



School of Commerce
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Department of Marketing Management

**THE IMPACT OF SOCIAL MEDIA ON CUSTOMER FLOW
OF FIVE STAR HOTELS IN ADDIS ABABA**

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Addis Ababa

**ADDIS ABABA UNIVERSITY
FACULTY OF BUSINESS AND ECONOMICS
SCHOOL OF COMMERCE
DEPARTMENT OF MARKETING MANAGEMENT**

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IN ADDIS ABABA**

**Research Proposal Submitted to Department of Marketing Management in Partial
Fulfillment of MA in Marketing Management**

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June, 21, 2018

Addis Ababa, Ethiopia.

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DECLARATION

I, the undersigned, declare that, this project paper is my original work, has never been presented in this or any other university, and that all resources and materials used herein have been duly acknowledged.

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Statement of Certification

This is to certify that Ato Mulugeta Demissie has carried out his post-graduate thesis work on the topic entitled “The impact of social media on customer flow of five-star hotels in Addis Ababa”. The work is original in nature and suitable for submission for the award of Master’s Degree in Marketing Management (MA)

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ACRONYMS

SPSS: Statistical Package for Social Science

UNWTO: World Tourism Organization

MOCT: Ministry of Culture and Tourism

Abstract

*This study emphasizes on the effect that social media has on the customer flow of the hotel industry. The objective of the study is to assess the impact of social media in contribution to customer flow of the hotel business in the country with special emphasis on the five-star hotels. Currently, social media networks and websites like Facebook, Twitter, LinkedIn and many more are redefining the way people communicate and share their travel and touring experiences. As a result, more and more companies are turning to these platforms to gather information, keep their customers informed about their products and so much more. In Ethiopia, however, the hotel industry heavily depends on conventional media for communication and advertising. The research has been conducted using explanatory research method since explanatory method is where a researcher has an idea or has observed something and seek to understand more about it. Sample size was calculated in the following formula and has come to be **214** respondents. Marketing managers of each five-star hotels in Addis Ababa i.e. seven Five-star hotels (Sheraton Addis, Capital International hotel, Ellily International Hotel, Radisson Blu Hotel, Golden Tulip Hotel, Getfam international Hotel and Marriot international Hotel) were the target for the study. The evidence from the collected data shows that each five-star hotel customers have been exposed to social media and they have been influenced by the information provided on the social media platforms including the information about the hotels services qualities, location, accommodation and price for using the services of the hotels. In advocacy, the engagement in social media has to be thought within the security framework of connectivity between the customers and Hotels. The issue of reliability about the information provided in the social media platform may have impact in reducing the customer flow of the Five Star Hotels. Therefore, both the customer and the Hotels has to think of ways that may secure their level of interaction in a mutually confirmed platform of social media protected by firewall and anti-fraudulent people.*

CHAPTER ONE

INTRODUCTION

1.1. Background of the Study

With one billion active users on Facebook (Facebook, 2012), 140 million active users on Twitter (Twitter, 2012) and 60 hours of new videos every minute on YouTube (YouTube, 2012) social media is hot and popular.

Due to this enormous popularity and growth in the last years, it is for organizations interesting and almost required to participate in social media and getting engaged with their (potential) customers. Evidence indicates that companies that actively use the social media for marketing purposes outperform those that do not use them (McKinsey & Company, 2010). Social media is becoming a new marketing tool for marketing managers.

This leads to the growing interest of what value this new marketing tool generates for the organization. Organizations are moreover interested in the return on investment (ROI) of marketing activities. The determination of this return is important to analyze the investments and making future plans.

Social media is about online interactions and is therefore fundamentally different from traditional marketing, because in social media marketing the consumer is the medium and marketers listen to the consumers. In the last years a lot of research on social media has been conducted, but still a lot of questions regarding the return on investment remain. Brands are looking for effective ways to carry out their social media marketing strategy.

Therefore for marketers there is a need for a better insight in the effectiveness of their social media marketing strategy. This research intends to illustrate, by using Key Performance Indicators (KPI's), how the ROI for different social media marketing objectives can be determined and how social media marketing can create value for brands. This will result in a overview of objectives, strategies and appropriate social media marketing measures which indicate whether a social media marketing objective was effective or not.

In Ethiopia, the hotel industry heavily depends on conventional media for communication and advertising (UNWTO, 2005). In addition, few 5-star hotels have websites or a few more have

other form of online presence. Hence, the effort of coordinating the marketing activities that include advertising, brand management, segmenting and so on through the various media available including the social media, and the impact of social media like Facebook, TripAdvisor and Twitter has for companies, as well as the relative scarcity of research on this area are all reasons why this research was initiated.

This study is about the level of use and application of social media among the customers of the hotel industry in Ethiopia, with a particular emphasis on Five-star hotels in Addis Ababa. By studying the use and level of application within these hotels, the study aimed to identify appropriate social marketing approaches that can be applied in the industry to increase the volume and size of guests in the country.

1.2. Statement of the Problem

The service industry, such as the travel and tourism heavily depends on more and more visitors coming into the country and no other industry relies on this than the hotel industry (Africa Tourism Association, 2010). In Ethiopia, where it is claimed by many that the country has not utilized its resources in terms of tourism, the issue of creating and maintaining a lively network of visitors both local and international, has a paramount significance for the country's economic development (Ethiopian Tourism bulletin, 2012).

Currently, social media networks and websites like Facebook, Twitter, LinkedIn and many more are redefining the way people communicate and share their travel and touring experiences. As a result, more and more companies are turning to these platforms to gather information, keep their customers informed about their products and so much more (Chung and Buhalis, 2008). In Ethiopia, however, the hotel industry heavily depends on conventional media for communication and advertising.

However, this is not considered adequate by international industry standards (UNWTO, 2005). As competition in the hotel industry is in an international setting, the fast rate of social media adoption in other countries makes the issue more important for the state of tourism for the country as a whole. Countries compete with each other for tourist by offering what is at their disposal in the form of natural attractions, culture and so on. But it's one thing to attract visitors

to a certain country and it is quite another to satisfy them with the amenities they require (Ibid,2005).

The growth of social media usage has been a huge factor in why social selling has been adopted. The challenge here is that only 1 in 4 sales reps know how to use social media for sales. Customers sometimes doesn't know how much support does the social media gives them to buy the product or service they needed. They wouldn't consider the access they can get through using social medias, especially in the service of booking, putting orders, selecting among the products or services. Customers, most of the time, ignore the fact that social media can bring about efficient decision making in utilizing their resources.

Social media is a phenomenon that has become an important aspect in marketing mix and revolutionizing the way companies interact with customers. It is a new research field and a quick literature scan reveals that not many studies exist.

Nevertheless, these few existing studies without scientific evidence with industry data, have rushed to conclude that the emergence of social media has led to the demise of the traditional advertising mainstream media.

Hence, this study emphasizes on the effect that social media has on the flow of customers to the hotel industry by looking over the significant supports we get from social media that can enhance visitors to five-star hotels in Addis Ababa.

1.3. Research Questions

By studying the application of social media on the hospitality industry in Ethiopia, the study aimed to provide answers to the following questions:

1.3.1. Main Question

Does social media have impact on the flow of customers of the five-star hotels in Addis Ababa?

1.3.2. Sub-Questions

- What is the rate of social media usage among the customers of five-star hotels in Addis Ababa?
- Which of the social networks are in use among customers of five-star hotels?

- Which of the social networks are commonly used by five-star hotels?
- What is the role of internet and social media in the decision-making process of customers of five-star hotels?
- What is the perception of social media among marketing managers of five-star hotels in Addis Ababa?
- What are the prospects of using social media in the Hotel industry?

1.4. Aim of The Study

1.4.1. General Objective of the Study

The Aim of the study is to assess the impact of social media in contribution to customer flow to the hotel business in the country with special emphasis on the five-star hotels.

1.4.2. Specific Objectives of the Study

The objectives of this study are:

- Assess is the rate of social media usage among the customers of five-star hotels in Addis Ababa.
- Identify the type of social networks that are in use among customers of five-star hotels.
- Identify the type of social networks that are in use by five-star hotels.
- Assess the use of internet and social media network in the decision-making process of travelers to five-star hotels.
- Identify the perception of social media among marketing managers of five-star hotels in Addis Ababa.
- Assess the prospect of using social media by five-star hotels in Addis Ababa.

1.5. Significance of the Study

The research can be helpful for the managers of hotel firms in Addis Ababa in developing effective promotion scheme on social media by having clear understandings of the influence of each factor on firm's performance.

Hopefully, the study results may contribute some inputs to wider spectrum knowledge of business management and may be helpful to make generalization or draw theories.

Managers of larger tourist class hotels will find this study as useful reference for decision making regarding the enhancement of service quality to link with performance. It44 can also be useful resources for future researchers to use this study to get insight about issues related area of internal service quality and firm performance

1.6. Scope of the Study

The scope of this study is delimited to the customers of five-star hotels and the hotels themselves located in Addis Ababa city mainly on seven knowns five-star hotels by the standard of Ministry of Culture and Tourism, 2015 standard i.e. Sheraton Addis, Capital Hotel, Elilly International Hotel, Radisson Blu Hotel, Golden Tulip Hotel, Marriott Executive Apartments and Getfam International hotel.

1.7. Limitation of the Study

This study is demarcated in terms of the topic the basic demarcation of the study is emphasized on the effect that social medias has in enhancing customer flow in five-star hotels. Cross sectional data is used in the study.

Conceptually social media exposure, influence of social media in decision making and Engagement of customers to social media are the three elements used to measure customers flow to the Five-star Hotels.

1.8. Organization of the Paper

This research paper is organized into five chapters: Chapter one includes the introduction part deal with the general overview about service quality, statement of the problem, objectives of the study, scope and significance of the study. The second chapter deals about the literature review about the research topic. Research design, methods and data analysis tools were presented in chapter three. Chapter four discusses about data analysis and interpretation of the study whereas chapter five presents the conclusions inclusion of major findings, forwarded recommendations and limitation and further researchable areas.

