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# **Honors Thesis**

# The use of Twitter by Luxury and Midscale Hotels

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Spring Semester 2013

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# **DEFINITIONS**

**Favorite** = favorite a Tweet means to mark it as one of your favorites by clicking the yellow star next to the message.

**Follow** = To follow someone on Twitter is to subscribe to their Tweets or updates on the site.

**Follower** = A follower is another Twitter user who has followed you.

**Hashtag** = The # symbol is used to mark keywords or topics in a Tweet. It was created organically by Twitter users.

**Interactions** = A timeline in the Connect tab displaying all ways other users have interacted with your account, like adding you to a list, sending you a @reply, marking one of your Tweets as a Favorite, reTweeting one of your Tweets.

**Mention** = Mentioning another user in your Tweet by including the @ sign followed directly by their username is called a "mention". Also refers to Tweets in which your username was included.

**Reply** (@) = A Tweet posted in reply to another user's message, usually posted by clicking the "reply" button next to their Tweet in your timeline. Always begins with @username

**ReTweet** (RT) = A Tweet by another user, forwarded to you by someone you follow. Often used to spread news or share valuable findings on Twitter.

**To ReTweet** = To reTweet, reTweeting, reTweeted. The act of forwarding another user's Tweet to all of your followers.

**To Tweet** = Tweet, Tweeting, Tweeted. The act of posting a message, often called a "Tweet", on Twitter

**Tweet** = A message posted via Twitter containing 140 characters or fewer

#### ABSTRACT

Twitter has demanded a presence in company brands since its start up in 2008, including the hotel industry. As an up and coming marketing tool, the social media website is still new to both hotels and their guests. Observing the different strategies incorporated by luxury and midscale hotels, the paper provides explanations on how these two segments differ in utilizing Twitter. Through direct interviews with US luxury and midscale hotels and analyzing individual Twitter feeds, it was found that luxury hotels and their target market are much more active on Twitter than the midscale hotel segment. Implications suggest that although there is no current expectation from midscale hotel travelers to follow a Twitter feed, the rising presence of Twitter will demand midscale hotels to actively participate on the social media site in the near future.

#### I. INTRODUCTION

With the rising popularity of Twitter, companies of various types and sizes (e.g. hotels, restaurants, etc.) are engaging heavily in the social network to reach out to the market and keep up with trends in today's society. Current statistics reveal that there are 500 million users, with 25% following a certain brand. In other words, 125 million people use Twitter to keep track of a company for news and updates. Out of the 200 million Tweets that are posted daily, 53% of Twitter users recommend a brand or product on their own accounts (Social Media, 2013). A particular niche that has been steadily gaining in on Twitter for either sales or customer service enhancement is the hotel industry. However, apart from a few early hotelier adopters, hotels still largely debate the usefulness of this site.

In regards to social media, over half of today's travelers turn to hotel reviews when choosing to book a hotel room. 72% of all social network users access their social platform accounts daily while they are traveling. Specifically for Twitter, in 2012, more than 50% of travel companies in the US saw traffic growth from Twitter (Social Media, 2013). Guests staying at hotels post their experiences or opinions about a specific hotel whether that same hotel has a Twitter account or not. Ultimately, it is not up to the hotel to be seen on the continuing rising presence of Twitter, but rather the customer.

In 2011, the press revealed Kate Middleton would be staying at the Goring Hotel in London. In the first nine hours, 146 different users generated Tweets about the Goring hotel. Each of these users had a number of followers ranging from 18 to 300,000, which essentially spread to an audience comprised of more than 1 million users. Not a

single one of the Tweets were actually posted by the Goring hotel (Pentalidis, 2011). This example proves that Twitter boasts the unique quality of being a marketing platform that is easily and rapidly accessible to thousands, if not millions. The social networking site has a mind of its own and will react with or without the hotels consent.

Therefore, given the habits of today's travelers and their persistence to spread the word on an experience to fellow travelers on Twitter, hoteliers must adapt to the site in order to interact and participate on a social media level as well. Quality customer service both online and offline is an essential part of today's traveling experience. Therefore, the persistence for quality customer service on social media is more prominent than ever. Just as in traditional advertising, such as print, magazines, and other forms, marketers have to key in on their target market to make an efficient impression.

The purpose of this study is to research how different service level hotels are utilizing Twitter specifically to their customer profile. In further detail, the study will reveal if the Tweets posted by hotels have efficiently created a new communication outlet between a hotel brand and customers and whether this has increased the purchasing decision of potential guests. The study may also reveal whether the lack of activity on Twitter can end up hurting a hotel when potential guests are deciding which hotel to book.

#### II. LITERATURE REVIEW

#### Social Media

According to Wikipedia, Social Media refers to the use of web-based and mobile technologies to turn communication into an interactive dialogue. Differing from traditional media, social media offers a different set of tools to relay information.

Specifically, social media involves various online social channels, evolves over time, and allows the audience to participate to create content. In other words, "social media is a collaborative process through which information is created, shared, altered, and destroyed. (Evans, 2012)"

With social media, a perspective customer is able to acquire a lot of knowledge about a product before actually choosing to buy it. For companies, this truth can be put to good use through marketing in social applications such as product development or an increase in average sales. In fact, a social platform online is most efficient for companies through participation rather than control. In today's society, social media is prominent and is used by people buying products instilling conversations to be made about those products. Therefore, a company would be smart to consider this fact and jump on board in order to listen to what their customer's have to say (Evans, 2012).

