Master Thesis Dissertation on the Strategic Impact of Social Media in Tourism

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ABSTRACT - ENGLISH

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The main objectives of this dissertation are to find out if Social Media has any impact in Tourism, to determine what tourists' perceived benefits of using social media when taking trips are, and to ascertain if there is any strategic opportunity for value creation for the tourist.

A Social Media value-creation model is created in order to find out if any of the functionalities applied to tourism and any of the perceived benefits of using Social Media in tourism contribute in any way to the tourist's value-creation or if it has an influence on tourists when planning and taking trips. Through a survey answered by 236 respondents, the most influential attributes of the usage of Social Media in tourism are ascertained, the travellers' perception of social media is analyzed, the important functionalities and benefits are determined and an analysis of the strategic impact of Social Media in tourism is conducted.

After analyzing the strategic impact of Social Media in tourism and applying the RBV model, it is concluded that Social Media does indeed have an impact in tourism. It can even be used as a source of sustainable competitive advantage if tourism firms develop a positive reputation and focus on the personalization of their services as the key element for their value-creating strategy.

ABSTRACT - PORTUGUESE

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Os principais objectivos desta dissertação é descobrir se a *Social Media* tem algum impacto no turismo, para determinar quais os benefícios que os turistas consideram mais importantes quando usam *Social Media* quando planeiam viagens, e para perceber se há alguma oportunidade estratégica para a criação de valor para o turista.

Um modelo de criação de valor de *Social Media* no turismo foi desenvolvido para descobrir se alguma das funcionalidades ou algum dos benefícios contribuem, de alguma maneira, para a criação de valor do turista ou se tem influência nos touristas quando planeiam viagens ou quando viajam. Através de um questionário respondido por 236 pessoas, são determinados os atributos mais influentes no uso de *Social Media* no turismo, é definida a percepção que os turistas têm do *Social Media*, as funcionalidades e benefícios mais importantes são explicados, e é feita uma análise do impacto estratégico de *Social Media* no turismo.

Depois de analisar o impacto estratégico de *Social Media* no turismo e de aplicar o modelo de RBV, é concluído que o *Social Media* realmente tem impacto no turismo. Pode até ser utilizado para desenvolver uma vantagem competitiva sustentável se as empresas turísticas desenvolverem uma reputação positiva e se concentrarem-se na personalização dos seus serviços como elemento-chave para a criação de uma estratégia de criação de valor.

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1. INTRODUCTION

With the development of Web 2.0 and more specifically of social media, user-generated content has grown immensely in the past years (Riegner, 2007). Social Media includes the sharing of opinions through blogging, microblogging, social networks, photo and video sharing websites, ratings sites, and so on (Mayfield, 2008). With these tools users can search, share and contribute to a huge variety of content in a collaborative manner and can consequently influence the other web users, for that reason, one of the objectives of this dissertation is to infer if this influence has any impact in tourism.

According to Adam et al. (2007), in recent years, user-generated content about travel and tourism has been growing in the Social Media: from people posting their vacation photographs, to rating the services they have used during the trip in ratings' sites and this has contributed for the concept of Travel 2.0 to become widespread. Travel 2.0 refers to Tourists' usage of the Internet, to acquire information about a certain trip, to compare specific services and to share experiences and recommendations through customer ratings and evaluation systems (Adam et al., 2007).

Given the fact that the tourism industry has continued to expand and diversify over the past sixty years, becoming one of the biggest and fastest growing economic sectors in the world despite the financial crisis (UNWTO – Tourism Highlights, 2012), and that social media is one of the fastest growing segments on the web (Parra-López et al, 2010), the main objectives of this dissertation are to find out if Social Media has any impact in Tourism, to determine what are tourists' perceived benefits of using social media when taking trips, and to ascertain if there is any strategic opportunity for value creation for the tourist.

Considering all the above, the overall theme of this dissertation is "Social Media in Tourism" and the research question of this work is the following: **"Does Social Media have an impact in Tourism?"**

However, to determine how tourism can use social media the following sub questions are asked:

- What are the functionalities of Social Media that tourists' consider more important?
- What are the tourists' perceived benefits of using social media when taking trips?
- How do tourists perceive Social Media sites when planning/ taking trips?

To answer the above questions, a "social media in tourism value creation model" is drawn up, based on the social media functionalities described in the honeycomb framework (Smith, 2007; Webb, 2004; Butterfield, 2003; Morville, 2004), which can be applied to tourism and on Parra-López (2011) adaptation of Wang and Fesenmaier's (2004a) framework, which describes the tourists' perceived benefits of using Social Media when planning and taking trips. In this case, the main objective of the model is to discover if any of the Social Media functionalities or any of the perceived benefits of using Social Media in tourism are important for travellers and consequently if they create any value for the tourist and influences them when planning and taking trips. Subsequently, based on the model and on existent literature, four hypotheses are created and consequently, a survey is created to test the hypotheses.

This dissertation follows the following structure. Firstly there is a literature review section, where social media and its' features are explained and all the relevant theories about social media and tourism are described. Secondly, the methodology and data collection process is explained, followed by the thorough statistic analysis of the results and finally the main conclusions and the answer to the main research question are presented.

2. LITERATURE REVIEW

This chapter provides a summary of the relevant theory necessary for the elaboration of this dissertation and of the existent literature about the theme: Social Media in Tourism. It is divided in four main sections, with various subsections in between. The first section contains a brief description of Web 2.0. The second section has various subsections that include a definition of Social Media, its main characteristics, a description of the active participants in the Social Media ecosystem, an explanation of the various types of Social Media, and a detailed explanation of the functionalities of Social Media. The third section is about Technology in Tourism and includes a subsection with the main Tourism trends, followed by a general description of ICTs in Tourism, a more specific description of Social Media in Tourism, and a detailed explanation the benefits of using Social Media in Tourism. The last section provides an overview of the RBV theory, an explanation of its key concepts and of the VRIN analysis, and an example of how to apply the framework.

2.1. WEB 2.0

The term Web 2.0 represents a second generation of the web and was used for the first time in 2004, by Tim O'Reilly. It described the way users started to change the way they used the web on a day-to-day basis, that is, users started to use the internet as a platform where content is continuously modified by any user, instead of being created and published by a sole individual.

In this generation of the web, users and their interactions become sources of information that shape a sort of collective intelligence (Stocker et al., 2007). A Web 2.0 site allows users to interact and collaborate with each other. Users are not only consumers, like in the previous generation of the web, but they are also creators (prosumers) of user-generated content in a virtual community (O'Reilly, 2005).

The web pages became more attractive, user-friendly, interactive and accessible to more people. This is the era of social networking: New technologies such as RSS and API's emerged, people started writing in blogs, sharing photos and videos, adding and editing wikis, connecting with friends online and so on. In short, Web 2.0 has to do with collaborating, content sharing, blogging, user-generated content, online video and social networks and some popular companies of this era include Flickr, Youtube, Facebook, Linkedin, Wikipedia, Blogger, MySpace and so on (O'Reilly, 2005).

2.2. SOCIAL MEDIA

This section provides an overview of the literature about Social Media that was used to write this dissertation and includes the definition of Social Media and its characteristics, a description of the different types of Social Media participants, a summary of the various types of Social Media and an explanation about the functionalities of Social Media that is used in the construction of the Social Media in Tourism value creation model that will be the basis for the study of this dissertation.

2.2.1. DEFINITION AND CHARACTERISTICS

According to Kaplan and Haenlein (2010), web 2.0 is a platform for the evolution of Social Media, which is "a group of internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of user-generated content".

Mayfield (2008) follows the same type of reasoning and defines Social Media as the new types of online media that share various web 2.0 characteristics, such as:

- **Participation:** Social Media distorts the line between media and audience by encouraging users to make contributions and to give feedback to whoever is interested.
- **Openness:** There are hardly any barriers to accessing content nowadays. Most of the Social Media sites and services are open to participation in the form of votes, comments and information sharing.
- **Conversation:** In contrast with traditional media is all about reach, so it focuses mainly on broadcast, Social Media can be defined as a two-way conversation.
- **Community:** Social Media allows different types of communities to form rapidly and to communicate in an effective manner.
- **Connectedness:** Most sites are connected to one another. There are often links connecting to other sites and online communities.

In a simpler way, Social Media uses web-based technologies to create interactive platforms through which individual users and communities share, modify, discuss and co-create user-generated content (Kietzmann et al., 2011).

Social Media has created new ways of interacting with one another (Hansen et al., 2011). Consumers no longer use social media solely to research, but to engage with companies, by giving their opinions and feedback (Garretson, 2008). For that reason, the new social media-driven business model is defined by customer connectivity and interactivity. Here, content and technology are interconnected in producing widespread effects for the way that brands and companies influence customers. With Social Media encouraging the participation and openness users, not only to companies influence consumers, but consumers also actively influence brand messages (Hanna et al., 2011).

According to Corcoran (2009), the Social Media ecosystem can be divided into three types:

- Owned media is controlled by the company and includes the company's website.
- Paid media is bought by the company and includes sponsorships and advertising.
- Earned media is not controlled by the company and includes word-of-mouth.

2.2.2. SOCIAL MEDIA PARTICIPANTS

Li and Bernoff (2008) segment active participants in the Social Media ecosystem based on five types of social behaviors.

Creators publish and upload all types of content, **Critics** comment and rate content from other users, **Collectors** save and share videos, photos and so on, **Joiners** connect with other users and join pages and groups in the Social Media, and **Spectators** read the available content.

2.2.3. TYPES OF SOCIAL MEDIA

There are many types of Social Media that differ from each other in terms of functionality and scope (Kietzmann et al., 2011). There are sites for the general masses that are usually general social networking sites like Facebook; professional networks such as Linkedin; media sharing sites like Youtube and Flicker; commerce communities similar to eBay, Amazon or Craigslist; Blogs; Social bookmarking sites such as Dig and del.icio.us; Microblogging sites like Twitter; forums and ratings and comments sites; collaborative websites and wikis similar to Wikipedia; location sites like Foursquare; and many others.

Social Networking sites: Sites that allow users to create a personal profile and connect with other people by inviting colleagues and friends and by sending private or public messages (Kaplan & Haenlein, 2010).

Users can choose what to share on their personal profiles, from objective data such as name, age, gender and profession to subjective information like thoughts, opinions, likes and dislikes. This conscious or unconscious disclosure of objective and subjective information is what creates the user's online identity (Kietzmann et al., 2011). These personal profiles may also include photos, videos, links and audio files (Kaplan & Haenlein, 2010).

Social networking sites are becoming so popular that companies are including it in their integrated marketing campaign, by becoming increasingly more active in them (Kaplan & Haenlein, 2010).

There are social networks for the general masses such as Hi5 and Facebook, but there are also more social networks that focus on a certain topic like business, fashion or travel. Linkedin, for example, is a professional network (Kietzmann et al., 2011) that is in the twelfth position, with search engines referring approximately 10% of visits to the site. According to the three-month Alexa global traffic rankings (2012 – viewed on the 15th of November) Facebook is the most popular site, with search engines referring about 5% of visits to it.

Content Communities or Media sharing sites: The main goal of this type of social media is the sharing of any kind of media content between users. There are content communities for the sharing of photos (Flickr), videos (Youtube) and even PowerPoint presentations (Slideshare).

Due to the high popularity of content communities, many firms have started to consider them an attractive contact channel (Kaplan & Haenlein, 2010). According to the three-month Alexa global traffic rankings (2012 – viewed on the 15th of November), Youtube is ranked third and provides over 100 million videos per day.

Blogs: Represent the earliest form of Social Media (Kaplan & Haenlein, 2010) and is similar to an online journal where the entries are date-stamped and presented with the most recent entry first (Mayfield, 2008).

There are various features that make blogs distinct from other websites: tone, topic, links, comments and subscription (Mayfield, 2008). Blogs are usually written in an informal and conversational tone and the author tends to define the topic they are writing about, which can be specific or wide in scope. Blog writers usually make reference to other websites or blog posts to provide further information about what they are writing about. Blogs can be subscribed to using RSS technology, which makes it easier for the audience to keep up to date with new content. In blogs, there is also a comments section that can be considered a small message board or forum, which offers the possibility of interaction between users (Kaplan & Haenlein, 2010).

There are many types of blogs, from personal diaries, political blogs, mainstream media blogs, fashion and lifestyle blogs, business blogs, and so on (Mayfield, 2008).

According to three-month global Alexa traffic rank, Blogspot.com occupies the eleventh position and page visitors view about 3.8 unique pages per day and spend around 50 seconds per page-view. Wordpress is also on the top 25 of the global Alexa traffic rank, occupying position twenty-two.

Micro-blogging: Combines certain elements of blogging with social networking and instant messages (Mayfield, 2008). The leader of this type of social media is Twitter that has over one million users and occupies the eighth rank of the global Alexa traffic rank. Twitter users can send "tweets", which are messages with a maximum of 140 characters instantly to various platforms and 90% of interactions in Twitter are made via text message or instant messaging and not via the actual website (Mayfield, 2008).

Collaborative projects: Allow the joint creation and contribution of content by various users and can be considered the most democratic form of user-generated content (Kaplan & Haenlein, 2010).

There are two main types of collaborative projects: wikis, which allow users to add, edit and remove content, and social bookmarking sites, like del.icio.us, which allow the collective rating of internet links or media content. The most famous wiki is Wikipedia that is ranked sixth according to the three-month Alexa global traffic rankings and search engines refer approximately 47% of the visits to the site.

Even though there are many other types of Social Media, these were considered, by various authors, to be the main ones.

2.2.4. FUNCTIONALITIES OF SOCIAL MEDIA→ HONEYCOMB FRAMEWORK

For the purpose of this dissertation the honeycomb framework originally proposed by blogger Gene Smith (2007), who combined and developed the ideas proposed by other Matt Webb (2004), Stewart Butterfield (2003) and Peter Morville (2004), is going to be used.

The honeycomb framework presents seven main building blocks, or functionalities, of Social Media: Identity, Conversations, Sharing, Presence, Relationships, Reputation, and Groups. Each functionality allows the examination of a specific facet of the social media user experience and what implications it has for firms (Kietzmann et al., 2011).

Identity

This functionality represents the degree to which users reveal their identities in the Social Media. This includes, consciously or unconsciously, disclosing objective information such as name, age, gender, education, profession and so on, and subjective information like feelings, thoughts, likes, and dislikes (Kietzmann et al., 2011).

Due to the fact that identity is essential to many Social Media platforms, there are some important implications for firms that seek to develop their own social media strategies for engaging with consumers. A major implication is privacy. Even though users disclose their identities in the Social Media, they have concerns about how firms use their information as a source for data mining. Achieving a careful balance between user self-promotion and protecting privacy is crucial on selecting Social Media tools (Kietzmann et al., 2011).

Conversations

The goal of many Social Media sites is to facilitate conversations among individuals or groups. Twitter and blogs, for example, are more about conversation than about identity.

Differences in the frequency and content of a conversation can have implications for how firms examine and analyze the "conversation velocity" - the rate and direction of change in a conversation (Kietzmann et al., 2011). The rate of change is the number of new conversations over a given time span, and the direction of change is the continuity, or not, of the conversation.

The issue of firms joining and manipulating a conversation is another implication of this functionality. There are risks and benefits of joining and manipulating conversations, so a firm must know when is the right moment to interact so that users see the firm as a positive addition to the conversation, and not the contrary.

Sharing

The term "social" usually indicates that exchanges between people are essential. The sharing functionality is characterized by the extent to which users exchange, distribute and receive content. Sharing is a way of interacting in Social Media, however, whether it leads users to want to start a conversation or build relationships with others depends on the functional objective of the Social Media platform (Kietzmann et al., 2011).

An implication that this functionality has for companies joining the Social Media, is the need to evaluate the objects of sociality that their users have in common, or to identify new objects that can mediate their shared

interests. Another implication is the extent to which the object should and can be shared. This is a very important implication because users might share content that was not created by them and that is protected by copyright laws, and users can also share offensive content. For that reason, companies have to find a way to filter certain types of content to avoid lawsuits for failing to ensure that uploaded content compiled with copyright laws and if it is not offensive (Kietzmann et al., 2011).

