

# TOURISM AND SOCIAL NETWORKING IN CUSTOMER COMMUNICATION

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**Abstract.** This article deals with the current use of communication media of travel agencies and hotels. It focuses on the use of social networks in the globalisation process. Social networks are increasingly used as carriers of marketing information to the customer and the general public. They have an irreplaceable position in the process of globalisation. Their main benefit is that they are not geographically limited. Another benefit is that they are maintained up-to-date in real time. This allows the option to focus on selected regions and a specific group of customers, based on their cultural, social and ethnic preferences and status. For companies, social media also benefit from low cost, and the ability to measure their effect. All this is very beneficial for tourism. The use of this new marketing tool can make a significant contribution to hotels and travel agencies. Interestingly, many tourism companies know these benefits but do not use them to the extent that they could. This can have a negative impact due to the globalisation of this market. The article looks at the current situation on the tourism and hotel market in the Czech Republic, compared with the situation abroad. It monitors the current use of social networks in the communication of hotels and travel agencies and looks for connections with the use of digital media in other areas of the industry. At the same time, attention is paid to the more detailed use of digital marketing by a selected travel agency in the Czech Republic.

**Keywords:** tourism, social networks, hotels, travel agencies, marketing

**JEL Classification:** M310, M15, L83, C8

## 1 Introduction

Tourism has been on the rise in recent years. With developments in Western society, interest in travel and accommodation is growing, especially among the middle classes. This includes an increase in the impact of media content related to tourism. In 1985, (Feifer 1985) created the term “post-tourism” to highlight a new and symbolically effortless way of travelling. When the consumer becomes a part of mass tourism and deliberately travels according to media images rather than looking for authentic places. (Jansson, 2018) and (Garcia Pascual, 2017). This is linked to interest in renowned destinations and hotels, which has a global overlap. As stated by (Kennelly & Toohey 2016; Javid & Katircioglu 2017): Globalisation has a direct relationship with tourism. At the same time, it is considered one of

the positive aspects of globalisation which highlights local attractions. This industry is one of the factors facilitating globalisation and acts as one of the internal flows of the world economy alongside the flow of capital from the centre to the periphery. In other words: “Tourism is a rational and powerful reason for globalisation and the way to globalisation is possible through tourism.” The Internet also has an impact on this because of, among other things, the rapid transfer of information.

Tourism is highly fragmented and has created a situation of “hyper- competition”. This leads to the use of social media by individual brands. They seek to increase customer engagement at cognitive, affective and behavioural levels, with the main goal of encouraging higher customer retention. Van Dijk, et al. (2011). How brands can use social media to increase the engagement of their customers is a key issue in the field of hypercompetitive tourism. (Harrigan et al., 2017) However, it is also a trend for other markets (Klepek, 2016; Capatina, et. al. 2018; Hew, et al..2018).

Globalisation, strong competition, changes in visitor behaviour and the fragmented nature of the tourism industry have resulted in exceptional changes in the management and marketing of tourist destinations as well as in the experience of visitors. For tourist destinations, a responsible attitude to tourism development is now crucial. As reported by (Maráková et al., 2016).

Furthermore, minimising costs and saving time are the most important benefits for e-marketing. In addition, information on promotional offers is the most important type of information provided by e-marketing. Social media and e-mail marketing are common tools for e-marketing among travel agencies (Al-Weshah, 2018; Marco, et al. 2018; Zhang & Zhang, 2018)

This article examines how digital marketing tools are used by businesses in the tourism industry. It is based on research conducted in the Czech Republic in the spring of 2018, which includes 255 questionnaires as well as links to previous research on this issue in the Czech Republic. At the same time it monitors the selected travel agency and its use of digital marketing tools. The aim of this article is to determine how social media is mainly used in the tourism industry in the Czech Republic. It also focuses in detail on the use of websites by a selected travel agency, including an assessment of conversion ratios and user access tracking. Websites according to this research are still the most widely used communication channel in the tourism industry in the Czech Republic. This may have a negative impact on the globalisation of tourism for businesses in the Czech Republic, as in other countries digital marketing tools used are more sophisticated.

## **1.1 Material and Methods**

The following research questions were asked in the article:

RQ1: How important is traditional and digital marketing for tourism in the Czech Republic? RQ2: How do tourism businesses approach online communities? RQ3: How are websites used in the tourism industry in the Czech Republic?

The article used a questionnaire survey. This survey was carried out by the Faculty of Economics and Administration at the University of Pardubice. It focused on the use of communication tools and social networks in the marketing of tourism businesses. It was descriptive research using a judicious selection of respondents. The methodology of this

article follows previous studies (Harrigan & Miles, 2014). Most questions were scalable and used a typical five-step Likert scale. The questionnaire itself had been tested in previous studies (Harrigan & Miles, 2014), (Bachmann & Kantorová, 2016). (Kantorová et al., 2015) and partly adapted to correspond to the character of the respondent and the conditions in which they operate. The basic set includes 850 travel agencies registered in 2017 in the Czech Republic. At the same time 9,007 accommodation facilities registered in 2017 according to the Czech Statistical Office.