Social media also differs from traditional media in that a company may choose whether or not they are displayed on the television. However, there is no say as to whether a company would like to be displayed through social channels – this is the customer's choice. The only decision a company has to make is whether or not they will join their customers on social media and brands with a long-term goal of success will find that not participating is not an option (Evans, 2012).

#### **Social Media Marketing**

One of the most important skills when tackling social media is learning how to influence the crowd by listening. A positive way to look at social media is viewing the web as a community of supporters that can help your business. Instead of trying to take direct control, which is nearly impossible, companies can provide an experience that will

trigger the audience to relay positive feedback. This resulting conversation should then be used to continuously improve and ultimately, differentiate from competitors who do not use social media (Evans, 2012).

Today, 80% of the top 100 fortune companies are utilizing social media. According to Dave Evans, author of Social Media Marketing, "it is important to note that for many, using social media means only creating a Facebook page or Twitter presence and then using that as a one-way channel. That is a relatively weak social implementation." In other words, a company who has experienced success in the online social world has taken on the world of various sites instead of just focusing on one (Evans 2012).

For instance, Ford is in charge of several media accounts including Facebook, Twitter, Youtube, Flickr, and other platforms. These social media accounts have aided the company to improve their message and gain trust through interactions. A few years ago HP revealed a laptop labeled "The 20-inch HDX "Dragon." After a year of using conventional marketing methods, the company decided to utilize social media through a company named Buzz Corps Inc. to manage campaigns. Ultimately, Buzz Corps used their networking contacts to create a contest of 31 days in order to give away 31 laptops, which successfully created a buzz on the web and increased the sales for HP by 85% a year from the first release. After the experience, HP could not deny that social media was necessary in order to heavily promote their products and services (Houssem, 2012).

#### **Social Media and Hotels**

Social media has become a direct platform to engage in word of mouth communication as one of the most credible marketing tools for hotels. With 1.06 billion users actively engaged on Facebook, 500 million on Twitter, and 25 million on Foursquare, social networking sites have opened a new world of communication opportunities for companies and customers to engage in (Smith, 2013). Specifically, the hospitality industry is more customer-centric than other types of businesses and the emergence of social media has created an outlet for exceptional access to guests. As compared to older marketing techniques in hospitality including print media and television, hotels are finding that this cost-effective tool allows faster response in a twoway traffic environment. The following are examples of common social media tools: *Facebook* 

For every 20 minutes that go by, more than 1 million links are shared on Facebook, 1.8 million status updates are made, and 2.7 million photos are uploaded (McKenzie 2011). As hotels recognize the giant popularity and influence this site has on current society, various brands have decided to join Facebook to gain further insight on the needs, expectations, and satisfaction of guests. Hotels that use Facebook assess their audience and set up pages in accordance to that demographic (O'Neill, 2010). Five main strategies used by hotels are using Facebook as an exclusive source, a local community hub, a local guide, a sales tool, and as a website. For example, Hotel Seven in Paris uses Facebook as the exclusive source of both hotel news and the lowest available room rate, which has successfully attracted an audience of over 12000 fans (McKenzie, 2010). Most

importantly, Facebook allows users to share personal details about their identity, a feature taken advantage of by hotel brands to study their guests.

#### Foursquare

Foursquare, designed for smart phones is a gateway for people to state where they are at any moment. By "checking-in" to wherever they are through phones, their online status is immediately updated (Mogelonsky, 2011). So far, the site has experienced more than a billion check-ins. 500,000 businesses use the site to create deals, which are located-based mobile coupons, in order to drive awareness and increase customer loyalty. The Distrikt Hotel has set up their hotel and restaurant as venues on Facebook allowing users to check into foursquare on their smart phones and automatically earn 1000 loyalty points. Rachael Giannecchini, the Marketing Manager for Hotel Andaz San Diego, has created venues for all their public spaces and specials geared towards fans interested in dining. A recent special at the hotel's restaurant attracted customers to sample seasonal Chef's Choice appetizers (Ferris, 2011).

#### Twitter

Twitter, created in 2006, is a free social networking service that allows users to post messages no more than 180 characters to be viewed by designated followers. These messages, known as Tweets, can be sent from any device with access to the internet – , laptop, phone, tablet, and so on. Since its start-up, Twitter has gained worldwide popularity attracting over 500 million active users as of July 2012 and generating over 340 million Tweets daily (Basch, 2012). A number and variety of companies have taken advantage of the popular social network to communicate with their customers, including the hotel industry. Hotels have discovered Twitter to be an efficient concierge tool to

meet future guests, as a social media gateway to resolve problems, and an opportunity to learn more about their individual customers to potentially increase loyalty.

Within the cluster of social media sites, Twitter is the preferred media tool among Fortune Global 100 companies, with two-thirds having a presence on the social network. Furthermore, 82% of Twitter accounts have Tweeted in the past week, with an average of twenty-seven Tweets (Burson-Marsteller, 2010). Since this research is primarily focused on how hotels are using social media to alter relationships with guests, Twitter will be concentrated prominently, as it is the most effective medium of communication when compared to other networks.

