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ADDIS ABABA UNIVERSITY
COLLEGE OF BUSINESS AND ECONOMICS

SOCIAL MEDIA EFFECT ON ORGANIZATIONAL PERFORMANCE
IN SELECTED STAR RATED HOTELS IN ADDIS ABABA, ETHIOPIA

**A Thesis Submitted to Addis Ababa University College of Business and
Economics in Partial Fulfillment for the Requirements of Degree of Master of
Science in Management (M.Sc.)**

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Addis Ababa, Ethiopia

December 2021

CERTIFICATE

This is to certify that the thesis entitled " **Social Media Effect On Organizational Performance In Selected, Star Rated Hotels In Addis Ababa, Ethiopia**", submitted to Addis Ababa University College of Business and Economics in partial fulfillment of the requirements for the award of the degree of master of science in management (M.Sc.) is a record of research work carried out by **Mrs. Gelila Ephrem Abera**, under our guidance and supervision. Therefore, we hereby declare that no part of this thesis has been submitted to any other university or institution for the award of any degree or diploma.

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ABSTRACT

The purpose of this paper is to see the effect of social media usage on organizational performance. This paper analyzed the data obtained from selected Five and Four -star rated hotels located in Addis Ababa, Ethiopia using a quantitative approach to evaluate the usage of social media for marketing, social media for customer's relations and services and social media for information accessibility. The emergence of internet mainly social media has shifted the business practice in the world; this recent development has been playing an increasing role in hospitality and tourism industry as well. The Study employed explanatory and descriptive research design to understand the extent of social media practice, using both primary and secondary data. According to the Ministry of Culture and Tourism, 2018 the total number of 4- and 5-star hotels in Addis Ababa was 20 and census survey was made in these hotels in Addis Ababa. The questionnaire was adopted from a similar study and it passes a reliability test with a Cronbach's Alpha result of 0.767. The quantitative data was analyzed through descriptive statistics, Pearson correlation coefficient and multiple regression analysis by Statistical Packages for Social Scientists (SPSS version 20.0). The finding revealed that there is a positive effect and significant relationship between social media for marketing, social media for customer relation, social media for information accessibility and organizational performance. The researcher recommended that the owners/mangers of the hotel need to understand the benefit of using social media and enhance the usage by allocating necessary resource and budget to effectively practice social media platforms for much better competitive advantage.

Key words: *social media, organizational performance, marketing, information accessibility and customer relation*

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ACRONYMS AND ABBREVIATIONS

RBV	Resource based view
ICT	Information and communications technology
GDS.....	Global distribution system
SPSS.....	Statistical Package for Social Science

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CHAPTER ONE

INTRODUCTION

1.1 Background

According to Boyd and Elisosn (2007), social media is a web-based service that allows individuals to create public and semi-public profiles within a well-structured system. Organization's adaption of social media is increasing rapidly these days as it is a digital era. Social media has become one of the integral parts of organizations marketing strategy since its available to anyone that have an internet connection all over the world. It is a platform that organizations use to increase their brand awareness, build community, customer service, research and development and make direct sales (falls, 2010).

Some researchers have already shown significant benefits to corporate adoption of social media, as organizations use social media for advertising, branding, information and knowledge pursuit, customer service, and relationship building. Alarcón, Sepúlveda, Valenzuela Fernández and Gil Lafuente (2018) suggest that increased use of social media will improve both financial and non-financial performance. With the development of social media, new social platforms are emerging. Therefore, choosing the right platform is an integral part of the success of any organization (Dwivedi et al., 2021). According to Perella et al. (2015), the use of social media in today's world goes beyond personal or personal use. Deployment and implementation has been extended to enterprises to improve visibility and revenue. This is because social media enables two-way communication between potential customers and corporate organizations (Parveen et al., 2016). However, there is evidence in the literature that companies using today's social media technologies are likely to outperform their competitors by enjoying benefits such as reduced costs and increased efficiency (Harris & Rea, 2009). Although there are barriers to recruitment, the use of social media marketing by can offer significant opportunities that can change the shape and nature of businesses around the world.

The largest social media networks include twitter, Facebook, Instagram, You tube, blogs. There has been an increase use of social media by individual and organizations at global level. Nowadays millions of people beyond their geographical proximity network socially and today's social media usage has brought a change for organizations relation with clients, communication, new business innovation with the advancement of technologies all over the world. Many firms globally are using social media as an

important tool. These days' customers want a quality service or goods and want to be well informed and aware of what has been offered for them.

There are several indicators employed to measure organizational performance at different levels. This study focused on cost reduction and sales growth. Digital marketing techniques can be used to increase conversion rates in real time. Conversion rate is the percentage of viewers who convert to leads and to customers immediately. Indicators such as return on investment, increased sales, repeaters and trackers are used to assess the efficiency of sales. Social media marketing is cost-effective for running business. Joining social media is totally free cheapest online advertising and a very effective way to expand and introduce businesses to people that will become customers tomorrow. Social media marketing has gained much attention in a few years and it is very effective. Social media platforms like Facebook, Instagram, etc have utilities for business marketing. It can be used to promote business free of cost. It will help to introduce business to people and can provide users with information.

Social media has become a place where customers reach out for support. Many customers are aware of the power they hold if they openly complain to business about their visit or experience. That's why companies are hiring specialized social media and communication teams to deal with this side of business. According to the information published by the Ministry of Culture and Tourism (MOCT,2016), there were fourteen (14) four stars and seven (8) registered five-star hotels in Addis Ababa (A.A). This study investigates the social media effect on organization performance on the selected star rated hotels.

1.2 Problem Statement

With increasing market competition and changing environment there is a need for organizations to quickly adapt and adjust in proficient way to gain a competitive advantage upon other competitors and to enhance organizational performance. Most companies in Ethiopia social media usage such as websites, Facebook, Twitter, and Instagram account are not well structured and does not frequently update to attract new customers and distributors, which is a huge loss of opportunities for the hospitality industry. Therefore, the researcher aims to find out the effect of social media usage on organizational performance in star rated hotels in Addis Ababa.

Social Media Marketing requires participation, interaction, dedications, time, commitment and resource that are essential for efficient use of social medial marketing (Raza, 2006). Since the introduction of social media organizations begun to use it for different purposes such as marketing their service and developing relationships with customers. However not much is known on the star rated hotels' practice and the extent social media has contributed to improvement of organization performance. Hence the study will focus on the hospitality industry mainly on star rated hotels in Addis Ababa to explore the current practices of social media usage and its effect in their performance.

Most studies to date have focused on the use of social media from an individual perspective (Hajli, 2013; Hashim, nor, & Janor, 2017; Sheikh, Islam, Rana, Hamed, & Saeed, 2017; Shin, 2013). However, social media has received less attention on organizational performance side (Odoom et al., 2017; Schaupp & Bélanger, 2016). In addition, in the hotel sector, there are only some studies investigating the effect of social media on performance (GarridoMoreno et al., 2018; GarridoMoreno & Lockett, 2016; Tajvidi & Karami, 2017). Despite the widespread use of ICT and social media in our society, there are few reports on how and to what extent social media has contributed to improved performance. With the aim of bridging the gap between and this study examines the use of social media and its consequent effect on performance.

1.3 Research Question

The study investigates the factors that influence the organizational usage of social media and its subsequent effect on organizational performance which aims to answer the following questions;

- i. For what purpose is social media used in the hotel industry?
- ii. What social media platform is currently used by the star rated Hotels?
- iii. What is the relationship between social media usage and organizational performance in Addis Ababa four- and five-stars hotels?
- iv. What is the effect of social media usage on organizational performance in the hotel Industry?

1.4 Objective of the study

1.4.1 General Objective

The purpose of this study is to investigate social media effect on organization performance focusing on four and five-star hotels in Addis Ababa, Ethiopia. And evaluate the effect of social media usage either increase or decrease overall organizational performance.

1.4.2 Specific Objectives

- ✓ To investigate for what purpose social media is used in the hotel industry
- ✓ To investigate the social media platform used in the hospitality industry
- ✓ To examine the relationship between social media usage on organizational performance
- ✓ To study social media usage effect on organizational performance in the hotel Industry

1.5 Scope of the Study

The scope of the study is in Addis Ababa city. Numerous organizations engaged in difference business in Addis Ababa are expected to use social media; however, this study focus was on star rated hotels only, due to the fact that hotel organization has an organized and structured marketing management system as compared to other government or private businesses organizations. Even if Addis Ababa has number of hotels, the study focused only on selected five- and four-star hotels located in the city.

Organization performance can be seen from different dimensions but this study only focuses on sales growth and cost reduction. In addition, the study variables are social media for marketing, for customer relation and information accessibility.

1.6 Significance of the Study

This research will have benefit in contributing to raise an understanding of the new opportunities offered by social media to brand, promote, access information to unlimited place and low cost. It is also very important to understand the role social media in Ethiopian context it benefits and to tackle the challenges at this early stage of development. In general, the study explored the current practice of social media usage and their role in organizational performance in star rated hotels in Addis Ababa. In addition to that

the study will also help for those who wants to undertake further research to investigate the social media effect on organization performance.

1.7 Organization of the Paper

The research is organized in five chapters. The first chapter has described the general background to the whole research. This chapter consists of background of the study, statement of the problem, research questions, objectives, scope of the research, significance of the study.

The second chapter includes the theoretical literature review, empirical literature review and conceptual framework. The theoretical and empirical literatures related to the study including previous studies are stated in this chapter.

Chapter three, provides a discussion on the research design and methodology. It presents the research design, description of the variables, data source, target population, data collection methods and procedures, validity and reliability test are addressed in this chapter. Finally, data analysis techniques and ethical considerations are also explained in this chapter.

Chapter four illustrates all the results and discussions of the data collected. Chapter five includes summary, conclusions and recommendations of this research along with the area for further study.

CHAPTER TWO

LITRATURE REVIEW

2.1 Introduction

This chapter provides an overview of the literature related to the effect of social media on organizational performance in order to accurately define the research questions of the survey. This includes the initial discussion of the type's social media and definitions in line with organization performance. And two theories were explored named social exchange theory and Resource -based view theory. Finally previous studies are examined in the empirical review section.

2.2 Definition of social media

Social media consisted of a collection of web-based tools that help users create and share content with others (Kaplan and Haenlein, 2010). Social media comes in a variety of several forms and types including blogs, micro blogs, social networks, media-sharing sites, social bookmarking and voting sites, evaluation sites, forums, and virtual worlds (Zarella, 2010).

Social media is characterized by user-generated content that has been shown to be more effective than traditional marketing communications in influencing the attitudes and behaviors of other users (Thackeray et al., 2008). The use of social media in organizations was considered a failure, but with the rapid rise of social media this has changed rapidly. For example, today's internet users exceed 4 billion of which more than 3 billion users are active in social media (Chaffey, 2019). Therefore, organizations need to know how to use of social media sites to direct traffic to their business sites (Weinberg, 2009).

Social media first started with LinkedIn in (2003), followed by MySpace and Facebook in (2004), YouTube in (2005), and Twitter in (2006). In less than a decade, it has reached billions of users worldwide (Barker et al., 2016). Therefore, companies use social media to promote their products in a new way, and each social media has its own purpose not found in other media.