Presence

This functionality represents the degree to which users can know if others are available. This includes knowing where people are geographically and if they are online in the virtual world and if they are available. Due to the increasing connectivity of people on the move, this functionality bridges the real world and the virtual world (Kietzmann et al., 2011). There are many mobile applications, like Foursquare, that allow you the "check-in" in a certain location.

An implication of presence for companies is that they need to pay attention to the relative importance of user location and user availability. Firms also need to know how this functionality is linked to the other functionalities, mainly conversations and relationships (Kietzmann et al., 2011).

Companies should also recognize that a higher social presence makes it more likely to make conversations influential, also, social media presence is influenced by the immediacy and the intimacy of the relationship functionality (Kaplan & Haenlein, 2010).

Relationships

"Relationships" represents the degree to which users can relate to one another. Users that are related to each other in the Social Media have a certain association that leads them to talk, share content, or simply list each other as friends, connections or fans. The way that users are connected in a Social Media platform frequently determines what, how and why certain information is exchanged.

In some cases these relationships are formal, structured and regulated, like in Linkedin, or informal and without any structure, like in Blogs. In other cases, relationships barely matter, like in Twitter and Youtube. Generally, if Social Media sites do not value identity very much, they also do not value relationships (Kietzmann et al., 2011).

Reputation

This functionality is the extent to which users can identify the status of users in a Social Media setting. Generally, reputation is related to trust and refers to both people and content, which is frequently assessed using content voting systems.

Reputation has implications for firms that want to participate in the Social Media. If users and companies value the reputation of themselves and of other users, they must choose a metric to provide this information

and a suitable evaluation tool, which can be chosen based on objective data, such as the number of followers or likes, or collective intelligence, like a rating system (Kietzmann et al., 2011).

Groups

"Groups" represent the degree to which users can form communities and sub communities. According to Kietzmann et al. (2011), there are two main types of groups. The first kind of groups are self-created, the user can divide their contacts in various groups such as high-school friends, college friends, coworkers, and so on. The second type of groups can be similar to clubs in the real world: they can be public, closed (users have to wait for the approval of the administrator of the group), or secret (users can join the group only if they have an invitation).

2.3. TECHNOLOGY IN TOURISM

This section aims to provide a summary of the main tourism trends and a contextualization of the usage of technology in tourism. Firstly, there is a general overview of the use of ICTs in tourism, followed by a more specific explanation about Social Media in Tourism, a presentation of the benefits of using Social Media in tourism, and finally, the consequences of using Social Media for the travel sector.

2.3.1. TOURISM

According to the UNTWO Tourist Highlights report (2012), in 2011, international tourist arrivals continued to increase by 4.6% reaching 983 million globally. Europe represents more than half the total of international tourist arrivals worldwide and was the fastest-growing region. Contrarily, due to the Arab Spring and political instability in the region, the Middle East and North Africa were the only sub regions that showed a decline in arrivals. Despite economic challenges in many markets, the estimate for international tourist receipts for 2011 is US$ 1,030 billion worldwide, which represents an increase of 3.9% in real terms.

According to the 2012 monthly and quarterly data in the *UNWTO World Tourism Barometer,* international tourist arrivals worldwide grew at a rate of 4% in the first three quarters of 2012, consolidating the growth trend that started in 2010.

The tourism industry has continued to expand and diversify over the past sixty years, becoming one of the biggest and fastest-growing economic sectors in the world despite the financial crisis. New destinations have arisen, and despite sporadic shocks, international tourist arrivals have shown fundamentally a continuous growth, from 277 million in 1980 to 983 million in 2011 (UNWTO – Tourism Highlights, 2012).

2.3.2. INFORMATION COMMUNICATION TECHNOLOGIES (ICTS) IN TOURISM

Intangible tourism services cannot be displayed or analyzed physically before purchasing, they are bought in advance and away from the place of consumption. These services depend solely on descriptions and

representations provided by travel agencies by attract tourists. Hence, accurate and timely information that fulfill consumers' needs is frequently vital to the satisfaction of the tourist demand. Therefore, and because information is crucial in the travel and tourism industry, the use of ICTs is essential (Buhalis, 1998).

The modern consumers are more sophisticated, demanding and knowledgeable, and due to the fact that they are more and more familiar with emergent technologies, they require specialized, flexible, accessible and interactive product and effective communication. Therefore, tourism firms need to implement innovative methods to become more competitive (Buhalis, 1998).

ICTs enable tourists to have access to reliable information and to make reservations in a quicker and more convenient manner, and consequently improve the quality of service and contribute to a higher costumer satisfaction (Buhalis and Law, 2008)

No tourist is alike; they have a mixture of experiences, needs and motivations. People are generally travelling more often and becoming more skilled technologically and due to their hectic lifestyles they have less free time, so they are more demanding, are less willing to deal with delays and require interaction with the tourism firms. The Internet empowers these modern tourists with higher levels of knowledge and encourages them to pursue great value for money and time (Buhalis & O'Connor, 2005).

Tourism has constantly adapted to the innovations in technology. These adaptations are reflected in three main waves of technological developments that established ICTs in tourism: Computer Reservation Systems (CRSs) that emerged in the seventies, Global Distribution Systems (GDSs) that were developed in the eighties, and the Internet in the nineties. Even though these technologies emerged in 10-year gaps, nowadays they operate both jointly and separately (Buhalis, 1998).

The World Wide Web has arisen as the fastest-growing area of the Internet since 1990 (Buhalis, 1998). The second generation of the web and consequently the emergence of Travel 2.0, joins the concept of social media, social networking and virtual communities and applies is to the travel and tourism industry (Buhalis & Law, 2008).

2.3.3. SOCIAL MEDIA IN TOURISM

The Internet has redesigned the way information related to travel and tourism is distributed and the way that tourists plan their trips (Buhalis & Law, 2008). Recently, two main trends, which emphasize changes that can impact the tourism system, have emerged on the Internet. Firstly, Social Media websites have gained popularity in the tourists' use of the Internet (Pan et al., 2007). These Social Media sites help users in sharing and posting their travel-related experiences, comments and opinions that in turn, serve as an information source for tourists around the world. With this, consumers earn more power in determining the production and delivery of information due to the widespread access of the Internet (Xiang & Gretzel, 2010). Secondly, due to the large amount of information available, searching has gradually become a dominant mode in tourists' use

of the Internet. Hence, search engines have become a potent interface for the access to travel-related information (Xiang & Gretzel, 2010), and play a critical role in joining the tourist and the tourism firm (Lange-Faria & Eliot, 2012).

Just like the appearance Internet and the development of ICTs, the emergence of Social Media as new actors in the field of travel information exchange has changed the structure of the tourism domain. For that reason, knowledge about the role of Social Media in the search of travel information is necessary for tourism firms to become more competitive.

According to the study conducted by Xiang and Gretzel (2010), Social Media play an important role in the tourism domain, representing approximately 11% of the search results of travel and tourism related searched in Google. The primary platforms for online tourists to share their experiences are virtual communities, consumer review sites and blogs.

2.3.4. BENEFITS OF USING SOCIAL MEDIA IN TOURISM

Based on the framework of online travel communities members' benefits (Wang and Fesenmaier 2004a) and the model of member incentives for active contribution in travel communities (Wang and Fesenmaier 2004b), Parra-López et al., (2011) created a model for the intentions to use Social Media when planning taking trips and the benefits of using Social Media in that situation.

Parra-López et al., (2011) suggest that the intentions to use Social Media when the tourists' are influenced by the perceived benefits of using them and by the costs involved in their use. This model also suggests that there are some variables such as trust, altruism, access to the technology and so on, that motivate and promote the use of Social Media when planning and taking trips.

Even though the intentions to use Social Media, the costs of using and the incentives to use it are very important in the analysis of the impact of Social Media in Tourism, for the purpose of this dissertation, only the impact of perceived benefits in the use of Social Media when taking trips is analyzed.

Many authors show that the tendency of travellers to use Social Media in planning and taking trips is related to their perceived benefits of the usage of Social Media in that situation (Wang et al., 2002). Even though the benefits of using technologies when planning and taking trips are dynamic, and due to the fact that the process of identifying them is complex because of the large variety of travellers' characteristics (Parra-López et al., 2011; Wang and Fesenmaier, 2004b), it is considered that there are four main benefits that are essential for tourists to have positive prospects of using Social Media: **functional, social, psychological** and **hedonic benefits** (Wang et al., 2002; Wang and Fesenmaier, 2004b).

Functional Benefits

Members of an online community seek functional benefits when they go online to fulfill specific needs and activities (Wang and Fesenmaier, 2004b), such as finding information for their trips, for that reason the

relationship between these type of benefits and the use of Social Media is fundamental to define the use of Social Media when planning and taking trips (Parra-Lopéz et al., 2011). These benefits include the support for collecting relevant information to simplify the decision-making process, together with the efficiency and convenience of online travel communities, where users can access information without temporal or geographical constraints (Wang and Fesenmaier, 2004b).

Social Benefits

Online travel communities are structured socially and provide social benefits (Wang et al., 2002). These benefits include the communication with other tourists, the exchange of opinions, the building of relationships with other tourists and the user's involvement in the information exchange and the trust in the community (Wang and Fesenmaier, 2004a).

Internet users progress from collecting information without having any social interaction, to increasing social activities as their involvement in online communities expands (Walther, 1996).

Psychological Benefits

Online travel communities also offer essential psychological benefits to its users by making the community part of their lives. These benefits include a sense of belonging to a certain community, a sense of affiliation and the relationships between members of the community (Wang and Fesenmaier, 2004b) and can be attained as a result of ongoing communication in a collaborative environment (Parra-López et al., 2011).

Hedonic Benefits

People also join online travel communities for entertainment and for their own enjoyment. These benefits include being entertained, happy and amused, having fun, seeking enjoyment, and other positive feelings (Wang and Fesenmaier, 2004b).

2.3.5. CONSEQUENCES OF SOCIAL MEDIA FOR THE TRAVEL SECTOR

Nowadays the Internet plays an important role in the travel planning process (O'Connor, 2008), the rise of UGC influences more and more the tourists' decision-making and behavior and travel reviews by users are becoming quite common (Scott & Orlikowsky, 2012). Specialists estimate that online reviews have an effect in more than $10 billion a year in online travel purchases (Vermeulen & Seegers, 2009), and in a study about electronic Word-of-Mouth (eWOM) reviews, contributors considered that traveler reviews were less biased than professional reviews (Bickart & Schindler, 2001).

The merging of the growing demands for transparency and accountability with the expansion of user-generated content (UGC) and Social Media creates an influential combination. The visibility given by the processes of ranking are amplified in the context of Social Media websites, due to the fact that they both magnify the reach of ranking information and the speed with which ranking information is produced, because

websites are global and available all day, everyday, so users can contribute continuously (Scott & Orlikowsky, 2012).

Before online travel communities and travel ratings' sites like Tripadvisor became popular, formal institutions, like national tourist boards or travel guides, had controlled the process of rating and ranking in the tourism industry, which was aligned with an internationally coordinated standards system (Scott & Orlikowsky, 2012).

Now, reviews in Tripadvisor reflect the travelers' personal opinion about their experience and can appear within a day of the hotel stay. Even though Tripadvisor requires reviewers to rate the same categories (value, rooms, service, cleanliness and location), the meaning of the travellers' rating is subjective, what creates "value" to a certain traveller might not be the same to another (Scott & Orlikowsky, 2012).

The representation of online verification within Social Media reconfigures and reallocates relations of accountability in the travel and tourism industry. Before Tripadvisor, hotel managers were accountable to themselves, their guests and travel rating agencies that visited the hotel periodically. With the emergence of Tripadvisor, hotel managers have lost the control they previously had over the means, timing and forms of their accountability, which is now established by dispersed, anonymous and dynamic reviews posted frequently on a website (Scott & Orlikowsky, 2012).

Due to this shift in the relations of accountability and because online travel reviews have substantial effects on tourism firms, there are some cases that the reviews can mean a different between a profit and a loss for these tourism and hospitality enterprises; hotel owners start acknowledging the significance of Tripadvisor reviews for their business and start incorporating it in their management practices (Scott & Orlikowsky, 2012).

2.4. THE RESOURCE-BASED VIEW (RBV) MODEL

This section provides a summary of the relevant literature about the Resource-based view theory that was used in the elaboration of dissertation. It includes an overview of the RBV model, a definition of the main concepts of the RBV theory: resources, competitive and sustainable competitive advantage, and finally an explanation of the VRIN analysis.

2.4.1 OVERVIEW OF THE RBV MODEL

One of the main focuses of strategic management field has been identifying the sources of sustainable competitive advantages for firms (Porter, 1985). Since the 1960s, research was structured using the framework related to the internal and external analysis of the firm (SWOT analysis). This framework proposes that if companies execute strategies that develop their strengths and avoid weaknesses through neutralizing threats and reacting to opportunities, they develop sustainable competitive advantages (Barney, 1991). Even though there is literature about both the internal analyses of strengths and weaknesses and external analyses of

opportunities and threats, in the 1980s authors started focusing on analyzing the firm's opportunities and threats, originated from their competitive environment, that originate high levels of performance. Porter's five forces model is an example of this kind of analysis (Barney, 1991). The problem with these environmental models of competitive advantage is that they disregard the fact that the companies in a certain industry may possess heterogeneous resources, and that they consider these resources highly mobile across competitors, which makes means that the resource is not a sustainable competitive advantage (Barney, 1991).

The RBV model studies the relation between a firm's internal characteristics and performance and examines the implications of its two main assumptions in the analysis of sustainable competitive advantages. Firstly, the RBV model assumes that firms in a certain industry may have heterogeneous strategic resources. Secondly, it assumes the due to the fact that these resources are not highly mobile across companies, the heterogeneity of resources and firms can last a long time.

After this overview of the RBV model it is important to describe its key concepts.

2.4.2. KEY CONCEPTS

There are three key concepts that are essential to understand the RBV theory: resources, competitive advantage and sustainable competitive advantage.

The **resources of a firm** include everything that allows the firm to create and implement strategies that improve its efficiency and efficacy (Daft 1983 cited in Barney 1991): all assets, capabilities, information, processes, firm attributes, and so on. According to Porter (1991), resources are strengths that can be used by firms to create and implement strategies and can be divided into tangible assets, such as machinery, technological resources and human capital, and intangible assets, such as knowledge and brand name (Maijoor & Witteloostuijn, 1996).

According to Barney (1991), a **competitive advantage** occurs when a firm implements a value creating strategy that is not being used by any of its competitors. A **sustainable competitive advantage** also occurs when the firm is the only one in a certain industry using a value creating strategy and when the competitors cannot copy its benefits.

To determine which resources are heterogeneous and immobile and can consequently have the potential to be a source of sustainable competitive advantage, a VRIN analysis should be conducted.

2.4.3. VRIN ANALYSIS

According to Barney (1991), for a resource to have the potential to be a sustainable competitive advantage it must be valuable, rare, imperfectly imitable and non substitutable. These attributes are indicators will determine if a certain resource is heterogeneous and immobile.

VALUABLE RESOURCES

Firm's attributes can be considered resources if they take advantage of the industry's opportunities and neutralize threats. Resources are considered valuable if they allow a firm to create and implement strategies that improve its effectiveness and efficiency (Barney, 1991).

RARE RESOURCES

Valuable resources or bundles of resources can only be a source of competitive advantage if they are not being used be other firms in the industry, and are consequently rare. Companies with resources that are valuable and rare will be able to create and implement strategies that competitors can, thus becoming strategic innovators (Barney, 1991).

IMPERFECTLY IMITABLE RESOURCES

Additionally to being valuable a rare, a resource has to be imperfectly imitable, which means that other companies cannot copy it, to become a source of competitive advantage. According to Barney (1991), resources can be imperfectly imitable due to **unique historical conditions**, **causal ambiguity** and **social complexity**.

1. **Unique historical conditions:** Valuable and rare resources that have been earned and developed by a firm due to temporal and spatial issues, along its history, can be considered imperfectly imitable resources, because the competition that did not follow that specific temporal and spatial path cannot acquire these resources that are time and space dependent. Thus, a company with unique historical conditions is able to create and develop a value-creating strategy that other firms in the industry cannot duplicate (Barney, 1991).