A pre-test was performed and the questionnaire modified. Approximately 2,000 respondents were then randomly selected and sent a link by e-mail or via social networks. The questionnaire had a total of 44 questions, most of which were mainly closed questions, some with the option of completing another answer. The survey was conducted in March 2018. Subsequently, 255 questionnaires were processed in the sample, which is 2.6% of the population. A correlation matrix was created. By transformation, the nominal variables were converted to dummy variables (binomial). This was achieved using the SPSS Modeler program; see Fig. 1.

Figure 1: Creating Dummy Variables Using SPSS Modeler



Source: Authors

The sample survey included 54% respondents from small companies (up to 10 employees), and medium-sized 40% respondents (up to 250 employees). 14 respondents (5.5%) were from large companies with over 250 employees. This corresponds to the distribution in the population.

## 1.2 Results

We also compare outputs of companies with up to 250 employees (SME) to compare with the 2015 survey as published.

### RQ1: How important is traditional and digital marketing for tourism in the Czech Republic?

For companies with up to 250 employees, responses are spread out with a significant predominance in digital marketing, but with certain significance as well as in traditional marketing Tab. 1. They are similar to those reported by (Kantorová et al., 2015).

Table 1: Importance of traditional and digital marketing - up to 250 employees

N=241		I don't know	Unimportant	Rather unimportant	Rather important	Strongly important
Role of traditional marketing	Abs.	11	19	66	116	29
	Rel.	5%	8%	27%	48%	12%
Role of digital marketing	Abs.	0	6	20	94	121
	Rel.	0%	2%	8%	39%	50%

Source: Authors

### RQ2: How do tourism businesses approach online communities?

Out of a total of 241 respondents, 98 respondents said that they do not make use of online communities, and 44 did not assess this question. This left 98 questionnaires that could be further processed, 58 of which were accommodation and catering facilities and 40 respondents were from travel agencies Tab. 2.

Table 2: How companies SME make use of online communities.

N=98	Mean	SD
We have a strategic approach to managing online communities	3.08	1.04
Other online customer communities are central to our marketing	3.07	1.14
We use communities to have conversations with our customers	3.59	1.03
We build our online communities with our customers	3.55	0.95
We use these communities to promote ourselves to customers	3.46	0.98
Customers use these communities mainly to make positive comments and reviews	3.57	1.03
Our online customer communities are central to our marketing	3.35	1.09
We participate in relevant customer-owned communities	3.12	0.96
We monitor and act on interactions between customers in these communities	3.2	1.12
Online communities are a way of engaging with our customers	3.34	0.93
These communities allow us to involve customers in product/service development	3.12	1.16
We proactively manage interactions in these communities	3.07	1.05

Source: Authors

Representatives of the SMEs also reported on how to create online communities. Communication with customers was in the first place, at 3.59. This is closely followed by the fact that customers primarily use these communities to make positive comments and reviews, and companies are building an online community with their customers at 3.55, but those showing that this is crucial for their marketing have a lower level of 3.35. The least positive comments concerned a strategic approach, interaction management, and the use of other communities. The use of social networking for promotion ranks fourth. Answers to the question “Which social media do they use?” showed that businesses most use Facebook, Instagram, YouTube and Twitter. Other social networks have been mentioned by businesses only exceptionally.

We followed the survey results of all sectors in 2015 for companies with up to 250 employees (Kantorová et al., 2015). Interestingly, for tourism businesses, the use of communities for promotion is in the 4th position (3.43 in 2015 and 3.46 year 2018). A significant difference was found only in building a community with customers where tourism shows significantly higher values of approval (2.95 in 2015 versus 3.55 in 2018). This points to interest in building a customer relationship, but there is no proper use of these communities - for example, customer involvement in both cases in product development is low (3.12 in 2018).

### **RQ3: How are websites used in the tourism industry in the Czech Republic?**

In the question “What digital marketing tools do businesses use?” they most often said they use websites the most.

The method of use can be explored by analysing the selected travel agency. The selected travel agency meets the following conditions: the travel agency is already established on the market, it is a member of one of the travel agency associations and their own certificate “Czech Quality System of Services II Grade”.

In the selected travel agency, these aspects were examined as part of (Zahálková, 2018): the sources of visitor arrivals (potential and existing customers) to the agency website, visitors based on gender and age, and facilities used by a given visitor to the travel agency’s web site. At the same time, the conversion rate of these visits was examined. Most visits (78,18 %) to the travel agency’s website are from a full-text search; i.e., from web browsers such as Google, Seznam, etc. (comprising 48.14%). The conversion rate for these visits is 1.43%, meaning that 1.43% of visitors sign a travel agreement. Due to the large number of visits, this conversion rate is assessed as positive. Second, the source of visits is the URL of the travel agency in question (22.75%), which suggests that these users have already visited the website of the travel agency and are automatically entering the site without a search engine. Visitors become customers at a rate of 1.57%, which is slightly higher than full-text searches. The impact of social networks as a source of visits is significantly smaller. Only a small percentage of users come from social networks (such as Facebook).