2.3 Social Media Types:

Social media includes web and mobile-based technology that induce users to interrelate with each other by creating and sharing user-generated content. The main social media types are discussed below

2.3.1 Social Networks:

Social network “are generic terms for sites that are used to connect users with similar backgrounds and interests” (Weinberg, 2009, p.149). This allows users to create their own personal Web pages , distribute content and exchange some words with other online users (Mayfield, 2008). Facebook, MySpace, and LinkedIn are the most popular examples of websites on social network.

2.3.2 Blogs:

Blogs is also a websites that provides users with the tools they need to write and post articles for others to read and share. Organization can also use blogs to help in different ways. (Scott, 2009) said that bloggers are also expected to chat in advance about your company and your products or services. And that’s a good reason to make a relationship with them. Blogs have emerged as very trendy in modern culture and many people read blogs daily for information and news. In more general cases, blogs are created by users who want to share their views on a particular topic or general life. Famous blogging sites are Word Press and Blogger.

2.3.3 Micro blogs:

Micro blogging is a summary version of a blog; it helps users to distribute quick pieces of information rather than detailed articles. Combining the features of social networks and blogs, users can write short updates of up to 140 characters using their Mobile phones and computers (Mayfield, 2008). Sites like Twitter, and Tumblr that only considered maximum value and short posts. Users can share images, videos, and texts. Users consider micro blogging useful and more easily to share links to exciting websites, write announcements, exchange ideas, and share news of interesting events (O’Reilly and Milstein, 2009). The mainly frequently used micro blogging website is Twitter.

2.3.4 Podcasts:

Podcasts name existed from mixing “broadcast” and “pod”. Sites like iTunes, a kind of video or audio file which is shared online within users for them to download or play throughout a mobile or computer. A number of companies like Pepsi and Coca-Cola have developed their online customer loyalty programs to connect with consumers by presenting particular promotions such as free mp3 music downloads, CD’s and more (Mangold and Foulds, 2009).

2.3.5 Forums/ Message boards:

One of the oldest types of social media, sites let users to have a conversation regarding a precise subject. It is frequently developed with planned, detailed topics and interests, such as movies, cars, and fashion (Mayfield, 2008). The dissimilarity among forums and blogs are the one who is managing the sites; blogs are managed by a known clear owner but forums are usually created by its users (Mayfield, 2008). Forums such as Quora and Digg need the user real name to register and post, and if preferred it allows for complete anonymity.

2.3.6 Social; knowledge /Wiki

Wikipedia, Answers.com, and Quora, Wiki are a cluster of collaboration communication tool to generate Web-based contents (Mayfield, 2008). A number of these sites are big and can be accessed by the public; these sites depend on user-generated content to generate a inner hub of data for other users to submit to, whereas other sites can be limited to a specific group of users who belong to the same organization. Nowadays it is normal that one user communicates with other users via editing, developing or updating his page (Dalsgaard, 2008).

2.3.7 Geo-location:

Geo-location sites and applications allow users to check-in when they are in a particular location, find near by associates close by, and get a coupons for local businesses. Sites like Google are ranking updated content and changing the algorithm of their search system (Freidman, 2011). Four Square and Google Map are popular examples; at the same time as other social networks like Facebook and Google+ are integrating this feature into larger websites.

2.3.8 Multimedia

Multimedia sites operate primarily on the distribution and dissemination of multimedia such as videos, images, info graphics, and PDFs and are less common than text sharing. Multimedia sites allow users to upload multimedia materials such as videos, images, podcasts, and additional media formats (Zarella, 2010). Users can usually be able to leave comments and share contents with their friends and family. An example of the power of multimedia sites; are the videos nowadays that have millions of hits, started on a marketing budget of only \$ (Weinberg, 2009). In addition, a common and simple tool for promoting a specific content are videos and pictures, for that reason each organization must have several aspect to the process of providing and inspiring new ideas for generating new videos or developing an exciting video (Scott, 2009). Well known example such as YouTube, Instagram, Last.fm, and Slide Share.

2.4 Social Media Usage

2.4.1 Social media for Customer Relation

Social media has significantly changed the relationships between customers and businesses by creating and enabling a two-way communication (HoyerandMacInnis,2010). Social media sites also provide businesses with the opportunity to connect with a potential and exciting customer and increase their sense of intimacy in customer relationship (Mersey et al., 2010). Therefore, social media has changed not only how organizations and their brands interact with their customers but also how they run their businesses (Leeflangetal, 2014; Patinoetal, 2012; SchulzandPeltier, 2013). For example, you can increase brand awareness and credibilty by actively promoting your organization using trending techniques such as hash tags on Facebook and Twitter (Caruso, 2016).

“The power of the Internet makes it easier for people to fall in love with you faster. However, beware, it also makes it easier for them to fall out of love with you faster, it is a double-edged sword” (Scott, 2009, p.11). Therefore, customers believe that social media sites are a service channel that enables real time contact with businesses and often check social media to keep branded products and advertising campaigns up to date (Mangold and Foulds, 2009). Accordingly, consumers, these days are more inelegant, knowledgeable and more difficult; for that reason, organizations need to be always reachable and available on each social media communication channel such as Facebook, Twitter, and Blogs

(Gordhamer, 2009).

Some companies confirmed that responding quickly can easily change customers negative emotions (Bughin, 2015). Therefore, providing comprehensive information as as quickly as possible with better customer support can increase the annual sales and financial benefits, connect businesses with customers, buildup relationships and foster those relationships (Coen,2016;KaplanandHaenlein,2010).

2.4.2 Social media for Marketing

Social media marketing is the use of social media platforms to connect with your audience, build your brand, increase sales, and increase website traffic. There are also many social media management tools that businesses can use to get the most out of the social media platforms listed above. Research explains many methods on how customers can interact with firms and their brands such as consumer engagement with brand Facebook pages, creating brand content on YouTube or Twitter using some social media platforms (Girona and Korgaonkar, 2014). If there is more money to grow your social media marketing, you can consider social media advertising. With social media ads, businesses can reach a wider range of user. Today's social media advertising platforms are so powerful that you can specify who ads will be displayed to. It is also possible to create an audience based on demographics, interests, behaviors, and more.

Stelzner (2016) stated in a report about the use of social media in marketing found out that nearly 60% of marketers use the video tools that are supported through social media for marketing purposes, and more marketers are now using the new hot tool of the live video streaming. Also, activities like engaging customers by sharing relevant contents in social media, collecting feedbacks and responding them wisely, and eventually adjusting marketing strategy from feedback increases the web traffic which leads to appear on top in search engine optimization (Dane, 2016). In addition, using social media to track the activities of competitors and analyzing the result to use in business helps to upgrade business followed by upgrading plans, such as offering discounts and other offers to attract more customers (Caruso, 2016). Using social media can be a useful tool in the marketing field; it can reach the targeted audience with the least cost possible, reaching interested individuals regardless of their geographical areas, and at the same time help in building potential customers (Pradiptarini, 2011).

2.4.3 Social Media for Information Accessibility

Social media can improve the accessibility of information by enabling organizations to get feedback on new market trends industry information, products, competitors and their tactics, customers and their needs (Parveen et al., 2013). Therefore, organizations can publish organizational information quickly and efficiently via social media (Parveen et al., 2016). Accordingly, social media can generate recommendation through word of mouth and the impact of word of mouth on marketing is not negligible, especially in online environments (Leung and Baloglu, 2015).

Therefore, before making a purchase potential customers use social networks to find out what other customers have reviewed for a particular product before buying (Erkan, 2014). In addition, information in the electronic word of mouth can be accessed and supplemented by using elements such as emoticons, videos, and pictures (Velazquezetal, 2015).

2.5 Organizational Performance

2.5.1 Definition of Organization Performance

One of the clearest definitions of organizational performance describes it in terms of organizational growth and survival of the firm (Etzioni, 1960; Chandler and Hanks, 1993). In this definition, a company can consider its performance to be effective if it can to consider its prescribed goals and continue to improve. Organizational performance can also be defined as the actual output or results of an organizational as measured against its intended outputs. Several authors consider “performance” in the context of effectiveness and productivity (Adler & Benbunan-Fich, 2012), or effectiveness and efficiency (Ne'eman, Jürgens, Newstrom-Lloyd, Potts, & Dafni, 2010). Benitez-Amado, Llorens-Montes, and Fernandez-Perez (2015) defined firm performance as a formative construct determined by competitive position, net margin, and profitability.

In this study, the term “performance” as proposed by (Mithas et al. 2011) to show that the idea of organization performance refers to the firm's ability to gain and keep customers as well as to promote sales, profitability, and return on investment.

2.5.2 Measures of Organizational Performance

There are several ways to measure performance. Let's look at some of the best known and effective ones. According to Richard et al. The 2009 organizational performance includes three specific areas of solid results. Operational performance, financial performance, and market-based performance.

Operational performance refers to the measurable aspects of the results of an organization's processes, such as: B. Reliability, production cycle time, inventory turnover. Second, operational performance impacts business performance metrics such as market share and customer satisfaction (Voss, Ahlstrom, and Blackmon, 1997). Investment performance also measures investment cycles, asset turnover, return on investment, and return on equity. These indicators measure how different aspects of a company's finances work. Fixed asset turnover, duty cycle ratio, and revenue per employee are how companies generate revenue, whether they are spending money well, and how efficiently they are using their assets and resources. Provides different insights about.

Financial performance is a subjective measure of how well a company can leverage and generate revenue from its core business. The term is also used as a general measure of a company's overall financial condition over a period of time. This is a complete assessment of a company's overall status across categories such as assets, liabilities, capital, expenses, income, and overall profitability, as measured by profitability, growth, efficiency, leverage, and cash flow. Financial statements are financial records that cover cash flows, balance sheets, income and capital losses.

2.5.2.1 Social Media and Organizational Performance

Singh and Sinha (2017), stated the following major benefits of social media for an organization

- ❖ Improved customer insights: The company can better understand the customer, and know that the company is listening to the customer and the customer can share insights at any time.
- ❖ Better customer service: Social media enables businesses to respond to customers 'complaints, questions and concerns almost instantaneously.
- ❖ Cost efficient: using social media is the most cost-efficient way to market and promote one's business.
- ❖ Connectivity: companies shall constantly be connecting to the customers with respect to

changing preferences, lifestyles and resources and adapt to the changing interest of the consumers using social media.

- ❖ Establishing Brand Awareness: it is possible to increase the brand awareness among customers as businesses can create awareness by building company image social media.
- ❖ Sales: increased exposure to social media drives traffic into companies. This, in turn, converts the potential customers to actual customers.

For this study organizational performance will be measured by the following variables (Sales Growth, Cost reduction).

2.5.2.2 Cost Reduction

Cost reduction is actually a permanent reduction in the cost of goods and services (Jain, 2014). Cost reduction is the accomplishment of actual and sustainable reduction in the unit price of goods manufacture or services without affecting their suitability for the intended use. And Cost reduction must not be bemused with cost saving or cost control since cost saving may possibly be a short-term and temporarily procedure and could be at the expense of quality, whilst cost reduction is the preservation of important characteristics and quality of the product or service (Barbole, 2013).

