The Impact of the Social Web on the Information Process of German Hotel Guests

Nadine Chehimi

University of Trier

24th August 2012

Agenda

- Social Web: definition

- Importance for the hotel industry

- Empirical study

- Conclusion

The Social Web

- '21st's century mass phenomenon' and biggest media revolution since the invention of modern letterpress by Gutenberg in 1452 (Beißwenger 2010)

- Variety of digital media and technologies that allow users to share experiences, opinions and media contents as well as mutually create new substance (BVDW 2010).

The Social Web

- Reasons for increasing popularity
  - Technical development
  - Low entry barriers
  - People's need for communication

- The Social Web is characterized by three aspects (Amersdorffer 2010):
  - Architecture of contribution
  - Architecture of networking
  - Architecture of communication

The Social Web

- Social Web sites can be classified into four categories: (BVDW 2010)

  - Communication facebook twitter
  - Collaboration WIKIPEDIA The Free Encyclopedia
  - Multimedia youtube
  - Entertainment SECOND LIFE

The Importance for Hotels

- Hotel services have special characteristics compared to consumer products
- Trust plays a mayor role in decision process
- Previously: information were provider determined
- Today: customer empowerment
- Internet is gaining in importance for holiday preparation

Major Chances and Risks

- Chances:
  - Competitive advantage
  - Guests acquisition and retention
  - Multiplier

- Risks
  - Multiplier
  - Loss of control
  - High electronic word-of-mouth credibility
  - No commentation on reviews

Empirical Study

- Partner: German hotel chain with over 30 hotels in Germany
- Online questionnaire sent to 100,000 hotel guests
- 940 usable forms

Influence on Booking Decision

- Highest influence: review portals and booking sites followed by travel communities and social networks
- Media sharing platforms, blogs and podcasts and microblogs have a very low impact
- Almost 30% of all respondents already withdrew their existing booking decision due to negative reviews
- Women are more influenceable than men

Age Groups

- Travel communities and microblogs mainly used by older generation
- Social networks more frequently used by younger and older generation
- No age preference for all other channels
- So-called 'best agers ' publish reviews most often
- Also age group 71+ is intensively using the Social Web

Important Social Web Sites

- The four most relevant Social Web types during the hotel information process are
  – Hotel review portals
  – Booking sites
  – Travel communities
  – Social networks

- In the following the user profile of these types will be given

Hotel Review Portals

HolidayCheck.de   tripadvisor

- Are used:
- Independently of age
- More frequently by men
- More frequently by leisure guests
- Hotel review portals have the highest impact on the booking decision

Booking Sites

- Are used:
- Independently of age
- Independently of gender
- More frequently by business guests
- Booking sites have the second highest impact on the booking decision

Travel Communities

- Are used:
- More frequently by best agers
- More frequently by men
- Independently from travel occasion
- Travel communities have the third highest impact on the booking decision

Social Networks

- Are used:
- More frequently by the younger and the older generation
- More frequently by women
- Independently from travel occasion
- Social Networks have the fourth highest impact on the booking decision

Conclusion

- Social Web has become an important part during the information process
- Enables guests to assess the hotel services in advance and to establish a relationship with the hotel
- Each Social Web type has different user profiles
- Essential to consider which target group can be reached on which site
- Important to be active in the Social Web: a current lack of interest may cause severe future problems

Thank you for your attention

Question

- Do you think the Social Web is just a temporary hype?

- Do you think the Social Web will substitute the classical marketing activities in the long term?

- Do you think the Social Web will become a major distribution channel?

Literature

- Amersdorffer, Daniel, Bauhuber, Florian, Egger, Roman, Oellrich, Jens (2010): Social Web im Tourismus. Strategien – Konzepte – Einsatzfelder. Berlin
- Beißwenger, Achim (2010): Youtube und seine Kinder: wie Online-Video, Web-TV und Social Media die Kommunikation von Marken, Medien und Menschen revolutionieren. Baden-Baden
- BVDW (Bundesverband Digitaler Wirtschaft e.V.) (2010): Social Media Kompass 2010/2011. Düsseldorf

Advertising and Search Content

- Advertising in the Social Web is appreciated by 19% of the respondents while it is rejected by 35%
- At least 28% already clicked on an ad banner
- Search content: information about t the location and the service
- News of the hotel are rather uninter

Empirical Study

- 90% look online for hotel information, 23% in the Social Web
- Most important sites: hotel review portals and booking sites followed by social networks and media sharing platform
- Uninteresting: (micro)blogs and podcasts
- At least 12% book via smartphone