2. **Causal ambiguity:** If the connection between the resources that a firm controls and a firm's sustainable competitive advantage is not understood, then there is causal ambiguity. This makes it difficult for competing firms to know the resources that they should replicate to achieve the firm's value-creating strategy. For causal ambiguity to be a source of competitive advantage, this lack of understanding of the connection between the firm's resources and a firm's sustainable competitive advantage, has to be extended to all competing firms, because if even one firm understands the connection, the information will become dispersed in the long run (Barney, 1991).

3. **Social complexity:** There are resources that are such a socially complex phenomena that it makes it impossible for firms to manage and influence them. This limits greatly the ability competing companies to duplicate these specific resources. Even though complex physical technology by itself is imitable, the use of this complex technology usually involves socially complex resources like learning, knowledge and reputation. In these cases, a firm can create and develop value-creating strategies that other firms with the same complex physical technology cannot, because of

the more complete use of the technology, and can consequently be a source of sustainable competitive advantage (Barney, 1991).

NON SUBSTITUTABLE RESOURCES

For resources to be a potential source of sustainable competitive advantage, there cannot exist any strategic equivalent valuable resources even if these resources are common and imitable. Two resources are strategically equivalent when each of them can be developed distinctly to execute the same strategies.

Finally, if a resource respects these four attributes: if it is valuable, rare, inimitable and non substitutable, it can be a source of sustainable competitive advantage.

In the following section an example of the application of the VRIN framework that will be relevant for the analysis of the strategic impact of Social Media in tourism in the discussion section of this dissertation, is provided.

2.4.4. POSITIVE REPUTATION AND SUSTAINABLE COMPETITIVE ADVANTAGE

For a firm's positive reputation to be a source of sustainable competitive advantage, it has to be valuable, rare, inimitable and non substitutable.

If only a small number of competing firms in the same industry have a positive reputation, then this is a rare resource. A positive reputation can be a consequence of informal social relationships between companies and key stakeholders that are socially complex (Klein & Leffler, 1981 cited in Barney 1991), and usually depend on very specific historical settings that are difficult to duplicate (Barney, 1991). In any of these cases a positive reputation is inimitable. There is not a proven substitute for a firm's positive reputation, hence, it is non substitutable, and can consequently be a source for a sustainable competitive advantage.

This chapter provides a summary of the relevant theory necessary for the elaboration of this dissertation and of the existent literature about the theme: Social Media in Tourism. In the following chapter the methodology behind the study of this dissertation is explained in detail.

3. METHODOLOGY

This chapter describes the methodology of this dissertation and is divided in four sections. Firstly, the objective is defined, followed by the explanation of the Social Media in Tourism value-creation model. Subsequently, the hypotheses are created and explained and finally the questionnaire was created to test the hypotheses. The final section of this chapter describes how the survey was created, where it was distributed and what statistical analyses were done to analyze the data collected.

3.1. OBJECTIVE

The objective of this thesis dissertation is to answer the following research question:

- "Does Social Media have an impact in Tourism?"

However, to determine how tourism can use social media the following sub questions need to be answered:

- What are the functionalities of Social Media that tourists' consider more important?
- What are the tourists' perceived benefits of using social media when planning and taking trips?
- How do tourists perceive Social Media sites when planning and taking trips?

3.2. MODEL

To answer the above questions the following "Social Media in Tourism value creation model" is created.

Social Media Functionalities: Presence Identity Sharing Relationships Conversations Reputation Groups	→	**Tourist Value Creation** **Influence in tourists' planning/taking trips**	←	**Perceived benefits of using Social Media in tourism:** Functional Social Psychological Hedonic
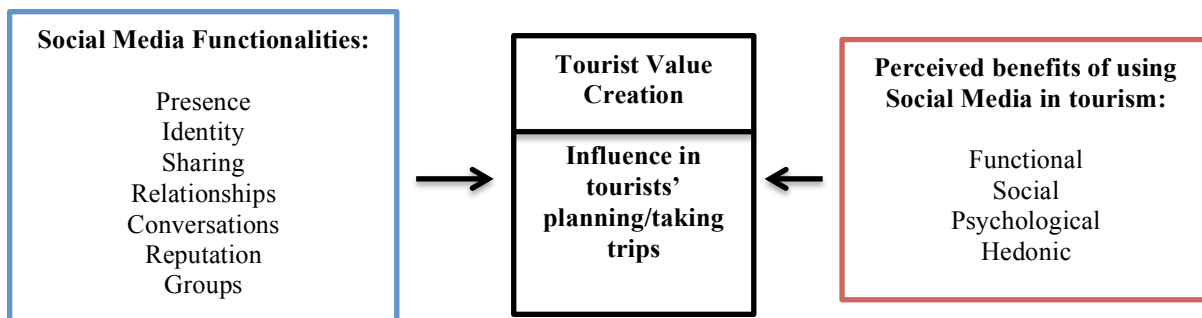
This value creation model is used as a type of conceptual model, which is developed to tie all the different concepts, relevant for the analysis, together and to help understand better the subject of this study.

The model is based on the Social Media functionalities described in the honeycomb framework (Smith, 2007; Webb, 2004; Butterfield, 2003; Morville, 2004), which can be applied to tourism; and on Parra-López's (2011) adaptation of Wang and Fesenmaier's (2004a) framework, which describes the tourists' perceived benefits of using Social Media when planning and taking trips. Hence, the main objective of this study is to find out if any the Social Media functionalities applied to tourism and any of the perceived benefits of using Social Media in tourism contribute in any way to the tourist's value-creation or if it has an influence in tourists when planning and taking trips.

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On the one hand, one of the variables considered were the Social Media functionalities, based on the honeycomb framework (Smith, 2007; Webb, 2004; Butterfield, 2003; Morville, 2004), that can be applied to tourism, because it is relevant for tourism firms to know which functionalities are more important and create more value for the tourist to effectively position themselves in the Social Media and know in which types of Social Media they should be more present. It is also considered that all the functionalities described in the honeycomb framework could be applied to tourism, so all of them were tested in the questionnaire.

On the other hand, the perceived benefits of using Social Media when planning and taking trips was also considered one of the variables to be analyzed, because it is important for tourism firms to know what are the main benefits for travellers using Social Media in Tourism, so that they know what they should offer and communicate to tourists. For example, by having information about the benefits that travellers consider most important, tourism firms can learn if they should focus solely on offering information or if they also should focus on promoting a sense of belonging in the community. For those reasons, the main objective of this dissertation is to discover if any of the Social Media functionalities or any of the perceived benefits of using Social Media in tourism are important for travellers and consequently if they create any value for the tourist and influences them when planning and taking trips.

3.3. HYPOTHESES FORMULATION

According to the existing literature, different Social Media sites focus on different functionalities; some focus more on identity, others more on relationships or on sharing (Kietzmann et al., 2011).

Nowadays, none of the major Social Media sites concentrate exclusively on one of the functionalities, in fact, according to Gene Smith (2007); Social Media sites usually focus on three or four main functionalities. For example, in Facebook, which is a social networking site, the main functionality is Relationships; however, it also focuses quite a lot in Identity, Presence, Reputation and Conversations. On Youtube, which is a media-sharing site, the main focus is in the Sharing functionality, however, Conversations, Groups and Reputation are also important. Finally, for Linkedin, which is a professional social networking site, the main functionality is Identity, but there is also a large focus on Reputation and Relationships (Kietzmann et al., 2011).

Based on the above the first hypothesis is:

- *Hypothesis 1: When planning and taking trips, tourists consider the functionalities of Social Media important.*

Many authors show that the tendency of travellers to use Social Media when planning and taking trips is related to their perceived benefits of the usage of Social Media in that situation (Wang et al., 2002). Even though the benefits of using technologies when planning and taking trips are dynamic, and due to the fact that the process of identifying them is complex because of the large variety of travellers' characteristics (Parra-López et al., 2011; Wang and Fesenmaier, 2004b), it is considered that there are four main benefits that are

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essential for tourists to have positive prospects of using Social Media: **functional, social, psychological** and **hedonic benefits** (Wang et al., 2002; Wang and Fesenmaier, 2004b).

- *Hypothesis 2: Tourists consider the functional, social, psychological and hedonic benefits important when planning and taking trips.*

Finally, for the purpose of this study it is also relevant to know how tourists perceive Social Media sites. Consumers perceive Social Media as more reliable than corporate-sponsored communications (Mangold & Faulds, 2009). According to Kaplan and Haenlein (2010), it is essential for businesses in Social Media to be active and engage with the consumer. They must guarantee that the content is accessible to everyone, easy to find, helpful, interesting, entertaining and valuable. For that reason, one of the questions of the survey asked the extent to which the respondents perceive Social Media sites as **reliable, informative, interesting, helpful, accurate, easy to find, entertaining** and **valuable**.

- *Hypothesis 3: Tourists perceive Social Media sites as reliable, informative, interesting, helpful, accurate, easy to find, entertaining and valuable.*

3.4. SURVEY METHODOLOGY

After the construction of the model and of the formulation of hypotheses, a survey is created to test the hypothesis above and consequently answer the research questions.

The survey is organized in four parts. The first two sections are drawn up to determine the respondents Social Media usage and travel habits, the third section is about Social Media in Tourism specifically, and the fourth and final section has a few questions on the demographics of the respondents (age, gender and nationality).

Two versions of the questionnaire are created, one in English and one in Portuguese, to reach a greater number of people, and the survey is uploaded to QuestionPro, an online research tool.

Given the fact that this study is about Social Media, the survey is distributed mainly through Facebook and e-mail. Given the available resources, this method is considered the best to conduct this study because it is more convenient and private. It reduces the bias of surveys that are conducted face-to-face, where people can be more resistant to provide honest answers and it makes it possible for people to save the link and answer the answer whenever is more convenient. Sharing the survey on Facebook also makes it possible for the survey to have a larger reach because someone who answers the survey can easily share the survey with his or her Facebook friends.

After collecting the answers the data is exported to SPSS Statistics 21 for analysis. Firstly, some simple descriptive statistics such as Frequencies and Descriptives are conducted in SPSS to define the sample and to determine what attributes are most influential for the respondents and what are the most important functionalities and perceived benefits and consequently test the hypotheses. Secondly, two factor analyses are performed to reduce two large sets of variables – the functionalities and perceived benefits - into a more

controllable number of factors. Finally, T-Tests, Pearson Correlations, One-way ANOVAs and Two-way ANOVAs are conducted to determine if there were any relationships between the different variables. For example, is there a correlation between frequency of use of Social Media sites and their perceived reliability for those same sites? Is the way that the respondents perceive Social Media different according to their age or gender? And so on.

This chapter explains in detail the methodology of the study of this dissertation, from the explanation of the objectives and model, to the elaboration of hypothesis and the development of the questionnaire to test the hypotheses, and finally to the explanation of the methodology of the survey itself, including a summary of the analyses conducted in SPSS.

The following chapter provides a detailed analysis and discussion of the results of the SPSS analyses and analyzes the strategic impact of Social Media in tourism.

4. ANALYSIS AND DISCUSSION

The main goal of this chapter is to analyze the data collected and discuss results of the study. Firstly, a description of the sample is provided. Secondly, the data is analyzed in order to verify if the hypothesis are accepted or rejected in order to answer the research questions. Hence, the main objective of this chapter is to find out what are the tourists' most important functionalities of Social Media, perceived benefits and how they perceive Social Media when planning and taking trips. This analysis will also provide the basis to answer the main research question and determine if Social Media has an impact in tourism. Finally, this chapter also analyzes the strategic impact of Social Media in tourism.

4.1. SAMPLE

A total of 236 respondents answered the survey, 119 females and 117 males. The majority of respondents are Portuguese (87%) and between the ages of 18 and 29 years (about 59%), followed by around 15% of the respondents between the ages of 30 and 40 years, approximately 14% between 41 and 50 years, 10% in the 51 to 60 age group, and finally about 2% that are older 60 years.
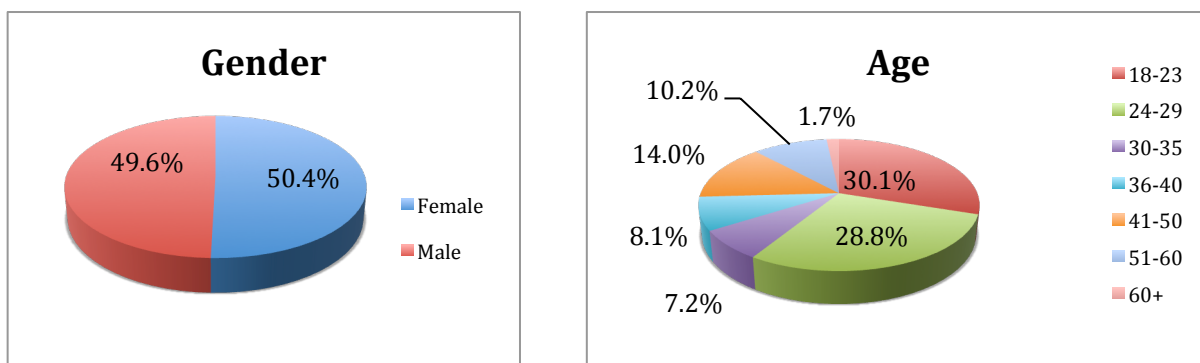
Figure 1 - Gender and Age group

When asked about their Social Media usage, most respondents claim they spend between one and three hours using Social Media (33.5%), followed by 21.6% that state they use Social Media less than one hour a day. Approximately 17% of the sample uses Social Media more than five hours a day, 14% uses Social Media between three and five hours every day and around 14% are light users, using social media six times a week or less.

Based on Li and Bernoff's (2008) segmentation of active participants in the Social Media ecosystem, the majority of the respondents (43,6%) considered themselves spectators, which means that they only read content in the Social Media. Contrarily, there is a significant number of respondents (about 17%) that consider themselves creators, which means that they publish and upload content to the Social Media, and another 17% of the respondents consider themselves critics, meaning that what they do most in the Social Media is commenting and rating content. About 12% of respondents consider themselves collectors and approximately 11% mainly use the Social Media to connect with other user, which makes them joiners.
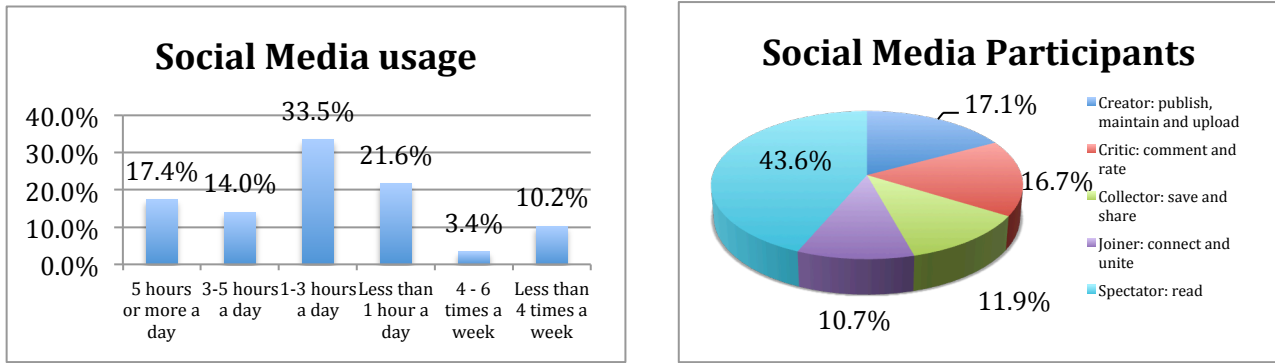
Figure 2 - Social Media usage and Social Media participants

