

# The Role of Social Media Advertising in Travel Information Search: A Preliminary Study of the Greek Market

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**Abstract:** *Tourism is an information intensive industry and consequently it is critical to pursue the technological developments that affect information accessibility and distribution in order to stay close to the way that consumers take their decisions. Cyberspace has provided hospitality marketers with new ways to improve the efficiency and effectiveness of communication and new approaches for the acquisition and retention of their customers. Social media Websites have gained popularity among travelers. Many of these Websites assist consumers in posting and sharing their travel-related comments, opinions, and personal experiences, which then serve as information for others. Consumers gain substantially more power in determining the production and distribution of information due to the flattening of access to the Internet. At the same time, the Internet mediates tourism experiences as tourists use these social media sites to portray, reconstruct and relive their trips. The purpose of the study was to analyze the effect of Social Networks Advertising on Greek consumers and their behavior. To this end, a questionnaire based primary survey has been conducted in order to explore Greek travelers' attitudes towards Social Media advertising.*

*The survey data have been analyzed using Multiple Correspondence Analysis, in order to detect complex relations among the variables and identify the profiles of the main population segments. Based on the responses of the sample, the population has been clustered into three classes: (a) people who are particularly positive to commercials, have proceeded in buying touristic products and maintain a profile in social networking websites, (b) people who have a neutral position regarding commercials, consider that the volume of commercials is excessive but still observe them and are affected by offers and gifts and (c) those who are negative and also do not participate in social websites and consider web usage unreliable. The above clustering has been found to be independent of age, gender and education level. By applying a hierarchical clustering method on the statistical units, it was possible to estimate the percentage of the sample which corresponds to each of the above classes. Specifically, it was found that 17,7% of the respondents fall into the profile of positive standpoint, while the 39,2% can be categorized as neutral and 37% as negative. Additionally, the interpretation of more factorial axes has revealed secondary tendencies where the use of websites and individual interests are related to specific age groups and education level.*

**Keywords:** *Social Media, Advertising, Tourism, Consumer Response, Greece*

## INTRODUCTION

Cyberspace has provided marketers with new ways to improve the efficiency and effectiveness of their communication. Social media platforms have gained popularity among consumers. Many of these websites assist consumers in posting and sharing their buying related comments, opinions, and personal experiences, which then serve as information for others. Consumers gain substantially more power in determining the production and distribution of information due to the flattening of access to the Internet. At the same time, the Internet mediates consumer experiences as tourists to use social media sites to portray, reconstruct and relive their trips. The purpose of the study was to analyze the effect of Social Networks Advertising on Greek travel services' consumers and their behaviour. To do so, a questionnaire based primary survey has been conducted in order to explore the Greek travellers' attitudes towards Social Media advertising.

## 1. LITERATURE REVIEW

### 1.1 Information and Purchasing/ Buying Behaviour in Travel Services

Without adequate information, the ability of potential travellers to make their reservation is extremely limited (Murphy et al, 2006). The buyers of travel services need access to information to help them plan and evaluate the options offered both before and during their journey. Dependence on information sources makes the information and its distributors necessary for making the purchasing decision. The travel is a complex product and the endless combinations and options from other suppliers make (complex) decisions complicated, even for experienced travellers. In making their decisions, travellers obtain information from various sources, including suppliers and intermediaries, who essentially act as information brokers

(Murphy et al, 2006). In many cases, consumers are better informed than the travel agency or tour operator. Actually, this situation tends to eliminate the role of the above as information managers while increasing the role of services offered online.

The relatively efficient distribution of information through intermediaries suffers from two major challenges: the knowledge gap (Buhalis, 2000a) and the lack of reliability (O'Connor, 2008). While Web development has greatly increased the amount of information available to consumers, the reliability of information remains the problem (Chen, 2006). Today's consumers need reliable information sources, a need which is becoming more and more intense and is served by the Web 2.0 (Yoo and Gretzel, 2009). Developments such as blogs, user comments on sites and social networks offer a possible solution that provides consumers with access to high quality, timely and unbiased information, generated by other consumers. This "wisdom of the crowd," provides a credible alternative which is gaining attraction as a primary source of travel information for consumers abandoning the intermediaries as a communication and selling tool between buyers and suppliers (Bouhalis, 2000a).

