

# “Harnessing the power of social networks for branding hotel services: evidence from the Egyptian hotel sector”

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## Harnessing the power of social networks for branding hotel services: evidence from the Egyptian hotel sector

### Abstract

The creative and innovative marketing opportunities offered by social networks marketing have been widely explored and utilized by a variety of businesses, including those within the hotel sector. Although this is a fairly new strategy that is yet to be rigidly defined, it possesses a great deal of potential for companies looking to harness the power of the online interpersonal influence through inexpensive, easy to implement promotional campaigns. The Egyptian hotel sector, both chains and independent hotels, has already begun to utilize social networks marketing techniques through third-party websites and social media platforms in order to create, support and increase awareness of their brands.

The purpose of this paper is to examine the concept of social networks marketing and to explore how it is being used by Egyptian hoteliers to increase awareness of their hotel brands. Data was collected by means of questionnaires issued to a sample of 164 hoteliers in four major tourist destinations in Egypt, including South Sinai, Cairo, Aswan and Alexandria. Analysis of data from these questionnaires reveals that respondents demonstrate a positive attitude toward social networks marketing, while exhibiting a negative attitude toward blogs and monitoring guest reviews. The paper concludes that social networks marketing holds significant potential for the Egyptian hotel sector and that, if implemented carefully and strategically, it might prove useful in aiding the sector in its post-revolutionary recovery.

**Keywords:** social networks marketing, word of mouth, interpersonal influence, hotel, brand awareness.

### Introduction

In the marketing industry, innovation is the key. Marketing strategies must constantly adapt to the ever-changing cultural trends in order to effectively communicate with potential customers. Those who have proven successful in the marketing industry have learned to harness non-conventional approaches to reach their target audiences. According to Litvin, Goldsmith and Pan (2008), continuing advances in computer networking and telecommunications in particular have helped marketing professionals develop numerous new and powerful techniques. One of the most powerful strategies recently made available by modern-day technology is social networks marketing, which has been successfully leveraged by many different companies and presents a variety of promising opportunities.

The idea of social networks marketing stemmed from the success of Hotmail over fifteen years ago. Hotmail developed and implemented a simple but extremely clever idea that truly demonstrated the capabilities of social networks marketing. The company created a footer that automatically displayed at the bottom of each email sent from Hotmail email accounts which read "Get your private, free email at hotmail.com" (Wilson, 2005). People were amazed and impressed with the speed and effectiveness of this technique. It did not take long for the message to spread as friends forwarded to friends/family and convinced countless more people to join. Godin (2001, p.138) stated that the business

proposition that Hotmail implemented was so simple and powerful that it could be expressed in two words: free email."

Every email that was sent promoted their product, while costing Hotmail nothing; the campaign drove the growth of the business from zero to almost 30 million users in only few years (Emakina, 2008). According to Godin (2001), it took Hotmail less than a year to acquire its first 10 million users. Most importantly, Hotmail's success became the benchmark for social networks marketing; it did not take long for other companies to capitalize upon the marketing opportunities that Hotmail's campaign had uncovered.

### 1. Literature review

Since social networks marketing is a relatively new approach that has only emerged within the last fifteen years (Kurucz, 2008), it is still being defined in a variety of ways. Hotmail proved that the rapid spread of the Internet, combined with the fact that consumers possess an extremely strong influence over the purchasing decisions of other consumers, could easily translate into a successful marketing strategy. Since then, many researchers and marketing professionals have attempted to provide a clear definition of this phenomenon and identify the main factors behind its successful implementation.

**1.1. Definitions of social networks marketing in the literature.** Kirby and Marsden (2005) define social networks marketing as the creation of a promotional message which is passed on from consumer to consumer online. Kiss and Bichler (2008,

p. 233) define viral marketing as “marketing techniques that use social networks to produce increases in brand awareness through self-replicating viral diffusion of messages, analogous to the spread of pathological and computer viruses.”

Kurucz (2008, p. 15) proposes that an important component of social networks marketing is “the speed at which messages can be communicated to huge numbers [of people] across great distances, independently of time and place.” Another important component that sets social networks marketing apart from traditional marketing approaches is the speed at which messages are shared in an online promotional campaign, which Watts and Peretti (2007) have identified as the “reproduction rate.”