Regarding their travel habits, the majority of the sample travels abroad twice a year (around 34%) or once a year (approximately 29%), for leisure purposes (56.4%). However, many respondents travel abroad for both business and leisure purposes (37.7%).
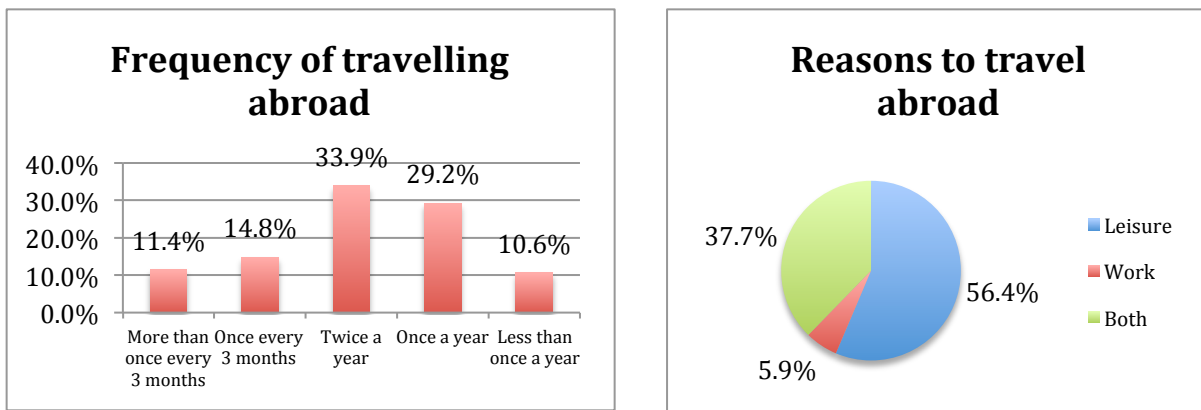

Figure 3 - Frequency of traveling abroad and Reasons to travel abroad

4.2. DATA ANALYSIS AND DISCUSSION

4.2.1. INFORMATION SOURCES

The information source that respondents use more frequently when planning and taking trips are travel websites, with a mean rating of 3.95 out of 5, more specifically, with 169 respondents stating that they use travel websites often or very often which is equivalent to a rating of 4 or 5. The second most used information source is family and friends with a mean rating of 3.60 out of 5 and with 141 of the respondents saying that they use family and friends as an information source often or very often. Social Media sites represent the third most frequently used information source, with 139 respondents affirming that they use Social Media occasionally, often and very often, which is equivalent to a mean rating of 2.95. Contrarily, the information sources used the least is TV and Radio with 195 respondents stating that they never or rarely use this as an information source when planning and taking trips, which is equivalent to a mean rating of 1.65, followed by Mobile Apps with a mean rating of 1.94 out of 5.
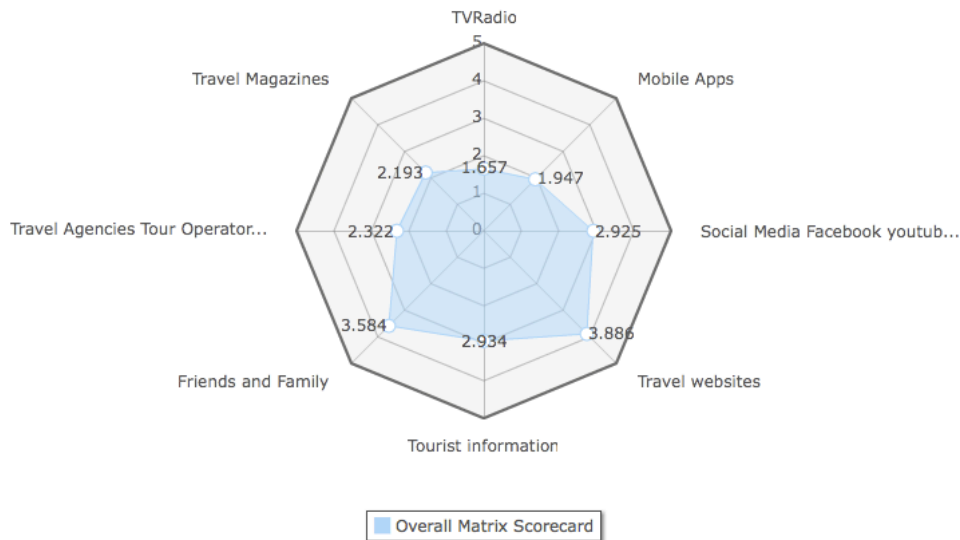
Figure 4 - Respondents' mean frequency of use of information sources

4.2.2. FUNCTIONALITIES AND BENEFITS

One of the main objectives of this dissertation is to determine which functionalities and benefits are more important for travellers, so, two questions were asked in the questionnaire for that purpose, one about the functionalities and one for the benefits (see questions 7 and 11 in appendix 1). To avoid certain biases, more specifically to avoid that respondents answered what they thought was correct instead of what they actually considered important, instead of asking directly what benefits and functionalities they considered important, the respondents are asked to rate the importance of various statements that represented indirectly the functionalities and benefits.

A factor analysis is conducted to reduce the large lists of functionalities and benefits into fewer factors and consequently, find out which are the principal components for the sample. In other words, two factor analysis are conducted to determine how the sample perceived the different types of functionalities and benefits, if they perceived any differentiation between the different types of functionalities and the different types of benefits, and which types of functionalities and benefits are considered more important.

Fifteen items of the **functionalities** scale are subjected to a principal components analysis (PCA) in SPSS, but firstly, the suitability of data for factor analysis is evaluated. The examination of the correlation matrix reveals the presence of various coefficients of 0.3 and above. The Kaiser-Meyer-Olkin value is 0.914, which exceeds the recommended value of 0.6 and the Bartlett's test of sphericity reaches statistical significance supporting the factorability of the correlation matrix.

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PCA reveals the presence of two components with eigenvalues exceeding 1, explaining 46% and 16% of the variance respectively. An inspection of the scree plot reveals a clear break after the second component, so it is decided to retain two components for further investigation.

To help the interpretation of the two components, varimax rotation is performed. The rotated solution reveals the presence of a simple structure with both components showing a number of strong loadings, and all variables, loading substantially in one of the components. The tables used in the analysis and interpretation of this factor analysis can be consulted in *Appendix 3.2.1.*

By comparing the rotated components matrix with the mean importance ratings that the respondents attributed to the functionality statements in the descriptives table (which can be consulted in *Appendix 3.2.1.)*, it is clear that the sample of this study does not differentiate functionalities. Even though Component 1 clearly includes Conversations, Presence and Relationships, and Component 2 clearly include the Reputation functionality; both components include some elements of the Identity, Groups and Sharing functionalities.

While respondents do not differentiate functionalities, it is evident that respondents consider component 2 more important than component 1. Respondents clearly consider Reputation the most important Social Media functionality; the two statements used to test the importance of this functionality are part of component 2 and have the highest mean importance: reliable content has a mean importance of 3.91 out of 5 and trusting the Social Media site has a mean importance of 3.81 out of 5. The other elements that have the highest mean importance for the sample is: reading content and reviews shared by other tourists (3.69 out of 5), which is related to the Sharing functionality, having information divided in categories (3.59 out of 5), which is associated to the Groups functionality and the possibility of editing privacy settings (3.02 out of 5), which is part of the Identity functionality.

It can be concluded that tourists will consider functionalities important when planning and taking trips, which means that **hypothesis 1** *(When planning and taking trips, tourists consider the functionalities of Social Media important.)* **is accepted**. Reputation is the most important functionality for tourists and certain elements of the Sharing, Identity and Groups functionalities, listed above, are also quite important.
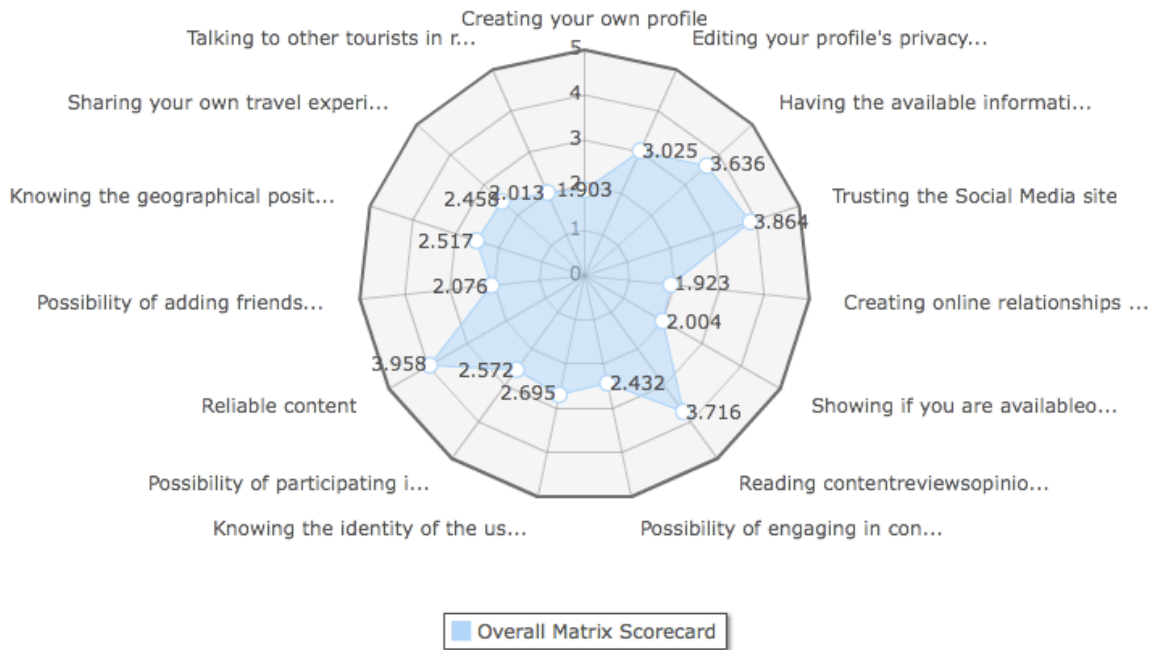
Figure 5 - Functionality mean importance

Thirteen items of the **benefits** scale are subjected to a principal components analysis (PCA) in SPSS, but firstly, the suitability of data for factor analysis is evaluated, just like it is done for the functionalities. The examination of the correlation matrix reveals the presence of various coefficients of 0.3 and above. The Kaiser-Meyer-Olkin value is 0.878, which exceeds the recommended value of 0.6 and the Bartlett's test of sphericity reaches statistical significance supporting the factorability of the correlation matrix.

PCA reveals the presence of three components with eigenvalues exceeding 1, explaining 47%, 15% and 8% of the variance respectively. However, an inspection of the scree plot reveals a clear break after the second component, so it is decided to retain only two components for further investigation.

To help the interpretation of the two components, varimax rotation is performed. The rotated solution reveals the presence of a simple structure with both components showing a number of strong loadings, and all variable, loading substantially in one of the component. The tables used in the analysis and interpretation of this factor analysis can be consulted in *Appendix 3.2.2*.

By comparing the rotated components matrix with the mean importance ratings that the respondents attributed to the perceived benefits in the descriptives table (which can be consulted in *Appendix 3.2.2.)*, it is evident that component 2 includes the most important benefits for the sample (benefits with a mean importance above 3 out of 5). On the other hand, component 1 includes the benefits that have a mean importance rating below 3 out of 5, which means that respondents do not consider those benefits important. Even though component 2 includes the important benefits and component 1 includes the ones that are not important for the sample, the respondents do not differentiate the types of benefits, except for the functional benefits. Component 1 includes a mixture of the various elements of three types of benefits, the social, psychological and hedonic benefits and

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component 2 includes all the elements of the functional benefit: information, efficiency and convenience, and one of the elements of the social benefits: trust.

The most important perceived benefits of using Social Media when planning and taking trips are the functional benefits; the three statements used to test the importance of this benefit are part of component 2 and have some of the highest mean importance ratings: obtaining information has a mean importance of 3.78 out of 5, efficiency of using Social Media has a mean importance of 3.35 out of 5 and the convenience of using Social Media has a mean importance of 3.21 out of 5. However, the highest perceived benefit for the respondents, with a mean importance of 3.81 is trust, which is related to the Social benefits.

It can be concluded that tourists, consider the functional benefits and trust (social benefit) important when using Social Media for planning and taking trips important. All the other social, psychological and hedonic benefits are not considered important. Thus, **hypothesis 2 (***Tourists consider the functional, social, psychological and hedonic benefits important when planning and taking trips)* **is rejected.**
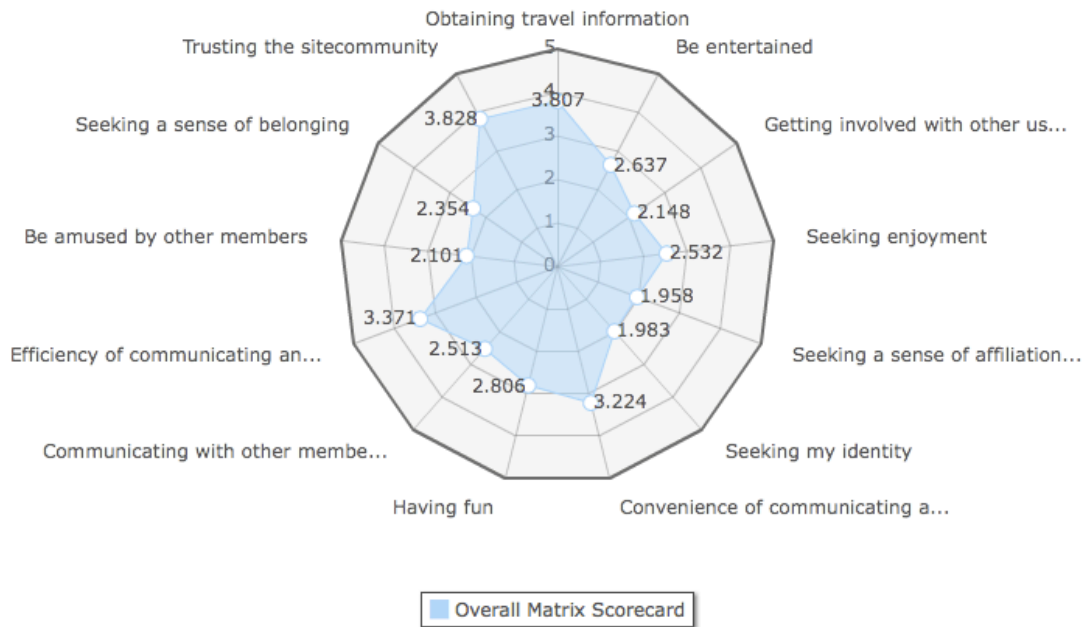

Figure 6 - Benefits' mean importance

4.2.3. RELATIONSHIP BETWEEN FREQUENCY OF USE AND PERCEIVED RELIABILITY

Even though it is not part of the research questions it is interesting to investigate if there is any relationship between the frequency of use of Social Media and its perceived reliability. To do so, there are two questions in the survey that ask how frequently the respondents use the different types of Social Media, and how reliable they consider those same types of Social Media (see questions 5 and 10 in appendix 1).

The relationship between frequency of use and perceived reliability is analyzed using Pearson correlation coefficient. Preliminary analyses are conducted to ensure no violation of the assumptions of normality and linearity.

There is always a positive correlation between the frequencies of use of the different Social Media sites and perceived reliability of those same sites. However, there is a stronger correlation for certain sites.

There is a **large positive correlation** between frequency of use and perceived reliability for Facebook (value of pearson correlation (r) =0.518) and Lonely Planet (r=0.552). There is a **medium positive correlation** between frequency of use and perceived reliability for Youtube (r=0.434), Blogs (r=0.450), Booking.com (r=0.399), Tripadvisor (r=0.438) and Travel Communities (r=0.477). Finally, Twitter has a **small positive correlation** between frequency of use and perceived reliability (r=0.220).

4.2.4. INFLUENTIAL FACTORS

To determine if travellers are influenced by Social Media when planning and taking trips, respondents are asked to rate to what extent different situations influence them (question 9 in appendix 1). As can be seen in figure 10 below, Friends' and family's suggestions is the most influential factor for the sample, with a mean rating of 4.114 out of 5 (5 being very influential).

While the most influential factor does not have to with Social Media, the following factors that influence the respondents the most when planning and taking trips are indeed related to Social Media. Reviews about accommodation is the second most influential factor for the respondents, with a mean rating of 3.805 out of 5, followed by Negative reviews in Social Media that have a mean influence of 3.708 out of 5 and Positive reviews in Social Media that have a mean influence of 3.669 out of 5. Even though there is little difference between the influence that negative and positive reviews in Social Media have on the sample, the respondents are slightly more influenced by negative reviews, which means that the sample has a slight negativity bias (they pay more attention to negative kinds of information). Reviews about destinations, reviews about restaurants and the "top" destinations/hotels/restaurants in Social Media travel sites are also quite influential for the sample, with a mean influence rating of 3.597, 3.398 and 3.297 respectively.