#### **Attracting Potential Guests**

The cost-free service of social media is an effective way to join into the conversation of potential guests looking for a hotel room whether it is posting a Tweet to promote a deal or reaching out personally to guests that are making travel decisions. For instance, the MGM grand in Las Vegas ran a Twitter-focused campaign asking consumers to confess their 'sins' over the site. The winner got a complimentary one-night stay at the hotel (Wasserman, 2009). Another instance is Chris Brogan, president of newmedia marketing firm for New Marketing Labs, who prepared for a New York trip by asking his Twitter followers for hotel recommendations. Within minutes, Brogan stated that not only had Roger Smith Hotel contacted him, but the front-desk staff had also booked him a complimentary upgrade to a suite. A wedding planner in San Diego Tweeted that they were debating between the Omni San Diego and a competitor hotel in the area for a wedding. The Omni team was quick to respond on what services they offered by going over the benefits of their hotel. Ultimately, Omni won the business by

showing the initial reply (McKay, 2010).

Twitter personality and founder of Wine Library TV, Gary Vaynerchuk states that Twitter is "more about who stays tomorrow night or next weekend and truly becoming friends with the people we meet (McKay, 2010, p.34)." Whereas before hotels may have had a difficult time foreseeing guests that were considering a stay, Twitter has become a source to discover potential guests and furthermore, reach out to them. In return, consumers are looking to the social networking site for purchasing decisions, taking into account the comments of previous guests and the responses made by the hotel itself.

#### Maintaining Guest Satisfaction and Resolving Issues

Because any user is able to view or post opinions of stays, hotels have discovered that Twitter is a source for guests to communicate to others about complaints rather than going to the hotel directly. Furthermore, these complaints can instantly be widely spread with a Twitter feature known as 'reTweeting.' Essentially, a user copies a Tweet so that all of those users followers view that exact same Tweet as well. In order to prevent Twitter followers from developing a preconception of the hotel based on negative Tweets, a few hotels have empowered front desk staff to take initiative and go above and beyond to resolve complaints. According to the Wall Street Journal, if travelers use social media, their complaints could have more power as Twitter offers the capability to spread to numerous users (Nasseaur, 2010).

Paul Horan, a sales worker for a software company, upgraded from a room with an unpleasant view to one overlooking the pool at the Orlando World Center Marriott resort in Florida. He Tweeted, "At the Orlando Marriott World Center for RIM WES 2010, but I have the crappiest room in the hotel "(Nasseaur, 2010, p.D.1). A front-desk

employee saw the comment and responded by slipping a note underneath his door with an apology and offered to upgrade Mr. Horan the next day. By responding to the Tweet and fixing the problem, the unexpected event left an impression on Mr. Horan, where he praised the hotel for the upgrade through the same Twitter account (Nasseaur, 2010).

John Wolf, senior director of public relations at Marriott International, has been in charge of Marriott's Twitter account since 2006. After launching, he found the site as an opportunity for customer recovery. If a guest has an issue, Marriott is able to instantly respond by taking action. He recalled that one guest Tweeted about leaving a charger in their hotel room in India. Marriott replied to the same Tweet that they would get it returned and left a specific note privately in the messaging feature of Twitter asking for further detail.

To describe the usefulness of Twitter for Marriott, Wolf pointed out that "people are already talking about you, so the great thing is that we are listening and we are responding and we are solving problems (Murray, 2009)." This knowledge can be applied outside of Marriott as Twitter has turned into an opportunity for hotel brands to execute proactive actions to unexpected guests by showing concern and proving the ability to fix any disputes, creating stronger relationships and rebuilding credibility.

#### **Creating and Building Relationships by Responding to Tweets**

Following Twitter has allowed hotels to build relationships with future guests who post about upcoming stays by offering extra perks or personalized attention at check in. An article published in 2010 by Customer Service Magazine with author Lauren Mckay describes a personal experience of posting a Tweet about her hotel, Gaylord Palm Resort, which gave way to an instant reply. On her way to the airport, she used the micro-blog

service to claim how she would "kill for some cornbread." The Gaylord Palms Tweeted that they would be happy to wrap some up on her way out. Unfortunately, she did not see the response in time to accept the offer. Four months later, McKay was attending a conference at another Gaylord Opryland Resort in Nashville. A few minutes after checking into the room, a knock on the door introduced a server with a tray of cornbread with a handwritten note stating, "just in case you still have a craving for cornbread - from all your friends at the Gaylord hotels." (McKay, 2010, p.30)." By performing this act, Gaylord Hotels successfully extended a relationship with McKay by empowering its staff to take proactive steps to discover small details about McKay to make her stay memorable. Furthermore, the experience was translated to friends as well as a blog post for any user to see further establishing a good reputation (McKay, 2010).

A campaign launched by Omni Hotels and Resorts in the summer of 2012 looked to build relationships by taking into account the popularity of teenagers among Twitter. The luxury hotel chain launched a 'Teen Connection' program that allowed teenage guests to contact the Teen concierge through Twitter on recommendations for what to do. Their idea for the program was based on research that showed how teens are an influential factor in a family's decision on where to stay and by attracting them, hotels would increase popularity among families (Trejos, 2012).

Taking advantage of maintaining customer relationships, Hyatt launched a Twitter concierge program in May of 2009 that focused solely to provide information without promotions. John Wallis, the global head of marketing and brand strategy for Hyatt stated that the hotel "makes a conscious decision that this channel will only provide information and never push out promotional information." Currently, the conversations found through

this Twitter account largely focuses on customer service. To name a few examples, a guest inquired for help on locating a rewards card number and another asked about booking a second reservation for the future. The concierge strategy has proven to be successful as it allows staff to keep in touch with guests after check out (Kessler, 2010).