1.9. Definition of Terms

Social media is engaging with consumers online. According to Wikipedia, social media is internet-based tools for sharing and discussing information among human beings. Social media is all about networking and networking in a way that espouses trust among parties and communities involved.

Exposure: show how many people can be reached with a message or attracted to the brand through social media.

Engagement: The level of engagement can be determined by the number of people who actually respond to the brand message. Strong customer engagement can only be built by consumption process. Consumption in this context means, downloading, reading, watching or listening to digital content. One cannot share without consuming first, what they consume (Evans with McKee 2010: 16). It is important to establish how many times the comment a marketer posted was retweeted, or the number of those who clicked on their like button. How much a customer is engaged is a clear indicator that they have interest in what the marketer is offering.

Influence: A marketer should check whether the kind of influence they have on their audience is negative, positive or neutral. This can be assessed by the kind of comments people post. The information acquired will enable marketer make readjustments wherever necessary. Negative influence might be as a result of dissatisfaction of customers to the brand. On the contrary, there might be a state of dominance if the marketer is not actively interacting with the audience as needed. To measure influence a marketer should be able to track the comments posted by audience.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter focuses on elaborating the reason why we need to do this research. The major emphasis was given on indicating the theoretical framework: all definitions, typologies, major theories and importance's of the concept. Empirical Framework: the studies around the emphasized concepts, evidence of why we do this research. The conceptual framework indicating the diagrammatic explanations and interlinkage between the independent variable and dependent variable.

2.2 Theoretical Framework:

To consider social media as a marketing tool a retailer must understand every aspect of it. Social media cannot be understood without first defining Web 2.0: a term that describes a new way in which end users use the World Wide Web, a place where content is continuously altered by all operators in a sharing and collaborative way (Kaplan and Haenlein 2010). "It is much more to do with what people are doing with the technology than the technology itself, for rather than merely retrieving information, users are now creating and consuming it, and hence adding value to the websites that permit them to do so" (Campbell et al. 2011, 87). Web 2.0 has evolved from simple information retrieval to interactivity, interoperability, and collaboration (Campbell et al. 2011).

Kaplan and Haenlein (2010, 61) define social media as "a group of Internet based applications that build on the ideological and technological foundations of Web 2.0, and allow the creation and exchange of user generated content." Sinclaire and Vogus (2011, 294) cite O'Reilly's (2005) definition: "social media is a broad term that describes software tools that create user generated content that can be shared." However, there are some basic features necessary for a website to meet the requirements as a social network website: the site must contain user profiles, content, a method that permits users to connect with each other and post comments on each other's pages, and join virtual groups based on common interests such as fashion or politics. (Gross & Acquisti, 2005; Ellison, Steinfield & Lampe, 2007; Lenhart & Madden, 2007; Winder, 2007; Boyd & Ellison, 2007 as cited in Cox 2010).

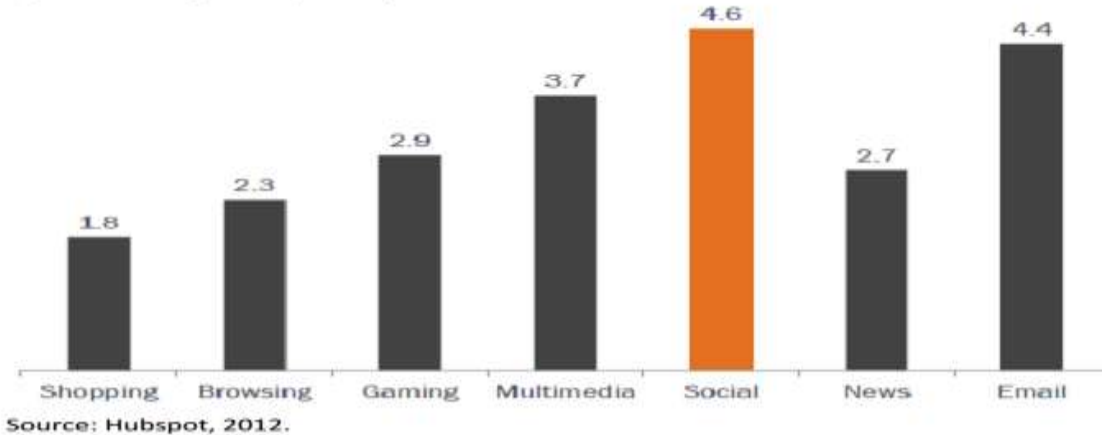
According to Evans (2008), Social Media relates to a self-generated, authentic conversation between people about a particular subject of mutual interest, built on the thoughts and experiences of the participants. Therefore, Social Media is definitely all about sharing and aiming at a collective vision, often intending to offer a more-appropriated or informed choice at the end. Furthermore, Social Media changes over time as it allows people to generate the content in a participative way whenever they want to add any additional piece of information. Social Media are also evolving constantly as they are part of internet high technologies, which are modified regularly with additional or replacing features.

Social Media covers a wide variety of “online and mobile, word-of-mouth forums including social networking websites, blogs, company sponsored discussion boards and chat rooms, consumer-to-consumer email, consumer product or service ratings websites and forums, Internet discussion boards and forums, and sites containing digital audio, images, movies, or photographs, to name a few” (Hollensen, 2011).

Social Networks, or Social Media Sites, which are the main actors in the Social Media medium, can be defined as online communities of people who typically share a common interest or activity, providing a variety of ways for users to interact and having the ability to facilitate communication.

Social Media is growing every day. Even if 90% of the 18-24 internet users use social network via any device at least once per month, social media affects every age group with much higher increase rates for the age groups over 35 (Hubspot, 2012). Also, when looking at the average hours per week spent on online activities, we can definitely see that the world is becoming more social, with an average of 4.6 hours per week spend on Social Media Sites worldwide (Figure 1).

Figure 1: Average hours/week spent on online activities worldwide



2.2.1 Social Media and Marketing

Social Media Marketing is marketing that focuses on people, not products (Diamond, 2008). The products can be presented by the company with as many qualitative features and promotional tools as possible, but what really matters is the comments and appreciations left by the customers. People provide the content, and this is the reason why Social Media Marketing is so scary and challenging for marketers. They do not control the marketing content anymore. Negative word-of-mouth can be spread worldwide in a couple of minutes only. With the explosion of Internet-based messages transmitted through the Social Media, they are now a main factor in influencing many aspects of consumer behavior, such as awareness, consideration, information gathering, opinions, attitudes, purchasing decisions and post-purchase evaluation. International marketers need to recognize the power and critical nature of the conversations being hold by consumers using Social Media. Consequently, the ability of influencing the crowd effectively is the main quality needed by the marketing team (Evans, 2008).

2.2.2 The Types of Social Media Channels

The Social Media domain is a huge medium that can be divided in many different types of channels. Every marketer has his own way of distinguishing one Social Media from another. Therefore, in this section, we present the two most famous models showing the different types of Social Media channels. First, we analyze the Social Media Starfish of Robert Scoble, before taking a closer look into the Social Media Landscape by Fred Cavazza. Finally, we provide our own list of Social Media channels and illustrate them all in our model of Social Media channels. A third model, the Conversation Prism by Brian Solis could also have been discussed as it

connects the conversations between people, communities and networks through the Social Media.

According to Robert Scoble, the Social Media Starfish illustrates the different Social Media channels that people are using to interact on the Internet. It shows the evolving Social Media landscape. Although this model is very famous in the Social Media Marketing domain, it was developed in 2007 and is thus far out of date. Indeed, Robert Scoble put Conversations into the center of his starfish, which is nowadays completely irrelevant, as it has been proven again and again that Social Media Marketing is based on the People, and nothing else. Also, the examples chosen are very limited and missing the latest Social Media sites that have been launched and has developed themselves lately, such as Pinterest or Google+ for instance.

Besides, Fred Cavazza, a French web business consultant, has become famous with his blog posts presenting his vision of the Social Media Landscapes every year (Figure 7). He started in 2008, dividing the Social Media channels into ten main groups: publish, share, discuss, social networks, microblog, livestream, livecast, virtual worlds, social games and MMO. Through the years, he has been updating his model with the changes in Social Media Marketing. In 2009, he started to put the social platforms in the center of the Social Media Landscape, with four main groups around: Expressing, Networking, Sharing and Gaming. Then, in 2011, Cavazza gave the central position of his model to Facebook and Google, which are both connected to the seven main areas of Social Media: Publish, Share, Discuss, Commerce, Location, Network and Games.

Figure 2: The Social Media Landscape 2008, by Fred Cavazza



Source: Cavazza, 2012.

In Fred Cavazza’s latest version of the Social Media Landscape (Figure 8), the central position of the figure is taken by Facebook, Twitter and Google+, because he wants to emphasize the fact that they are all three providing a large variety of functionalities, and that they are often used as relays for what internet users are doing on other platforms (Cavazza, 2012). Also, he has added some new players, a generalization of conversations and interactions, and the addition of device types such as laptops, smartphones, tablets and connected devices. This graph illustrates greatly the very dense ecosystem which symbolizes Social Media, spreading the various services over families:

- Publishing: blog engines (WordPress, Blogger...), wiki platforms (Wikipedia, Wikia...), lifeblog services (Tumblr, Posterous...) and social Q&A (Quora)
- Sharing: dedicated online services for videos (YouTube, Dailymotion, Vimeo...), pictures (Flickr, Instagram...), links (Delicious, Digg...), products (Pinterest), music (Spotify...) and documents (Slideshare, Scribd...)