Travel-related mobile apps or mobile travel guides are the least influential factor for the respondents, with a mean rating of 2.271 out of 5.
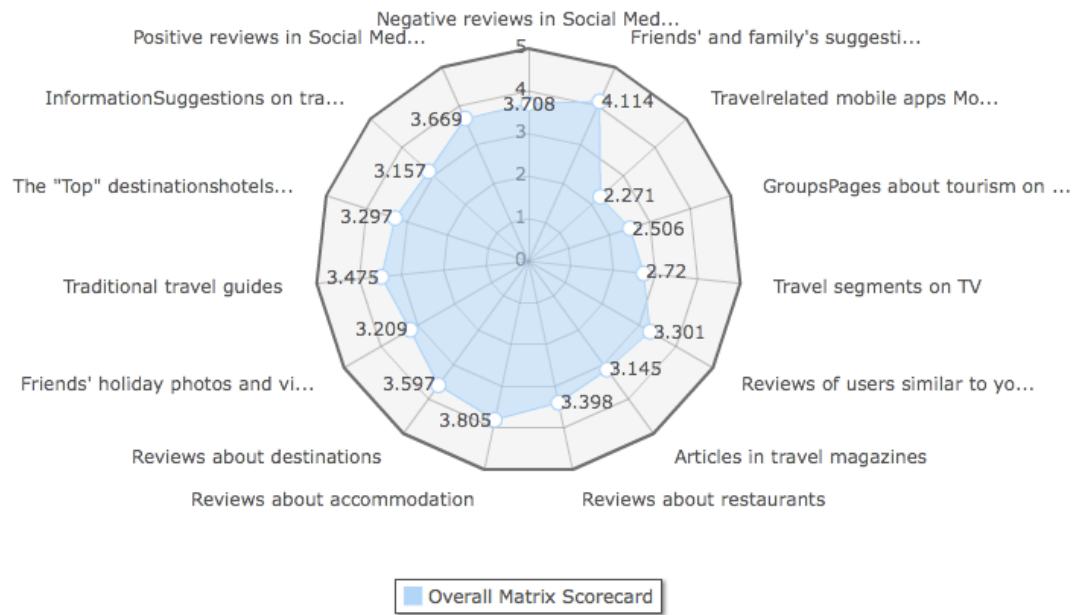
Figure 7 - Influential factors mean rating

A two-way between-groups analysis of variance (ANOVA) is conducted to explore the impact of gender and age on the level of influence that the above factors have when planning and taking trips. The factors that have a significant difference between the age groups are negative reviews in Social Media, positive reviews in Social Media, "top" destinations/hotels/restaurants in Social Media, friends' holiday photos and videos in the Social Media, reviews about destinations, reviews about accommodation and friends' and family's suggestions (see appendix 3.4.). Gender does not provide significant differences in the mean influence.

To investigate the impact of the usage of Social Media on the level of influence that the above factors have when planning and taking trips, a one-way between groups analysis of variance (ANOVA) is conducted. The factors that have a significant difference between the types of usage of Social Media are negative reviews, positive reviews, friends' holiday photos and videos in the Social Media, reviews about destinations, reviews about accommodation, reviews about restaurants, groups/pages about travel and tourism on Facebook and friends' and family's suggestions. To see the specific differences between the types of usage of Social Media see appendix 3.5.

4.2.5. PERCEPTION OF SOCIAL MEDIA SITES

To discover what is the tourists' perception of Social Media sites when planning and taking trips, and consequently test hypothesis 3, the sample is asked to rate, in a scale of 1 to 100 (100 being totally agree), the extent to which they agree that Social Media sites are reliable, informative, interesting, helpful, accurate, easy to find, entertaining and valuable (question 8 in appendix 1).

It is considered that any mean score that is higher than 50 out of 100 means that the respondents perceive Social Media in that way, and a mean score lower than 50 means that respondents do not perceive Social Media in that way.

By looking at the image below, it is clear that the sample perceives Social Media sites when planning and taking trips as Helpful, Informative, Interesting, Easy to find, Reliable and Valuable. However, most respondents of this study do no perceive Social Media sites as Accurate and Entertaining. Hence, *hypothesis 3 (Tourists perceive Social Media sites as reliable, informative, interesting, helpful, accurate, easy to find, entertaining and valuable)* **is rejected,** because even though respondents perceive Social Media as reliable, informative, interesting, helpful, easy to find and valuable, they do not perceive Social Media as accurate and entertaining**.**
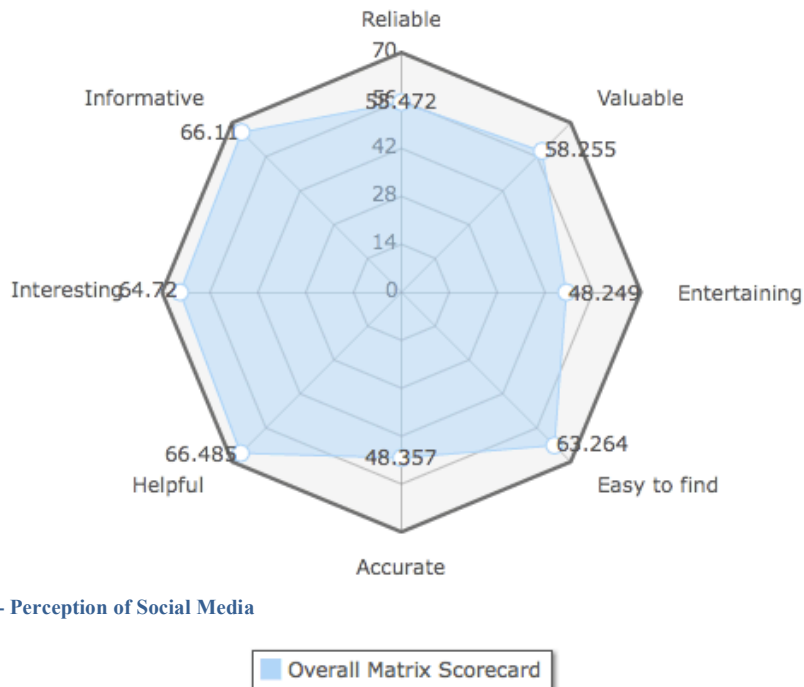
Figure 8 - Perception of Social Media

A two-way between-groups ANOVA is conducted to discover the impact of age and gender on the perception of Social Media when planning and taking trips and a one-way between-groups ANOVA is also done to explore the impact of Social Media usage on the respondents' perceptions of Social Media.

Gender does not provide significant differences in the perception of Social Media, but age does provide significant differences. There is a significant difference between the age groups in the perception of Social Media as reliable, informative, interesting, helpful and accurate. The main difference in perception occurs between the younger age groups and the oldest age group (see the specific differences in appendix 3.6).

There is also significant difference between the types of Social Media usage in the perception of social Media as reliable, helpful, accurate, entertaining and valuable (see the specific differences in appendix 3.7).

4.3. STRATEGIC IMPACT OF SOCIAL MEDIA IN TOURISM

With the analysis above, the most important functionalities of Social Media for travellers are determined and their most important perceived benefit is also discovered.

The most important benefit that travelers want to see fulfilled is the **functional benefit**, which has to do with the gathering of information (with a mean importance of 3.78 out of 5) and with the efficiency (3.35 out of 5) and convenience (3.21 out of 5) of using Social Media for the gathering of that information. However, trust is considered the most important attribute for using Social Media when planning trips (with a mean importance of 3.81 out of 5), which is part of the social benefits. Thus, even though travellers do not consider the majority of the social benefits important when using Social Media, they only consider the information from Social Media sites related to travel and tourism important and valuable, if they trust the site and company. So, the **reputation** of the company is the most important factor when using Social Media while planning trips, which means that first and foremost, tourism companies in the Social Media have to earn the **trust** of the travellers.

When analyzing the most important functionalities of Social Media for travellers, it is once again clear that the **reputation** of the site/company is the most important. The respondents considered reliable content and trusting the Social Media site the most important factors when using Social Media when planning trips, with a mean importance of 3.91 and 3.81 out of 5, respectively.

A **positive reputation** alone may be a source of sustainable competitive advantage, because it can be valuable, rare, inimitable and non substitutable. It is clear that a positive reputation is **valuable** for travellers just by analyzing the importance given to it, both when asked about the functionalities and the benefits.

The fact that users perceive traveler reviews as less biased than professional reviews (Bickart & Schindler, 2001), may mean that they do not trust most tourism and hospitality firms, so if a tourism company and site has a positive reputation and only a few competing tourism firms on the Social Media have a positive reputation, then this functionality is also **rare** (Barney, 1991).

A positive reputation can be a consequence of informal social relationships between companies and key stakeholders that are socially complex (Klein & Leffler, 1981 cited in Barney, 1991), and usually depend on very specific historical settings that are difficult to duplicate (Barney, 1991). In any of these cases a positive reputation is **inimitable.**

There is not a proven substitute for a firm's positive reputation, hence, it is **non substitutable**, and can consequently be a source for a sustainable competitive advantage.

The other functionalities that are considered the most important are "reading comments and reviews shared by others", with a mean importance of 3.69 out of 5, "having information divided into categories", with a mean importance of 3.59 out of 5 and "editing your profile's privacy settings", with a mean importance of 3.02 out of 5.

For the purpose of the analysis of the strategic impact of Social Media in tourism, it is also relevant that according to this study, "reviews of people similar to me" and "reviews about accommodation" are some of the most influential elements for travelers when planning trips, with a mean rating of 3.301 and 3.805 respectively, after "friends' and family's suggestions" that has a mean rating of 4.114. The influence that these two elements have in the respondents is confirmed when they select Booking.com, which incorporates these two elements, as the Social Media site that they use the most when planning and taking trips. Thus, Social Media is a strategic opportunity for the hospitality industry.

The fact that travellers value reading comments and reviews shared by others, having information divided into categories, the possibility of editing privacy settings and the fact that they are quite influenced by reviews of people similar to them, indicates that they value a targeted and personalized travel-planning experience. Thus, using Social Media and this this bundle of resources described above, can be a competitive advantage because it allows tourism firms to attract and retain consumers by offering personalized services and offers according to their travel preferences, which changes the way travellers plan their trips.

Given the fact that this bundle of resources are the ones that were considered the most important and most influential for travelers, they are **valuable** for them.

Even though most Social Media travel-related sites use some of the above resources, if a tourism firm focuses on all of the above resources while providing travelers with a unique and personalized experience then this bundle of resources can be considered **rare**.

If a tourism firm offers all the functionalities that travelers value the most, while offering personalized content and a large network (such as Tripadvisor or Booking.com), it is **inimitable** and **non substitutable** because of the high network effect and personalization, which will consequently increase switching costs.

After conducting this analysis, it can be concluded that a positive reputation and the unique bundle of Social Media resources, described above, are **strategic resources** and can be a source of **sustainable competitive advantage,** because they are **valuable, rare, inimitable and non substitutable**. Thus, tourism firms can create a successful value-creating strategy, and consequently increase switching costs, if they focus on the personalization of their services. With a positive reputation and by offering a Social Media platform that includes the sharing of experiences of people similar to the user in an organized manner, and providing the possibility of users to personalize their privacy settings and the content they want to share and read, tourism firms will create value for the tourist by presenting them with a personalized service.

Summing up, the main findings and conclusions of this study are the following:

- The information sources used more frequently by the respondents are travel websites, followed by friends and family and Social Media.

- The respondents do not differentiate most Social Media functionalities, they attribute a different mean importance to each attribute without associating them with specific functionalities, meaning, they do not always give a similar rating to attributes of the same functionalities.

  The factor analysis made it clear that component 2 includes the attributes that are important for respondents and component 1 includes the attributes that do not have a high-perceived importance. Even though the sample does not differentiate most of the Social Media functionalities, they clearly consider **Reputation** the most important functionality, by rating the two attributes that are related to this functionality with the two highest mean importance scores.

  It can be concluded that tourists will consider functionalities important when planning and taking trips, which means that *hypothesis 1 (When planning and taking trips, tourists consider the functionalities of Social Media important.) is accepted*. **Reputation** is the most important functionality for tourists and certain elements of the **Sharing**, **Identity** and **Groups** functionalities are also important.

- The most important benefit for the respondents is the **functional benefit**, which has to do with the gathering of information, and with the efficiency and convenience of using Social Media for the gathering of that information. However, **trust** is considered the most important attribute for using Social Media when planning trips, which is part of the social benefits. Thus, even though travellers do not consider the majority of the social benefits important when using Social Media, they only consider the information from Social Media sites related to travel and tourism important, if they trust the site and company.

  It can be concluded that tourists, consider the functional benefits and trust (social benefit) important when using Social Media for planning and taking trips important. All the other social, psychological and hedonic benefits are not considered important. Thus, *hypothesis 2 (Tourists consider the functional, social, psychological and hedonic benefits important when planning and taking trips) is rejected.*

- There is always a **positive correlation** between the frequencies of use of the different Social Media sites and perceived reliability of those same sites, which means that they consider the sites that they use more, more reliable. However, there is a stronger correlation for certain sites. There is a large positive correlation between frequency of use and perceived reliability for Facebook and Lonely Planet; a medium positive correlation between frequency of use and perceived reliability for Youtube, Blogs, Booking.com, Tripadvisor, and Travel Communities; and Twitter has a small positive correlation between frequency of use and perceived reliability.

- The most influential factor for the sample when planning and taking trips are **friends' and family's suggestions**, however the following factors that influence the respondents the most are related to Social Media. **Reviews about accommodation** are the second most influential factor for the respondents, followed by **Negative reviews in Social Media** and **Positive reviews in Social Media**.

Even though there is little difference between the influence negative and positive reviews in Social Media have on the sample, the sample has a **slight negativity bias**. **Reviews about destinations, restaurants** and the **"top" destinations/hotels/restaurants in Social Media travel sites** are also quite influential for the sample. **Travel-related mobile apps or mobile travel guides** are the least influential factor for the respondents.

- The sample perceives Social Media sites when planning and taking trips as **Helpful**, **Informative**, **Interesting**, **Easy to find**, **Reliable** and **Valuable**. However, they do no perceive Social Media sites as **Accurate** and **Entertaining.** Hence, *hypothesis 3 (Tourists perceive Social Media sites as reliable, informative, interesting, helpful, accurate, easy to find, entertaining and valuable) is rejected*.

- After analyzing the strategic impact of Social Media in tourism, it can be concluded that tourism firms can create a successful value-creating strategy, and consequently increase switching costs, if they focus on the personalization of their services. With a positive reputation and by offering a Social Media platform that includes the sharing of experiences of people similar to the user in an organized manner, and providing the possibility of users to personalize their privacy settings and the content they want to share and read, tourism firms will create value for the tourist by presenting them with a personalized service.

5. CONCLUSION

The tourism industry has continued to expand and diversify over the past sixty years, becoming one of the biggest and fastest growing economic sectors in the world despite the financial crisis (UNWTO – Tourism Highlights, 2012), and Social Media is one of the fastest growing segments on the web (Parra-López et al, 2010), for those reasons, the main objectives of this dissertation are to find out if Social Media has any impact in Tourism, to determine what are tourists' perceived benefits of using social media when taking trips, and to ascertain if there is any strategic opportunity for value creation for the tourist.

Hence the main research question that this study answers is:

- "Does Social Media have an impact in Tourism?"

However, to determine how tourism can use Social Media, and to analyze the strategic impact of Social Media, in tourism the following sub questions need to be answered:

- What are the functionalities of Social Media that tourists' consider more important?

- What are the tourists' perceived benefits of using social media when taking trips?

- How do tourists perceive Social Media sites when planning/ taking trips?

To answer the above questions the following "Social Media in Tourism value creation model" is created. This model is based on the Social Media functionalities described in the honeycomb framework (Smith, 2007; Webb, 2004; Butterfield, 2003; Morville, 2004), which can be applied to tourism; and on Parra-López (2011) adaptation of Wang and Fesenmaier's (2004a) framework, which describes the tourists' perceived benefits of using Social Media when planning and taking trips. Hence, the main objective of this study is to find out if any the Social Media functionalities applied to tourism and any of the perceived benefits of using Social Media in tourism contribute in any way to the tourist's value-creation or if it has an influence in tourists when planning and taking trips.