Cost reduction can be explained through cost performance. Hesping (2017) adapted the studies conducted by Krause et al (2001) and Terpend et al (2011) to use cost performance as a dimension to measure cost reduction. Kim, Koh, Cha, and Lee (2015) and Cordes (2017) tried to measure the effectiveness of social media and the cost recovery performed by the organization. Given the rapid and widespread availability of customers in this domain, social media will be a cost-effective replacement in market research (Choo et al., 2015; Kizildag et al., 2017). Moreover, since understanding customer needs is provided by direct relationships in social media, research and development costs for product design and services will be lower (Benthaus, Risius, & Beck, 2016). Marketing and customer serving costs in specific geographic areas will be reduced as well (Franco, Haase, & Pereira, 2016).

2.5.2.3 Sales Growth

Sales growth is a metric that measures the ability of your sales team to increase revenue over a fixed period of time. Without revenue growth, businesses are at risk of being overtaken by competitors and stagnating. A good sales growth can always be leverage for the benefits of the employees and company in the form of salary increase, new asset acquisitions and expansion of the company or the product line. Sales growth indicates that policy measures are functioning properly. A positive sales growth is a green signal which means things are going right and a negative sales growth is a red signal which means it is time to stop and rethink. Various comparisons of Sales Growth can identify different approaches that a company can take to increase its revenue.

A company based on the type of Sales Growth analysis followed by its position in the market. A further detailed analysis like analyzing customer. Social media influences a company's sales as well as its customers' purchasing goals (Andzulis, Panagopoulos, & Rapp, 2012). Schniederjans, Cao, & Schniederjans, 2013 entering in social media helps in generating new revenue and reducing results and running costs as a result.

2. 6 Theoretical Review

2.6.1 Social Penetration Theory

Social penetration theory was developed to explain how information exchange functions in the development and dissolution of interpersonal relationships. Social penetration describes the process of bonding that moves a relationship from superficial to more intimate (Altman & Taylor, 1973).

2.6.2 Social Exchange Theory

The social exchange theory is a social and sociological perspective that reveals social change and security as a negotiated trade procedure between the parties. The social exchange theory states that human connections are shaped by the use of subjective money-saving advantage tests and the correlation of options. This theory has been established in economic aspects, brain science, and humanism. The Social Exchange theory highlights a number of important assumptions found in sound choice hypotheses and structuralism. Also, in the business world, it is used as often as possible to infer two-way, often

unexpected compensation processes, including exchanges or mere transactions. In any case, its worshiped roots are in the 1920s (Malinowski, 1922; Mauss 1925), incorporating characteristics such as the humanities (Firth, 1967) and social brain research (Gouldner, 1960; Homans., 1958, Thibault & Kelley, 1959) and Humanism (Blau, 1964). Despite various views on social commerce, scholars agree that social exchange involves the evolution of compulsory communication (Emerson, 1976). Within the theory of social exchange, this communication is generally considered to be dependent on and dependent on the activities of others (Blau, 1964). Social exchange theory also emphasizes that this connected exchange can potentially create great connections, but as we will see, in certain situations this happens lonely.

2.6.3 Resource-Based View (RBV)

RBV theory is widely used in organizational research to provide researchers with useful tools for studying how social media is related to organizational performance. Based on RBV theory, organizational resources and skills are an important source of information for improving performance and gaining a competitive advantage (Barney, 1991). In the tourism and hospitality industry, Gannon, Roper, and Doherty (2015) have discovered that resources are the fundamental driver of resource-based views. These various resources consist of physical, human, and organizational resources.

According to RBV proponents, using existing resources in new ways to take advantage of external opportunities is far more feasible than trying to acquire new skills on different occasions. In the RBV model, resources play an important role in helping organizations achieve higher organizational performance. According to Fraj, Matute and Melero (2015), these different types of resources contribute to the value-creating strategies of tourism and hospitality organizations. Trainor, Andzulis, Rapp, and Agnihotri (2014) define functionality as the available resources and the ability of the organization to use them. For the hotel sector, the knowledge gained through hotel network activities can improve the performance of the organization (Tajvidi & Karami, 2017).

Li and Ling (2012) found that the root cause of a sustainable competitive advantage is not to focus on positioning the organization in the right industry niche, but to effectively utilize the organization's unique organizational resources. He claimed that it was due only to the internal ability to heal. In this context, capacity refers to the ability of an organization to use its resources and assets in a meaningful and profitable way. To achieve a sustainable competitive advantage, organizations must be able to

implement IT and innovation in ways that cannot be imitated. Therefore, social media offers the opportunity to maximize the benefits of a company's IT resources and networking capabilities to improve performance by reducing marketing costs, improving customer relationships, improving business image, and competitive advantage. Provide to companies (Molla and Heeks, 2007; Trainor et al., 2014).

2.7 Empirical Review

Hassan et al. (2015) noted that social media could have a significant impact on business by significantly influence purchasing decisions. These studies are consistent with previous technology adoption literature that found that technology adoption had a positive impact on the financial and non-financial performance (Parveenetal, 2013; Scupola and Nicolajsen, 2013; Thong, 2001).

In addition, using social media to track competitors' activities and analyze the result for use in business can help boost businesses and then upgrade plans, such as offering discounts and other promotional offers to attract more customers (Caruso, 2016). Accordingly, by implementing social media with in the marketing strategy, firms can get additional information about the markets, competitors, and most important customers and their requirements. This improves the organization's access to information and its ability to adapt to sudden changes (Parveen et al., 2013). The corporate adoption of social media provides many benefits, and several researchers have identified a positive relationship between social media adoption and corporate performance (Aininet al, 2015; Paniagua and Sapena,2014; Parveen et al., 2013; Rodriguez et al., 2015). Rodriguez et al. (2015) research found out that the use of social media has a positive effect on customer-oriented activities and thus sales performance.

Similarly, Kwok and Yu (2013) found that Facebook adoption had a positive effect on SMEs' sales performance. Social media is also applied to marketing. Social media marketing consists of the attempt to use social media to persuade consumers that one's company, products and/or services are worthwhile. Social media marketing is marketing using online communities, social networks, blog marketing and more (Kaplan and Haenlein, 2010). Social networking websites allow individuals to interact with one another and build relationships. Social networking sites like Twitter, Facebook, Google Plus, YouTube

and blogs allow individual followers to retweet or repost comments made by the product being promoted (Bajpai et al., 2012).

(Desalegne, 2018) study aimed to raise an understanding about the new opportunities offered by social medias to promote the tourism sector. The result of the study shows that, hotel practice in social media sites was revealed at an infant stage and immature. As the study assessed, practices of star rated hotels was ineffective. Poor internet connection and lack of skills were the main challenges encountered. Despite various challenges, the application of social media platforms by star rated hotels in Addis Ababa was found out as an important communication and marketing tools.

By using social media, you can quickly adapt to changes inside and outside the environment and respond quickly to the changing demands of consumers, making you more competitive with your competitors. Social media is widely used by all organizations, regardless of size. However, because large organizations have sufficient resources and employees are effectively monitoring usage, the impact of social media usage on performance can also be seen widely in the organization. (LaRose and Hoag, 1996; Min and Galle, 2003; Papastatho populous and Avlonitis, 2009).

A study by Seth (2012) carefully reviewing the literature on corporate use of social media, analyzing the impact of social media on the hospitality industry, discovered how customers perceive social media from a marketing perspective. It shows that discussions are taking place and branding and management. Most hotel reservations recently are made via the internet. The number of reservations from the hotel website rise instantly.

The study of Parveen, Jaafar, and Ainin (2016) found that the utilizing of social media platforms has an influence on the business performance of the organizations, particularly with regard to enhancing information accessibility, reducing marketing costs and improving relationships with customers and support services.

In a study entitled "The Impact of Social Media on the Performance of Organizations and the Direction of Entrepreneurship in Organizations" by Parveen et.al, (2016), the use of social media is useful for social media for marketing, social media for relationships with customers and the use of social media for information retrieval. In this study, we looked at the use and overall impact of social media and looked

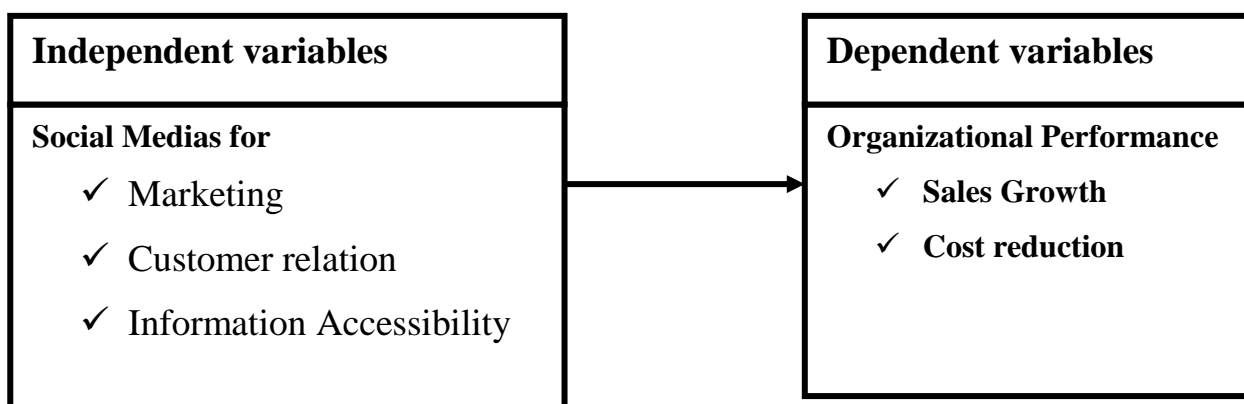
at all social media tools together. The results of the survey show that the use of social media has a very strong positive impact on a company's performance in terms of reducing costs, improving customer relationships, and improving access to information.

By reviewing the available literature, we can conclude that social media can help businesses reach more customers and better meet their specific needs. Companies need to adopt social media first because social media provides a low-cost, easily accessible platform for building personal brands and communicating identities inside and outside the organization. Second, they enable us to quickly and simultaneously connect with colleagues, collaborators, customers, and the general public, foster relationships, show commitment to causes, and show our ability to reflect. Third, they offer the opportunity to learn from direct information and honest feedback.

2.8 Conceptual framework

This framework explains about the full skeleton of the study that holds the whole component of the logical framework. The independent variables (social media for marketing, social media for customers relations and services, and social media for information accessibility) as independent variables, while organizational performance measured by Sales growth and Cost reduction as dependent variables.

Figure 1 Conceptual framework of the study



Source: Study Model developed based on the independent variable (Elliot and Bosh off, 2005), (Moen et.al, 2008), and (Parveen et.al, 2016). (Parveen et.al, 2016), (Teo and Choo, 2001).

CHAPTER 3

RESERCH METHODOLOGY

3.1 Overview

The research design constitutes a master plan for the collection, measurement, and analysis of the needed information. The study used a survey design in which data incorporates with the questionnaire in the study. There are three approaches or methods of conducting research namely qualitative method, quantitative method, and mixed-method.