Considering that hotel brands are steadily seeing the advantages and opportunities of Twitter, this research focuses on how hotels of different service levels differ in strategy of utilizing the social networking site to efficiently communicate to their individual target markets.

#### III. RESEARCH METHODOLOGY

#### Study Design

When deciding which hotel segments to focus on, luxury hotels were first considered. The target market of luxury hotels has a higher disposable income and those in that profile have common characteristics including an older age range and higher social status. The types of followers in touch with luxury hotels through Twitter have unique characteristics and higher expectations. Therefore, I researched whether the profile is active on Twitter and if their qualities were directly reflected through the hotel's Tweets.

The second category to focus on was a decision between midscale and low-scale hotels. Low-scale hotels attract customers who are more price sensitive and are willing to compensate value. Although midscale hotels attract the majority of travelers across the nation, attracting and maintaining midscale guest loyalty is more difficult than other hotel profiles. Midscale travelers are also price sensitive, but look for good quality and value for their money. Therefore the profile may be dependent on social networking sites to

predetermine the real value of a hotel room purchase. With this highly considered, I researched what strategies midscale hotels use through Twitter to communicate with their target markets and whether other social media sites take more precedence.

#### Sample Selection

Prior to data collection, approval from the UNH IRB was obtained. Primary and secondary data were used for this research through content analysis.

For Primary, I contacted luxury hotels, Four Seasons and W and midscale hotels, Best Western and Holiday Inn Express, in order to ask questions pertaining to their specific Twitter account. This directly gave me the hotel's perspective of how they are engaging on Twitter and how it has affected their relationships with customers, if at all.

The first step of finding contacts for each hotel involved me calling the front desk in which I introduced myself, the project, and then asked to be directed to sales. The front desk generally was always able to transfer me to the department where I either left a message or if I got an answer, asked for the email of the person in charge of the Twitter account. After I obtained all the email addresses for contacts in both midscale and luxury hotels, I sent a message explaining the research with a note on the bottom saying they agree to the terms and conditions by replying. If I did not get a response within a few days, I called back and asked to be transferred to their phone where in most cases, I left a voicemail further inquiring about their willingness to participate. If I still did not receive a response, I assume that there was no interest and did not press on further.

For Secondary data, from my Twitter account, I followed over 20 luxury and midscale hotel brands by reading Twitter feed from June 1<sup>st</sup> to December 1<sup>st</sup>, 2012 - a

total of six months. Using this sampled data, I was able to perform a more in-depth analysis of the Tweets.

A data sheet for hotels within both of the hotel segments was created to categorize each Tweet to a specific theme such as direct communication to a guest, promotion, general post to spark conversation, etc... By making a specific data sheet for individual hotels, comparisons and similarities between the two types of hotels were readily seen. The data sheet allowed me to view what types of Tweets the hotel segments published and whether or not they were similar. It also gave me the opportunity to record the frequency and number of Tweets. By categorizing the Tweets in the given time frame for each hotel category, I was able to research whether or not target markets significantly influence the type of the Tweets posted. Finally, I also observed whether or not a specific type of Tweet increased the purchase intention of potential guests and the loyalty of current customers.

	Best Western	758 T	veets	571	followi	ing !	523	followers
Resolution of Guest Issue								
Promotion	92							
Area Details	91							
Miscelleneous	2	click like if you want to grow up in boston						
Link to Facebook Page	53							
Warning about area	1	heat advisory						
Hotel Details	1							
Rate Detail	4		23-Jul					
Promotion fan of week	5	2	4-Oct					
Holiday Wishes	3	B Halloween, Thanksgiving						
Retweet	2	1	7-Nov					
		1	4-Nov					
Tweet Ats	1	Bu College of ENG NOV 19						
Promotion for other comp	1	12/1/2	013 (s	ister	propert	y)		
General public tweets	2	Newtow	wn, CT					
Total	258							

In order to classify each Tweet for hotels, I would focus on what the subject of the Tweet was. For instance, if the Tweet's message posted a special rating for 10% off, I characterized it as a promotion. If the

Tweet centered on a nearby attraction, I classified it under area details. On each Tweet, I clicked to see further detail to see whether it was Retweeted or favorited by followers. In other words, a Tweet may belong in two or three groupings at once depending on how many boxes it ticked off. In the case that the Tweet did not belong to any of the main categories, such as 'warning about area,' as labeled above, I would make a new subject that catered towards the message with a note on the side for more details. Finally, I bolded the types of Tweets that were most posted by the hotel in order to gain an understanding of what their main strategy was.

To observe whether a Tweet increased somebody's purchase attention, it was

necessary for a dialogue between the hotel and the customer. In other words, it was not



possible for me to measure whether a promotional Tweet encouraged a room booking without there being evidence for me to read. If I had a conversation to follow, I was able to get a stable understanding of how the hotel responded to guest inquiries and whether that resulted in a sale.