According to the existing literature, different Social Media sites focus on different functionalities (Kietzmann et al., 2011), however, nowadays, none of the major Social Media sites concentrate exclusively on one of the functionalities, in fact, according to Gene Smith (2007); Social Media sites usually focus on three or four main functionalities. Based on this, the first hypothesis is:

- *Hypothesis 1: When planning and taking trips, tourists consider the functionalities of Social Media important.*

The tendency of travellers to use Social Media in planning and taking trips is related to their perceived benefits of the usage of Social Media in that situation (Wang et al., 2002). For the purpose of this study, the following four main benefits that are essential for tourists to have positive prospects of using Social Media:

functional, social, psychological and **hedonic benefits** (Wang et al., 2002; Wang and Fesenmaier, 2004b), were used, and hence, the second hypothesis is:

- *Hypothesis 2: Tourists consider the functional, social, psychological and hedonic benefits important when planning and taking trips.*

Finally, it is also relevant to know how tourists perceive Social Media sites, for that reason, one of the questions of the survey asked the extent to which the respondents perceive Social Media sites as **reliable, informative, interesting, helpful, accurate, easy to find, entertaining** and **valuable**; and the last hypothesis is the following:

- *Hypothesis 3: Tourists perceive Social Media sites as reliable, informative, interesting, helpful, accurate, easy to find, entertaining and valuable.*

After the construction of the model and after the formulation of hypotheses, a survey is created to test the hypothesis above and consequently answer the research questions, and the data collected is exported to SPSS Statistics 21 for analysis.

By analyzing the results, the following conclusions were obtained:

Travellers do not differentiate most Social Media functionalities, however, they clearly consider **Reputation** the most important functionality, by rating the two attributes that are related to this functionality with the two highest mean importance scores.

The most important benefit for the respondents is the **functional benefit**, which has to do with the gathering of information, and with the efficiency and convenience of using Social Media for the gathering of that information. Yet, even though travellers do not consider the majority of the social benefits important when using Social Media, they only consider the information from Social Media sites related to travel and tourism important, if they **trust** the site and company (**trust** was considered the most important attribute for using Social Media when planning trips).

There is always a **positive correlation** between the frequencies of use of the different Social Media sites and perceived reliability of those same sites, which means that they consider the sites that they use more, more reliable. However, there is a stronger correlation for certain sites like Facebook and Lonely Planet.

The most influential factor for the sample when planning and taking trips are **friends' and family's suggestions**, however the following factors that influence the respondents the most are related to Social Media. **Reviews about accommodation** are the second most influential factor for the respondents, followed by **Negative reviews in Social Media** and **Positive reviews in Social Media**. Even though there is little difference between the influence negative and positive reviews in Social Media have on the sample, the sample has a **slight negativity bias**.

Finally, the sample perceives Social Media sites when planning and taking trips as **Helpful**, **Informative**, **Interesting**, **Easy to find**, **Reliable** and **Valuable**.

After analyzing the strategic impact of Social Media in tourism, it can be concluded that a positive reputation and the unique the bundle of Social Media resources, considered the most important for travellers, are **strategic resources** and can be a source of **sustainable competitive advantage** because they are **valuable, rare, inimitable and non substitutable**.

Tourism firms can create a successful value-creating strategy, and consequently increase switching costs, if they focus on the personalization of their services. With a positive reputation and by offering a Social Media platform that includes the sharing of experiences of people similar to the user in an organized manner, and providing the possibility of users to personalize their privacy settings and the content they want to share and read, tourism firms will create value for the tourist by presenting them with a personalized service.

Due to all the above, it is concluded that Social Media does indeed have an impact in tourism, and can even be used as a source of sustainable competitive advantage.

5.1. LIMITATIONS AND FUTURE RESEARCH

This dissertation ascertains that Social Media has impact in tourism, yet, the study has certain limitations that can be seen an opportunity for future research.

1. **Survey sample:** Even though it is possible to take valid information from the data collected, the sample is mostly representative for Portuguese travellers (87% of the sample) in the 18 to 29 age group (that represented 59% of the sample). Even though this age group will probably be the direct target for implementing Social Media in tourism, because they are the ones that use more Social Media, in the future it can be interesting to test a larger sample that is more representative sample above 30 years old, to compare is the results are similar or different. It can also be interesting to have more respondents from other nationalities too.

2. **Empirical data to support this study:** It would be interesting for future research to be conducted in a more practical way, in order to determine if some of the propositions considered during this study are feasible. To do so, an experiment could be conducted with different travel-related Social Media sites that focused on different Social Media functionalities. This would be a way to confirm which of the Social Media functionalities are more important to travellers.

3. **Reduction of the scope of the study:** This study is related to the entire travel and tourism industry, so, future research should focus in a specific industry, such as the hospitality industry, to find out what can be the specific strategic resources and source of competitive advantage for the usage in Social Media in hotels.

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APPENDICES

APPENDIX 1: QUESTIONNAIRE – ENGLISH VERSION

Social Media usage

1. How long, on average, do you use Social Media?
   - 5 hours or more per day
   - 3-5 hours a day
   - 1-3 hours a day
   - Less than 1 hour a day
   - 4 – 6 times a week
   - Less than 4 times per week.

2. How do you classify yourself in the Social media?
   - Creator: publish, maintain and upload.
   - Critic: comment and rate.
   - Collector: save and share.
   - Joiner: connect and unite.
   - Spectators: read.

Travel habits

3. How often do you travel abroad?
   - More than once every 3 months
   - Once every 3 months
   - Twice a year
   - Once a year
   - Less than once a year
   -

4. Why do you usually travel abroad?
   - Leisure
   - Work

5. How often do you use the following information sources when planning/taking trips (1-5)?

a. TV/Radio

b. Travel Magazines

c. Tour Operators

d. Friends and Family

e. Tourist information

f. Travel websites

g. Social Media (facebook, youtube, blogs, rating sites, travel communities, etc)

h. Mobile Apps

Social Media in Tourism

6. How frequently do you use these social media sites when planning/taking a trip?
    a. Facebook
    b. Twitter
    c. Youtube
    d. Blogspot.com
    e. Wordpress.com
    f. Tripadvisor
    g. Booking.com
    h. Lonely Planet
    i. Travel Communities and Forums
    j. Other: _____

7. How important is the following when using Social Media when planning/ taking trips? (1 to 5-very important)
    • Obtaining travel information
    • Trusting the site/community
    • Seeking a sense of belonging
    • Be amused by other members
    • Efficiency of communicating and obtaining information in Social Media
    • Communicating with other members
    • Having fun
    • Convenience of communicating with others and obtaining information in Social Media
    • Seeking identity of myself
    • Seeking a sense of affiliation in the community
    • Seeking enjoyment
    • Getting involved with other members

- To be entertained

8. Do you consider travel information in social media websites:

a. Reliable

b. Informative

c. Interesting

d. Helpful

e. Accurate

f. Easy to find

g. Entertaining

h. Valuable

9. To what extent, do the following influence you when planning taking trips?
   - Negative reviews in Social Media travel communities and sites (Tripadvisor, Booking.com, WAYN, etc)
   - Positive reviews in Social Media travel communities and sites
   - Information and suggestions on travel agencies' websites
   - The "Top" destinations/hotels/restaurants in sites like Tripadvisor
   - Traditional travel guides
   - Friends' holiday photos and videos on the Social Media
   - Suggestions and reviews about destinations
   - Suggestions and reviews about accommodation
   - Suggestions and reviews about Restaurants
   - Reviews of users similar to you (about the same age, nationality, travelling for the same purpose, etc)
   - Articles in travel magazines
   - Travel segments on TV
   - Groups/Pages about traveling/hotels/restaurants on Facebook
   - Travel-related mobile apps / mobile travel guides
   - Friends and family suggestions and reviews

10. How reliable do you consider the following social media sites related to tourism?

a. Facebook

b. Twitter

c. Youtube

d. Blogspot.com

e. Wordpress.com

f. Booking.com

g. Tripadvisor

h. LonelyPlanet.com

i. Travel communities and forums (eg, WAYN)

j. Other: _____

11. How important are the following functionalities when using Social Media while planning/ taking trips? (1 to 5-very important)

- Creating your own profile
- Talking to other tourists in real-time
- Sharing your own travel experiences
- Knowing the geographical position of tourists writing reviews
- Possibility of adding friends and connections
- Reliable content
- Possibility of participating in various groups (for example: a group for adventure tourism, for lone-travelers, etc)
- Knowing the identity (age, who they travelled with, likes/dislikes etc) of user who posts information
- Possibility of engaging in conversations with the people who wrote the reviews
- Reading content/reviews/opinions shared by other tourists
- Showing if you are available and knowing if other users are available
- Creating online relationships in a travel community
- Trusting the site
- Having the available information divided into categories
- Editing profile's privacy settings

Demographics

Gender: Female/Male

 Age:

a. Less than 18

b. 18-23

c. 24-29

d. 30-35

e. 36-40

f. 41-50

g. 51-60

h. 60+

Nationality: _____

APPENDIX 2: TYPES OF BENEFITS AND TYPES OF FUNCTIONALITIES

Benefits

Functional Benefits

- Obtaining travel information → Information
- Efficiency of communicating and obtaining information online → Efficiency
- Convenience of communicating with others and obtaining information online → Convenience

Social Benefits

- Trusting the site/community → Trust
- Communicating with other members → Communication
- Seeking identity of myself → Identification
- Getting involved with other members → Involvement

Psychological Benefits

- Seeking a sense of belonging → Belonging
- Seeking a sense of affiliation in the community → Affiliation

Hedonic Benefits

- Be amused by other members → Amusement
- Having fun → Fun
- Seeking enjoyment → Enjoyment

- To be entertained → Entertainment

Functionalities

Identity:

- Creating your own profile (identity in SM)
- Knowing the identity (age, who they travelled with, likes/dislikes etc) of user who posts information
- Editing profile's privacy settings

Conversation

- Talking to other tourists in real-time
- Possibility of engaging in conversations with the people who wrote the reviews

Sharing

- Sharing your own travel experiences
- Reading content/reviews/opinions shared by other tourists

Presence

- Knowing the geographical position of tourists writing reviews
- Showing if you are available and knowing if other users are available

Relationships

- Possibility of adding friends and connections
- Creating online relationships in a travel community

Reputation

- Reliable content
- Trusting the site

Groups

- Possibility of participating in various groups (for example: a group for adventure tourism, for lone-travelers, etc)
- Having the available information divided into categories.

APENDIX 3: SPSS TABLES

3.1. INFORMATION SOURCES – FREQUENCIES AND DESCRIPTIVES

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation	Skewness	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error
TVRadio	236	1	5	1.65	.940	1.499	.158
Travel Magazines	236	1	5	2.22	1.112	.529	.158
Travel Agencies Tour Operators	236	1	5	2.30	1.230	.502	.158
Friends and Family	236	1	5	3.60	1.150	-.701	.158
Tourist information	236	1	5	2.93	1.280	-.093	.158
Travel websites	236	1	5	3.95	1.169	-.995	.158
Social Media Facebook youtube ratings sites travel communities etc	236	1	5	2.95	1.412	.047	.158
Mobile Apps	236	1	5	1.94	1.253	1.081	.158
Valid N (listwise)	236						

TVRadio

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Never	140	59.3	59.3	59.3
	Rarely	55	23.3	23.3	82.6
	Occasionally	29	12.3	12.3	94.9
	Often	8	3.4	3.4	98.3
	Very often	4	1.7	1.7	100.0
	Total	236	100.0	100.0	

Travel Magazines

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Never	79	33.5	33.5	33.5
	Rarely	66	28.0	28.0	61.4
	Occasionally	57	24.2	24.2	85.6
	Often	28	11.9	11.9	97.5
	Very often	6	2.5	2.5	100.0
	Total	236	100.0	100.0	

Friends and Family

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Never	18	7.6	7.6	7.6
	Rarely	18	7.6	7.6	15.3
	Occasionally	59	25.0	25.0	40.3
	Often	86	36.4	36.4	76.7
	Very often	55	23.3	23.3	100.0
	Total	236	100.0	100.0	

Travel websites

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Never	12	5.1	5.1	5.1
	Rarely	20	8.5	8.5	13.6
	Occasionally	35	14.8	14.8	28.4
	Often	70	29.7	29.7	58.1
	Very often	99	41.9	41.9	100.0
	Total	236	100.0	100.0	

Social Media Facebook youtube ratings sites travel communities etc

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Never	49	20.8	20.8	20.8

		Frequency	Percent	Valid Percent	Cumulative Percent
	Rarely	48	20.3	20.3	41.1
	Occasionally	49	20.8	20.8	61.9
	Often	45	19.1	19.1	80.9
	Very often	45	19.1	19.1	100.0
	Total	236	100.0	100.0	

Mobile Apps

		Frequency	Percent	Valid Percent	Cumulative Percent
	Never	131	55.5	55.5	55.5
	Rarely	36	15.3	15.3	70.8
	Occasionally	34	14.4	14.4	85.2
Valid	Often	22	9.3	9.3	94.5
	Very often	13	5.5	5.5	100.0
	Total	236	100.0	100.0	

3.2. FACTOR ANALYSES – FUNCTIONALITIES AND BENEFITS

3.2.1. FUNCTIONALITIES

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.914
Bartlett's Test of Sphericity	Approx. Chi-Square	2116.983
	df	105
	Sig.	.000

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	6.931	46.208	46.208	6.931	46.208	46.208
2	2.366	15.771	61.980	2.366	15.771	61.980
3	.899	5.990	67.970			

4	.751	5.005	72.975				
5	.629	4.196	77.170				
6	.534	3.560	80.731				
7	.498	3.318	84.049				
8	.402	2.681	86.729				
9	.382	2.544	89.273				
10	.330	2.199	91.472				
11	.318	2.117	93.588				
12	.270	1.799	95.387				
13	.255	1.700	97.087				
14	.231	1.539	98.625				
15	.206	1.375	100.000				

Scree Plot
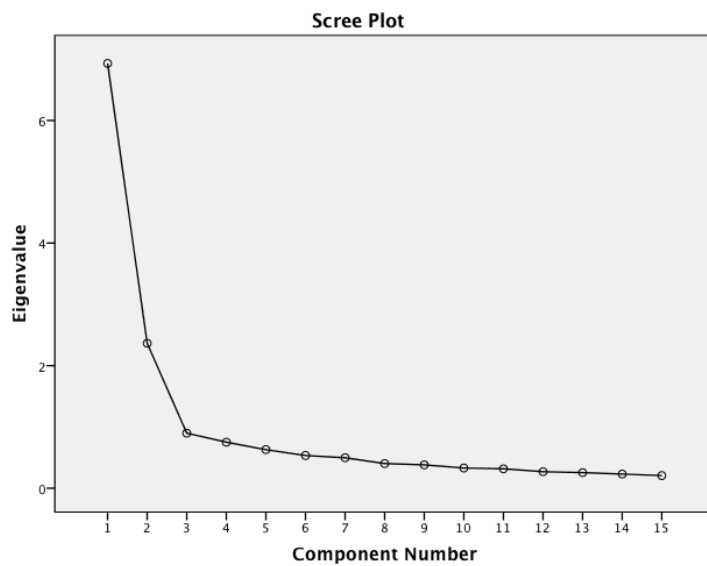
Rotated Component Matrix[a]

	Component	
	1	2
Creating online relationships in a travel community	.814	
Possibility of adding friends/connections	.809	
Talking to other tourists in real-time	.793	
Showing if you are available online and knowing if other users are available	.790	

49

Possibility of engaging in conversations with the people who wrote the reviews	.774	
Sharing your own travel experiences	.740	
Creating your own profile	.719	
Knowing the geographical position of the tourists writing reviews	.643	
Possibility of participating in various groups eg a group for adventure tourism for lone-travelers etc	.603	
Knowing the identity of the user who posts information	.584	
Trusting the Social Media site		.865
Reliable content		.865
Having the available information divided into categories		.838
Reading content/reviews/opinions shared by other tourists		.731
Editing your profiles privacy settings		.578

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.[a]

a. Rotation converged in 3 iterations.