- Playing: major editors (Zynga, Playdompcap...), dedicated platforms (Hi5...) and smaller but innovative editors (Digital Chocolate, Kobojo...)
- Networking: professional (LinkedIn, Viadeo...), personal (MySpace, Badoo...) or for former acquaintances (MyYearBook, Classmates...)
- Buying: customer intelligence platforms (Bazaarvoice, PowerReviews...), purchase sharing (Polyvore), recommendation (Hunch) or social commerce offerings (Boosket)
- Localization: mobile applications (Foursquare, Path...), socialized city guides (Yelp, DisMoisOu...) or upcoming events or venues (Plancast).

According to Celine A., 2012 the seven types of Social Media channels affecting businesses will be the following:

1. **Social Networks:** e.g. Facebook, MySpace, LinkedIn, Google+...
2. **Blogs and Microblogs:** e.g. WordPress Blogger, Twitter...
3. **Content Communities or Media Sharing Sites** (Video/Audio/Photo/Presentations): e.g. Flickr, YouTube, Dailymotion, Vimeo, Picasa, Pinterest, Slideshare...
4. **Wikis or User Generated Content** (UGC): e.g. Wikipedia, WikiTravel, World66...
5. **Social Bookmarking & News Sites:** e.g. Digg, Reddit, Diigo, Delicious, Google Reader...
6. **Discussion Forums and Message Boards:** e.g. Phorum, Yahoo Groups, PHPbb...
7. **Social Events:** e.g. Eventful, Meetup...

2.2.3 Benefits of Social Media

Figure 3. Benefits of Social Media



Source: McKinsey Global Institute, 2010; in Hubspot, 2012.

2.2.4 The Characteristics of Social Media

With the mature of Web 2.0 technology, social media has reached almost everyone around the world as long as you have electronic devices connected to Internet. It has already been integrated into part of our daily life. Nevertheless, when people are discussing the widely-circulated term social media, very few have truly understood the essence of social media. Understanding the characteristics of social media is not only important for individuals but also crucial for companies who want to compete in the market. Consumers who have good command of social media skills and perception of social media characteristics will make their life easier and bring themselves additional value (personal marketing, product information seeking, job search, etc.). Companies employing social media as part of their marketing strategy without essentially understanding the characteristics of social media are doomed to failure. Even though thousands of articles and blog posts have been discussing social media from different aspects, there is quite little theoretical literature which systematically describes the properties of social media. To my delight, several articles still give great description of social media characteristics. Mayfield (2008) pointed out five fundamental characteristics that shared by almost all social media platforms: participation, openness, conversation, community and connectedness. Taprial and Kanwar (2012) identify five properties that are more powerful and distinguish the social

media from the traditional media. They are accessibility, speed, interactivity, longevity and reach.

Based on the literature on social media, 9 characteristics of social media can be summarized as follow:

1. Community

Community in social media share same features with other online and virtual communities, which are formed based on people who share the same interests or background. However, there are differences in which the network formed in social media is often an extension of the network in the real world and trust in social media network is usually higher than other communities.

2. Connectedness

Social connectedness is defined as interpersonal, community, and general social ties (Teixeira, 1992, p.36). From Mayfield's point of view, connectedness is closer to integration in the sense that sites, resources, and people are connected through links and shared by users on various social media platforms.

3. Openness

Almost all the social media platforms are free to join and anyone can use social media as medium to create, edit, communicate, consumer and comment contents (Mayfield, 2008). Social media creates an atmosphere that encourages participation and sharing information.

4. Speed

One of the advantages of online social network compared with real life network is the communication and spread speed. In contrast of traditional WOM, where opinions may disappear into thin air, online WOM spreads consistently results in viral effect. Contents published on social media platforms are instantaneous and are available to everyone in your network as soon as they are published. (Taprial & Kanwar, 2012)

5. Accessibility

Like the traditional media which relies on technology and platforms to function, the same applies to social media which is the product of web 2.0 technologies and user generated content. The

development of different electronic devices, anyone can access social media anywhere and anytime as long as it is connected to internet.

6. Participation

Burgoon et al. (2000) defines participation as the extent to which two or more parties are actively engaged in the interaction in contrast to lurking, passively observing or monologues. As mentioned before, social media encourages participation and feedbacks. One party creates content and shares on the platform to arouse the interest of the other party so that they will actively contribute and give feedbacks. From this point of view, the line between media and audience becomes blurred as everyone can become creators, communicators, readers and consumers of contents on the platforms and each individual's identity is shifting all the time (Mayfield, 2008).

7. Conversation

Traditional media communicates in one way in which content is created by media and distributed to audience while social media is based on user-generated content which means everyone becomes the source for communication. This means two-way or multi-way communication is formed in the social media which aims at fostering interaction among users and other parties.

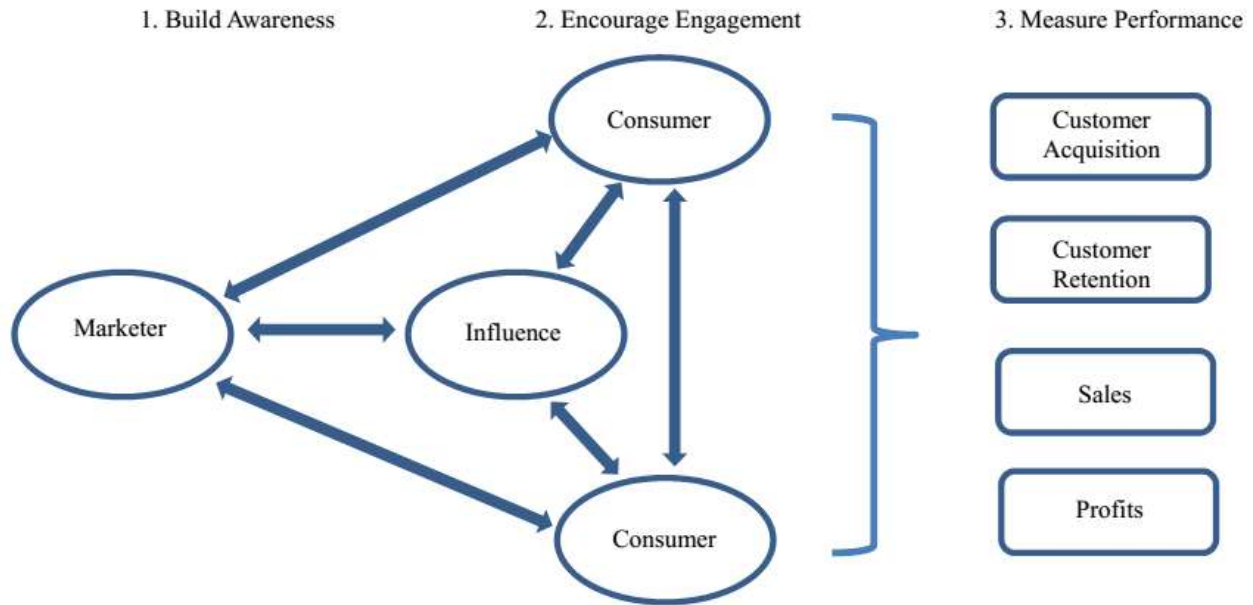
2.2.5 Measurement of Social Media

To develop an effective measurement model for social media, it is necessary to first understand the stages typically employed in the process of creating added value for the business. The stages of the social media marketing process are illustrated in Figure 1 to focus attention on the key constructs that require academic research. An important implication of this model is the need to isolate which measures of effectiveness are appropriate for the differing stages and participants in the social media marketing process. For example, when building awareness, a business should focus on traditional advertising measures such as reach and frequency, in addition to the more social media specific measures like web page views and the number of company posts/tweets viewed.

The effectiveness of the company's engagement activities, on the other hand, are more accurately assessed by measures of the degree of interaction with the company's messages (time on site, mentions, retweets, etc.). The engagement of Influencers must also be measured in this

stage, as well as consumer to consumer interactions. Only as consumers move to the customer (buyer) stage can the social marketer begin to measure business performance constructs, such as ROI, that drive profitability. (James E. C., and Kirk C. H., (2014),

Figure 4. Social Media Marketing Measurement Process, (James E. C., and Kirk C. H., (2014),



2.2.6 Role of social media in marketing:

Social media is now increasingly becoming an ingrained aspect of political campaigns, national defense strategies, public policy, public relations, brand management and even intra company communication. Since the major task of marketing as tool used to inform consumers about the company's products, who they are and what they offer, social marketing plays an important role in marketing.

- Social media can be used to provide an identity about the companies and the products or services that they offer.
- Social media helps in creating relationships with people who might not otherwise know about the products or service or what the companies represent.
- Social media makes companies "real" to consumers. If they want people to follow them they need not just talk about the latest product news, but share their personality with them.

- Social media can be used to associate themselves with their peers that may be serving the same target market.
- Social media can be used to communicate and provide the interaction that consumers look for (Sisira N., 2011),

2.3 Empirical frameworks

It is evident that the generations are becoming more and more attuned to surfing for the needs rather than to physically look for them. The pace of life has become so fast paced, that very few have the leisure time to interact socially physically and it has become more convenient as the communication is immediate and rapid which saves time, money and the wait period. As a result, it is evident that the costs have been reduced for the tourism industry, the business flow has increased even though because of the current inflation the volumes are low. The profit margins and the expenditure on marketing and advertising campaigns have reduced substantially, this has made it possible for some of the hotels to pass on the benefit to the customer and increase their business share in an industry that is highly competitive because of the power of the social media and the internet possibilities. The study has shown that the risks and threats with the social media is the online frauds and scams that are taking place on large scale where it is estimated that here is one victim of internet fraud every 10 seconds in the world. Duplicity and identity theft are the two areas of concern with the social media in the tourism industry but by increasing the security solutions this threat can be minimized as has been done in many hotels and motels as well for customer convenience (Rashmi G.,nd).

ComScore (2012) reports a 38% lift in purchase for fans exposed to Starbucks advertising on Facebook through Facebook Pages or Facebook paid advertising. Similarly, studies such as Kumar et al. (2013); Goh et al. (2013); Rishika et al. (2013); Li and Wu (2014); Miller and Tucker (2013) show that social media can be used to generate growth in sales, and ROI, consumer participation, retention, and profitability, connecting social media metrics such as “comments” to financial metrics.

