the figures involved within these.

What is your gender?

Within the survey it shows a result of 50% respondents were “Male” and 50% were “Female”. (See figure 2, appendix), the result was quite an advantage because to allow me to engage more on each genders prospective.

What is your age?

A result of 42.86% of the respondents were at the age between (18-24) years old, following by a 23.81% respondents were at the age between (25 to 34), 28.57% were at the age of (35-44) and last the lowest respondents of 4.76% were at the age of (55-64). I wished the age was roughly higher than 35 years old because it stands a higher chances with people knowing the different on how social media was used when it was not as develop. (Figure 3, appendix)

What Social Media tools will you use, when it comes to trip planning?

Facebook, Twitter or others showing the highest result in the part of the survey with a 47.62% (10) respondents uses this as an aid for their tip planning, following by a 38.10% (8) respondents showing the second highest tool to use, 4.76% (1) said will use the tool such as blog to help and the lowest was showing others with the percentage of 9.52% (2) respondents. I was expecting online reviews would come first than tools such as Facebook, Twitter or other socialise providers, simply I assume online review could relate more with travel planning, when you read online review you would get more experienced information. (See Figure 4, appendix)

How often do you use a travel agent when making vacation plans?

The results didn’t show a particular highest due to the number of percentage I collected back the differences weren’t as obvious, such as a score of 33.33% (7) respondents said “Most of the time” they will use the aid of a travel agent then following by 23.81% (5) respondents said “Always” uses the travel agents to help. The third highest percentage of 19.05% (4) respondents said “once in a while” they would chose the help from a travel agent. 14.29% (3) represent the “Never” and 9.52% (2) represent “About half the time”. Also another surprising result which still shows a high percentage of respondents showing “Most of the time” using travel agents to aid their trip planning, I would thought with the significant well develop social media now days makes it even easier for people making their travel plan without the aid of travel agent. (See figure 5, appendix)
How much do you trust the information you gain from the social media?

Results shows a very positive side on how much online user trust the information they gain from social media with the 52.38% (11) respondents indicate “A Lot” and 14.29% (3) indicate “A great deal” (See figure 6, appendix). It was satisfy to see the high level of trust towards social media among my respondents, the higher level of trust indicates how confident user are while visiting online.

Have social media changed the way?

Have social media changed the way you plan your travel?

Answered: 21  Skipped: 0

In this sector of the survey I decided to use the text box format to get my answers, the wrap up the results it surprised me with 86% (20) respondent given me a feedback on how social media changed the way they plan their travel, and only with 14% (1) respondent did not agree it has changed in any
way for he or she. Another result showing a high level of usage towards social media and numbers showing on the agreement that social media changed the way on they plan their travel.

Do you think online review content, is important to travel planning decision?

Another part of the survey surprised me with the result of 38.1% (8) respondents “strongly agree” and 61.90% (13) respondents “Agree” agrees with the fact social media is important to trip planning and no respondents showing disagree side of this statement. It was surprising to see the results on this sector, no figures showing the “disagree” side of this prospective. It almost seems like one

Do you write reviews after your travel?

Result showing large portion up to 70% (14) the respondents do write reviews after their travel with the aid of the reason being majority of them says it help others to make a better decision and enjoy
getting people engage of related content and only 35% (7) respondents does not write review most reason being rather they do not feel the need/responsibility to do so or it just a simple reason of not remembering to do so.

Given the options of four, which elements you would use online review for?

When it comes to different content where consumer could chose to look at on reviews the five elements of choices that were given, hospitality score the highest with the 76.19% (16) respondent, when it comes to online reviews, following by transportation with the 9.52% (2) and at last other three elements “Entertainment, Food and others) score the same percentages of 4.76% (1) respondents (See Figure 7, appendix)

Can you share your experiences of using social media when is comes to you travel decision making?

To sum up the survey with a question and with the text box format to collect my answer, to share their experience on how using social media was been use to trip planning.

To wrap up the feedbacks, I read 20 out of 21 respondents shows a positive facts when it come to the usage of social media was good and helpful and 1 respondent came across a bad experiences of information he/she gathered wasn’t trust-worthy in result ruined his/her trip. (See figure 8, appendix)

Conclusions & Recommendations

Conclusions
The main objective of my primary research, is the study of a better understanding and the ways how social media have changed the way consumer make their trip planning, the resources of social media tools they look at and on how important social media is for consumers, would it be more on a positive side or negative side prospective.

From the secondary research I conducted, I had a better understanding what social media is, how social media could relate to travel planning, the different type social media tool in the market today for consumer to use and especially others research gave me a better idea on how I will conduct my primary research, the questions I could ask to deliver a more accurate results I collected. The secondary research allows to me to relate back to my primary research allowing me to know if I was having the smellier or different results comparing to previous research or studies I read.

To summarise this project I carried, the fact is social media clearly shows the impact on how consumer carries their trip planning, the trust level towards the information they seek was surprisingly high and the opportunities there is for business to look at was promising.
Recommendations

In my own prospective I would suggest a better in-depth reading on the importance of how social media is now so important for consumer while planning their trip, to get a better understanding of the reason being with a 0% percentage of respondents showing any disagreement on the fact social media online review content is a very important tool to use in trip planning in my primary research. This could be an opportunities for business to get more involve with social media such as online reviews, there’s a potential in more profitable opportunities backing up by my primary research showing a majority of the respondents has more of a positive prospective than a negative one.

To improve my primary research, I could have more respondents to do my online survey, to improve the option of choices for respondents could choose from the questions, such as the “gender” section I could have insert the option of “rather not say” then just Male and Female. A better understanding on why was there still a high level of usage on travel agents at the same time with a high level of usage by social media.
References


http://ageconsearch.umn.edu/bitstream/152233/2/18_Rathonyi.pdf

Appendix

Figure 1

![Bar chart showing frequency of internet use for trip planning.]

Figure 8. Frequency of Internet Use for Trip Planning

Survey

What is your gender?

Answered: 20  Skipped: 1

<table>
<thead>
<tr>
<th></th>
<th>Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>50.00%</td>
</tr>
<tr>
<td>Male</td>
<td>50.00%</td>
</tr>
<tr>
<td>Total</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

Fig.2
What Social media tools will you use, when it comes to trip planning?

- Facebook, Twitter or...
- Online reviews
- Blogs
- Others

Answered: 21  Skipped: 0

How often do you use a travel agent when making vacation plans?

- Always
- Most of the time
- About half the time
- Once in a while
- Never, why not?

Answered: 21  Skipped: 0

Figure 5

Figure 6
Figure 7

How much do you trust the information you gain from the social media?

Answered: 21  Skipped: 0

- A great deal
- A lot
- A moderate amount
- A little
- Not at all

Figure 8

Given the options of four, which elements you would use online review for?

Answered: 21  Skipped: 0

- Hospitality
- Transportation
- Entertainment
- Food
- Other
Yes I can I think it's good
4/7/2016 2:41 PM View respondents' answers

I've used it to look and review if a hotel is good
4/7/2016 2:38 PM View respondents' answers

There was once when I was disappointing with the information I got was not so trust worthy, causes a bad experience of stay in a hotel of staying
4/7/2016 2:34 PM View respondents' answers

It helped pick a hotel because it had a 5 star rating and the reviews said it was good
4/7/2016 2:33 PM View respondents' answers

I think it's good when you can see reviews because you can get a neutral perspective of whether a hotel is good
4/7/2016 2:31 PM View respondents' answers

I've experienced a great deal of help through the use of social media and it helps me plan my holidays and traveling assignments.