From the above approach, the research study focused on a quantitative method using descriptive and causal study design. The quantitative method is a process in which numerical data is used to obtain information and consists of descriptive, correlation, experimental, and causal-comparative. This means the researcher started with reviewing literature, to find relevant factors which were then tested empirically, by collecting quantitative data. The research method used is descriptive research design primary data collection was through questioners. And Secondary data collections were from previous studies, journals, articles, and literature reviews. In order to answer the problem statement and meet the research objectives, the study employed explanatory research method that explains any causal link between independent and dependent variables that pertains to the research problem. Since the intention of this study is to evaluate the effect of independent variables over the dependent variable, the method is suitable and helpful in examining the relationship and concludes from the findings.

3.2 Source and type of data

A census study was conducted on the entire targeted population as the quantity is manageable. The study targeted only marketing managers, ICT officers and Front Desk Managers. The reason for selection was because they have a wide view of their firm in regards to the social media usage. In addition, they are responsible for any marketing and customer relation strategically development of their organization to give insight and direction by understanding the importance or the benefits of social media adoption. This study used quantitative survey method for collecting data from the respondents using a structured survey method. The source of data in this

study is both primary and secondary data. The questionnaire was used to allow the response of the respondents in a standard way, unbiased approach and goal oriented.

3.3 Target Population

Target population as described by Craig (2016) is a universal set of studies of all members of real world to which a researcher wishes to draw the result. The target population of this study was four and five-star hotels selected employees; Marketing managers, ICT officers and Front desk managers operating within Addis Ababa, Ethiopia. According to the Ministry of Culture and Tourism report in 2018, there are 15 four-star and 8 five-star hotels in Addis Ababa. And it has been found out that one 5-star and two 4-star hotels have been closed which therefore make the count to 20 star rated hotels in total, with judgmental sampling 3 representatives from each were selected, totaling 60 employees.

3.4 Data Collection Methods and Procedures

To gather relevant data a questionnaire was prepared and administrated by the researcher and filled by the respondents. After consent is given to collect data, the researcher coordinated the data collection process. The data gathering tools were questionnaire. First, consent was asked from the respondents. When the respondents agree, they were briefed about the purpose of the research, how to answer the questionnaire. The questionnaire has three parts, the first part was used to collect demographic data of respondent and the second part was used to collect respondent's view about the current practice of social media usage and the platform used by the hotels. And the third part, Five point Likert scale which is useful method for measuring opinions, attitude and behavioral tendencies were used and Likert scale scoring from strongly disagree=1 to strongly agree=5, were used to measure the effect of social media on organizational performance. These responses can easily be quantified, and thus get equipped for any mathematical analysis.

3.5 Data Analysis Strategies

After collecting the necessary data, coding was done and distributed according to the need, and analyzed through descriptive statistics such as frequency, standard deviation, and mean and the regression analysis were used to determine the dependence of organization performance upon the independent variable social media. On the other hand, correlation analysis was used to see if there is any linear relationship between the independent and the dependent variable. In addition, multiple

linear regression analysis was also used to learn by how much the independent variable has influenced the dependent variable.

3.6 Ethics and Human Subject Issues

Numerous ethical standards help to ensure that researchers can be held responsible to the publish research took this in to account & be responsible to keep the interests of the public it dealt with (Resnik *et al.*, 2015). The Participants were asked if they are voluntary to participate in the study. In this study, the researcher ensures that their Information collected from the customers will be kept confidential and not to be used for any other purposes than this study as ethical considerations are the most important part of the researcher.

3.7 Model Specification

Model specification can be defined as the exercise of formally stating a model i.e. the explicit translation of theory into mathematical equations and involves using all the available relevant theory research and information and developing a theoretical model regress and which has more than two outcomes in the form of Likert scale questions are importantly regressed through multiple linear regression (Gujarati, 2004). The researcher, as indicated below, was adopted a regression model:

$$Y \text{ (organization performance)} = (\beta_0 \text{ (Constant)} + \beta_1 x_1 \text{ (marketing)} + \beta_2 x_2 \text{ (customer relation)} + \beta_3 x_3 \text{ (information Accessibility)}) + \text{error term}$$

Y is dependent variable which is affected by independent variables (organization performance).

β_0 is constant

B1x1 is marketing

B1x2 is customer relation

B1x3 is information Accessibility

β_0 is the intercept term- it gives the mean or average effect on Y of all the variables excluded from the equation, although its mechanical interpretation is the average value of Y when the stated independent variables are set equal to zero. B1, β_2 and β_2 refer to the coefficient of their respective independent variable which measures the change in the mean value of Y, per unit change in their respective independent variables.

$$Y = a + bX1 + bX2 + bX3 + bX4 + e$$

$$\text{Organizational performance} = 1.624(\text{constant}) + 0.566(\text{customer relation}) + 0.355(\text{Marketing}) + 0.198(\text{Information accessibility}) + e$$

3.8 Validity and Reliability

To ensure the validity of the instrument content validity was conducted. Content validity refers to a measure of a degree to which data collected using a particular instrument represent a specific domain of indicators or content a particular concept. The items in the questionnaires were presented to experts for assessment of relevance of content and the suggestions, comments and the recommendations were incorporated accordingly.

Reliability refers to the degree to which the data collection tools or analysis procedures will yield consistent findings. (Saunders et al, 2009). The researcher adapted the questioner from similar studies (Graef, 1997, Teo and Choo, 2001). Reliability analysis measures the internal consistency of a group of items which is used in questionnaire construction. To measure the consistency of the questionnaires, the reliability analysis was done using Cronbach's Alpha (α). Accordingly; it was found that all the constructs are above the recommended threshold of 0.70. Therefore, all items of the constructs are retained. The results are given in Table,

Table 4. 1 Result of reliability analysis for the questionnaire

Variables	Number of attributes	Cronbach's alpha
Marketing	6	0.799
Customer relation	5	0.805
Information Accessibility	5	0.730
Organization Performance	9	0.731
Overall reliability analysis Cronbach's alpha	Cronbach's alpha	0.767

Source: Own survey, 2021

CHAPTER FOUR

RESULTS AND DISCUSSIONS

4.1 Data analysis Overview

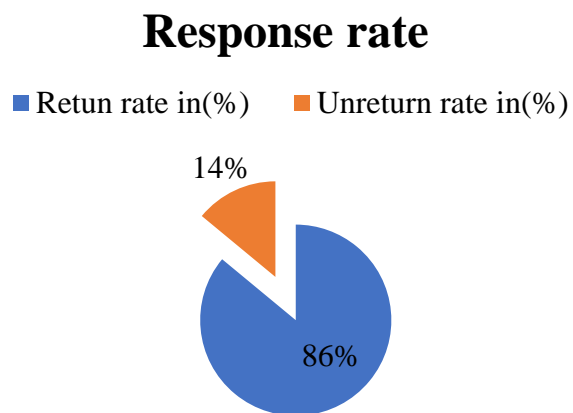
This chapter focused on the analysis, interpretation and discussion on the data collected for the purpose of examining factors influencing adoption of information communications technology in management of hotels with focus to four and five star rated hotels in Addis Ababa, Ethiopia.

4.2 Descriptive Statistics

4.2.1 Response Rate

In this descriptive study on 20 star rated hotels; social media effect on organizational performance has been assessed. The assessment was done on 4 and 5 star rated hotels in Addis Ababa. Among them 13 were 4-star and 7 were 5-star hotels. Analysis of data gathered through questioner from selected hotels was observed. A total of 60 questioners were distributed and 52 questioners were collected, which is 86% return rate. The questioner has three parts; the first part is about the demographic factors of respondents and the second part social media survey and the third part organizational performance survey questions.

Figure 2 Response rate



Source: Own survey, 2021

4.2.2 Demographic Characteristics of Respondents

Table 4. 2 Demographic of respondent

Respondents and organization Characteristics	Values	Frequency	Percent
Age	25-35	18	34.6%
	36-45	27	51.9%
	>45	7	13.5%
	Total	52	100.0%
Gender	Female	21	40.4%
	Male	31	59.6%
Respondents Position	Top Level Manager	16	30.6%
	Middle Level Manager	24	46.1%
	Lower-Level Manager	12	23.3%
	Total	52	100.0%
Respondent's level of Education	Diploma	4	7.7%
	Bachelor's	42	80.8%
	Masters	6	11.5%
	Total	52	100.0%
Star level of the Hotel	Five	18	34.6%
	Four	34	65.4%
	Total	52	100.0%
Ownership status (Type of Hotel)	Independent hotel	30	57.7%
	Chain Hotel	22	42.3%
	Total	52	100.0%

Source: Own survey, 2021

As it's seen on the above table 4.2 it shows that the age group of the respondents most of them were 36-45 covering 51.9% followed by age group 25-35(34.6%) and 13.5% were above 45 years age.

The demographic data for gender shows that out of the 52 respondents 21 of them were female which are 40.4% and the majority of respondents are male 31 in number that represented 58.9 percent.

In summary, the majority of the respondents were middle level managers (46.1%) followed by (30.6%) Top level managers and (23.3%) Lower-level manager of the marketing department, ICT officers and Front Desk managers. The respondents are mostly top and middle managers which shows that the respondents were the right persons to respond for the questions as most of them are decision maker in the hotels.

When we see the level of education of the respondents; Diploma holders were 4 (7.7%), Bachelor's 42 (80.8%) and Master level 6 (11.5%). Majority of the hotel which has four star it counts 34 (65.4%) from the total and the remaining 18(34.6%) are five-star hotels. This implies that the hotel industry gives stress to the education level of their managers.

Furthermore 72.7% of the hotel's respondents were from independent hotels that have no branch and 27.3% were from chain hotels that are part of a series or of a group of hotels operated by the same company or owner like Sheraton Addis and Radisson blue hotel that have branches locally and internationally.

4.2.3 Current practice of Social Media Usage in targeted hotels

The current practice of social media usage was assessed by asking respondents for what purpose social media is used in their organization with different questions and the total percent was calculated and summarized with the below table.

Table 4. 3 Current practice of Social Media Usage

Current practice of Social Media Usage		Frequency	Percent	Cumulative
For marketing and promotion of Product and Service	Yes	52	100.0%	100%
	No	0	0.	100%
	Total	52	100.0%	

To share information about the hotel	Yes	46	88.5%	88.5
	No	6	11.5%	100%
	Total	52	100.0%	
Improve customer relations	Yes	33	63.5	63.5%
	No	19	36.5	100%
	Total	52		
To facilitate communication	Yes	20	38.50	38.50
	No	32	61.50	100%
	Total	52	100.0%	

Source: Own survey, 2021

As we seen on the above table 4.3 all the responses which is 100% indicate that social media is used for marketing and promotion of their service and products in the hotel. 85.5% of the hotels use social media to share information about the hotel.63.5% of the respondents replied that their hotel uses social media to improve customer relation and 38.5% of the respondents agreed on the use of social media to facilitate communication. Therefore, we can conclude that all the hotels are currently using social media for more than one purposes and the majority of the hotels use social media as a strategy for marketing their goods and service, to attract new customers and to share information. This result is in harmony with the study conducted by (Desalegne,2018) “Social Media marketing practice in tourism and hospitality industry in Ethiopia: Evidences from star-rated hotels in Addis Ababa” which found out that the application of social media platforms by star rated hotels in Addis Ababa was found out as an important communication and marketing tools.