The competition for consumer attention across media outlets is intense, especially on social media platforms. Consumers, in turn, are overwhelmed by the proliferation of online content, and it seems clear that marketers will not succeed without engineering this content for their audience (Dokyun L., et.al, 2014).

According to the findings of Abu B., & Irshad A., (nd), business today is being transformed from a transactional relationship to a social relationship. It is now more critical than ever that successful businesses use Engagement Marketing principles to plan for successfully engaging their prospects and customers before, during and after their purchase cycle, and that the basis for this engagement is high-quality and relevant information. Information which are demanded by target market at a time and place of their choice (24/7 and 365 days/year). Marketer's job is to provide this information in such a manner that you are viewed in a positive light, create a positive brand and product reputation, and are selected as their brand of choice. With the present growth and scale of social networking, we would even be able to buy products and services through the social medium

Although there are a number of approaches in terms of social media classifications, among others Fisher & Reuber (2011) proposed a scheme that classifies social media types according to their level of social presence/media richness, and level of self-presentation / self-disclosure. By doing so, they identified six types of social media:

- Social networking websites (i.e. Facebook, LinkedIn),
- Blogs, where users can add their own contents
- Content communities (i.e. YouTube, Flickr, Scrib, Slideshare, Delicious),
- Collaborative project (i.e. Wikipedia, Wikitravel),
- Virtual social worlds (i.e. Second Life), and
- Virtual game worlds (i.e. World of Warcraft).

Still however, such a classification neglects other types of social media such as microblogs (i.e. Twitter), consumer review and rating websites (i.e. TripAdvisor, Epinions) and internet fora (i.e. ThornTree, Fodor's Travel Talk). Nevertheless, social media is a network of people connected over many websites, blogs, microblogs where they can share news, chat with each other, share documents and reviews. Due to the informal nature of the interaction the phenomenon has been coined the "social" term to indicate the fact that this is more of a natural need for people to connect and share things that are happening around them (eMarketer, 2008).

2.1 Five Star Hotels in Ethiopia

One can understand the following information According to the 5-Star Hotel's own websites.

Sheraton Addis is a luxurious 5-star hotel in Ethiopia conveniently located near the center of Addis Ababa. The hotel offers 293 comfortable and well-equipped guestrooms. Room facilities include clock radio, direct-dial phone, and in-room safe remote lighting/drapery/curtain control and voice mail. Other room amenities include desk and mini bar. Beds: Extra towels and bedding items are provided in the guestrooms. Dining facilities at Sheraton Addis include a restaurant. There is also room service available. The hotel boasts a 24-hour front desk service. An ATM/banking as well as currency exchange facilities are also available. Leisure amenities: There is an outdoor swimming pool at the hotel.

Getfam Hotel: offers accommodation in Addis Ababa. The hotel has a terrace and views of the mountains, and guests can enjoy a meal at the restaurant. Free Wi-Fi is offered throughout the property and free private parking is available on site. Each room comes with a flat-screen TV. Certain units have a seating area where you can relax. All rooms have a private bathroom with a bath and shower, with bath robes provided. Extras include slippers and free toiletries. You will find free shuttle service at the property. Getfam Hotel is 15 km from Addis Ababa Bole International Airport.

Marriott Executive Apartments Addis Ababa is a few steps from UN-ECA Headquarters and a 10-minute drive to African Union Headquarters. This luxury 5-star hotel is ideal for short and extended business trips, relocations and family holidays.

Radisson Blu Hotel Addis Ababa is ideally located in an exclusive business area at the heart of Kazan chis Business District. The hotel is designed to make your stay an inspirational pleasure, creating a memorable sense of arrival with its unique and iconic architectural design along with its holistic hospitality that is in line with the needs of the modern Traveler. The hotel is adjacent to the United Nations Conference Center (UNCC-AA), within 1-kilometer radius of the National Palace, the Ministry of Foreign Affairs and a number of government offices. The hotel is just 6 km away from Bole International Airport and is an ideal base for visits to major Corporate and Government offices, the Ethiopian Ethnological Museum, the Addis Ababa Museum, as well as historical buildings such as St. George's Cathedral and the Holy Trinity

Cathedral. Our hotel provides a unique and extraordinary hospitality, with its Yes, I Can! Service Philosophy. The Hotel Contains: • 152 Standard rooms, • 44 Business-Class Rooms, • 2 Business Queen Rooms, • 6 Standard Queen Rooms, • 7 One-Bedroom Suites and • 1 Presidential Suite

Golden Tulip Addis Ababa is a striking, brand new hotel with a convenient location for business guests and tourists alike. This gleaming 5-star hotel in Addis Ababa is situated just 1 km from Bole International airport, with the city center's attractions only a short distance away as well. You'll find a range of amenities at your disposal, including conference facilities, bars, and restaurants. There are 90 spacious 5-star hotel rooms and suites available at the Golden Tulip Addis Ababa, all outfitted to the highest standard with a touch of luxury. Non-smoking and family rooms are available to suit every need, and Wi-Fi access connects you to the world for a small fee. Enjoy the convenience of private bathrooms in our spacious rooms and suites, complete with complimentary toiletries. All rooms include air conditioning, a refrigerator, and minibar.

Elilly International Hotel is a five-star hotel with its twin towers situated in the heart of Addis Ababa, Kazan chis business district on the main entrance of the United Nations Conference center (UNCC). It is ideally placed at a focal point between the city's business districts, historical landmarks, National Palace, major government offices & modern and traditional shopping centers. Ride to the Hotel only takes 3.8 KM from Bole International Air Port. The Hotel offers views from its rooms especially from the roof top Elilly Bar & Restaurant where guests take 360-degree view of the Capital City, Addis Ababa. The unique design of bars, Restaurants, World class fitness facilities, swimming pool, Conferences and Events venues with suitable and flexible set up puts Elilly on top of Hospitality Industry.

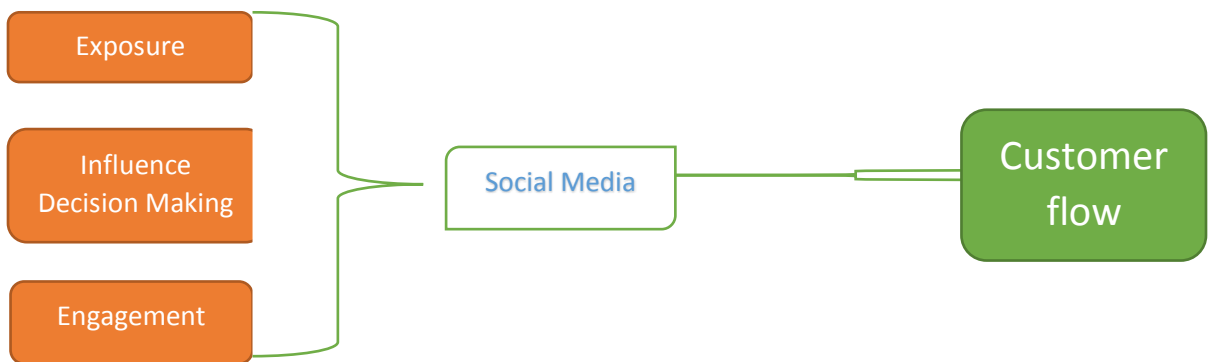
Capital Hotel and Spa is a five-star hotel located at the center of Addis Ababa. meeting rooms, lounge and spa make you feel like it is your home away from Home.

2.2 Conceptual Framework

Social Media Marketing increases customers by extending the online presence of the products and brand (Red Bridge Marketing, 2008). When Social Media platforms are widely used by a business, it becomes extremely important to measure the impacts of Social Media Marketing on

customers volume. This can be done with social media metrics. According to Nichole K. (2010) on the Social Media Examiner website, there are three main areas to take into account when evaluating social media measurement into the context of the customer flow. The following variables are significant in such a way of increasing the level of customer flow of a company or service industry.

Figure 5. Conceptual framework adopted from Nichole K., 2010.



➤ **Measuring Social Media Exposure** – Social Media Exposure metrics show how many people can be reached with a message or attracted to the brand through social media. They include the number of visits, views, followers, fans, subscribers or brand mentions. The efforts to track these metrics might be complex though, because it often has to be done manually and because it is hard to isolate the unique users and avoid duplication.

➤ **Measuring Influence in Decision making**– The Influence metrics are basically looking at the effects of the engagement metrics. They are more subjective and depend on the company’s perspective of positive, neutral or negative impacts. They represent the share of voice, sentiment and the top influencers report. Some automated tools can be used in that area, but manual check must still be done.

➤ **Measuring Engagement** – These metrics represent how many people cared about the message and did something with it. They incorporate the number of clicks, retweets, shares, @ replies, wall posts and comments. A variety of tools can be used to measure the engagement.

Also, service exposure, or brand awareness, is the initial stage of the customer relationship. In this first stage, the customer goes from knowing nothing about the brand to their first exposure.

Social Media Marketing is an excellent way to take this first step. Being exposed to a brand for the first time by reading a post on Social Media channels will let the consumer know that the brand is active online and provides them with a nonconfrontational and valuable way to take a step closer towards the product or service. Exposure can then lead to consideration and purchase, contributing to the profitability of the company. Consequently, customers can become loyal and regular purchaser, and can even reach the stage of brand evangelist (Celine Arca, 2012).

Customer flow: is the number and pattern of customers coming into or passing through the hotels. (Dustin Heap 2014)

CHAPTER THREE

METHODOLOGY OF THE STUDY

3.1. Introduction

This Part of the research Thesis Focuses on the instrument of the research. The framework on how to do the research has been explained, the source of data to be collected, target population and the sample, data analysis technique, the reliability and validity criterion and ethical consideration of the research has been elaborated in order to execute the plan in the actual engagement of the research activity.