Wilson (2005, p. 1) recognizes the exceptional growth that is characteristic of social networks marketing and highlights that this marketing approach involves “any strategy that encourages individuals to pass on a marketing message to others, creating the potential for exponential growth in the message’s exposure and influence.”

The widespread use of the Internet has connected people across the globe, and the Web now provides numerous opportunities for consumers to share their opinions on purchases and services. Litvin, Goldsmith and Pan (2008) identify the underlying ideal behind the success of social networks marketing as “online interpersonal influence.” Subramani and Rajagopalan (2003) explain that social networks marketing is a more effective way of facilitating the spread of interpersonal influence than traditional “word of mouth” approaches for several reasons. First, it is possible to influence significantly more people without a considerable increase in effort or expense. Second, people are potentially available 24/7, and communication is possible across the world in a matter of seconds.

**1.2. Interpersonal influence and marketing strategy.** While social marketing strategies have proven to be incredibly successful for many companies, Kaplan and Haenlein (2011) suggest that there is a certain amount of luck involved in the level of success or failure achieved by social marketing campaigns. Tsai (2009) supports this theory, and also suggests that marketers often make the mistake of trying to create a social marketing strategy when they should be trying to create a customer-centric strategy. Although the new technology has made marketing easier, cheaper and more efficient, the basic concepts and utilization of the power of interpersonal influence have remained the same (The Economist, December 2011).

In some circumstances, companies may find that traditional marketing strategies still work best. Hawkins,

Best and Coney (1998) describe how Walmart, a giant multi-national retailer, established an excellent reputation based almost entirely on word-of-mouth recommendations. Walmart’s low prices and wide variety of products pleased customers, who quickly shared their satisfaction with friends and family, who soon became loyal customers as well. As a result, Walmart became the biggest retailer in the US, despite the fact that the company spent only 0.5% of its revenue on advertising.

Similarly, McKenna (1988) describes how the Digital Equipment Corporation (DEC), a computer manufacturer, successfully utilized word-of-mouth recommendations to market its products. DEC was the third largest computer manufacturer in the world for many years, despite the fact that it spent little to nothing on expensive nationwide advertising. DEC recognized that the tremendous power of its customers’ word of mouth recommendations made it unnecessary to spend money on mass-media advertising campaigns in the way its competitors did.

**1.3. Social networks marketing and the hotel industry.** Third-party travel websites such as TripAdvisor.com, Priceline.com, and Booking.com are prime examples of consumers using their online interpersonal influence to impact the purchasing decisions of others. Marketing professionals in the hotel sector understand that interpersonal influence is an important factor in their industry, particularly because the level of quality of a hotel’s services cannot typically be directly established by consumers before they book their stay. Unfortunately, despite the fact that marketers in this industry recognize the power of online interpersonal influence, analysis from Litvin, Goldsmith and Pan (2008) indicates that hospitality and tourism marketers are not fully harnessing its potential.

From 2003 to the present, the retention of customers via the Web has become a key focus area for marketing professionals in all sectors. Hotel markets in particular have realized the importance of using social networks marketing strategies to support their brands. Morgan and Pritchard (2000) define a brand as the commercial value of consumers’ trust in a company. Argenti and Barnes (2009) state that protecting the corporate reputation and establishing a strong brand identity have become a key part of today’s business world. Gilbert, Powell-Perry and Widjioso (1999) indicate the importance of branding in the hotel industry and state that an essential part of the branding of international hotel chains is the consistent execution of corporate standards. When a consistent branding standard is maintained, consumers know what to expect from hotels within that

brand, regardless of the location. Werthner (2007) indicates that the overall goals behind the hotel industry's use of the Internet have changed rapidly. From 1996 to 1999, the goal was to establish an on-line presence; however, from 1999 to 2003, the goal was to acquire customers online.