4.2.4 Current Social Media Platform used by the targeted Hotels

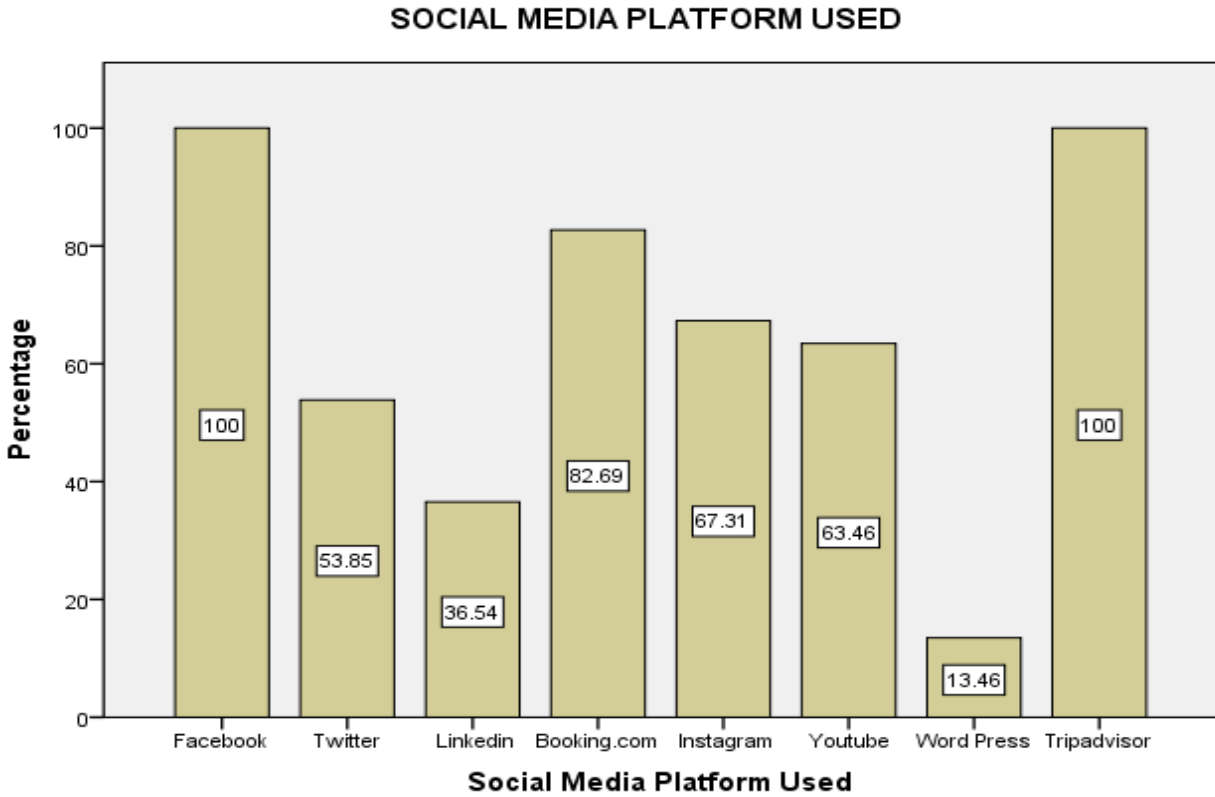
Current Social Media Platform used by the targeted Hotels		Frequency	Percent	Cumulative
Facebook	Yes	52	100.0%	40.4%
	No	0	0	100.0%
	Total	52		
Twitter	Yes	28	53.8%	53.8%

	No	24	46.2%	100%
	Total	52	100.0%	100.0%
LinkedIn	Yes	19	36.5%	36.5%
	No	33	63.5%	100.0%
	Total	52	100.0%	100.0%
Booking.com	Yes	43	82.7%	38.50
	No	9	17.30	100.0%
	Total	52	100.0%	100.0%
Google+	Yes	0	0%	0%
	No	52	100%	100%
	Total	52	100.0%	100.0%
Instagram	Yes	35	67.3%	67.35
	No	17	32.7%	100%
	Total	52	100.0%	100.0%
Pinterest	Yes	0	0%	0%
	No	52	100%	100%
	Total	52	100.0%	100.0%
YouTube	Yes	33	63.5%	63.5%
	No	19	36.5%	100%
	Total	52	100.0%	100.0%
Word press	Yes	7	13.5%	13.5%
	No	45	86.5%	100%
	Total	52	100.0%	100.0%
Trip advisor	Yes	52	100%	100%
	No	0	0%	100%
	Total	52	100.0%	100.0%

Table 4. 4 Current Social Media Platform used by the targeted Hotels

Source: Own survey, 2021

Figure 3 Social Media Platform Used



Source: Own survey, 2021

As the finding displayed in the above graph figure 3 and table 4.4, the respondents from the star rated hotels in Addis Ababa were asked to choose from the list of social media platforms they have been using, as the result, the respondents indicated that Facebook (100%), Trip advisor (100%), Booking.com (82.7%), Instagram (67.3%), and LinkedIn (36.5%) were amongst the five top social media platforms used by star rated hotels in Addis Ababa.

Facebook and trip advisor were predominantly used by all 4 and 5 star rated hotel in Addis Ababa, as the data shows of the selected star rated hotels confirm that their hotels mainly adapt and practice Facebook from the social media platforms, whilst from the social medias list word press is the least applied one (7%) and Pinterest and Google+ are not used at all by 4 and 5 star rated hotel in Addis Ababa.

4.2.5 Descriptive Statistical analysis of effect of social Medias

4.2.5.1 Descriptive Statistical analysis social media for marketing

Table 4. 5 Descriptive Statistical analysis social media for marketing

Marketing	N	Mean	Std. Deviation
The Hotel uses social media to advertise	52	4.2692	.717
The Hotel keeps trends and new social media site to get a competitive advantage	52	4.1731	.678
Social media enables to reach customers easily	52	4.2700	.767
The Hotel is seeking through the means of social media to promote its brand	52	3.7346	.817
The Hotel Operates through means of social media to evaluate its performance	52	3.4808	.828
The Hotel keep pace the trends and new social media sites to its competitive advantage	52	3.4615	.827
Grand mean		3.8982	.772

Source: Own survey, 2021

According to zaidaton and bagheri (2009) as sited on Daniel (2018) the mean score below 3.39 was considered as low, the mean score from 3.40 up to 3.79 was considered as moderate and mean score above 3.8 was considered as high as illustrated by Comparison bases of mean of score of five-point Likert scale instrument.

Looking from the above table 4.5 questions first, second and third have a high mean which shows that the data are more spread out. And the respondent's response shows that their hotels are using social media for advertising, and reaches customers easily with social media, and are seeking through means of social media to promote its brand and to get competitive advantage. On the other hand, the remaining questions which are the hotels operate through means of social media to promote its brand to evaluate its performance and its competitive advantage mean score is moderate. Every social media channel has advertising abilities. Facebook for instance, features extensive targeting tools which makes it really easy for business to develop successful campaigns. This result is consistent with Kaplan and Haenlein, (2010) which stated social media is applied to

marketing, Social media marketing consists of the attempt to use social media to persuade consumers that one's company, products and/or services are worthwhile.

4.2.5.2 Descriptive Statistical analysis social media for Customer relation

Table 4. 6 Descriptive Statistical analysis social media for Customer relation

Customer Relation	N	Mean	Std. Deviation
The Hotel collects customer feedback through social media	52	4.1154	.732
The Hotel develops relationship with customers through social media	52	4.0962	.721
The Hotel operates through the means of social media in doing customer service activity	52	3.9038	.721
The Hotel tries to improve the quality of service through customer feedback through social media	52	3.7308	.717
The Hotel is seeking to reach out to new customers through social media	52	3.6154	.796
Grand mean		3.8923	.737

Source: Own survey, 2021

From the above table 4.6 as it is shown that the Hotel collects customer feedback through social media and develops relationship with customers and operating through social media in customer service activity that have mean values above 3.79. This high mean indicates states that the hotel industry is properly utilizing the opportunity to create a strong relation with its customers through the use of social media by collecting feedback and operating customer service activity using social media and improving its service quality and furthermore reaching through social media to new customers. The last two questions mean score 3.73 08 and 3.6154 is moderate and the hotels should work on these factors to improve its service quality by reaching out to new customers and getting feedback through social media.

4.2.5.3 Descriptive Statistical analysis social media for Information Accessibility

Table 4. 7 Descriptive Statistical analysis social media for Information Accessibility

Information Accessibility	N	Mean	Std. Deviation
The Hotel Operates through means of social media to search information about the target market	52	4.1346	.561
The Hotel uses social media to search competitors' information	52	3.2192	.464
The Hotel uses social media to provide details of their goods and services	52	3.8269	.474
The Hotel has a database to its customers through means of social media	52	3.6923	.612
The Hotel uses social media for information search	52	3.5769	.696
Grand mean		3.6899	.561

Source: Own survey, 2021

As we can see from the table 4.7 firstly, the hotel Operates through means of social media to search information about target market has a low mean 4.1346 which means the hotels are properly using social media for information search on the target market. The second question; The hotels use of social media to search competitors' information mean is moderate score of 3.2192. The third question the hotels uses social media to provide details of goods and services mean is high mean score of 3.8269 which is a moderate mean score that explains the hotels should work more on providing their details and the service they give on social media platform properly. On the fourth and the fifth questions, the hotel has a database to its customers and the use of social media for information search have almost the same moderate mean score of about 3.5769.

4.2.5.4 Descriptive Statistical analysis organization performance (sales growth)

Table 4. 8 Descriptive Statistical analysis organization performance (sales growth)

Sales Growth	N	Mean	Std. Deviation
Social Media Utilization Increase our hotel booking rate	52	3.9808	.464
Social media utilization contributes to increasing revenue	52	3.7115	.824
Social media utilization generates new customers	52	3.3077	.875
Social media activities directly increase sales revenue	52	2.8077	1.121
Social media utilization widens the sales area	52	2.5962	1.142
Grand mean		3.2808	.885

Source: Own survey, 2021

The above table 4.8 shows that the mean value for the three two questions social media utilization contributes to increasing hotel booking, revenue, and generates new customers shows a moderate mean which shows the respondents believes that social media usages have an impact on sales growth. And the remaining questions mean score is low. Therefore, organizations should invest and choose the appropriate social media platform for their target customers. Posting frequently to social media and replying to comments alone is not enough to drive sales but should know the suitable strategy for making most of social accounts via paid ads as well for more viewers.

4.2.5.4 Descriptive Statistical analysis organization performance (Cost reduction)

Table 4. 9 Descriptive Statistical analysis organization performance (Cost reduction)

Cost Reduction	N	Mean	Std. Deviation
Using social media reduce cost of communication with customers	52	3.8077	.687

Using social media reduce cost of advertising and promotion	52	3.5385	.917
Using social media reduce the cost of customer service and support	52	3.0385	1.102
Using social media has an effect on overall cost reduction	52	3.0000	1.120
Grand mean		3.3462	.957

Source: Own survey, 2021

As we can see on table 4.9 the analysis of cost reduction the first and the second question mean score shows a moderate mean that explains using social media has an effect on reducing cost related with communication and advertising and promotion. Questions third and fourth mean scores are low and needs improvements as the use of social media reduce the costs incurred in advertising and promotion, customer service, support and communication which in turn will have an overall cost reduction for the organization. Therefore, this suggests that hotels should properly use social media instead of traditional marketing strategy and benefit from the opportunity it provides.