3.2. Research Design

The studies have focus on more of descriptive research type. Since the descriptive research approach aims to answers the questions: what, who, where, when and how. The study mainly relies on the inductive research approach, which is based on empirical evidence and drawing general conclusions/building theories from the empirical observations, as findings are incorporated back in to existing knowledge (literature/theories) to improve theories.

3.3. Research approach

In addition, a descriptive research method helps to use both quantitative and qualitative measurement methods. The quantitative measurement helps to use statistical method of measurement in order to analyze and interpret what the researcher collected through distributing close ended questionnaire. The qualitative measurement helps to interpret ideas gathered through interview and open-ended questionnaire. The researcher used discriptive research method in order to explain the role that social media play in promoting the service of the hotels and increasing number of customers.

3.4. Sampling Design

3.4.1 Target Population

The target populations for the study are be customers of the hotel industry in Addis Ababa and have got a 5-star standard or rank from MOCT. Target Hotels of the study are

1. Sheraton Addis Int. Hotel

2. Capital International hotel,
3. Ellily International Hotel,
4. Radisson Blu Hotel,
5. Golden Tulip Hotel and
6. Getfam international Hotel.
7. Marriot international Hotel

In all of these Hotels the target populations for this Study are Marketing Mangers of each hotels, Customers who are redundantly being served, and Network or IT technicians of the hotels.

3.4.2 Sample Size

Sample size was calculated in the following formula and has come to be **214** respondents. The target population for this study are infinite in their number therefore, the formula for infinite population is structured in the following way. As stated by Kothari, (2004) if the population happens to be infinite, then our sample size is shown under

$$n = \frac{z^2 pq}{ME^2} = \frac{(1.85)^2(0.5)(1-0.5)}{(0.06)^2} = n = \frac{0.855625}{.004} = n = 214$$

n = sample size

z = Standard normal variable at the required confidence level (z - statistic)

p = Estimated characteristics or proportion of the target population, that is 0.5

q = 1 - p

ME = Level of statistical significance set/ margin of error and a researcher allow 6% of possible losses in the survey.

S.N.	Hotel Name	Sample size	Sample Proportion
1	Sheraton Addis Hotel	214	31
2	Radisson Blu Hotel		31
3	Getfam International Hotel		31
4	Capital International Hotel		31
5	Ellily International Hotel		30
6	Golden Tulip Hotel		30
7	Marriot International Hotel		30

3.4.3 Sampling Techniques

The sampling procedure for this study is Stratified sampling to select 5-star hotels and simple random sampling for selecting each of the sample customers. This is because each of the five 5-star hotels (i.e. Sheraton Addis, Capital International hotel, Ellily International Hotel, Radisson Blu Hotel, Golden Tulip Hotel, Getfam international Hotel and Marriot international Hotel) serves as one strata.

In this way the sampled population is drawn from each seven 5-star hotels in a proportional manner. Then the actual sample is selected using quota sampling technique.

3.5. Data Source

The researcher believes that both Primary and Secondary data are relevant for the study.

3.5.1 Primary Data

The primary data was collected from primary sources like questionnaire, interview and observation.

3.5.2 Secondary Data

Moreover, secondary data was extracted from different kinds of references books, journals, articles, reports and other necessary secondary materials.

3.6. Methods of Data Collection

The study has used a structured questionnaire on five Likert scale bases to obtain firsthand information through direct solicitation of responses from the seven 5-star hotel customers and interview was used to obtain information from the marketing managers and IT technicians of each of the 5-star hotels. The secondary data which were collected from existing literature formed the literature review of this study.

3.7. Method of Data Analysis

The data that was collected from data sources was organized and statistical computations have been made to explore the inherent relationships between the variables.

Responses from the customers of the selected 5-star hotels has been given codes and analysis was made using SPSS software. Simple quantitative analysis techniques such as percentage and

frequency made the result very articulate. With regard to data analysis, the study has utilized descriptive statistical analysis. Descriptive statistics mainly focuses to organize and summarize the demographic data of the respondent as well as their overall perception towards Social Media and customer flow.

3.8. Validity and Reliability

3.8.1 Validity

Validity is defined as the extent to which a measurement represents characteristics that exist in the phenomenon under investigation (Malhotra & Birks, 2007).

3.8.2 Reliability

Reliability is the extent to which a measurement reproduces consistent results if the process of measurement were to be repeated (Malhotra & Birks, 2007). The validity and reliability of questions and variables were tested by pilot study measuring the characteristics of celebrity endorsement and to ensure its consistency

3.9. Practical and Ethical Considerations

According to Lewis, Saunders & Thornhill, (2009), research ethics refers to the appropriateness of the researcher's behavior in relation to those who become subject to the research, or are affected by it. To ensure factual accuracy and avoid falsification, fabrication and misinterpretation of data the researcher has verified for permission to conduct this research from the five 5-star hotels, Social Media experts and from customers. The purpose of the study, the objectives of the research and all the necessary elements required in the study were clearly communicated by the researcher to ensure that participants are well informed.

CHAPTER FOUR

ANALYSIS & DISCUSSION OF RESULTS

4.1 Introduction

In this chapter, the data collected through survey are analyzed using statistical tool of SPSS Version 20. First, the survey response rate and the reliability of the scales used are discussed followed by discussion on the respondent's profile, their perception on descriptive statistical tools. Finally, the results of the correlation and multiple regression analysis are presented.

The main purpose of the study was to examine the overall impact of social media on customer flow in the case of Five-star hotels in Addis Abebe. In order to meet the objective and to address research questions of the study, the researcher has obtained necessary primary data. This chapter, data analysis and discussion, presents the results of different methods employed in the study for the sake of analyzing data. This chapter contains three sections. In the first section, the descriptive statistics analysis of the dependent and independent variables with discussion of its output were undertaken by the researchers under the study. Under the second section, correlation analysis and its discussion of correlation coefficient were carried out.

4.2 Survey Response Rate and Reliability Test

The 214 questionnaires were administered in the month of March and April 2017 and customers were intercepted at the Five-Star Hotels in Addis Ababa at convenience. However, a total of 185 questionnaires were collected, of which 8 were incomplete. Thus, 177 questionnaires were found to be usable and ready for analysis, which is 82.71% response rate.

After coding and entry of data into SPSS version 20, the first analysis conducted was to check the reliabilities of the scales used in the data collection instrument. According to Malhotra & Birks (2007), reliability is the extent to which a measurement reproduces consistent results if the process of measurement were to be repeated. Cronbach-alpha, a widely used measure of internal consistency, was run using SPSS 20 version and all of the scales used for this study are found to be reliable as their respective alpha values are higher than 0.5, and for most closer to 1. The Cronbach - Alpha of each scale is presented in the following table.

Table 4.1 Reliability of Scale

S.N	Scale	Cronbach's Alpha	No. of Items
1	Exposure	0.501	5
2	Influence in Decision Making	0.596	4
3	Engagement	0.615	4

Source: own Survey, 2018

4.3 Demographic characteristics of Respondents

The descriptive statistics was employed to investigate and present an overview of both dependent and independent variables used in the study. Table 4.2 shows the descriptive statistics output of the variables.

Table 4.2 Age and Gender Demographic characteristics

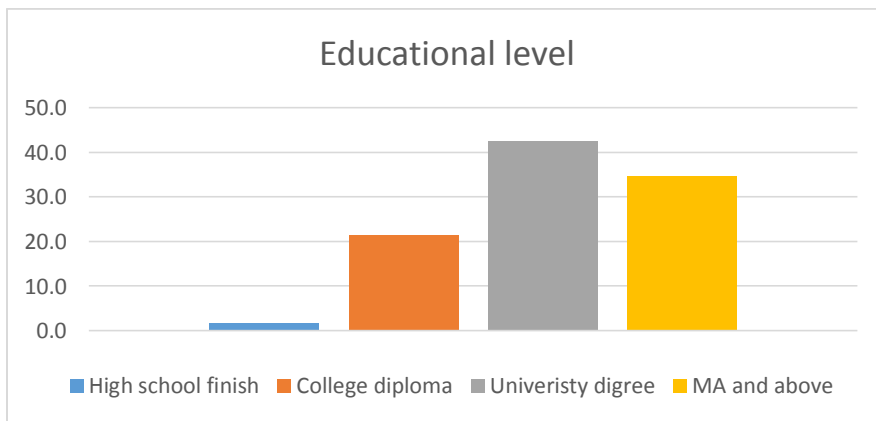
Age		
	Frequency	Percent
18-28	41	23.2
29-39	69	39.0
40-50	35	19.8
> 50	32	18.1
Total	177	100.0
Gender		
	Frequency	Percent
Male	89	50.3
female	88	49.7
Total	177	100.0

The table above shows that the majority of the respondents are in the age between 29-39 (39%), 18-28 (23.2%) and 40-50 (19.8%). We can conclude that, Middle age group are more predominant in the five rated star hotels in Addis Ababa.

There is a slight difference in case of gender use. 50.3% of the respondent were Male users while 49.7% of them are Female users.