Since the mid 1990's, the Web allowed suppliers to reach and come into direct contact with their customers, by bypassing intermediaries. Therefore, their role in controlling and distributing information to customers was eliminated (Smith and Jenner 1998). Almost all providers of travel services have created websites that offer information and possibilities of transaction. As Internet penetration has increased, tourism has emerged as one of the products sold bypassing intermediaries. Information provided directly from suppliers, even when it is distributed through intermediaries, aims to sell and, therefore, is inherently biased. At this point, the value of journalists and travel guides is determined, whose role is to evaluate the services offered to readers independently (and beyond this information) providing them with objective information. However, consumers are questioning the impartiality of those sources, because of the relationship that has developed between the authors of the assessments and the providers of services and of some blatant errors detected occasionally (such as giving the Michelin star to a restaurant in Brussels that had not yet opened). Moreover, while some travel guides are offered online, most have struggled to adapt to a different business model, so the information they provide, especially for free, is limited. While new web-based travel guides have appeared without the benefit of established brands, most are struggling to build trust with users.

Over its 20 year history, the internet has gained widespread acceptance as a communications' medium and information source (Bonn et al, 1998, Newhagen and Reafaeli, 1996). Furthermore, destinations are some of the most difficult entities to manage and market, because of the complexity of the relationships of local stakeholders, government, businesses of all sizes and the natural environment. The visitor's destination experience consists of interactions with many attractions, regions, resources and groups of facilities and services (Buhalis, 2000).

### **1.2 The Role of Social Media**

In order to increase confidence and reduce mistrust towards companies providing travel information and services, platforms such as Facebook, Twitter, Flickr and YouTube, created an opportunity for access and connection with visitors. Today, most users communicate with friends, family and colleagues online changing the way they work. Consequently, the way that firms attract and retain a loyal base of customers has changed as well. When many hotels find it difficult to serve their debts, they use marketing tools based on social networks and new communication channels to attract the attention of new visitors and maintain contact with the customer base. The social media are today a must. It comes as no surprise that interactive marketing will be able to substitute traditional media.

Previous studies have examined how potential travellers receive information on which they base their decisions (Lee and Sparks, 2007, Zins, 2007). The approach used in those studies is based on individual psychology, where travellers are considered active agents who deliberately seek useful information for their trip. The effect of others is recognized through discussing the social influences in decision making process, or more precisely the effect of word-of-mouth (WOM) (passing information from person to person).

### **1.3 Mass versus Personalized Advertising**

The effectiveness of traditional forms of advertising that are based on standardized messages addressed to non-targeted audience is challenged for various reasons, such as traditional clutter that exists in the advertising market, the general tendency to avoid ads (Rotfeld, 2006, Kim and Pasadeos, 2007) and, most recently the development of technologies that allow consumers to avoid exposure to advertising if they choose. The development of new communication technologies not only limited the effectiveness of traditional advertising, but also made the personal or personalized advertising possible (Pramataris et al, 2001, Howard and Kerin, 2004, Morimoto and Chang, 2006). The advertising messages in personalized advertising are delivered using advanced techniques such as personalized web pages that use cookies to collect browsing history from websurfing, personalized interactive TV advertising, banners and smart mobile advertising (Pramataris et al, 2001, Yuan and Tsao, 2003).

There are positive and negative aspects in personal or personalized advertising. Several researchers have noted that such advertising can increase user involvement and the effectiveness of advertising (Roehn and Haugtvedt, 1999, Pavlou and Stewart, 2000, O'Leary et al, 2004). In personalized advertising, consumers receive only messages that concern them which is most likely to create the purchasing intentions or other desired response (Pavlou and Stewart, 2000). McKeen et al. (1994) suggested that greater involvement of consumers in advertising also increases their satisfaction with the ad. Howard and Kerin (2004) also found that adjusting the advertising message to the recipient, contributes to the increase of advertising effectiveness. In their experiments, the response rate to personalized ads was higher than the response rate to non-personalized advertising.