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
	Statistic	Statistic	Statistic	Statistic	Statistic
Creating your own profile	236	1	5	1.89	1.187
Talking to other tourists in realtime	236	1	5	2.00	1.213
Sharing your own travel experiences	236	1	5	2.44	1.279
Knowing the geographical position of the tourists writing reviews	236	1	5	2.50	1.280
Possibility of adding friendsconnections	236	1	5	2.06	1.174

Reliable content	236	1	5	3.91	1.246
Possibility of participating in various groups eg a group for adventure tourism for lonetravelers etc	236	1	5	2.56	1.292
Knowing the identity of the user who posts information	236	1	5	2.68	1.326
Possibility of engaging in conversations with the people who wrote the reviews	236	1	5	2.42	1.243
Reading contentreviewsopinions shared by other tourists	236	1	5	3.69	1.179
Showing if you are availableonline and knowing if other users are available	236	1	5	2.00	1.115
Creating online relationships in a travel community	236	1	5	1.91	1.040
Trusting the Social Media site	236	1	5	3.81	1.234
Having the available information divided into categories	236	1	5	3.59	1.273
Editing your profiles privacy settings	236	1	5	3.02	1.582
Valid N (listwise)	236				

3.2.2. BENEFITS

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.878
Bartlett's Test of Sphericity	Approx. Chi-Square	1762.555
	df	78
	Sig.	.000

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	6.061	46.627	46.627	6.061	46.627	46.627
2	1.885	14.501	61.128	1.885	14.501	61.128
3	1.001	7.699	68.827	1.001	7.699	68.827
4	.831	6.389	75.216			
5	.607	4.669	79.885			
6	.521	4.011	83.895			
7	.465	3.579	87.474			
8	.374	2.875	90.349			
9	.307	2.360	92.708			
10	.290	2.228	94.937			
11	.274	2.111	97.048			
12	.205	1.576	98.624			
13	.179	1.376	100.000			

Extraction Method: Principal Component Analysis.

Scree Plot
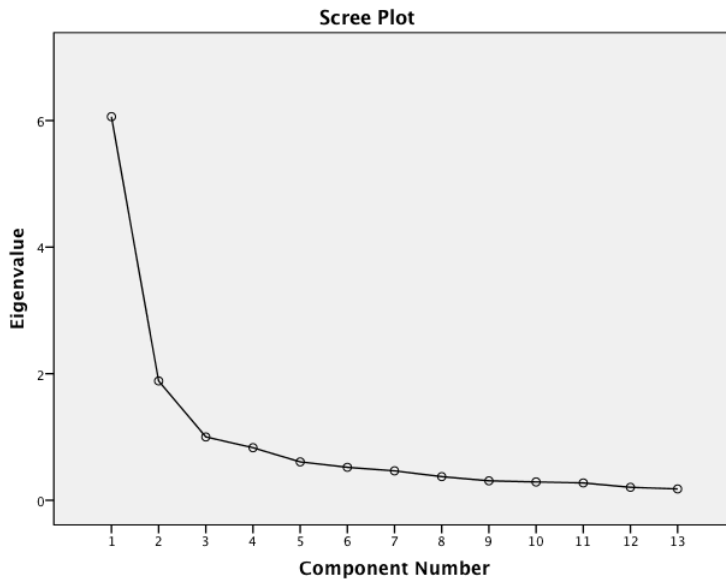
Rotated Component Matrix[a]

	Component	
	1	2

Seeking a sense of affiliation in the community	.831	
Getting involved with other users	.819	
Seeking enjoyment	.812	
Having fun	.800	
Seeking my identity	.746	
Be entertained	.738	
Communicating with other members	.730	
Be amused by other members	.719	
Seeking a sense of belonging	.611	.343
Trusting the sitecommunity		.821
Obtaining travel information		.804
Efficiency of communicating and obtaining information in Social Media		.768
Convenience of communicating and obtaining information in Social Media	.369	.589

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.[a]

a. Rotation converged in 3 iterations.

Descriptive Statistics

...Media in Tourism

	N	Minimum	Maximum	Mean	Std. Deviation
	Statistic	Statistic	Statistic	Statistic	Statistic
Obtaining travel information	236	1	5	3.78	1.203
Trusting the site community	236	1	5	3.81	1.232
Seeking a sense of belonging	236	1	5	2.34	1.218
Be amused by other members	236	1	5	2.09	1.145
Efficiency of communicating and obtaining information in Social Media	236	1	5	3.35	1.224
Communicating with other members	236	1	5	2.49	1.229
Having fun	236	1	5	2.79	1.397
Convenience of communicating and obtaining information in Social Media	236	1	5	3.21	1.287
Seeking my identity	236	1	5	1.97	1.135
Seeking a sense of affiliation in the community	236	1	5	1.94	1.109
Seeking enjoyment	236	1	5	2.53	1.266
Getting involved with other users	236	1	5	2.13	1.208
Be entertained	236	1	5	2.61	1.350
Valid N (listwise)	236				

3.3. PEARSON CORRELATION: FREQUENCY OF USE AND PERCEIVED RELIABILITY

Correlations

		Facebook	Facebook
Facebook	Pearson Correlation	1	.518[**]
	Sig. (2-tailed)		.000
	N	236	236
Facebook	Pearson Correlation	.518[**]	1
	Sig. (2-tailed)	.000	
	N	236	236

**. Correlation is significant at the 0.01 level (2-tailed).

Correlations

		Twitter	Twitter
Twitter	Pearson Correlation	1	.220[**]
	Sig. (2-tailed)		.001
	N	236	236
Twitter	Pearson Correlation	.220[**]	1
	Sig. (2-tailed)	.001	
	N	236	236

Correlations

		Youtube	Youtube
Youtube	Pearson Correlation	1	.434[**]
	Sig. (2-tailed)		.000
	N	236	236
Youtube	Pearson Correlation	.434[**]	1
	Sig. (2-tailed)	.000	
	N	236	236

**. Correlation is significant at the 0.01 level (2-tailed).

Correlations

		Blogs	Blogs
Blogs	Pearson Correlation	1	.450[**]
	Sig. (2-tailed)		.000
	N	236	236
Blogs	Pearson Correlation	.450[**]	1
	Sig. (2-tailed)	.000	
	N	236	236

**. Correlation is significant at the 0.01 level (2-tailed).

Correlations

		Bookingcom	Bookingcom
Bookingcom	Pearson Correlation	1	.399[**]
	Sig. (2-tailed)		.000
	N	236	236
Bookingcom	Pearson Correlation	.399[**]	1
	Sig. (2-tailed)	.000	
	N	236	236

**. Correlation is significant at the 0.01 level (2-tailed).

Correlations

		Tripadvisor	Tripadvisor
Tripadvisor	Pearson Correlation	1	.438[**]
	Sig. (2-tailed)		.000
	N	236	236
Tripadvisor	Pearson Correlation	.438[**]	1
	Sig. (2-tailed)	.000	
	N	236	236

**. Correlation is significant at the 0.01 level (2-tailed).

www.manaraa.com

Correlations

		Lonely Planet	LonelyPlanetcom
Lonely Planet	Pearson Correlation	1	.552**
	Sig. (2-tailed)		.000
	N	236	236
LonelyPlanetcom	Pearson Correlation	.552**	1
	Sig. (2-tailed)	.000	
	N	236	236

**. Correlation is significant at the 0.01 level (2-tailed).

		Travel communities and Forums eg WAYN	Travel communities and forums eg WAYN
Travel communities and Forums eg WAYN	Pearson Correlation	1	.477**
	Sig. (2-tailed)		.000
	N	236	236
Travel communities and forums eg WAYN	Pearson Correlation	.477**	1
	Sig. (2-tailed)	.000	
	N	236	236

3.4. TWO-WAY ANOVA – RELATIONSHIP INFLUENTIAL FACTORS – AGE/GENDER

Estimated Marginal Means of Negative reviews in Social Media travel communities and sites Tripadvisor Bookingcom WAYN etc
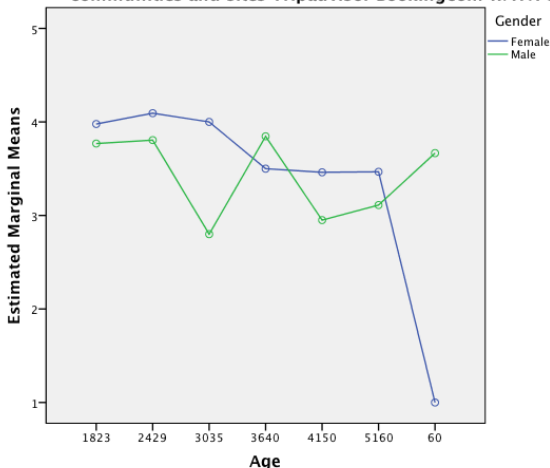
Estimated Marginal Means of Positive reviews in Social Media travel communities and sites
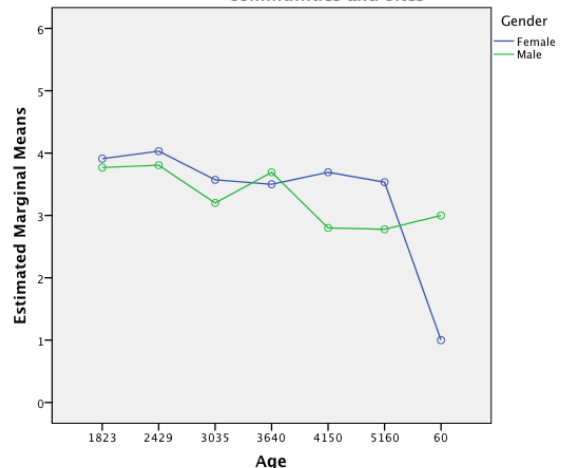
Estimated Marginal Means of InformationSuggestions on travel agencies websites
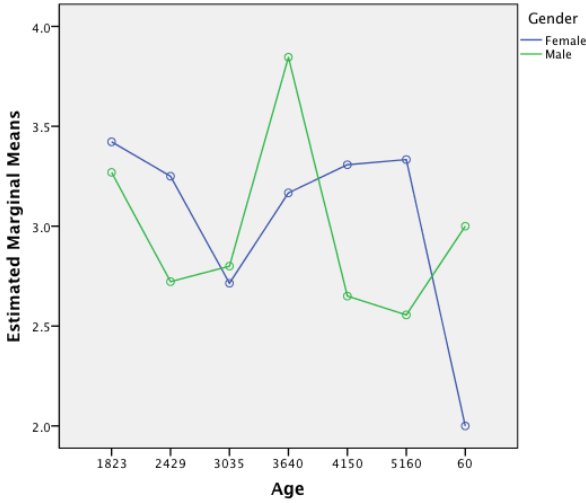
Estimated Marginal Means of The Top destinationshotelsrestaurants section in travel communities
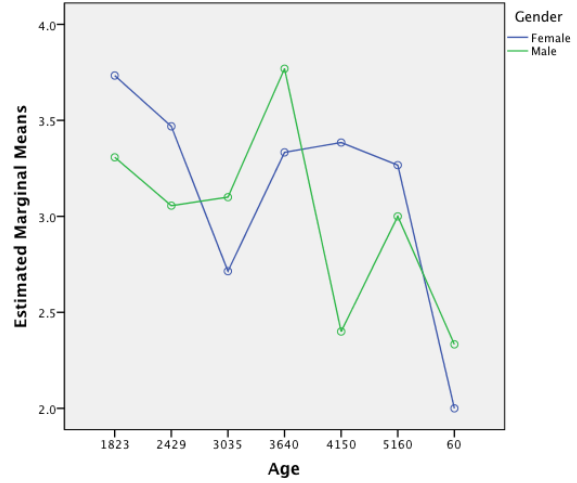
Estimated Marginal Means of Friends holiday photos and videos in the Social Media
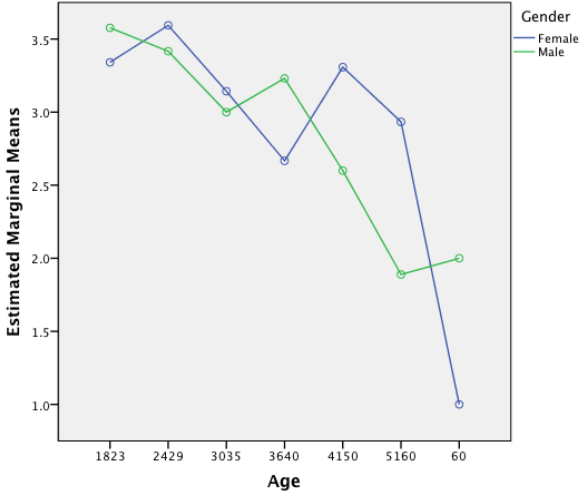
Estimated Marginal Means of Reviews about destinations
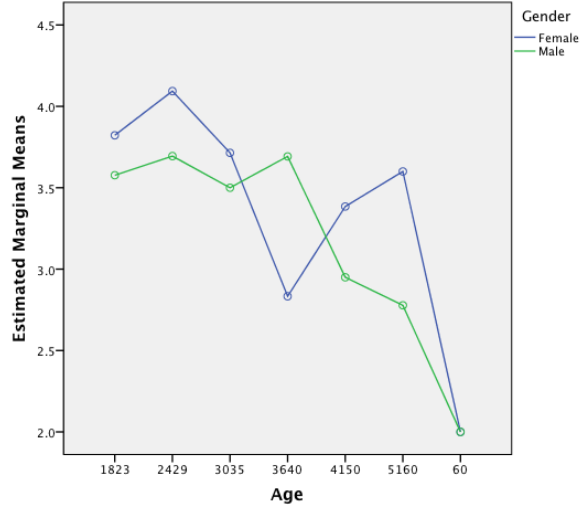
Estimated Marginal Means of Reviews about accommodation

Estimated Marginal Means of Reviews about restaurants

Estimated Marginal Means of Articles in travel magazines

Estimated Marginal Means of Reviews of users similar to you same age nationality etc