Source: own Survey, 2018

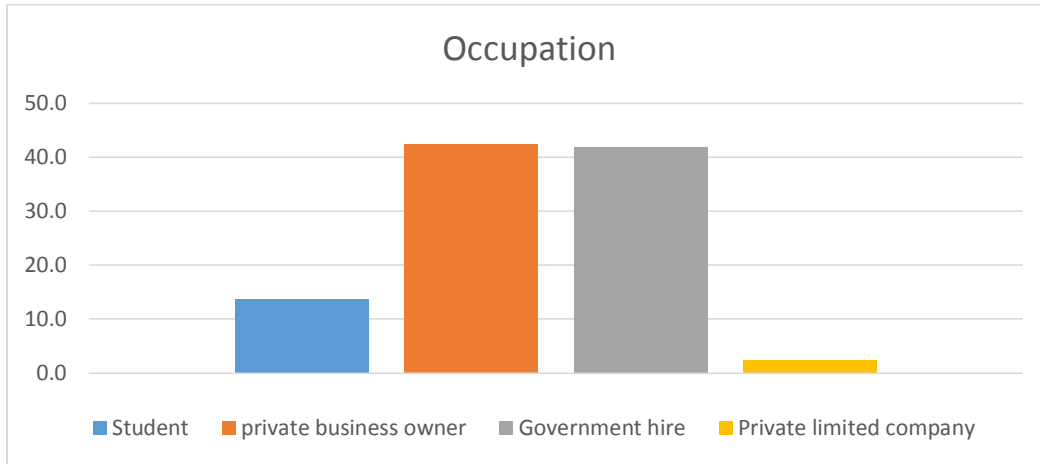
Figure 4.1 Educational Level



Source: own Survey, 2018

Most of the respondents were University Graduates and have acquired their Master and above degrees. We can infer that these respondents have the capacity to analyze and make decision on the kind of Hotel services they want to use and can compare the alternatives.

Figure 4.2 . Occupation of Respondents



Source: own Survey, 2018

The above graph shows that most of the customer that uses the services of the five-star hotels are Private Business owner and government hire, 42.4%.and 41.8% respectively. Students and private limited company owners are relatively smaller in number.

4.4 Descriptive statistics of Respondents from Customer Perspective

this part of the discussion has been made on respondent’s participation or involvement they have in social media such as Facebook, Twitter, LinkedIn and TripAdvisor in selecting the five rated star hotels in Addis Ababa. In this way the explanatory variables like exposure, engagement, influence and Decision Making has explained the customer flow of five-star hotels in Addis Ababa.

Table 4.3 Membership in Social Network and social media as an exposure to use

Items	Do you have a social network website account?		Are you a member of social media?	
	Frequency	Percent	Frequency	Percent
Yes	121	68.36	139	78.5
No	58	32.7	38	21.47
Total	177	100	177	100

Source: own Survey, 2018

A five-star Hotels in Addis Ababa was the sample area of the research under study. The number of five-star hotel in Addis were 7 which include Capital Int. Hotel Sheraton Addis Hotel, Getfam Int. Hotel, Radisson Blu Hotel, Golden Tulip Hotel, Elilly Int. Hotel, and Marriot Int. Hotel. Respondents has replied in their respective way of selection.

Table 4.4 Types of Social Media they are engaged with

		If yes, which of these websites do you use for social networking?				Total
		Facebook	Twitter	Linkedin	others	
Are you a member of social media?	yes	108	13	15	3	139
	no	36	0	0	0	36
	Total	144	13	17	3	177

Source: own Survey, 2018

The above tables show the level of engagement the in the social media as interaction tool to collect information. Most of the respondents have emphasized on using Facebook, LinkedIn and Twitter as a media of network between customer and the hotels respectively.

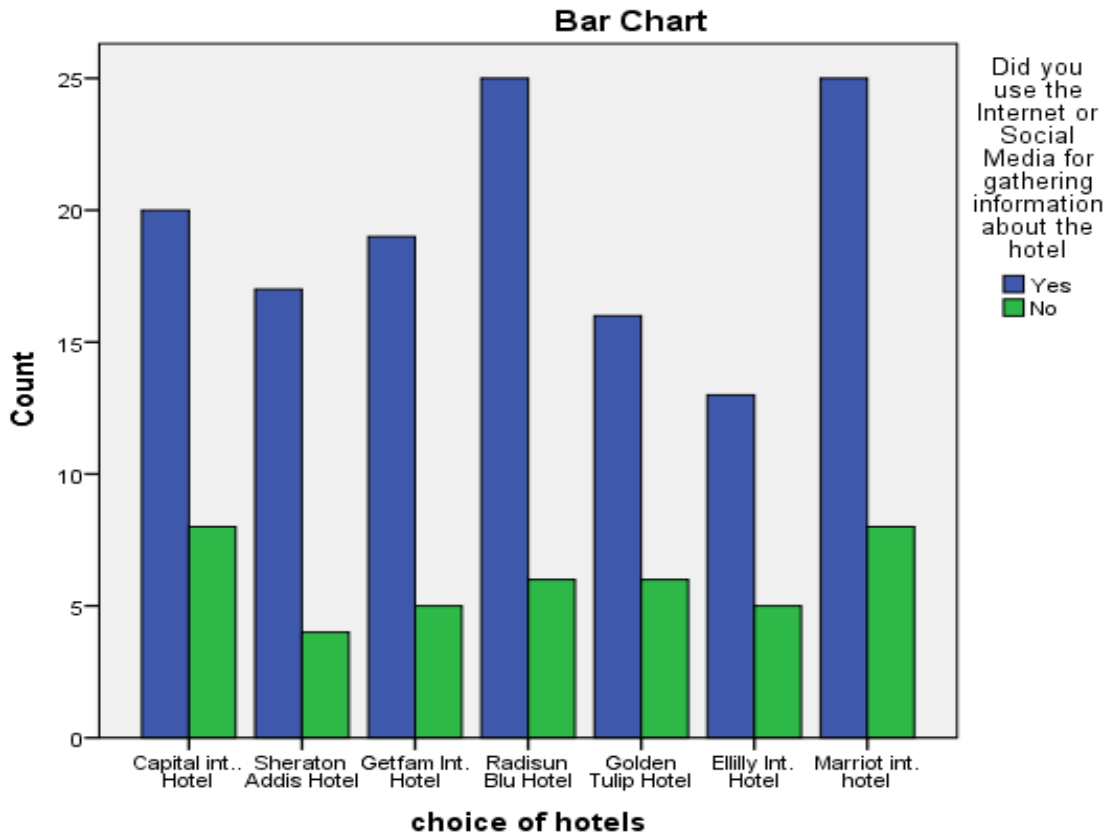
Table 4.5 Country of Origin of the Customer vs the involvement in Social media

Crosstab						
Items		Do you have a social network website account?		Are you a member of social media?		Total
		Yes	No	yes	no	
country of origin	Ethiopia	14	2	16	0	16
	Africa	46	0	44	2	46
	Asia	45	28	43	30	73
	Europe	10	19	33	6	39
	others	3	0	2	2	3
Total		126	51	141	38	177

Source: own Survey, 2018

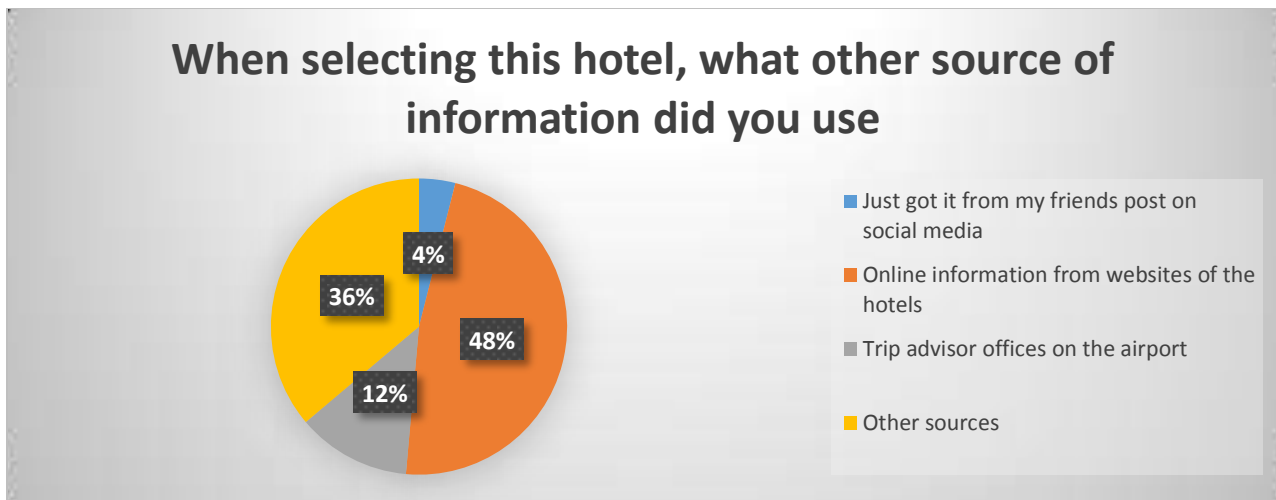
In the above table most of the respondents have social media account and they been categorized in Africa, Asia, Ethiopia and Europe respectively.

Figure 4.3 Engagement levels of respondents in social media in selecting the hotels



As the collected data shows majority of respondents have got the information about the hotels from social media like Facebook and others. By using social media Marriot Int. hotel Radisson Blu and Capital Int. hotel are the top three selected and engaged hotels in Addis Ababa.

Figure 4.4 other sources of information for selecting hotels



The limited number of people has replied on the sources other than social media for selecting the hotels. Therefore, majority of them (48%) have got the information from the website of the hotels, while 36% of them got the information from others sources such as word of mouth from friends and relatives, Recommendation from other people and etc. the maximum share which is 52% of the customers are using internet to gain information from websites of the hotels and friends social media posts.