Since 2003, hotels have started using social media to select and target groups of like-minded customers. This has been an effective technique both for attracting new customers and retaining existing ones, as it allows hotels to expand and improve their communication with previous guests (Severn, 2010). Social media have granted hotels access to millions of users and provided them with the opportunity to communicate with customers (or prospective customers) directly. Whether the individual has a question or is interested in reserving a room, the hotels can provide superior customer service while promoting their brand on their social media profile. Although social media provide the opportunity for customers to post negative reviews, Lacy (2010) suggests that rather than deleting those reviews, hotels should strategically move the focus away from them by concentrating on the positive messages. Additionally, social media provide hotels with the opportunity to regularly assess the effect of their marketing efforts by gauging the overall reviews and impressions shared publicly by their customers (Grove, 2010).

## 2. Methodology

The purpose of the research is to explore how social networks marketing is being used by Egyptian hoteliers to increase awareness of their hotel brands. The research also explores hoteliers' attitudes towards, perceptions of and motivations for using social network-based marketing strategies.

The descriptive research approach was used to collect data. Malhotra (2012) suggests that the descriptive research methodology is particularly useful when the research questions seek to describe a marketing phenomenon. This approach is mainly concerned with describing in detail the nature or condition of a current situation, which is the case in this study. An email questionnaire was developed to explore how hoteliers in Egypt are currently using social networks marketing to increase awareness of their brands. The questionnaire also explored their understanding of the concept, the frequency with which they use it in practice, their attitudes and feelings towards social networks marketing, and how and why they plan to continue using it.

The questionnaire was sent to participants by email and followed up with telephone interviews. In some

cases the questionnaire was translated into Arabic in order to facilitate the participant's response. Parallel translation was carried out in order to overcome any problems that might have resulted from translation. 542 questionnaire forms were sent to respondents, who were randomly selected from hotel guides online (including the list published by the Egyptian Hotels Association<sup>1</sup>). 164 respondents returned usable questionnaires, a response rate of 30.2 percent. This is considered an acceptable rate of response for this type of research. Data was tabulated and prepared for analysis using the SPSS 17 statistical software package.

The questionnaire, which consisted of 37 questions grouped under 19 headings, was sent by email to a selected sample of hoteliers in four major tourist destinations around Egypt: South Sinai, Cairo, Aswan and Alexandria. Recipients of the questionnaire were asked whether they use social networks marketing and, if so, how long they have been using it. Some general questions about social networks marketing followed, to check their understanding of the concept and level of use of social networks marketing. Respondents were then asked which of the following social networks marketing tools they use: Facebook, Twitter, Bebo, MySpace, Youtube, Flickr, Foursquares, blogs, and others. Some detailed questions about blogs followed, including questions to check respondents' understanding of the concept and level of use of blogs.

## 3. Results and discussion

The data in this research represents responses to survey questions posed to 164 Egyptian hoteliers. Data responses were categorical (nominal and ordinal), as they were measured on a dichotomous, 3 or 5 point scale. Therefore, non-parametric statistical techniques were applied to the data to test the research objectives. Non-parametric tests have the obvious advantage of not requiring the assumption of normality or the assumption of homogeneity of variance. They compare medians rather than means and, as a result, if the data throws up one or two outliers, their influence is negated.

**3.1. Descriptive analysis.** As shown in Table 1, 56.1 percent of the total respondents are from South Sinai, while only 14 percent are from Alexandria. The remaining 18.9 percent and 11 percent of respondents are from Cairo and Aswan, respectively. Table 2 shows the grades of the respondents' hotels. Most of the respondents work in 4 and 5 star hotels (39.0 percent and 37.2 percent, respectively). Only one respondent works in a 1 star hotel.

<sup>1</sup> Egyptian Hotels Association, <http://egyptianhotels.org.eg/en/>.