#### **Choosing Accounts to Follow**

While searching for midscale hotels to follow on Twitter, it was difficult to find active Twitter accounts as compared to luxury hotels, where it was hard to limit which ones to follow. In the end, I was successfully able to find accounts to observe from all



regions of the US in order to eliminate any demographic biases. The states that included both the midscale and luxury hotels I followed were in

Massachusetts, New York, Georgia, California, Texas, Indiana, Ohio, Vermont, and Colorado. Twitter accounts in the Northwest region were very limited for both luxury and midscale hotels. Luxury hotel brands followed were Sofitel, Four Seasons, Ritz Carlton, InterContinental, Grand Hyatt, and W hotels. Midscale hotel brands followed included the Best Western, Holiday Inn, Holliday Inn Express, Hampton Inn, and Comfort Inn.

#### IV. DATA ANALYSIS

Contrary to my prediction of a higher active midscale hotel profile on Twitter, luxury hotels were found to be more engaging on Twitter. Luxury hotels offer a type of service that exceeds guest's expectation by consistently being a few steps ahead of other hotel segments'. As this hotel segment specializes in guest service and as Twitter becomes increasingly popular in the millions, luxury hotels have no choice but to participate on the site in order to continue being a customer service industry. Midscale hotels offer a pull of lower rates to those seeking affordability and value. Therefore, the lower category hotel niche finds it more efficient to focus on other social media sites including Facebook and Trip Advisor, which are used by the midscale hotel profile when booking a hotel. Since finding a room that is price friendly and comfortable is of more importance to midscale travelers, there is little need to use social media to communicate to the hotel after a booking. Therefore, Twitter is not expected for the hotel to have amongst midscale guests.

For the midscale hotels that do have a Twitter account, which number is much fewer than luxury hotels, the site is used a promotional tool. Although luxury hotels also use Twitter to promote, this is not their primary focus as other elements of strategy are part of their Twitter formula. These strategies effectively create a communication outlet for guests, increase brand loyalty, and improve guest service. Due to the high expectations of the luxury hotel market, luxury hotels need to actively engage on Twitter to remain useful as opposed to midscale hotels whose market uses other social media sites that are more efficient in determining where to book a stay.

#### Luxury Hotels Steps Ahead

In 2006, luxury hotels began incorporating flat screen televisions in all of their rooms. In 2008, other hotel categories followed suit and slowly began upgrading their tube televisions. Today, a flat screen television in a hotel room is highly expected for all travelers – including both luxury and midscale. In fact, if the room does not have a television, the overall impression of the hotel greatly decreases. This pattern of luxury hotels taking the first leap to change in order to meet guest expectations directly reflects the trends of Twitter.

The Twitter account for the Four Seasons hotel in Austin, Texas is taken care of by Kerri Holden, the social media coordinator for the hotel. The Four Seasons Austin began their Twitter account in 2008, two years after Twitter was created. When asked what triggered the hotel to join Twitter, Kerri stated that their hotel is a "customer service company known for unparallel service to guests." When the Four Seasons began noticing that guests on Twitter expressed views including complaints and compliments, there was a large incentive to meet these comments on the actual website. Currently, the account has over 7000 followers and is close to posting 8500 Tweets.

The W Hotel in Boston, Massachusetts, has a Twitter account that started in October of 2009 that is taken care of by Allison Tomosato. The personality of W hotels is the 'whatever, whenever service,' that constantly is on the lookout of the next big trend. According to Tomosato, the concierge of the hotel goes above and beyond, which allows Twitter to be "a fantastic source that is accessible to nearly everyone in a usable, friendly form." The ability to correspond via Twitter was greatly praised as it opens the door for the opportunity to talk with guests and journalists in order maintain a highly credible reputation.

The majority of hotel brands have created a general Twitter account representing the entirety of the brand. In many luxury hotel companies, including the W Boston and Four Seasons Austin, corporate has assigned individual social media coordinators (or social media champions in the case of Starwood properties) for individual hotels. For midscale hotels, the general manager typically creates and engages on the Twitter accounts for specific hotels.

#### **Midscale Hotel Promotional Theme**

A common theme throughout the midscale hotels was that the type of Tweet taking precedence over others was in relation to promotions or events in the area. For instance, the Best Western Boston posted 92 promotional and 91 area detailed Tweets out of 258 total Tweets during the six month time period. In other words, over half of the Tweets posted focused on selling packages or letting the public know what the location had to offer. One significant observation was that all the Tweets were posted in capital letters and there was a duplication of the same Tweet posted every other day throughout the six months. Although this may have been done on purpose to attract attention to their promotions, it became repetitive to read and lacked creativity.

"Enjoy the exhibits at the institute of contemporary art in Boston with ICA package, which offers overnight accommodations"

Over 50 of the Tweets were direct links to the hotel's Facebook page, which seemed to have more substance than the repetitive strategy on their Twitter page. Finally, only one Tweet was directed towards another account, which was the Boston University College of Engineering.

The Hampton Inn and Suites in Columbus Ohio had a slightly more creative Twitter account. Only few of the Tweets were duplicates of another, but the Tweets that differed shared the same message. The majority of the Tweets centered on area details, including weather, events in the area, and happenings at the hotel. Some of their Tweets linked to positive Trip Advisor reviews and the hotel's Facebook page. Many other Tweets encouraged followers to book a stay by incorporating the number to the front desk, boasting low rates, and describing any specials that



may have been going on. None of the Tweets posted were directed at at any of the followers or included any Retweets.