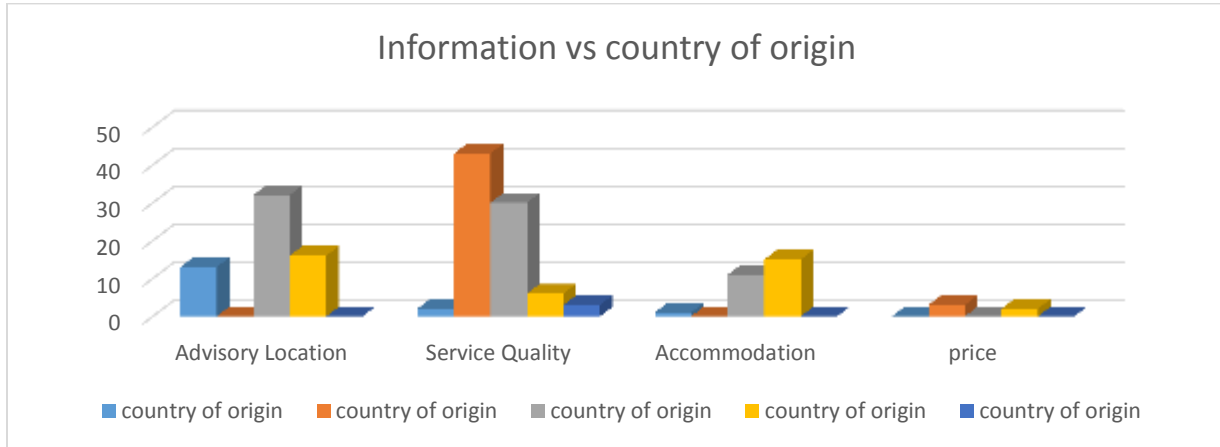
Table 4.6 Choice of Hotels vs Social Media Engagement

		which of these websites do you use for social networking?				Total
		Facebook	Twitter	Linkedin	others	
choice of hotels	Capital int.. Hotel	26	0	2	0	28
	Sheraton Addis Hotel	19	0	0	2	21
	Getfam Int. Hotel	22	1	1	0	24
	Radisun Blu Hotel	26	0	4	1	31
	Golden Tulip Hotel	11	6	5	0	22
	Ellilly Int. Hotel	16	0	2	0	18
	Marriot int. hotel	24	6	3	0	33
Total		144	13	17	3	177

Source: own Survey, 2018

According to the above table most respondents have said that Facebook is the first in rank of social media engagement while linked in and twitter continues to be secondary and tertiary level. As most of them said customers who have selected these five-star hotels have ranked Facebook as the first one of whom they look for each of the hotels information about their location, service quality, accommodation and price of their service respectively. Therefore, when we look at the level of decision they made because of Facebook in rank of choice Capital int. Hotel and Radisson Blu Hotel (1st), Marriott Int. Hotel (2nd), Getfam Int. Hotel (3rd), Sheraton Addis Hotel (5th), Ellilly Int. Hotel and Golden Tulip Hotel are 6th and 7th selected five-star hotels because of use in social media.

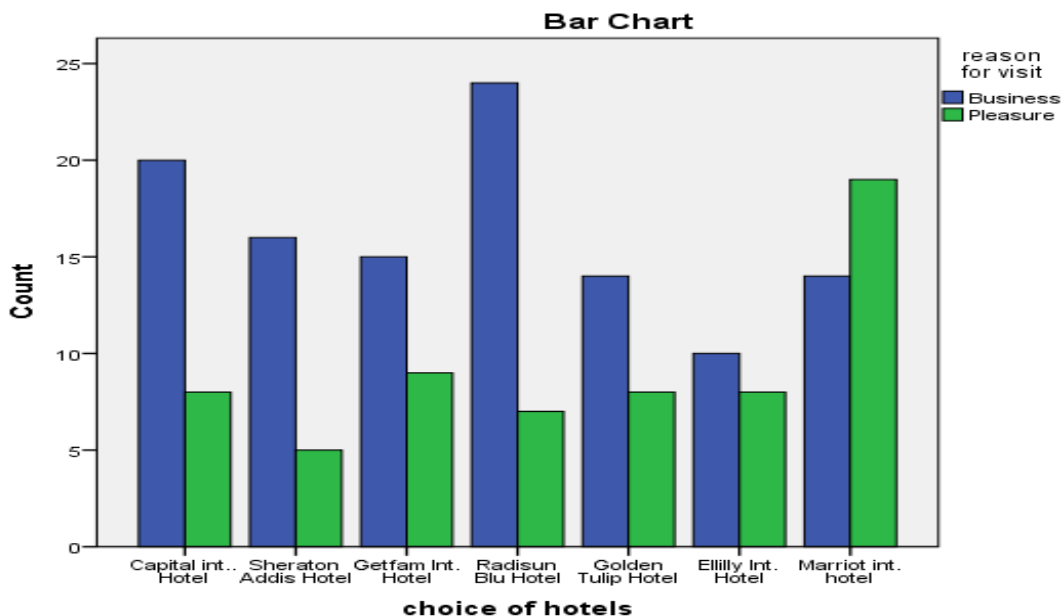
Figure 4.5 Country of origin vs the information they are looking when they use social media of hotels



Source: own Survey, 2018

The social media users in the under listed country of origins have many demand for their own business. Customers from Africa looks for Service Quality and Advisory location on their social media networks. Customers from Ethiopia look for advisory location mostly when they are exposed to social media. Customers from Asia mostly looking for both Advisory location and Service quality when they use social media. Customers from Europe mostly look for Advisory location and accommodation of the hotels in Addis when they are exposed to social media.

Figure 4.6 Choice of Hotel vs Reason for Visit



Source: own Survey, 2018

According to the Above figure that the crosstab result between hotels selection and reason for visit shows that most of the five-star hotels (**Radisson Blu Hotel, Capital Int. Hotel Sheraton Addis Hotel, Getfam Int. Hotel, Golden Tulip Hotel, and Elilly Int. Hotel** respectively) customers are using the service of these hotels for the **purposes of Business**. However, customers coming in to **Marriot Int. Hotel** have replied that they are coming and using the hotel for the **purpose of pleasure**.

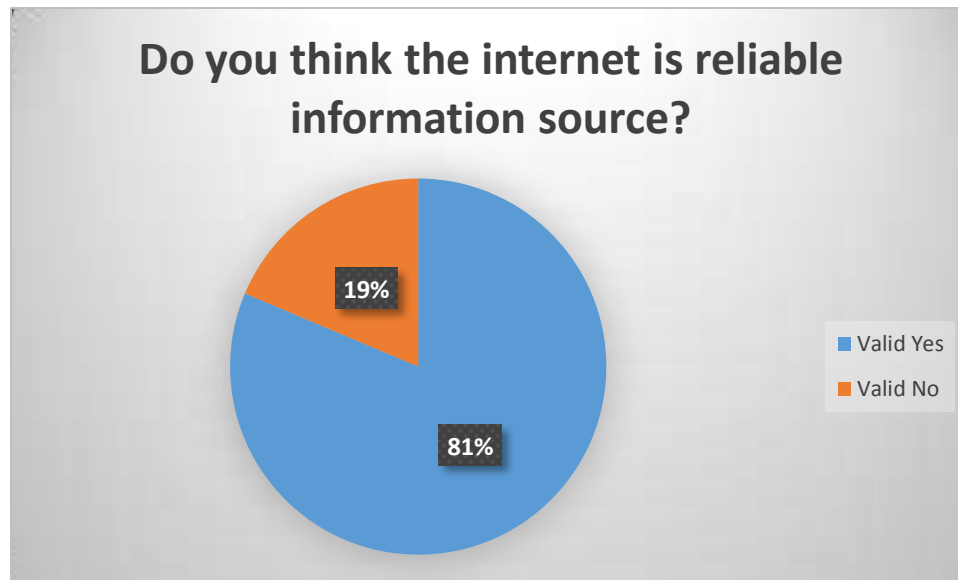
Table 4.7 The extent of exposure and influence you got from social media

The extent of exposure and influence you got from social media is rated as		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Little	38	21.5	21.5	21.5
	Moderate	67	37.9	37.9	59.3
	High	68	38.4	38.4	97.7
	neutral	4	2.3	2.3	100.0
	Total	177	100.0	100.0	

Source: own Survey, 2018

The extent to be exposed to use social media for the purpose of selecting the hotel service has been rated as most replied as highly influenced and exposed by social media, 38.4 % and 37.9% High and Moderate rate of exposure.

Figure 4.7 Reliability of information from Internet and social media



Accordingly, most of the respondents (81%) has figured the information they are from internet and social media is reliable. Very little of them (19%) does have some reliability problem in their use in an internet and social media.

4.5 Results of Interview from marketing managers of each hotel

Marketing managers of each of the five-star hotel in Addis Ababa are 7 in number. Semi-structured interview has been prepared and each of these 7 marketing managers has been asked for the effectiveness and impact of the social media in customer flow.

The following list of questions where prepared and many of the answers where summarized and presented in the following way:

1. What is your view of Social media?

Social media nowadays has become the biggest tool in advertisement and promotion of hotel industry. Most of the managers believed that without internet and social media their existence would have been limited in the view that all customers and stakeholders will have no access to our services and even information of existence. The significance of social media more emphasizes in interacting and exchanging information to the clients from all over the world.

2. What do you think of Hotel Visitors these days? How do you characterize them?

The customers this days are come all areas of the world for business, for visiting our historical places, for pleasure, for official works and for many other businesses. These customers most of all are technology oriented customers they just internet and social media in order to collect information about anything. They also sometimes book our bedrooms, meeting halls and restaurants online. Therefore, the five-star hotels in Ethiopia may have difficulties in even coping up with the needs of each customer in a virtual world.

3. How do you rate the importance of Social Media in your line of business?

When you are a five-star hotel managers specially marketing manager you have to be versatile and dynamic. Most of them agree that adopting the up to date technology in their area of work is very important and customer centered. They have mentioned some of the importance of social media in their line of work as:

- It brings much customer from all over the world

- It helps to build brand service and acknowledged services
- It also initiates to growth and success with the growing demand of customers
- It minimizes the cost of advertising with TV and radio
- It helps to gain more accessible information all over the world
- Most of it helps to increase profit and sales by improving customer flow to the hotels.

4. What are the main challenges of Social Media to the Hotel Industry? And in Ethiopia in particular?

The challenges of social media in general is reliability of access to broadband internet and the network of people among single social medium.