Table 1. Hotel location

| Location    | f   | %     |
|-------------|-----|-------|
| South Sinai | 92  | 56.1  |
| Aswan       | 18  | 11.0  |
| Cairo       | 31  | 18.9  |
| Alexandria  | 23  | 14.0  |
| Total       | 164 | 100.0 |

Table 2. Hotel grade

| Hotel grade | f   | %     |
|-------------|-----|-------|
| 5 star      | 61  | 37.2  |
| 4 star      | 64  | 39.0  |
| 3 star      | 26  | 15.9  |
| 2 star      | 12  | 7.3   |
| 1 star      | 1   | .6    |
| Total       | 164 | 100.0 |

It was found that 65.9 percent of the surveyed hotels have more than 100 rooms while only 3.7 percent have fewer than 50 rooms (detailed results not shown). Three-quarters of the respondents are managers, assistant managers or directors. The remaining quarter of the respondents are senior officers or other grades of staff (detailed results not shown).

Table 3 shows that approximately 60 percent of respondents use social networks marketing as part of their branding strategy.

Table 3. Do you use social networks marketing as part of your branding strategy?

| Use social networks marketing for branding |       | f   | %     |
|--|-------|-----|-------|
| Valid                                      | Yes   | 98  | 59.8  |
|  | No    | 66  | 40.2  |
|  | Total | 164 | 100.0 |

Table 4 shows that more than 85 percent of respondents agreed or strongly agreed that social networks marketing is about branding and customer relationship management (CRM). Table 4 also reveals the strongly positive perceptions of respondents about using social networks marketing (based on their answers to the seven questions from “reinforce your message...” to “...attracting new users”). More than 70 percent agreed or strongly agreed to six of the seven statements about the benefits of using social networks marketing. Even for the remaining statement, “allows for real-time, 2-way communication”, more than 66 percent of respondents agreed or strongly agreed.

Table 4. Respondents’ understanding of social networks marketing and their attitudes to it

| Frequency   | Strongly disagree | Disagree | Neutral | Agree | Strongly agree | Total |
|---|-------------------|----------|---------|-------|----------------|-------|
| Social networks marketing is about branding   | 4                 | 3        | 11      | 42    | 104            | 164   |
| Social networks marketing is about CRM  | 1                 | 3        | 10      | 47    | 103            | 164   |
| Reinforce your message and help it go viral   | 0                 | 4        | 14      | 57    | 89             | 164   |
| Support and project your brand’s personality  | 4                 | 12       | 22      | 55    | 71             | 164   |
| Allow for real time, 2-way communication  | 5                 | 9        | 40      | 45    | 65             | 164   |
| Allow you to communicate at point-of-need   | 1                 | 8        | 37      | 57    | 61             | 164   |
| Build business and generate ROI   | 2                 | 12       | 32      | 59    | 59             | 164   |
| Build a relationship with guests before they arrive                                 | 1                 | 10       | 27      | 55    | 71             | 164   |
| Fastest growing category of internet marketing in terms of attracting new users     | 1                 | 8        | 18      | 58    | 79             | 164   |
| Percentage  |                   |          |         |       |                |       |
| Social networks marketing is about branding   | 2.4               | 1.8      | 6.7     | 25.6  | 63.4           | 100   |
| Social networks marketing is about CRM  | 0.6               | 1.8      | 6.1     | 28.7  | 62.8           | 100   |
| Reinforce your message and help it go viral   | 0                 | 2.4      | 8.5     | 34.8  | 54.3           | 100   |
| Support and project your brand’s personality  | 2.4               | 7.3      | 13.4    | 33.5  | 43.3           | 100   |
| Allow for real time, 2-way communication  | 3                 | 5.5      | 24.4    | 27.4  | 39.6           | 100   |
| Allow you to communicate at point-of-need   | 0.6               | 4.9      | 22.6    | 34.8  | 37.2           | 100   |
| Build business and generate ROI   | 1.2               | 7.3      | 19.5    | 36    | 36             | 100   |
| Build a relationship with guests before they arrive                                 | 0.6               | 6.1      | 16.5    | 33.5  | 43.3           | 100   |
| The fastest growing category of Internet marketing in terms of attracting new users | 0.6               | 4.9      | 11      | 35.4  | 48.2           | 100   |

Table 5 confirms the finding from Table 3 that approximately 60 percent of all respondents use social networks marketing. Table 5 also shows that, of the respondents who do actually use social networks marketing, only about 5 percent have been using it

for less than 6 months. About 28 percent have been using it for a period ranging from 6 months to a year, about 44 percent have been using it for a period ranging from a year to 2 years and about 20 percent have been using it for 3 years or more.