Even though personalized advertising has benefits for marketers as well as consumers, some negative effects have been reported (Sheehan, 2005, Phelps et al, 2001). It also confirmed the direct relationship between negative consumer attitudes and future behaviour of consumers and suggested that it is unwise to send personalized advertising messages to potential customers without prior authorization. Furthermore, it has been discussed whether personalized advertising or not, violates the privacy rights of consumers (Miyazaki and Fernandez, 2000). In their study, Sheehan and Hoy (1999), found that many participants not only ignore personalized ads, but many have asked the ISPs to remove them from the list. Respondents also indicated that they were less likely to subscribe to sites where personal information is asked. The above advocate for the formulation of the thesis that personalized advertising is less effective for consumers everywhere when they perceive this phenomenon as a violation of their privacy. The dilemma of "personalization versus privacy," sums up this complex situation as far as the effects of personalized advertising are concerned. (Long et al, 1999, Caudill and Murphy, 2000).

## 2. RESEARCH

A questionnaire-based primary survey has been conducted in order to explore Greek travellers' attitudes towards Social Media advertising. The aims of the research is (a) to study the behaviour of Greek travellers who are using the internet towards online advertising through social media and (b) to capture the travellers' reaction when they receive tourism advertisements online. The questionnaire consisted of 13 multiple choice questions and a combination of multiple choice questions followed by 10 interdisciplinary proposals measured in 5-level Likert scale. Questions concerning the relationship between respondents and social media are placed first, followed by questions that capture the behaviour of respondents towards online advertising. Finally, the questionnaire contains some questions that combine advertising with tourism content.

### 2.1 Data analysis

The survey data have been analyzed using Factor Analysis methods (Benzecri, 1992), specifically Multiple Correspondence Analysis (MCA) and Hierarchical Clustering (CHA) (Greenacre, 2007, Karapistolis, 2008) The goal was to identify the main population segments with similar behaviour and to specify the characteristics and preferences of each group, as well as to estimate the size of each segment. The specific methods have been preferred because of their ability to detect complex relations among a large number of variables without a priori assumptions on the underlying models. The produced result is an entirely data-driven model that describes in a qualitative way the profiles of the surveyed population. In addition, the methods are suitable to the analysis of qualitative data, i.e. to correlate categorical and ordinal variables, the latter being exactly the type of data collected in questionnaire-based primary surveys (Rouanet, 2000).

In MCA, each question of the questionnaire is treated as one categorical variable and all possible answers are seen as categories which correspond to properties of the population under survey. The method detects sets of properties which are found to be related and form specific behaviour patterns that characterize parts of the population. In addition, the collected information is broken down into individual phenomena in the form of factorial axes, each one corresponding to a specific percentage of the total information. In this way, the complex initial observation is analyzed to a set of simpler phenomena that can be interpreted individually (Van de Geer, 1993).

The analysis has been performed using the data analysis software M.A.D (Méthodes d'Analyses des Données) (Karapistolis, 2002). As a first step, the collected data have been inspected for possible quality problems and coded in order to be inserted in the analysis program. Each single-answer closed question of the questionnaire has been assigned to one categorical variable, while for the questions where more than one answers were acceptable, secondary variables have been used, one for each possible answer, with binary values (Selected/Not selected). The resulting dataset consisted of 46 variables, corresponding to 158 properties (categories), while the sample size was 400 questionnaires. From the initial data, the generalized contingency table (Burt table) has been produced, which contains the profile of each property (category) in the form of a multidimensional vector of the relative frequencies in respect to all other properties. By applying MCA on the Burt table, the total behaviour of the respondents has been broken down to several factorial axes, each one explaining a portion of the total information. Each factorial axis was represented graphically and interpreted as a pattern, that is expressed as a set of homogenous groups of related properties. By combining two factorial axes together, factorial planes were also produced, that allowed the identification of more complex underlying patterns. The most significant interpretation

typically results from the factorial plane 1X2, which combines the first two factorial axes and thus the highest possible percentage of information. The interpretation of additional planes or axes has also been considered, as these can reveal weaker but still interesting patterns.