4.3 Results of Inferential Statistics

4.3.1 Correlation Analysis

Correlation refers to synonym for association or the relationship between variables. It measures the degree to which two sets of data are related. Higher correlation value indicates stronger relationship between both sets of data (Coetzee, 2003).

Correlations are the measure of the linear relationship between the variables. A correlation coefficient has a value ranging from -1 to 1. Values that are closer to the absolute value of 1 indicate that there is a strong relationship between the variables being correlated whereas values closer to 0 indicates that there is little or no linear relationship. As described by Andy (2006), the correlation is a commonly used measure of the size of an effect: values of ± 0.1 represent a small effect, ± 0.3 is a medium effect and ± 0.5 is a large effect. Correlation analysis does show the relationship between the variables of interest, hence to answer the proposed research questions the following correlation analysis is undertaken by the researcher.

Pearson’s Product Moment Correlation Coefficient was used to determine the relationship between social media and organization performance. Pearson correlation analysis was used in this paper to provide evidence of construct validity. Pearson correlation coefficient reveal magnitude and direction (either positive or negative) and the intensity of the relationship (-1.0 to +1.0).

Degree of correlation:

Perfect: If the value is near ± 1 , then it said to be a perfect correlation: as one variable increases, the other variable tends to also increase (if positive) or decrease (if negative).

High degree: If the coefficient value lies between ± 0.50 and ± 1 , then it is said to be a strong correlation.

Moderate degree: If the value lies between ± 0.30 and ± 0.49 , then it is said to be a medium correlation.

Low degree: When the value lies below + .29, then it is said to be a small correlation.

No correlation: When the value is zero.

Table 4. 10 Pearson correlation

Correlations					
		Organization Performance	Customer Relation	Marketing	Information Accessibility
Organization Performance	Pearson Correlation	1			
	Sig. (2-tailed)				
	N	52			
Customer Relation	Pearson Correlation	.833**	1		
	Sig. (2-tailed)	.000			
	N	52	52		
Marketing	Pearson Correlation	.624**	.282*	1	
	Sig. (2-tailed)	.000	.043		
	N	52	52	52	
Information Accessibility	Pearson Correlation	.738**	.535**	.609**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	52	52	52	52
**. Correlation is significant at the 0.01 level (2-tailed).					
*. Correlation is significant at the 0.05 level (2-tailed).					

Source: Own survey, 2021

As shown in table 4.10 there is a positive correlation between uses of social media and organization performance. The correlation of social media (Marketing, customer relation, information accessibility) and organization performance is indicated in the table, to mention on the correlation coefficients and significance level respectively: marketing with organization performance ($r=.624$ $P<0.01$), Customer relation with organization performance ($r=0.833$, $p<0.01$) and information accessibility with organization performance ($r=0.738$, $p<0.01$) so all independent variable have positive relationship with dependent variables.

When we compare with others the weakest correlation is between marketing with organization performance with the value of ($r=0.624$, $p<0.01$ whereas; the strongest correlation is between customer relation and organization performance therefore these indicates improvement in customer relation increase organization performance in sales growth and cost reductions. In general, the correlation is positive between the variables that is social medias usage dimensions and organization performance is positively related.

4.3.2 Tests of Assumptions of Regression Analysis

According to Field (2009) to run a linear regression, checking critical assumptions is essential and it is helpful to draw conclusion about the population under study. Some tests were conducted in order to ensure the appropriateness of data to assumptions regression analysis. In order to accept the regression results, most common assumptions such as Multicollinearity problem, linearity and normality assumptions should be considered and fulfilled. For this reason, the following tests were conducted to check whether the assumptions of multiple linear regression analysis were violated or not.

4.3.2.1 Multicollinearity Test

Multicollinearity is tested in this study using the variance inflation factor (VIF) which quantifies the severity of multi collinearity in regression analysis. The VIF factor should not exceed 10, and should ideally be close to one. The below table shows there is no multi collinearity exist. Tolerance is an indicator of how much of the variability of the specified independent variable is not explained by the other independent variables in the model. If this value is very small (less than 0.10), it indicates that the multiple correlation with other variables is high, suggesting the possibility of Multicollinearity. The below table confirms the absence of Multicollinearity

according to Collinearity Statistics. VIF factor did not exceed 10 and the tolerance is above 0.1 which shows us there is no multi- Collinearity problem.

Table 4. 11 Multicollinearity diagnosis

Coefficients^a								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	1.624	.218		7.440	.000		
	CR	.566	.053	.634	10.609	.000	.711	1.406
	MAR	.355	.070	.322	5.053	.000	.626	1.596
	IA	.198	.071	.203	2.809	.007	.486	2.058

a. Dependent Variable: Organization performance

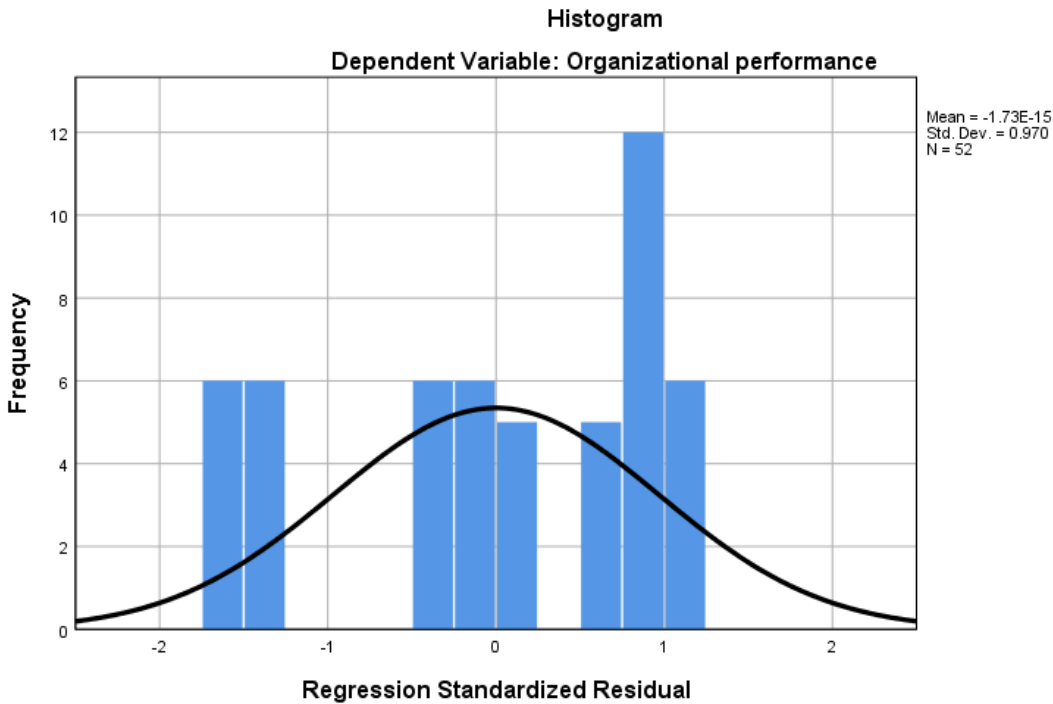
Source: Own survey, 2021

The result shows that the tolerance value for each independent variable is (0.711, 0.626, and 0.486) respectively. Which is not less than 0.10; therefore, multi-Collinearity assumption is not violated. This is also supported by the VIF value, which is 1.406, 1.596 and 2.058 which is well below the cut-off 10 as shown in the coefficient table.

4.3.2.2 Normality Test

The distribution of scores on the dependent variable should be normal ‘describing a symmetrical, bell-shaped curve, having the greatest frequency of scores around the mean, with smaller frequencies towards the extremes. In order to test normality of the data, observation on the shape of the histogram was checked, kurtosis and skewness value was also checked using SPSS version 25. Skewness measures the degree to which cases are clustered towards one end of an asymmetry distribution and kurtosis measures the peakedness of the distribution. For this research, the histogram and the ratio of skewness to kurtosis were checked and the result indicates that data used in the study is normally distributed.

Figure 3 Histogram as test of normality



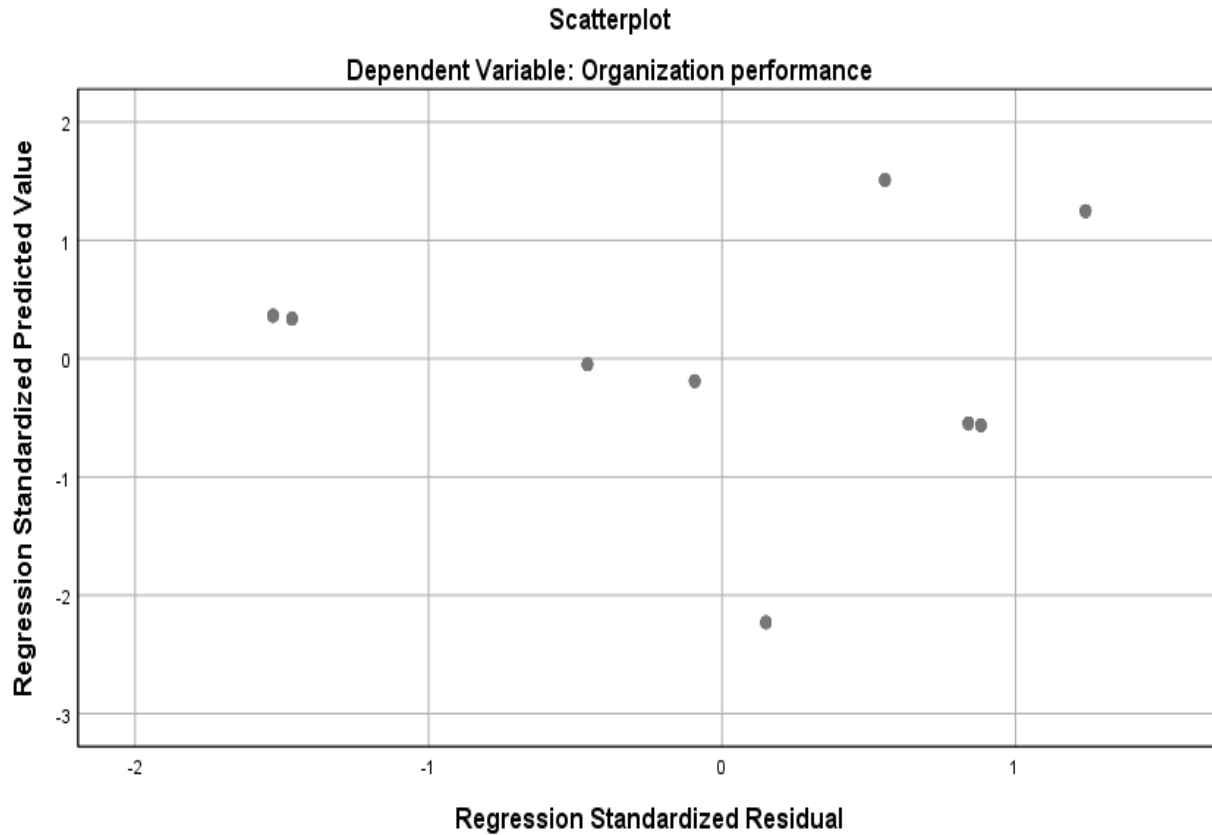
Source: Own survey, 2021

As the above figure shows, the frequency distribution is normal curve, demonstrating that the data witness to the normality assumption. Moreover, the histogram is bell shaped which lead to infer that the residual (disturbance or errors) are normally distributed. Thus, no violations of the assumption normally distributed error term.