Table 5. Length of time using social networks marketing

| Duration |                       | f   | %     |
|----------|-----------------------|-----|-------|
| Valid    | Do not use            | 62  | 37.8  |
|          | Less than 6 months    | 6   | 3.7   |
|          | Between 6 & 12 months | 29  | 17.7  |
|          | Between 1 & 2 years   | 45  | 27.4  |
|          | Between 3 & 4 years   | 15  | 9.1   |
|          | More than 4 years     | 7   | 4.3   |
|          | Total                 | 164 | 100.0 |

Respondents were asked to rate social networks marketing tools based on their usage of those tools. Table 6 shows that the majority of respondents always use Facebook, Twitter, MySpace, Youtube and Flickr as tools for social networks marketing. Foursquares, blogs and other tools are less frequently used. Bebo was shown to be much less used than other tools. More than 60 percent of respondents indicated that they have blogs and more than 67 percent of respondents indicated that they have interest in having a blog or improving their current one (see Table 6).

Table 6. Which social networks marketing tools are used, and how often?

| Frequency   | Always | 2    | 3   | 4   | 5    | 6    | 7    | 8    | 9    | Never |
|-------------|--------|------|-----|-----|------|------|------|------|------|-------|
| Facebook    | 137    | 25   |     |     |      | 2    |      |      |      |       |
| Twitter     | 124    | 28   | 5   | 4   |      | 1    | 2    |      |      |       |
| Bebo        | 1      | 4    | 16  | 9   | 9    | 19   | 22   | 29   | 30   | 25    |
| MySpace     | 71     | 55   | 7   |     | 13   | 6    | 2    | 7    | 3    |       |
| Youtube     | 82     | 45   | 4   | 10  | 8    | 6    | 2    | 4    | 3    |       |
| Flickr      | 61     | 58   | 15  |     | 6    | 12   | 3    | 6    | 3    |       |
| Foursquares | 35     | 29   | 23  | 16  | 23   | 10   | 9    | 8    | 1    | 10    |
| Blogs       | 18     | 2    | 16  | 16  | 35   | 23   | 20   | 12   | 14   | 8     |
| Other       | 35     | 17   | 13  |     | 1    | 15   | 14   | 6    | 6    | 57    |
| Percentage  |        |      |     |     |      |      |      |      |      |       |
| Facebook    | 83.5   | 15.2 |     |     |      | 1.2  |      |      |      |       |
| Twitter     | 75.6   | 17.1 | 3   | 2.4 |      | 0.6  | 1.2  |      |      |       |
| Bebo        | 0.6    | 2.4  | 9.8 | 5.5 | 5.5  | 11.6 | 13.4 | 17.7 | 18.3 | 15.2  |
| MySpace     | 43.3   | 33.5 | 4.3 |     | 7.9  | 3.7  | 1.2  | 4.3  | 1.8  |       |
| Youtube     | 50     | 27.4 | 2.4 | 6.1 | 4.9  | 3.7  | 1.2  | 2.4  | 1.8  |       |
| Flickr      | 37.2   | 35.4 | 9.1 |     | 3.7  | 7.3  | 1.8  | 3.7  | 1.8  |       |
| Foursquares | 21.3   | 17.7 | 14  | 9.8 | 14   | 6.1  | 5.5  | 4.9  | 0.6  | 6.1   |
| Blogs       | 11     | 1.2  | 9.8 | 9.8 | 21.3 | 14   | 12.2 | 7.3  | 8.5  | 4.9   |
| Other       | 21.3   | 10.4 | 7.9 |     | 0.6  | 9.1  | 8.5  | 3.7  | 3.7  | 34.8  |

Respondents were asked whether they agreed or disagreed with the statements listed in Table 7. The results show the strongly negative attitudes of respondents to these statements about blogs.

More than 70 percent of respondents disagreed or strongly disagreed with all of the “Reasons why your hotel needs a blog” (see the following table).