The majority of the other midscale hotels followed do not differ in the strategies listed for the Hampton Inn and Best Western. Although each Twitter account had a different personality, all the Tweets gave out the same type of messages – area details, promotions, and links to their other social media websites. This was further proved when interviewing Robert Lasley of the Best Western in Nashville, Indiana.

First it is important to mention that getting a contact who was willing to participate in this study from a midscale hotel proved to be more of a challenge than obtaining one from a luxury hotel. This may have occurred considering the Twitter accounts for most of the midscale hotels were controlled by the general manager as opposed to social media coordinators for luxury hotels.

When setting up a time to speak with Mr. Lasley, I was warned that the hotel was more active on Facebook. This was further verified throughout the interview process. The Best Western has had a Twitter account for 3 years and most of the Tweets are direct links to the Facebook page where the actual information is posted. In regards to increasing sales, Mr. Lasley admitted that Facebook is stronger when it comes to successfully selling rooms with 10 reservations so far made. A big hit on the Facebook page is trivia postings where the winner wins a gift to the hotel. When asked why the hotel created a Twitter account, Mr. Lasley explained that social media is a "successful gateway to potential guests that is used as an avenue to expand business and inform the

public of rates and discounts." This directly differs from Kerri Holden's explanation of the strategy incorporated by the Four Seasons Austin hotel, which is "to be of use to people and not to spend 100% of the focus on the hotel." These two differing explanations of Twitter strategies compliment the idea that luxury hotels use Twitter as a communication feed, while midscale hotels use Twitter as a sales tool.

### **Luxury Hotels**

An immediate difference in the Luxury Hotel Twitter accounts is that the Tweets included much more variety including resolving guest issues, concierge tips, area details, thanking previous guests, and the list goes on. For the hotels observed, a direct observation is that there are few promotional Tweets. An example is with the W Hotel in Boston that offered under10 promotions in a six month time frame as opposed to the 92 with the Best Western.

#### **Resolving Guest Issues**



As mentioned earlier, Twitter has allowed another opportunity for hotels to resolve guest issues and for guests to communicate any concerns. In the accounts followed, there were a few examples of a guest issue resolution except for the Ritz Carlton Laguna. Therefore, in both the interviews, I made sure to get a perspective on the new emergence of social media solutions to correct any problems.

At the Four Seasons Austin, there was a conference where the internet was slow. People participating in the conference posted their frustration on Twitter. The social media coordinator saw the comment and successfully transferred the message to the correct employees who were able to fix the internet. The same people Tweeted back thanking the hotel with appreciation for taking the time to listen.

Luxury hotels respond to any grievance posted at Twitter, even if it not directed at the hotel. There is constant proactive action to engage with those who are unhappy and immediately take charge to fix it. Tomisato stated that "if a guest Tweets about a need for a cab at 10am. Get a cab for them" If the hotel responds quickly, it causes a great impression and people are more likely to stay at that property.

A guest issue was one of the main reasons the Four Seasons Austin became active on the social media site. From the start of the interview with Holden when explaining why their hotel took a spot on Twitter, one of the reasons was about an instance in Bancock when a guest stayed at a Four Seasons. The guest Tweeted he did not like the turndown music and the hotel responded with other options for hotel music. Holden admits this was the "ah hah" moment when they realized it was necessary to become involved on Twitter as guests were using it for customer service.

Tomisato of the W hotel Boston explained that as a hotel, hospitality is not 100% perfect. People are using Twitter as an immediate form to vent. One of her responsibilities is to follow up, correct, and then thank the Twitter user for letting the hotel know about the issue. When asked if guests are surprised by a follow-up on Twitter,

Holden was quick to say no. Responding to issues through Twitter is now an expectation, whereas a couple years ago, it was not. Holden states that the resolution of problems has "shifted in perspective in addressing reputation management online." In fact, when it comes to issues, guests are now more surprised if there is no response at all.

### **Concierge Tool**



Luxury hotels thrive in going above and beyond while anticipating any needs that may arise. This type of service is parallel through their individual Twitter accounts. There were many examples when following feeds of setting up reservations, room sales, or describing area information to an individual personally. After the final arrangements were complete, the guest that was helped always made sure to respond with a thank you. One of the greatest strengths of Twitter is that these arrangements done for guests can be viewed by anyone to see, but delivers a personal touch to those helped.

Going off of using Twitter to be as a helpful resource for guests, the W in Boston uses this concept as part of their main strategy. With their Twitter account, they are not trying to generate revenue, but rather to share information and cultivate the brand to be approachable to all. Tomisato added that this builds loyalty and allows the guest to stay connected to a hotel that they may normally not have stayed in touch with. Holden of the Four Seasons Austin stated that since their start up with Twitter, the hotel seems to be more easily approachable. This has allowed locals to create a relationship with the hotel through its spa and restaurant. In fact, one thing emphasized in the interview was the importance of the amount of locals that react to spa and restaurant Tweets. It is not unusual for information Tweeted by the hotel about their amenities to get Retweeted by locals, allowing an even larger pool to get access on events going on.

Having individuals actively talking on Twitter about what the hotel has to offer, allows Holden to proactively reach out to people who may be thinking of staying at a hotel in Austin, looking for a place to eat, and so on. The account is therefore able to directly contact the potential guest to inquire about any reservation that could be made for them. This increases sales with organic marketing to a large audience following both the guest and the hotel.