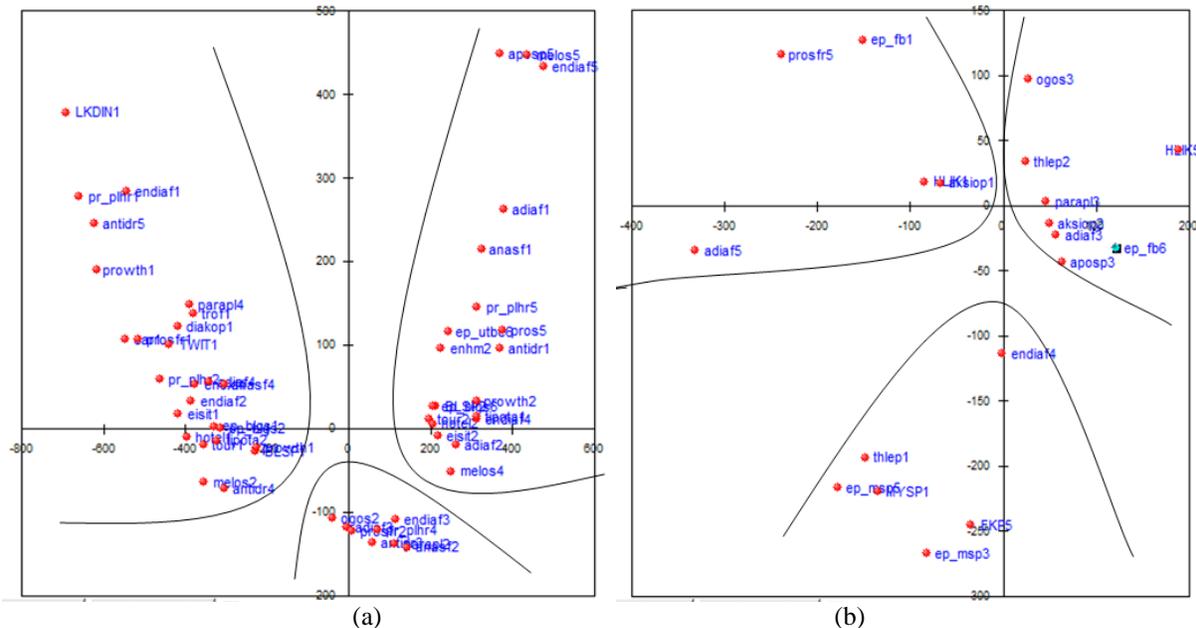
## 2.2 Results

In the factorial plane 1X2, which corresponds to 39,3% of total information, properties are categorized into three groups. This indicates that there are three main profiles in the respondents' population. The full descriptions of these profiles are:

Group A: People respond that the advertisements of tourist products are within their interests, they accept to provide personal data when requested in a web page and disagree that web-surfing is insecure, their reaction to internet advertisements on tourism is to search further on the product, they disagree that the advertisements are misleading or indifferent and special offers stimulate their interest. They also often become members of groups that promote tourist services and they state that they have at least once purchased a vacation package or ticket or they have rented a car or made a hotel reservation. The same group also responds that they have a profile in twitter and they are interested in food and beverages.

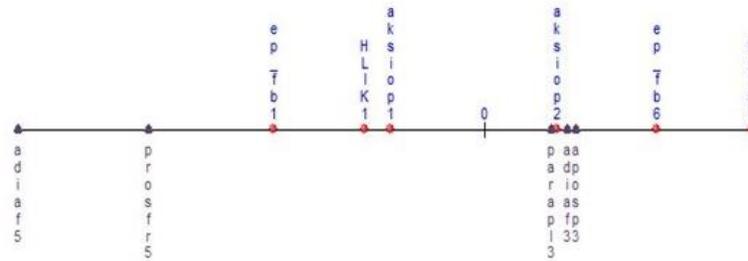
Group B: In this group, people respond that the volume of advertisements on the Internet is excessive, they are neutral about whether advertisements are interesting or not and whether they are related to their own interests. They do not provide personal information to websites, they agree that advertisements can be misleading and web-surfing insecure. Their reaction to advertisements is that they take a look and special offers and gifts stimulate their interest.