Table 7. Reasons why your hotel needs a blog

| Frequency                              | Strongly disagree | Disagree | Neutral | Agree | Strongly agree |
|--|-------------------|----------|---------|-------|----------------|
| Be the voice of your hotel             | 68                | 57       | 34      | 5     |                |
| Building brand equality                | 77                | 56       | 24      | 6     | 1              |
| Consumer loyalty                       | 68                | 52       | 33      | 11    |                |
| Creating a community                   | 73                | 49       | 31      | 10    | 1              |
| Attracts new advertisers               | 69                | 48       | 36      | 11    |                |
| Optimize for search engines            | 63                | 48       | 38      | 15    |                |
| Leaving long lasting social footprints | 71                | 58       | 26      | 9     |                |
| Percentage                             |                   |          |         |       |                |
| Be the voice of your hotel             | 41.5              | 34.8     | 20.7    | 3     |                |
| Building brand equality                | 47                | 34.1     | 14.6    | 3.7   | 0.6            |
| Consumer loyalty                       | 41.5              | 31.7     | 20.1    | 6.7   |                |
| Creating a community                   | 44.5              | 29.9     | 18.9    | 6.1   | 0.6            |
| Attracts new advertisers               | 42.1              | 29.3     | 22      | 6.7   |                |
| Optimize for search engines            | 38.4              | 29.3     | 23.2    | 9.1   |                |
| Leaving long lasting social footprints | 43.3              | 35.4     | 15.9    | 5.5   |                |

**3.2. Survey analysis – differences across groups of respondents.** This section describes what happened when statistical tests were applied to four variables to find differences across groups of respondents. Two variables were tested: (1) perceptions regarding social networks marketing; and (2) use of social networks marketing tools. Categorical variables included: hotel location, hotel grade, number of rooms, job category, use of social networks marketing and use of blogs.

*3.2.1. Perceptions regarding social networks marketing.* Tests for several independent variables were applied to compare two or more groups of cases on one variable. The Kruskal-Wallis test was used, as it uses ranks of the original values and not the values themselves. That is appropriate in this case because the scales used by the respondents are ordinal. The Kruskal-Wallis test evaluates whether the population medians on a dependent variable are the same across all levels of a factor. If the independent variable has only two levels, no additional significance tests need to be conducted beyond the Kruskal-Wallis test. However, if a factor has more than two levels and the overall test result is significant, follow-up tests are usually conducted. For the Kruskal-Wallis, the Mann-Whitney U test is used to examine unique pairs.

The Kruskal-Wallis test was applied to all the perception variables with regard to the grade of the hotels. It was found that respondents across

the five hotel grades have broadly the same perceptions regarding social networks marketing. However, the medians were not the same across the five hotel grades for the statements “social networks marketing is about branding” and “social networks marketing is about CRM” (see Table 4). The Mann-Whitney test was applied to compare unique pairs.

The *p*-values shown in the test statistics in Table 8, Panel A are greater than 0.05, indicating non-significant tests. Therefore, there are no differences between the 5 star and 4 star hotels in terms of their average scores for the two statements. Nor are there any differences between the 5 star and 3 star hotels in terms of their average scores for the same two statements (see Table 8, Panel B).

However, the differences between 5 star and 2 star average scores are statistically significant, with the average scores of 5 star hotels being greater than those of 2 star hotels (Table 8, Panel C). No differences were found between 4 star and 3 star hotels in terms of their average scores for the two statements (Table 8, Panel D), but there is a significant difference in the average scores of 4 and 2 star hotels: the average scores of 4 star hotels are greater than those of 2 star hotels (Table 8, Panel E). The average scores of 3 star hotels are also greater than those of 2 star hotels to a statistically significant degree, as shown in Table 8, Panel F.