Twitter has allowed luxury hotels to be of reach to everyone. Social media has helped the higher tier hotel segment approachable and welcoming, whereas in the past, the elite brand seemed exclusive. In a sense, Twitter has created a gateway for people who may have previously been intimated to comfortably contact the hotel to inquire about interests or questions. Furthermore, the posting of events going on in the area or the hotel often boosts sales, while still offering a useful resource guide for the public.

#### **Luxury Hotels – Personal Touch**

An immediate difference from midscale hotels to luxury hotels is the amount of interactions between the guest and the hotel. To picture the idea, imagine a classroom where a teacher lectures for the entirety of the lesson. Then imagine a classroom where

the teacher and the students talk back and forth with each other for the duration of the course. The lecture reflects the strategy used by midscale hotels posting promotions on Twitter with no feedback from its followers. The dialogue between the teacher and students reflects luxury hotels where their followers engage with the hotel and vise versa.

Much of the Tweets in luxury hotels were responses to satisfied guests who commended the hotel for their room stay, food, relaxation of the spa, or other amenities offered. Often, guests would post photos for their followers to see with a message that often reflected their enjoyment. Hotels consistently made sure to respond to each of these compliments by thanking the guest personally for their kind words. Sometimes, the guests positive Tweet about the hotel is Retweeted. However, a Retweet is not used as often as a personal thank you as the hotel is not trying to use the guest as a third party endorsement.

Many of the compliments received on Twitter for the hotel are in regards to a personal touch for a guest prior to their arrival. An example at the W Boston is when a guest Tweets to them about an upcoming birthday stay. Often this message will get transferred over the reservations, which will add a complimentary amenity to the room.

Recently, Ritz Carlton has been researching guests on their arrivals lists through their social media pages in order to find out more about their personal interests. For instance, at the Ritz Carlton \_\_\_\_\_\_, a guest with a dog checked into the hotel. Upon arrival, the front desk associate already knew the dogs name with an awaiting treat for her pet. All of this information was obtained through the guests Facebook page and the guest was more than impressed by the hotel's out of the box actions.

At the W Hotel in Boston, Tomisato explained that if there were a few dialogues spoken to a future stay guest, she will go onto their Twitter feed to try and obtain more information about the guests likes and interests. Anything discovered that could add value to the guests stay will get transferred over to reservations so that further action can be implemented.

#### V. IMPLICATION FOR HOTELS

While both luxury and midscale hotels have engaged on Twitter, their strategies are opposite of each other. While luxury hotels have chosen to add Twitter in order to be of use for guests, midscale hotels have added Twitter in order to sell rooms through promotions. Each hotel has a target market that is interested in different aspects when it comes to booking a stay at a hotel.

The luxury hotel market is not as price sensitive and therefore expects exceptional value when spending a night at a hotel. Therefore, the core of luxury is exceeding all needs and constantly being a step ahead when it comes to industry trends. Since Twitter became an instant gateway for customers to publicly list their thoughts, this hotel segment found it necessary to respond to comments regarding the hotel by joining the social media site. However, a luxury hotel's decision to join Twitter is not to increase sales, but rather to keep their guests satisfied by letting them know that they are listening and are easily accessible for any help.

The market for the midscale hotel is on the lookout for good value in exchange for a reasonable price. Therefore, midscale hotels have found other social media sites (Facebook, Trip Advisor) to be more of use that allows the hotel to publicize any promotions or deals that are going on. Their ultimate goal with social media is to increase

room revenue, as opposed to being of use. If a midscale hotel does have a Twitter, the majority of Tweets will be about promotions or happening events in order to attract potential guests. The major difference between the two hotel segments is that luxury hotels use Twitter to please guests during or after a stay while midscale hotels use Twitter to attract guests before a stay.

For midscale hotels, guests tend to not have expectations to read a feed that is interesting or helpful during their stay. Because of the lack of demand for a creative Twitter account with midscale hotels, this hotel category finds little motivation to post anything other than promotions. By Tweeting promotions or using Twitter to link to other social media sites that display deals available, the strategy has proved to be successful in reaching the ultimate goal of selling rooms. As spoken with the Best Western Indiana, their Facebook strategies, which are linked by Twitter, have booked 10 reservations so far. Therefore, for a midscale property using social media, concentrating on sales by promoting appealing rates is successful and no outside factor is forcing the hotel to currently change this strategy.

The target market for luxury hotels forces the Twitter account to be creative and new. In fact, if a luxury hotel does not have a Twitter account, some guests may find this disconcerting in regards to the hotel's credibility. Twitter is used for this market to serve as a useful aid throughout a guest's stay. It is also used to listen to what guests are saying and it is expected to respond to any comments or inquiries made to the hotel. Not participating and thinking of Twitter in this light will cause the hotel's Twitter account and overall outside impression of the hotel to be unsuccessful. In both interviews, it was mentioned several times that guests are appreciative of responses, the extra effort to

listen, and information postings about amenities offered. Generally guests have a desire to show their individual followers how their stay at the hotel is through Tweets and pictures. Those staying at a luxury brand are not using Twitter to see the best available rate, but rather to see what the hotel has to offer in order to make a final decision on where to stay for their destination and as an extra aid throughout the stay.