4.3.2.3 Linearity Test

Linearity assumption of multiple regressions was tested using scatter plot test and it was found that there is linear relationship between independent and dependent variables. The linearity result depicted the distribution of residuals near to the mean zero.

Figure 4 Linearity test using scatter plot



Source: Own survey, 2021

4.3.2.4 Auto correlation Test

To determine the autocorrelation between observations Durbin Watson test was used. The Durbin-Watson statistic ranges in value from 0 to 4. A value near 2 indicates non- autocorrelation; a value toward 0 indicates positive autocorrelation; a value toward 4 indicates negative autocorrelation. With Durbin Watson value of 2.274, which is close to 2, it can be confirmed that the assumption of independent error has almost certainly been met.

Table 4. 12 Auto correlations Test Model Summary Table

Model Summary^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.937 ^a	.878	.871	.19709	2.274
a. Predictors: (Constant), Information accessibility, Customer relation, Marketing					
b. Dependent Variable: Organization performance					

Source: Own survey, 2021

4.3.2.5 Heteroscedasticity Test

Heteroskedasticity assumption, if the variance error does not have a constant variance (not homoscedastic (Field, 2010)).Applying the White test by assuming that heteroskedasticity may be a linear function of all the independent variables, a function of their squared values, and a function of their cross products were taken (Gujarati & Porter, 2009). Thus, If the model test statistics is significant, then the result has evidence of heteroskedasticity. If not, we fail to reject the null hypothesis of homoskedasticity. Thus, as per the below table 4.13, fail to reject the null hypothesis.

Table 4. 13 Anova for Heteroscedasticity

ANOVA^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	.013	3	.004	4.603	.007 ^b
	Residual	.044	48	.001		
	Total	.057	51			
a. Dependent Variable: Residual Square						
b. Predictors: (Constant), Information accessibility, Customer relation, Marketing						

4.3.3. Multiple Regressions

After the study met the regression assumptions, next the researcher examined the effect of each of variables on organization performance. The researcher believes that the hotels can use the result of the regression analysis for future decision making via identifying social media for marketing, customer relation and information accessibility effect on organization performance in the hotels industry. This was answering the research question of the effect of each variable on the dependent variable organization performance.

Table 4. 14 R square study level or Model Summary

Model Summary^b						
Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate	Durbin-Watson
1	.937 ^a	.878		.871	.19709	2.274
a. Predictors: (Constant), Information accessibility, Customer relation, Marketing						
b. Dependent Variable: Organization performance						

Source: Own survey, 2021

R^2 is called the coefficient of determination. This gives the contribution made by regression in explaining the variations in the dependent variable. This is worked out as a ratio between the regression sum of square and the total sum of square. In other words, R^2 measures the % variation in the dependent variable as explained by the independent variable. Closer the value of R^2 to 1, greater is the veracity of the model. So, as we can understand from the above table it is possible to understand that there is a significance relation between the dependent and the independent variables

The result of multiple linear regression analysis of the independent variables on the dependent variable organization performance indicates existence of positive and statistically significant effect. The model summary table R-square value is 0.871 which means that 87.1% of the organization performance is explained by the variation of the three independent variables and the other 12.9 % is due to other independent variables not included in the model and the random error. Thus, the strength of the relationship between dependent and independent variables is moderately high, as R-square is greater than 80%.

Table 4. 15 ANOVAa Analysis

ANOVA^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	13.443	3	4.481	115.354	.000 ^b
	Residual	1.865	48	.039		
	Total	15.308	51			
a. Dependent Variable: Organization performance						
b. Predictors: (Constant), Information accessibility, Customer relation, Marketing						

Source: Own survey, 2021

ANOVA (Analysis of Variance), used to compare whether the mean of one dependent variable differ significantly across the categories of another independent variables. ANOVA provides, the result of test of significance for R and R2 using an F-statistic.

The F-test in the ANOVA table confirmed that the model developed is statistically significant (F=115.354, p<.01). This study aims to identify the most contributing independent variables in the prediction of the dependent variable. Thus, the strength of each predictor (independent) variable influence on the criterion (dependent) variable can be investigated via standardized Beta coefficient. The regression coefficient explains the average amount of change in dependent variable that is caused by a unit of change in the independent variable. The larger value of Beta coefficient that an independent variable has, the more support to the independent variable as the more important determinant in predicting the dependent variable (organizational performance).

Table 4. 16 SPSS output of variables showing individual Coefficient

Coefficients^a						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.624	.218		7.440	.000
	Customer Relation	.566	.053	.634	10.609	.000
	Marketing	.355	.070	.322	5.053	.000
	Information Accessibility	.198	.071	.203	2.809	.007

a. Dependent Variable: Organization performance

Source: Own survey, 2021

Based on the table 4.15, show the standardize beta coefficient, which tell us the unique contribution of each factor to the model. A high beta value and a small p value (<.005) indicate the predictor variable has made a significance statistical contribution to the model. On the other hand, a small beta value and a high p value (p >.005) indicate the predictor variable has little or no significant contribution to the model. (Ggorge et al., (2003)

The first predictor for organization performance was customer relation, and under this variable the researcher presented to respondents the following questions (The Hotels collect customer feedback

through social media, The Hotels develop relationship with customers through social media, The Hotels operate through the means of social media in doing customer service activity, The Hotels try to improve the quality of service through customer feedback through social media and the Hotels are seeking to reach out to new customers through social media). These elements were used to measure the customer relation in Addis Ababa Four- and Five-star Hotels and further this independent variable was computed against the dependent variable i.e. organization performance, as a result looking on the regression coefficients of individual predictor variables revealed that customer relation (Beta = 0.566, $p < 0.05$) is a significant predictor of organization performance in Addis Ababa five star hotels.

Based on the table 4.15, show the standardize beta coefficient, which tell us the unique contribution of each factor to the model. A high beta value and a small p value ($<.005$) indicate the predictor variable has made a significance statistical contribution to the model. On the other hand, a small beta value and a high p value ($p >.005$) indicate the predictor variable has little or no significant contribution to the model. (Gorge et al., (2003)

The first predictor for organization performance was customer relation, and under this variable the researcher presented to respondents the following questions (The Hotels collects customer feedback through social media, The Hotel develops relationship with customers through social media, The Hotels operate through the means of social media in doing customer service activity, The Hotels try to improve the quality of service through customer feedback through social media and The Hotels are seeking to reach out to new customers through social media). These elements were used to measure the customer relation in Addis Ababa Four- and Five-star Hotels and further this independent variable was computed against the dependent variable i.e. organization performance, as a result looking on the regression coefficients of individual predictor variables revealed that customer relation (Beta = 0.566, $p < 0.05$) is a significant predictor of organization performance in Addis Ababa five star hotels.

The second predictor for organization performance was marketing, and under this variable the researcher presented to respondents the following questions (The Hotels use social media to advertise, The Hotels keeps trends and new social media site to get a competitive advantage, Social media enables to reach customers easily, The Hotels are seeking through the means of social media

to promote its brand, The Hotels Operate through means of social media to evaluate its performance, The Hotels keep pace the trends and new social media sites to its competitive advantage). These elements were used to measure the marketing in social medias in Addis Ababa four- and five-star Hotels and further this independent variable was computed against the dependent variable i.e. organization performance, as a result looking on the regression coefficients of individual predictor variables revealed that marketing (Beta = 0.355, $p < 0.05$) is a significant predictor of organization performance in Addis Ababa four and five star hotels.

The last predictor for organization performance was information accessibility, and under this variable the researcher presented to respondents the following questions (The Hotels Operates through means of social media to search information about the target market, Hotels use social media to search competitors' information, The Hotels uses social media to provide details of their goods and services, Hotels have a database to its customers through means of social media, and The Hotels use social media for information search). These elements were used to measure the information accessibility of social medias in Addis Ababa four- and five-star Hotels and further this independent variable was computed against the dependent variable i.e., organization performance, as a result looking on the regression coefficients of individual predictor variables revealed that information accessibility (Beta = 0.198, $p < 0.05$) is a significant predictor of organization performance in Addis Ababa four and five-star hotels.

On the coefficient table 4.15 it finds the beta value which measures of how strongly each independent variable influences the dependent variable. Thus, a unit increase in usage of social media leads to 1.624 increases in organizational performance other things being constant. From this the regression equation is derived as:

Regression Equation

$$Y = a + bX1 + bX2 + bX3 + bX4 + e$$

$$\text{Organizational performance} = 1.624(\text{constant}) + 0.566(\text{customer relation}) + 0.355(\text{Marketing}) + 0.198(\text{Information accessibility}) + e$$

The result of the study shows that there is a direct and positive effect of social media usage on organization performance in the 4 and 5 star rated hotels in Addis Ababa, Ethiopia. And the above research finding is consistent with prior study results of Parveen, Jaafar, and Ainin (2016) which found out that the utilization of social media has a strong relationship with business performance of the organizations, particularly with regard to enhancing information accessibility, reducing marketing costs and improving relationships with customers and support services. Parveen et al., (2013) study result is also in harmony with the above finding which states that by implementing social media with in the marketing strategy, organizations can acquire additional information about the market, competitors, and primarily their customers and their requirements which will improve the information accessibility of the organizations and their ability to adapt to sudden changes. And further more Alarcón, Sepúlveda, Valenzuela-Fernández, and Gil-Lafuente (2018) suggest that the higher use of social media leads to higher business performance, both financial and non-financial which is in harmony with the above research finding.

CHAPTER FIVE

SUMMARY OF THE FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This study has examined the effect of social media on organization performance in high scale hotels in Addis Ababa, Ethiopia. A questionnaire survey has been used to provide useful information. Hence, this chapter presents the summary, conclusion on the findings of the research and recommendation.

5.2 Summary

The four objectives of the research have been achieved. The first objective was to investigate for what purpose social media is used in the hotel industry, the second objective is to investigate the current practice of social media and social media platform usage in the hospitality industry, the third objective is to examine the relationship between social media usage on organizational performance and the last objective of the study is to study social media usage effect on organizational performance in the hotel Industry.

The data collected was analyzed using descriptive statistics, correlation and regression and major findings were summarized as follows:

- ✓ Most of the respondents were middle level managers of the hotels. The level of education of the respondent's shows Diploma 7%, Bachelor's 80.8% and Master 11.5% and above 34% of them were female respondents and the remaining 66% were male. The majority of the respondents are middle aged of 35-45 covering almost 49.4% followed by age group 25-35(26.1%).
- ✓ The current practice of social media usage on hotels has been assessed; 100% indicate that social media is used for marketing and promotion of their service and products in the hotel. 85.5% of the hotels use social media to share information about the hotel. 63.5% of the

respondents replied that their hotel uses social media to improve customer relation and 38.5%. The social media platforms currently used by the hotels are Facebook (100%), Trip advisor (100%), Booking.com (82.7%), Instagram (67.3%), and Linked In (36.5%) were amongst the top five social media platforms used by star rated hotels in Addis Ababa.