Table 8. Ranks and Mann-Whitney and Wilcoxon W test

| Panel A: 5 stars * 4 stars                  |             |     |           |              | Test statistics <sup>a</sup> |            |        |                        |
|---|-------------|-----|-----------|--------------|------------------------------|------------|--------|------------------------|
|   | Hotel grade | N   | Mean rank | Sum of ranks | Mann-Whitney U               | Wilcoxon W | Z      | Asymp. sig. (2-tailed) |
| Social networks marketing is about branding | 5 stars     | 61  | 65.93     | 4022.00      | 1733.000                     | 3853.000   | -1.089 | <b>.278</b>            |
|   | 4 stars     | 64  | 60.20     | 3853.00      |                              |            |        |                        |
|   | Total       | 125 |           |              |                              |            |        |                        |
| Social networks marketing is about CRM      | 5 stars     | 61  | 66.37     | 4048.50      | 1746.500                     | 3826.500   | -1.230 | <b>.219</b>            |
|   | 4 stars     | 64  | 59.79     | 3826.50      |                              |            |        |                        |
|   | Total       | 125 |           |              |                              |            |        |                        |
| Panel B: 5 stars * 3 stars                  |             |     |           |              | Test statistics <sup>a</sup> |            |        |                        |
|   | Hotel grade | N   | Mean rank | Sum of ranks | Mann-Whitney U               | Wilcoxon W | Z      | Asymp. sig. (2-tailed) |
| Social networks marketing is about branding | 5 stars     | 61  | 45.90     | 2800.00      | 677.000                      | 1028.000   | -1.324 | <b>.185</b>            |
|   | 3 stars     | 26  | 39.54     | 1028.00      |                              |            |        |                        |
|   | Total       | 87  |           |              |                              |            |        |                        |
| Social networks marketing is about CRM      | 5 stars     | 61  | 45.25     | 2760.50      | 716.500                      | 1067.500   | -.877  | <b>.380</b>            |
|   | 3 stars     | 26  | 41.06     | 1067.50      |                              |            |        |                        |
|   | Total       | 87  |           |              |                              |            |        |                        |

Table 8 (cont.). Ranks and Mann-Whitney and Wilcoxon W test

| Panel C: 5 stars * 2 stars                  |             |    |           |              | Test statistics <sup>a</sup> |            |        |                        |
|---|-------------|----|-----------|--------------|------------------------------|------------|--------|------------------------|
|   | Hotel grade | N  | Mean rank | Sum of ranks | Mann-Whitney U               | Wilcoxon W | Z      | Asymp. sig. (2-tailed) |
| Social networks marketing is about branding | 5 stars     | 61 | 40.06     | 2443.50      | 179.500                      | 257.500    | -3.306 | <b>.001</b>            |
|   | 2 stars     | 12 | 21.46     | 257.50       |                              |            |        |                        |
|   | Total       | 73 |           |              |                              |            |        |                        |
| Social networks marketing is about CRM      | 5 stars     | 61 | 39.99     | 2439.50      | 183.500                      | 261.500    | -3.218 | <b>.001</b>            |
|   | 2 stars     | 12 | 21.79     | 261.50       |                              |            |        |                        |
|   | Total       | 73 |           |              |                              |            |        |                        |
| Panel D: 4 stars * 3 stars                  |             |    |           |              | Test statistics <sup>a</sup> |            |        |                        |
|   | Hotel grade | N  | Mean rank | Sum of ranks | Mann-Whitney U               | Wilcoxon W | Z      | Asymp. sig. (2-tailed) |
| Social networks marketing is about branding | 4 stars     | 64 | 46.13     | 2952.50      | 791.500                      | 1142.500   | -.420  | .675                   |
|   | 3 stars     | 26 | 43.94     | 1142.50      |                              |            |        |                        |
|   | Total       | 90 |           |              |                              |            |        |                        |
| Social networks marketing is about CRM      | 4 stars     | 64 | 45.26     | 2896.50      | 816.500                      | 2896.500   | -.161  | .871                   |
|   | 3 stars     | 26 | 46.10     | 1198.50      |                              |            |        |                        |
|   | Total       | 90 |           |              |                              |            |        |                        |
| Panel E: 4 stars * 2 stars                  |             |    |           |              | Test statistics <sup>A</sup> |            |        |                        |
|   | Hotel grade | N  | Mean rank | Sum of ranks | Mann-Whitney U               | Wilcoxon W | Z      | Asymp. sig. (2-tailed) |
| Social networks marketing is about branding | 4 stars     | 64 | 41.16     | 2634.00      | 214.000                      | 292.000    | -2.735 | .006                   |
|   | 2 stars     | 12 | 24.33     | 292.00       |                              |            |        |                        |
|   | Total       | 76 |           |              |                              |            |        |                        |
| Social networks marketing is about CRM      | 4 stars     | 64 | 40.85     | 2614.50      | 233.500                      | 311.500    | -2.412 | .016                   |
|   | 2 stars     | 12 | 25.96     | 311.50       |                              |            |        |                        |
|   | Total       | 64 | 41.16     | 2634.00      |                              |            |        |                        |
| Panel F: 3 stars * 2 stars                  |             |    |           |              | Test statistics <sup>a</sup> |            |        |                        |
|   | Hotel grade | N  | Mean rank | Sum of ranks | Mann-Whitney U               | Wilcoxon W | Z      | Asymp. sig. (2-tailed) |
| Social networks marketing is about branding | 3 stars     | 26 | 21.94     | 570.50       | 92.500                       | 170.500    | -2.171 | .030                   |
|   | 2 stars     | 12 | 14.21     | 170.50       |                              |            |        |                        |
|   | Total       | 38 |           |              |                              |            |        |                        |
| Social networks marketing is about CRM      | 3 stars     | 26 | 22.12     | 575.00       | 88.000                       | 166.000    | -2.368 | .018                   |
|   | 2 stars     | 12 | 13.83     | 166.00       |                              |            |        |                        |
|   | Total       | 38 |           |              |                              |            |        |                        |