However most indicated challenges of social media for fives star hotel in Addis Ababa has been enlisted by the managers as:

- o Weak broadband internet access
- o Weak infrastructure of telecom
- o The problem of security in our own website and Facebook Page
- o The credibility of client’s profile and their request
- o Difficulty of timed out services

5. Do you consider the internet as a good source of info for Hotel Customers and why?

Most of the managers agree that the internet even the social media doesn’t bring the accurate information both client and hotels. Some of the managers has mentioned about having many Facebook accounts of their hotel that they don’t even know they exist. Similar accounts have been created by many fraud people and may lead customers the wrong idea of the hotel and its services. For the managers customers who are providing wrong profile for booking the hotel service and using the hotel websites are some of the difficulties we faced.

6. How does social media help to acquire better customer flow in your hotel?

The vision of the five rated star hotels is to adequately serve the customer and satisfy them but mostly to reach the highest level of customer flow. In the hotel industry the service delivered are services which are supported by good/commodity. Therefore, the commodities support the core service the hotels are giving. As they mentioned, the industry productivity measures may be difficult to measure because it depends on the expectation of customer and what they actually get in the vicinity.

CHAPTER FIVE

CONCLUSION AND RECOMMENDATION

5.1 Conclusion

As the demographic data collected showed Middle age group are more predominant in the five rated star hotels in Addis Ababa while There is a slight difference in case of gender use. The users of five-star hotels are very comparably equal male female combinations.

As mentioned in the analysis part most of the customers going five-star hotels have the habit of having capacity to analysis make wise decision. As it is believed that university graduates and Master degree holders have high aptitude, there a conclusion that they can make a very wise and futuristic decision. The business they are engaged in are categorized under the private business owners and government hired individuals who works on some businesses.

The involvement of the respondents in social media were the focus of question. The data collected revealed that most of them has either a website of an account on social media. This may initiate them to collect information by their own from different social media posts and notification. Accordingly, the focus of most of the respondents or customers on using social media as a communication tools is Facebook LinkedIn and Twitter. The respondent's origin was categorized with their involvement in social media: most commonly customers who came from Africa, Asia and Europe have social media account and they are using them to book hotels, reserve some service and prepare the future work on it.

By using social media Marriot Int. hotel Radisun Blu and Capital Int. hotel are the top three selected and engaged hotels in Addis Ababa. But among customers who are not using social media they have got the information from others sources such as word of mouth from friends and relatives, Recommendation from other people and etc. Therefore, when we look at the level of decision they made because of Facebook in rank of choice Capital int. Hotel and Radisun Blu Hotel (1st), Marroit Int. Hotel (2nd), Getfam Int. Hotel (3rd), Sheraton Addis Hotel (5th), Ellily Int. Hotel and Golden Tulip Hotel are 6th and 7th selected five-star hotels because of use in social media. the maximum share which is 52% of the customers are using internet to gain information from websites of the hotels and friends social media posts.

Service quality, advisory location and accommodation are the top information's that can be searched and gained from social media that exposes the information of the five-star hotel in Addis Ababa. The extent of influence and engagement in social media among users of five-star hotel is very high and dependent on the hotels access to social media.

The information that both customer and the hotels are using may not be reliable because of fraudulity from customers profile and creation of many similar Facebook pages of the hotels by unknown

The result from marketing managers of the hotels as Most of the managers believed that without internet and social media their existence would have been limited in the view that all customers and stakeholders will have no access to our services and even information of existence. customers most of all are technology oriented customers they just internet and social media in order to collect information about anything.

The importance of social media in their line of work as: It brings much customer from all over the world, it helps to build brand service and acknowledged services, it also initiates to growth and success with the growing demand of customers, it minimizes the cost of advertising with TV and radio, it helps to gain more accessible information all over the world, most of it helps to increase profit and sales by improving customer flow.

Challenges of social media for five-star hotel: Weak broadband internet access, Weak infrastructure of telecom, The problem of security in our own website and Facebook Page due to fake accounts in the name of the five-star hotels, The credibility of client's profile and their request that mostly result in wastage of time and resource, Difficulty of timed out services. Similar accounts have been created by many fraud people and may lead customers the wrong idea of the hotel and its services.

5.2. Recommendation

As the study tried to address the research questions Policy makers, Hotel Managers, customers and other stakeholder could use some of the suggestions forwarded in this study.

- The social media concept should be understood very wisely for all of these stakeholders. We have to be more careful in disseminating information in our own social website or accounts. Because it has a consequence of loosing market and having bad image. Since over 80% of the customers of five-star hotel agree that the information they get from online sources is valid, five-star hotels should look forward to use their official social media accounts to discriminate information and take measures to avoid fake accounts and fraud people who forge the good deeds and make wrong claim about their routine.
- As it has been proved social media has made a concrete contribution to customer flow and the customers are technology oriented and use internet in their day to day activities, we have to focus in getting updated and technology driven social media engagement.
- Since Facebook, twitter, and linked in are the most used social medias, therefore marketing managers should focus on the specified mediums to attract more customer flow.
- The customers of Five-star Hotels come from various locations from the world so the world-wide application in social media engagement could bring internationalization and engagement in a successful global market. Therefore, the five-star hotel should focus in internationalizing the services and address the information worldwide through social media.
- The challenges that policy implication should have to be given due attention and dealt with as soon as possible. In the state of globalization backwardness is not an option. The stakeholder of government and private enterprises should cooperate and modulate the problem of broad internet strength in signal and access.

5.3. Future Research Agendas

Researchers should focus their attentions on the variables such as social media advantages and challenges, the incremental impacts of social media on decision making in other sectors. It is also possible for researchers to study how to control fake accounts and control official accounts of institutions.

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APPENDIX: Questionnaire

A study to investigate the Impact if Social Media on customer flow to the Five-Star Hotels in Addis Ababa.

Dear Respondent, My Name is Mulugeta and I am Masters student Addis Ababa University, School of Commerce, Department of Marketing Management, and I am conducting a study investigating the Impact if Social Media on customer flow of five-Star Hotels in Addis Ababa. Social Media is a relatively new and innovative, and there is little research that has examined travelers' perceptions and experience of using social media on the hotel selection process. The results of this study will hopefully improve the operations of hotel operation in Ethiopia. I am interested in your experiences in the social media, so I have enclosed a questionnaire which asks you to respond to a series of statements and questions. The items in the questionnaire focus on your decision to select this hotel and how you thought you were influenced by the information available online. Items also ask you to report how often you use the internet and social media, and how you would share your experiences in this hotel. Finally, the questionnaire includes statements why you would or would not share your experiences with other travelers online. I want to stress that your participation in this study is voluntary and all efforts to protect your identity and keep the information confidential will be taken. If you have any questions or would like us to pick up the questionnaire please do not hesitate to contact us in the following addresses.

Mulugetademissiemerg@gmail.com Tel (M): +251912607037

This survey is completely anonymous and no information you give can be traced back to you or used against you in any way.

Thank you very much for your cooperation.

INSTRUCTION

Please put a ((√)) Mark in the box that best represents your response

NO	Items	Responses	Tick	NO	Items	Responses	Tick (√)
1	Age	>18		4	Occupation	Student	
		18-28				Private Business	
		29-39				Government hire	
		40-50				Not working	
		<50					
2	Sex	Male		5	Marital Status	Single	
		Female				Engaged	
3	Education level	No education				Married	
		High school finish				Divorced	
		College diploma				Widowed	
		University/college degree					
		MA and Above					

4. which of the five-star hotels are currently using	Capital Int. hotel	
	Sheraton Addis	
	Getfam int. Hotel	
	Radisson Blu	
	Golden Tulip	
	Elilly int. Hotel	

S.N	Items	Choices				
5	Country of Origin (Continent)	Ethiopian	Africa	Asia	Europe	others
6	Reason for Visit	Business	Pleasure			
7	How often do you travel?	Very Often	often	once in while		
8	How long are planning to stay?	>week	a week	<week		

9. Do you have a social network website account?

Yes No

10. Are you a member of social media?

Yes No

11. If yes, which of these websites do you use for social networking? (Tick all appropriate)

Facebook	twitter	linkedin	tripadvisor	other specify

12. “Which kind of information do you look for on the Internet for your holidays?”

Advisory of location Service quality accommodation Price

13. Did you use the Internet to book the hotel and pay on line? Yes No

14. Do you think the internet is reliable information source? Yes No

Exposure

1. “What do you consider as a necessary piece of information before the selecting the Hotels?” (Please Rank)

Destination	
Accommodation	
Local Culture and tradition	
Price of Hotels	
Services quality	

2. Did you use the Internet or Social Media for gathering information about the hotel?

Yes No

3. When selecting this hotel, what other source of information did you use?

- A. Just got it from my friends post on social media
- B. Online information from websites of the hotels
- C. Trip advisor offices on the airport
- D. Other sources

4. The extent of exposure you got from social media is rated as

Little Moderate excellent

5. How would you rate the importance of online reviews of hotels and accommodations?

Very Important Important Not Important

6. Are you going to share your experience with your family and friends through social media?

Interview Questions for Marketing Managers of each of the five-star Hotels

Dear sir,

My Name is Mulugeta Demissie and I am Masters student at Addis Ababa University School of Commerce and I am conducting a study investigating the Impact of Social Media on the Five-Star Hotels in Addis Ababa. Social Media is a relatively new and innovative, and there is little research that has examined travelers' perceptions and experience of using social media on the hotel selection process. This will take a few minutes of your time but I believe your views and ultimately the results of this study will hopefully improve the operations of hotel operation in Ethiopia.

1. What is your view of Social media?
2. What do you think of Hotel Visitors these days? How do you characterize them?
3. What do you think is the main change brought about by social media?
4. How do you rate the importance of Social Media in your line of business?
5. What are the main challenges of Social Media to the Hotel Industry? And in Ethiopia in particular?
6. Do you consider the internet as a good source of info for Hotel Customers and why?
7. To what extent is your hotel engaged in similar internet-based communication with its customers?
8. What is your experience with Hotel customer practice of sharing information?
9. What do you think of the importance of having specialized and similar websites by hotels to encourage travelers to share their experiences?

Thank you for your time!