The two strategies used by these different hotel segments are successful for their own category guests. Midscale guests are satisfied by seeing what deals are offered, while luxury guests are comforted by an engaging Twitter feed to follow. However, Twitter is still up and rising when it comes to the hotel industry meaning that although these strategies are currently affective, the near future may force the hotel segments to reevaluate their route on the social platform. Just as midscale hotels have proven to be a few steps behind the trends of a luxury hotel, this could indicate that the midscale market may expect to see more interactive Twitter accounts. In fact, Lasley ended the interview with the Best Western by stating that he "should get more involved on Twitter and maybe I will."

It is no denying that Twitter has paved multiple roads for hotels to form new communication outlets that have never existed prior to today's evolving traveling industry. The site has not been around long enough to see where all these doors lead to, but the present moment proves that the right doors are opened at the right time. Ultimately, the rising force of Twitter will change today's impressive feed to tomorrow's expectation; a realization already made by today's luxury hotel with the midscale hotel following only a few short steps behind.

#### VI. LIMITATIONS AND FUTURE RESEARCH

One important limitation of this study was the sample size and participation by those selected. Compared to the sample size, the number of people interviewed was significantly less. Personal perspective gained through the interviews on how hotel's used Twitter relied heavily on a few hotels. This may have created an altered representation of research as it cannot be said that this sample pool fully accurately represents Twitter accounts for luxury and midscale hotels. Although the sample size for observation contained over 30 Twitter accounts, compared to the large number of hotel accounts currently present, this also measures to be a small portion.

An improvement to the research would be to concentrate more on including more hotels to observe from across the nation. Most importantly would be to successfully obtain interviews with those in charge of the hotel's Twitter account. By having a larger sample size of both Twitter accounts to follow and interviews with the actual hotel, a more accurate reflection of how luxury and midscale hotel's use Twitter can be formed.

Furthermore, the number of midscale hotels engaging on Twitter is currently limited, but there exists a promising pattern of a future increase. Because Twitter in the midscale hotel segment is not strong at present moment, a limitation to the research is the timing that it was performed. A solution would be to wait until 2014 before conducting the research so that further insight into how midscale hotels utilize Twitter can be gained. As more midscale hotels obtain a Twitter account, further comparisons to how the luxury hotel segment uses the social media site will successfully be made.

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# APPENDICES

Appendix 1 – Sample of Hotel Twitter

Appendix 2 – Sample primary data questions

# **APPENDIX 1**



#### **APPENDIX 2**

#### General Questions

- 1) Do you have a Twitter account?
- 2) How long has the hotel had a Twitter account?
- 3) What triggered the hotel to create a Twitter account?
- 4) How active is the hotel on Twitter?
- 5) Who is in charge of the Twitter account?
- 6) How long did it take for the Twitter account to start attracting a good number of followers?
- 7) Does the hotel follow competitors on Twitter?
- 8) Does the hotel follow guests on Twitter?
  - a. How do you decide to follow a guest?

#### Communication Strategy

- 9) What type of guest is the hotel mainly trying to attract on Twitter? Potential? Current stay guests? Loyal Guests? General Public?
- 10) Does the account generally Tweet out to individual people first or does the account wait for the person to Tweet at the hotel first?
- 11) Does the hotel Tweet about promotions?
- 12) Does the hotel Tweet about upcoming events in the area? Concerts? Games?
- 13) Does the hotel use Twitter to resolve guest issues?
- 14) Does the hotel use Twitter to reTweet complimentary comments on the hotel?
- 15) Does the hotel use Twitter to foresee the needs of guests with upcoming arrivals?

- 16) Does the hotel use Twitter get an understanding of the expectations of todays travelers in general?
- 17) Does the hotel use Twitter to keep track of the specific preferences of individual guests?
- 18) Does the hotel have their front desk employees observe what people are saying on Twitter about the hotel?
- 19) Has the hotel ever used Twitter directly to make a sell to a guest?
- 20) Is there a certain type of Tweet that the hotel generally watches out for to respond or keep track of? Guest Issues? Compliments of hotels?
- 21) Do guests ever use the hotel's Twitter account to directly ask questions about the hotel?
  - a. Does the hotel follow up on these questions?
- 22) Does the hotel reach out to guests that have previously stayed at the hotel?
  - a. How does the hotel generally reach out? Thank yous? Safe travels?

#### Outcome

- 23) By reaching out to guests that have previously stayed at the hotel, has the hotel found that this aids in building guest loyalty? Guest Satisfaction?
- 24) By Tweeting about any upcoming events in the area, can you say this has led to rooms being sold?
- 25) By Tweeting promotions, has the hotel found that this has increased awareness and purchasing decisions of the promotion?
- 26) How do guests react to having their issues resolved through Twitter?
  - a. Are guests generally impressed? Satisfied?

- b. Has this aided in increasing guest loyalty? Repeat guests?
- c. Are there guests that find that issues resolved through Twitter is unconventional?
- 27) Is there one specific example that directly led to a room being sold through

Twitter?

- a. Did you try to recreate this situation afterwards?
- 28) Do guests ever reTweet what the hotel posts?
  - a. What type of posts are mainly reTweeted?
  - b. Do you find that reTweets create a sudden jump in an increase of followers?
- 29) Can you safely say that since the activation of your Twitter account, hotel occupancy has increased?
- 30) Can you safely say that since the activation of your Twitter account, guest loyalty and repeat guests have increased?
- 31) Are there any other noticeable changes that have occurred to the hotel in regards to its guests since the activation of Twitter?