Note: <sup>a</sup>Grouping variable: hotel grade.

3.2.2. *Use of social networks marketing tools.* The Kruskal-Wallis test was used to test the significance of the various social networks marketing tools. The Kruskal-Wallis test found significant differences between hotel grades in terms of their use of Bebo and Youtube. The Mann-Whitney test conducted on the responses from 5 star and 3 star hotels showed significant differences in their average scores: 5 star hotels use Bebo more frequently than 3 star hotels, whereas they use Youtube less frequently. It was found that 5 star hotels use Youtube more frequently than 2 star hotels. The tests for Bebo and Youtube showed statistically significant differences between

the 4 star and 2 star hotels. It was found that the 4 star hotels use Bebo more – and Youtube less – than 2 star hotels. It was also revealed that 4 star hotels use Youtube more frequently than 3star hotels, while 3 star hotels were found to use Bebo less frequently and Youtube more frequently than 2 star hotels. The Kruskal-Wallis test shows that the three groups in the category “number of rooms” have equal median scores for all social networks marketing tools, except for the “other tools” category. The five groups in the category “job title” have similar median scores for all the listed social networks marketing tools.



The survey analysis suggests that hotel marketers in Egypt are not “lagging behind”; more than half of the respondents already use social networks marketing and more than half have been using it for between 6 months and 4 years. It was also found that the vast majority of respondents have a basic understanding of the concept of social networks marketing and that they generally have a very positive view of the benefits that it can bring to their hotels.

A large number of the respondents have enthusiastically adopted Facebook, Twitter and Youtube as their social networks marketing tools and say that they use them constantly. The numbers who routinely use MySpace and Flickr are rather lower. It can also be noted that these Egyptian hoteliers are generally negative in their attitudes towards blogs. Only about a quarter of the respondents monitor guest reviews. It is unfortunate that the respondents have a negative perception of blogs and take little interest in guest reviews, as these two channels are the most direct form of guest feedback.

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## Conclusion and recommendations

This paper looks at the shift now happening in the marketing paradigm as traditional advertising becomes increasingly expensive and relatively less effective in a world overloaded with information. In this increasingly digital world, companies no longer market at people, but rather let their customers market for them by spreading viral messages. The paper explores the history and definitions of social networks marketing before presenting its findings regarding the use of social networks marketing in the Egyptian hotel business. However, this study does not investigate the reasons why some social networks marketing campaigns succeed and others using similar methods and procedures do not. It seems there is often an element of luck involved. More work needs to be done to improve our understanding of the circumstances in which social networks marketing strategy is effective, particularly as it seems that negative messages, which create unfavorable attitudes towards products and services, can also ‘go viral’.

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