## 2 Discussion

When choosing holiday destinations, the Internet seems to be the main source of information for tourists with loyal tendencies. At the same time, traditional media such as the tour operator's brochures, hold high positions. A survey of 17 countries confirms that there are significant differences in the use of social media depending on each nationality (Almeida-Santana & Moreno-Gilb, 2017), (Amaro, & Duarte, 2017). However, the results (Kim and Chae, 2018) indicate there is a positive association between a hotel's resources and Twitter use. (Chang et. al. 2018).

This is confirmed by the results of five-star hotels in Malaysia. They do not use the Facebook platform to its best. Hotel operators have trouble maintaining customer engagement and, above all, hotel operators in Malaysia have insufficient knowledge of how to measure engagement with customers (Hashim & Fadhil, 2017).

Similar findings have been made by our research and similarly by examining the situation in a selected travel agency. Overall, the use of social networks to communicate with customers is more common in the Czech Republic, but there is no strategic approach here. This communication does not make use of all the opportunities it offers - such as engaging customers in product development, which may lead to lower branding development, as (Harrigan et al., 2017) suggests: Brands need, among other things, to use social media to involve customers in their brand. It was found that engagement is a prerequisite for engaging with tourism brands.

This is also confirmed by research in Spain, which found that the intensity of use of social media significantly affects brand awareness. (Stojanovic et al., 2018) And from the point of view of globalisation, it can have a negative impact on brand building in the tourism market in the Czech Republic. Because they show the use of digital marketing tools, but more often they are social networks than social networks, and customers do not engage enough in interaction and do not engage strategically in their management.

The results of the research show that there is a higher use of social networks in tourism in the Czech Republic for building a community with customers compared to the results obtained from all sectors in 2015. This is positive, but in this aspect, the Czech Republic still stagnates abroad - research of small leading UK companies in 2014. In the UK, respondents placed customer engagement in product development in the 6th position. On the other hand, our research recorded this in the 8th position. In the same survey, the United Kingdom ranked highest in the issue: Online communities are a way of engaging with our customers (3.72). (Harrigan & Miles, 2014). In contrast, our research recorded only 3.34. This places the item in the 6th position. This in the context of globalisation brings a significant competitive disadvantage for tourism in the Czech Republic compared to countries where social networks are more effectively used to build customer relationships.

### **3 Conclusion**

Tourism has a cross-sectional character throughout the national economy and is linked to many sectors. Its activities have a positive impact on national economies. On the global tourism market, it is all about the destinations, not just individual businesses that compete to attract visitors. Therefore, this article can make a significant contribution to them, not just for individual tourism businesses. This article provides information on the current situation in the use of digital marketing tools in the tourism industry in the Czech Republic. It compares data obtained from surveys in other countries at the same time with similar research carried out in the Czech Republic across other sectors in previous years.

There are social networks that are more extensively used to transfer marketing information. In the process of globalisation they have an irreplaceable position because they are not geographically limited, they provide up-to-date information and can target individual segments of customers and the general public.

The article investigated 3 research questions: How important is traditional and digital marketing for tourism in the Czech Republic? How do travel businesses approach online communities? How are websites used in tourism in the Czech Republic used?

Research and comparison have shown that tourism companies are still using traditional marketing tools, but the use of digital marketing is predominant. Among digital tools, the most widely used are websites. In a more detailed analysis of the selected travel agency, it has been found that the site used can be fairly sophisticated in order to determine the conversion rate, the type of visitor the site visits, the type of device used to visit, and the type of customer who makes the purchase.

According to our research, social networks are used to a great extent. It's not just promotion that is at the heart of social networking. Communication with customers is in the first place, which includes creating a space for customers to express positive comments and reviews, and building an on-line community with customers at a later stage. This is a positive finding. At the same time, however, significant reserves have been identified in the use of social networks regarding the establishment of a customer relationship. Their use for product development, for example, has been relegated to last place, just like social networking strategies. Compared with research carried out in the UK and published in 2014, there is a significant lack of use of the potential of social networking in the tourism industry in the Czech Republic. These reserves are real warnings about globalisation pressures.

Marketing is a necessary part of development in the Czech Republic, which carries with it expenses not only for promotion. Small and medium-sized businesses will not engage in research and development, but they need to draw on information derived from research for their innovation so that they can continue to compete. Therefore support for research, innovation and marketing should be based on both knowledge of the economy and the destinations themselves as part of their regional marketing. This may be the subject of further research.

Customer privacy is a new challenge to businesses that utilise digital marketing and want to build customer relationships. It entails increased demands on data management for personalising communication activities. It is perhaps another area of research as these claims are reflected in the use of social networks.

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