Group C: People in this group find Internet advertisements not interesting and not related to their own interests, they do not pay attention to advertisements on tourist products and would not forward one. Their reaction to advertisements is that they do not pay attention, they do not provide personal information and find web-surfing insecure. They also do not become members of Internet groups and have never bought a product following an Internet advertisement.



**Figure 1.** (a) The factorial plane 1X2. Three property groups are identified, corresponding to the main population profiles. (b) The factorial plane 3X4 where secondary tendencies are identified.

The above results show that there are three main classes of respondents: (a) people who are particularly positive to commercials, have proceeded in buying touristic products and maintain a profile in social networking websites, (b) people who have a neutral position regarding commercials but still observe them and are affected by offers and gifts and (c) those who are negative, do not participate in social websites and consider web usage unreliable. The above clustering has been found to be independent of age, gender and education level. By applying a hierarchical clustering method on the statistical units (Stalidis, 2011), it was possible to estimate the percentage of the sample which corresponds to each of the above classes. Specifically, it was found that 17,7% of the respondents fall into the profile of positive standpoint, while the 39,2% can be categorized as neutral and 37% as negative.



**Figure 2.** The factorial axis 3 reveals the contrast between the age categories 17-21 and 37-41.

On the factorial axis 3 (Figure 2), which corresponds to 5,5% of the information, it is found that there is a segregation between (a) people who have a profile in facebook, twitter and/or myspace, their age is between 17 and 21 and the main reason for visiting a website is social relations and (b) people who do not have a profile in facebook, their age is between 37 and 41 and the main reason for visiting a website is entertainment.

Interesting results were also found on the factorial plane 3X4 (10,1% of total information). As shown in Figure 1b, three classes are identified: (a) People of age 37-41, without profile in social webpages who are neutral regarding whether or not the advertisements are interesting, distracting or misleading. (b) People with postgraduate education who pay attention to advertisements on telecommunications and disagree that advertisements on tourism are related to their interests. (c) People of age 17-21 who consider the advertisements interesting and the reason for visiting social media is to spend their spare time, they also visit facebook very often.

### 3. DISCUSSION

The majority of the respondents expressed a negative attitude towards online advertising. These advertisements are considered as intrusive, deceptive, unsafe and indifferent. The environment of impersonal communication is very important for the development of trustworthy, reliable and stable relationships. The absence of the above characteristics results in a neutral or a negative attitude towards the advertisements.

The age group between 17 and 26 can be accessed with the use of advertising through facebook because its use is widespread by this age group in comparison with other social media platforms. To increase the effectiveness of ads displayed, content should be adapted to the specific characteristics of each group. This is achieved by selecting and targeting the appropriate group for public viewing and promotion services. Each message corresponds to the personality of each individual receiver and is compatible with each group. The need for substantial compliance with rules of conduct and ethics are paramount. The success of an advertisement implies respect for the audience. The content has to target a specific audience, to be credible and discreet, it must respect reader's privacy and produce as minimal discomfort as possible.

The use of social media platforms and the purposes for this use are determined by age. So, the ads designed to attract people aged 17-21 should be made in social media-related entertainment such as YouTube, Facebook, MySpace and at ages 21 and above to be associated with various information such as blogs. Moreover, our research shows that tourist advertisements would attract the male audience if combinations of package holidays with sporting or cultural events were promoted. As for their reaction towards tourist advertisements, we observe that the majority of respondents, simply throws a glimpse, but if the advertisement includes an offer, the majority of the readers, takes a closer look. In order to attract the attention of a wider audience, advertisements must contain offers or gifts that will grab their audience's attention and motivate it to take a closer look at the advertisement.

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