- ✓ The descriptive analysis for social media and organization performance has been illustrated the mean and the standard deviation for the responses
- ✓ The descriptive analysis for social media usage for marketing has been illustrated using the mean and the standard deviation. The grand mean score of social media usage for marketing is high mean score with the value of 3.8982 these indicate most of the hotels are using social medias for advertising their goods and service on social media and as a marketing strategy to reach customer easily and to promote their brands.
- ✓ Social media usage for customer relation has been illustrated using the mean and the standard deviation. The grand mean score of social media usage for customer relation is also high mean score with the value of 3.8923 these indicate most of the hotels used social Medias for to collect customers feedback, to develop relationship with customers, to improve service quality through customers feedback and to reach out to new customers through social media
- ✓ Social media usage for information accessibility has also been illustrated using mean and standard deviation. The grand mean score of social media usage for information accessibility is a moderate grand mean score of 3.6899. These indicate there is some limitation in information accessibility for social media usage. Some of them are the hotel doesn't operate through means of social media to search information about the target market is poor and the hotel has a database to its customers through means of social media and The Hotel uses social media to search competitors' information is a moderate mean score.
- ✓ When we see the social media usage effect on organizational performance with the dimensions of sales growth and cost reduction having low mean score 3.2808 and 3.3462 respectively these means most of the hotel respondents are not sure on the uses of social media platform to increase the sales growth of hotels and decrease cost of the hotel.

- ✓ The correlation result shows that there is a positive and statically significant relationship between social media usage for marketing, customer relation, information accessibility and organizational performance with correlation values of (marketing with organization performance ($r=.624$ $P<0.01$), Customer relation with organization performance ($r=0.833$, $p<0.01$) and information accessibility with organization performance ($r=0.738$, $p<0.01$).
- ✓ The other finding of the study shows that multiple regression of social media usage on organizational performance is given by r value of 0.937. Additionally, R square and adjusted R square value of the multiple linear regressions is given by 0.878 and 0.871, respectively. This is interpreted as 87.1% of variance in organizational performance is explained by social media usages, while 12.9% of variation in organizational performance can be attributed to other variables which are not considered in this study.

5.2 Conclusion

The aim of this study was to investigate whether different types of social media usage would either increase or decrease organizational performance in hospitality industry, to gain a richer picture of the positive effects social media usage may yield. Thus, based on the finding of the study the following conclusions are drawn:

Currently social media is used by the 4 and 5 star rated hotels in Addis Ababa for different purposes such as for marketing and promotion of their service, for sharing information and for customer relation. And most of selected 4 and 5 star rated hotels in Addis Ababa use more than one social media platform such as Facebook and Instagram which is popular and mainly used by the society.

The descriptive analysis result suggested that social media is used by the four and five star rated hotels in Addis Ababa more effectively for customer relation followed by for marketing goods and services with a high mean score but moderately used for information accessibility.

The findings also suggested that there is a positive effect and statically significant relationship between social media for marketing, customer relations and information accessibility with organizational performance in terms of cost reduction, and sales growth. Accordingly, the usage of social media can grant the company a competitive advantage edge upon competitors throughout rapidly adapt to internal and external changes in the environment, and achieve the changing

requirements of consumers in a short period.

5.3 Recommendation

- ✓ The study recommended that the hotels owners/managers can increase the usage of social media as it is an opportunity for the hospitality industry if properly utilized.
- ✓ Hotels need to make the most of social media to find information about their target market. Stakeholders also need to follow up on information from competitors in order to compete with others. There should be a proper database to record customer's feedbacks about the good and services provided in order to improve the quality.
- ✓ It is recommended for the hotels to allocate necessary resource and budget to effectively practice the social media platforms as their marketing strategy. Owners and Managers of the star rated hotel should commit more resources to e-marketing activities within hotels. Since social media is becoming an alternative and more cost-effective medium of communication to its customers, there should be enough commitment to tap into its opportunities.
- ✓ It is also recommended enhancing the status of the hotel and optimizing the ranking in different search engines. The well-known search engines to register for can be; yahoo, Google, MSN etc.
- ✓ And furthermore, as large number of the four- and five-star guests are expats and it is recommended to properly utilize Global Distribution System which refers to the reservation tool travel agents use when making an air, hotel, car or other travel service booking.
- ✓ In addition, companies must focus on increasing the flexibility of its marketing strategies by opening up their own social media platforms to new ideas and thoughts. Since, market competitions are the one of the driving forces to adopt social media, the hotel managers are advised to continuously monitor their competitive environment. Social media strategies are great for generating leads and its through company websites that could be channel those leads down the marketing funnel.

5.4 Theoretical contribution and Practical Implication

This study will contribute to social media research by providing a clearer idea of the practice and importance of social media usage and its benefits in some areas of organizational performance in our capital four and five star rated hotels that can be improved through social media usage. And, this study helps managers and decision makers especially in the hotel industry using social media to provide comprehensive information with better customer support allowing businesses to connect businesses with and increase the annual sales and financial gain, build up relationships and cultivate those relationships.

This study demonstrated social media for marketing, social media for customer relation and information accessibility usage provides a positive outcome for organizational performance. And the research result finding presented a valuable implication for the hotels decision makers, managers and owners to direct their social media usage strategy in order to capitalize on the possible benefits of social media to increase the business performance of the industry. And furthermore, Hotel Managers need to be clear on their social media objectives and assign expert team to regularly create marketing and promotion posts and responded to customer comments promptly through their website and choose the proper platform to use in order to attract their target audience.

5.5 Limitation and Direction for Future Research

In light of the findings of the current study, directions for future research are forwarded below.

- ✓ Limited published literature on the social media and organization performance in Ethiopian Hotel sector was the other challenge, therefore most of the literature used in this study emanated from studies done in other countries.
- ✓ In this study, in order to investigate social media usage and its effect on organization performance, only certain factors were included. In a broader context, there may be other antecedents and factors.
- ✓ Furthermore, this study depended mainly on questionnaire to gather related data, which is not free of bias. Therefore, future research is suggested by using other approaches like interviews or focus group for a better understanding of the study phenomenon.

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APPENDIX I QUESTIONNAIRE

ADDIS ABABA UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

Post graduate program

Social Media Effect on Organizational Performance

Dear respondents,

I am a student in Addis Ababa University College of Business and Economics in management department. You are selected to participate in a study designed to identify “Social Media effect on Organizational Performance” the case of selected Hotels (Five star and Four star) in Addis Ababa, Ethiopia. Appreciating your participation in the study, the research output is used to fulfil the partial requirement of Master of Management and only for academic purpose. Your responses and anonymity will be kept confidential. Notice that, your involvement is voluntary and you may refuse to answer any question you feel uncomfortable.

With best regards,

Gelila Ephrem,

Mobile: +251 940156174.

E-mail: gelilaephrem21@gmail.com

Part I: Demographic Data

Instruction: Please put tick mark (√) in the box of your answer.

1. Gender Male Female

2. Your Age, 18-24 25-35 36-45 Above 45

3. Educational Level Bachelor Degree Master's Degree

4. Current Job Level Top Level Manager Middle Level Manager

Low Level Manager

Other (Please specify) _____

5. What star rating does your hotel holds?

Five

Four

6. Is your hotel an independent or chain hotel?

Independent

Chain Hotel

Part II: Social media Survey Question

1. For what purpose social media platform is used in your organization? *You may choose multiple answers*

For marketing and promotion of Product and Service

To share information about the hotel

Improve customer relations

To facilitate communication

If other Please specify _____

2. Which of the following social media platform does your organization currently use?

- Facebook
- Twitter
- Linked in
- Tumbler
- Google +
- Instagram
- Pinterest
- YouTube
- Word press
- Trip advisors

Please add if any other social media platform your hotel currently using.

3. How do you rate the present practice and use of social media platform by your organization?

- Excellent Good Average Fair Poor

Please respond to the following by indicating (√) on your level of agreement on each statement on the five-point Likert scale;

where 1=strongly disagree, 2= disagree, 3=Neutral, 4=Agree and 5=strongly agree.

	Marketing	1	2	3	4	5
1	The Hotel uses social media to advertise					

2	The Hotel keeps trends and new social media site to get a competitive advantage					
3	Social media enables to reach customers easily					
4	The Hotel is seeking through the means of social media to promote its brand					
5	The Hotel Operates through means of social media to evaluate its performance					
6	The Hotel keep pace the trends and new social media sites to its competitive advantage					

Customer Relation		1	2	3	4	5
1	The Hotel collects customer feedback through social media					
2	The Hotel develops relationship with customers through social media					
3	The Hotel operates through the means of social media in doing customer service activity					
4	The Hotel tries to improve the quality of service through customer feedback through social media					
5	The Hotel is seeking to reach out to new customers through social media					

Information Accessibility		1	2	3	4	5
1	The Hotel Operates through means of social media to search information about the target market					
2	The Hotel uses social media to search competitors' information					
3	The Hotel uses social media to provide details of their goods and services					
4	The Hotel has a database to its customers through means of social media					
5	The Hotel uses social media for information search					

Part III: Organizational Performance Survey

Please respond to the following by indicating (√) on your level of agreement on each statement on the five-point Likert scale;

where 1=strongly disagree, 2= disagree, 3=Neutral, 4=Agree and 5=strongly agree.

Sales Growth		1	2	3	4	5
1	Social Media Utilization Increase our hotel booking rate					
2	Social media utilization contributes to increasing revenue					
3	Social media utilization generates new customers					
4	Social media activities directly increase sales revenue					
5	Social media utilization widens the sales area					
Cost Reduction		1	2	3	4	5
1	Using social media reduce cost of communication with customers					
2	Using social media reduce cost of advertising and promotion					
3	Using social media reduce the cost of customer service and support					
4	Using social media has an effect on overall cost reduction					

If you have any comment, please cite here.

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Thank you for your time

APPENDIX II

LIST OF FOUR AND FIVE STAR- RATED HOTELS IN ADDIS ABABA

<i>No</i>	<i>NAME OF HOTEL</i>	<i>STAR</i>
1	Sheraton Addis Hotel	5
2	Hayat Regency Hotel	5
3	Capital hotel	5
4	Marriott Executive Hotel	5
5	Radisson Blue hotel	5
6	Golden Tulip Hotel	5
7	Gatefam Hotel	5
8	Debredamo hotel	4
9	Dream liner Hotel	4
10	Friendship hotel	4
11	Intercontinental Hotel	4
12	Jupiter int. Hotel (kazanchis)	4
13	Jupiter Int. Hotel (Bole)	4
14	Momona Hotel	4
15	Nazra hotel	4
16	Nexus hotel	4
17	Saromaria hotel	4
18	Sarem International Hotel	4

19	Washington hotel	4
20	Tegen Guest Accommodation Hotel	4