Estimated Marginal Means of Travel segments on TV

Estimated Marginal Means of GroupsPages about tourism on Facebook

Estimated Marginal Means of Travelrelated mobile apps Mobile travel guides

Estimated Marginal Means of Friends and familys suggestions

58
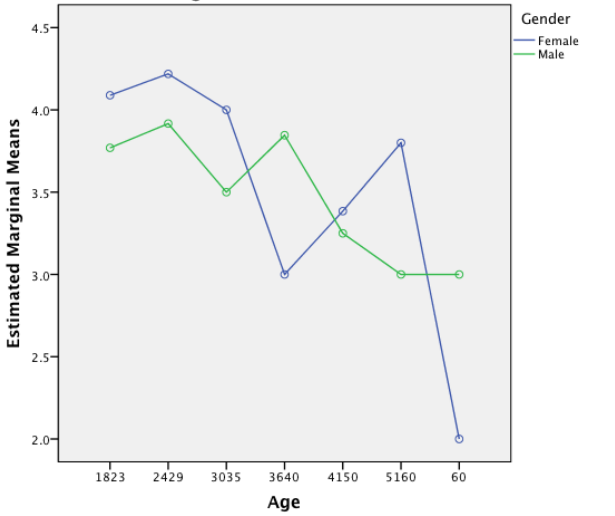
## 3.5. ONE-WAY ANOVA: RELATIONSHIP INFLUENTIAL FACTORS AND USAGE

59

Master Thesis Dissertation on the Strategic Impact of Social Media in Tourism

61
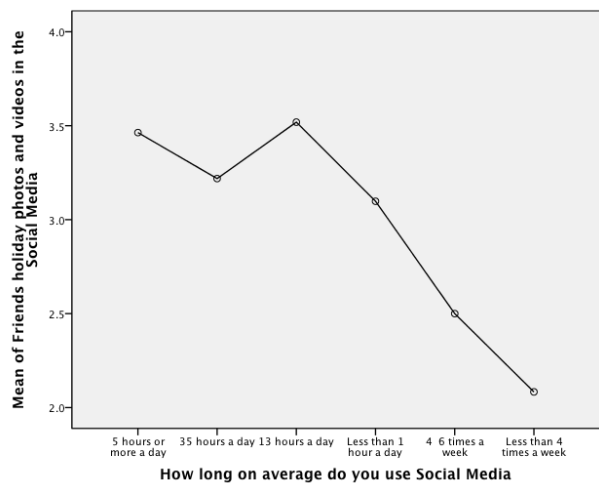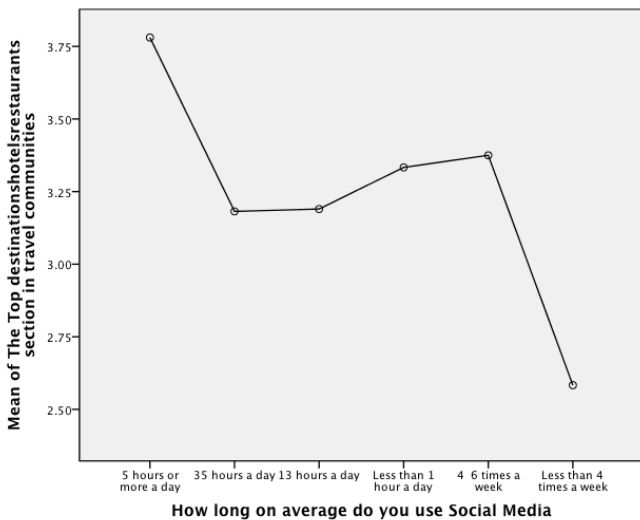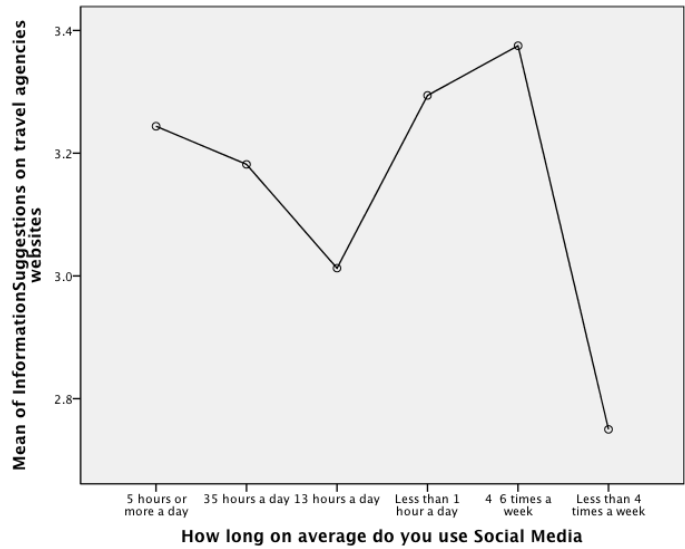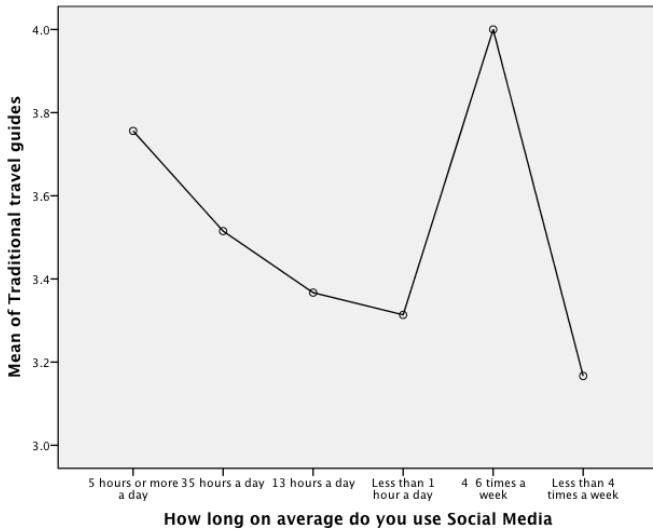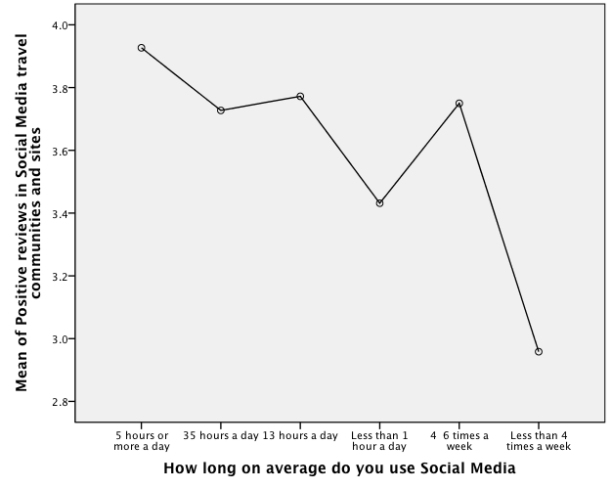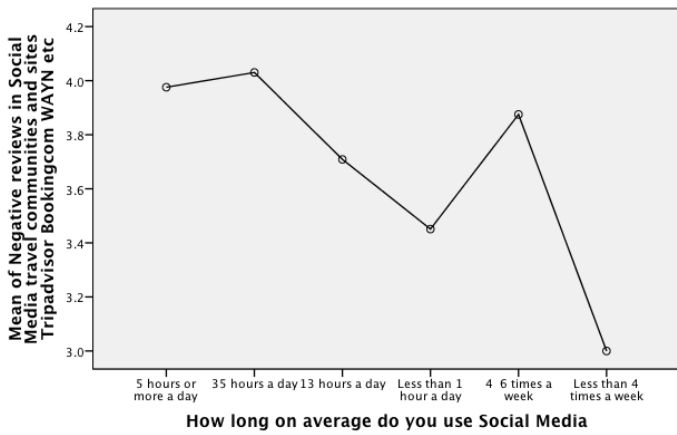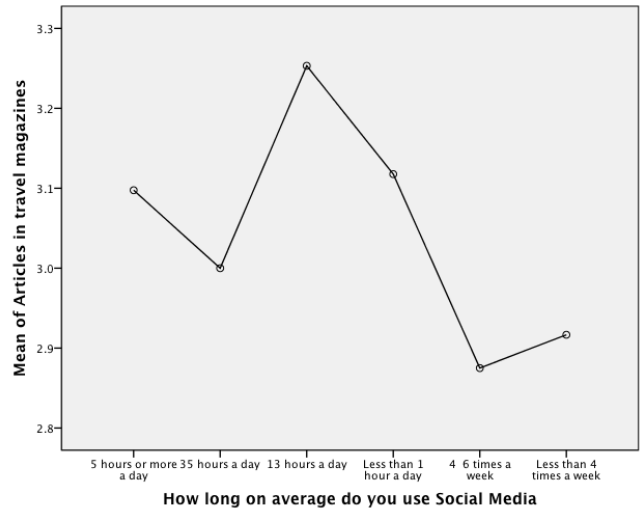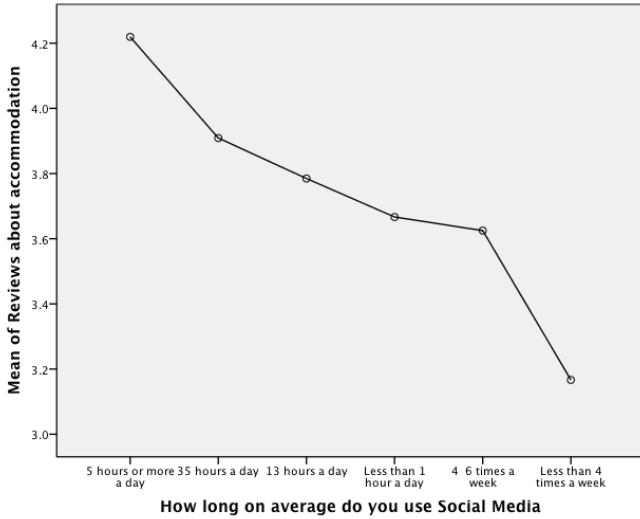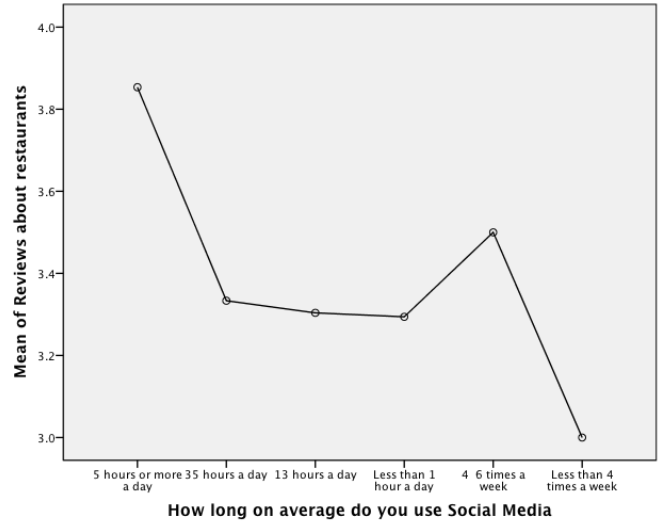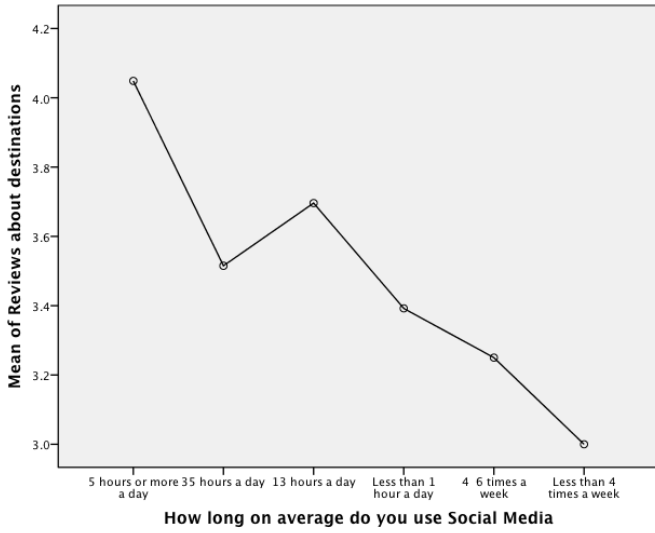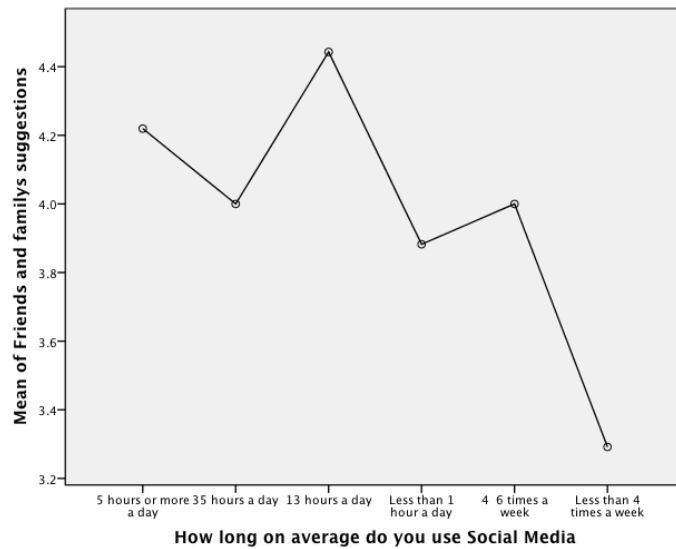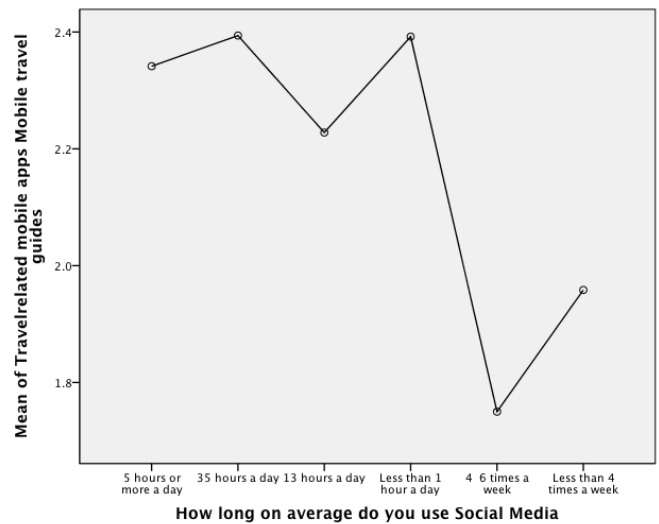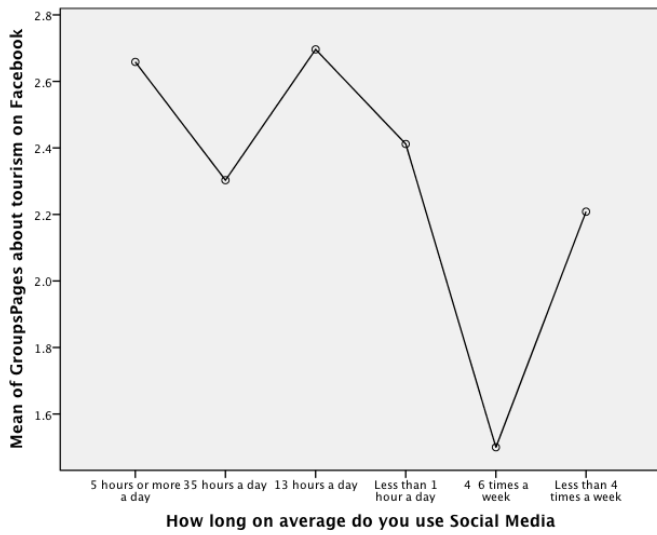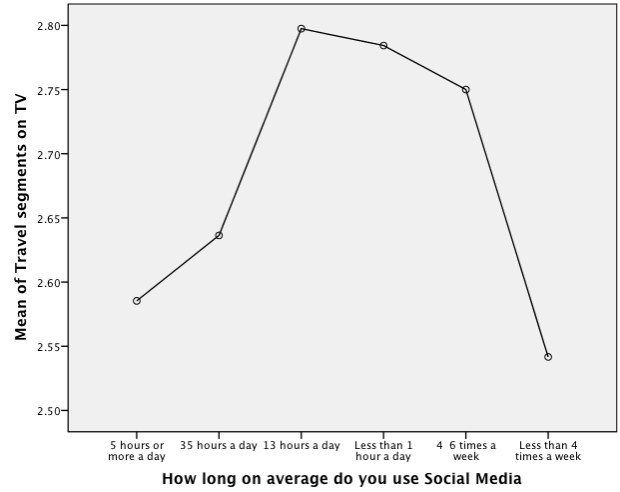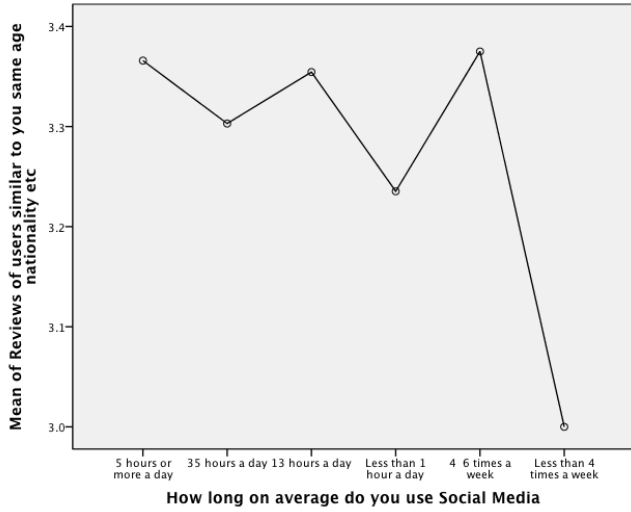
3.6. TWO-WAY ANOVA: PERCEPTION OF SOCIAL MEDIA – GENGER/AGE

Estimated Marginal Means of Reliable

Estimated Marginal Means of Informative

Estimated Marginal Means of Interesting

Estimated Marginal Means of Helpful

Estimated Marginal Means of Easy to find

Estimated Marginal Means of Accurate

Estimated Marginal Means of Entertaining

Estimated Marginal Means of Valuable
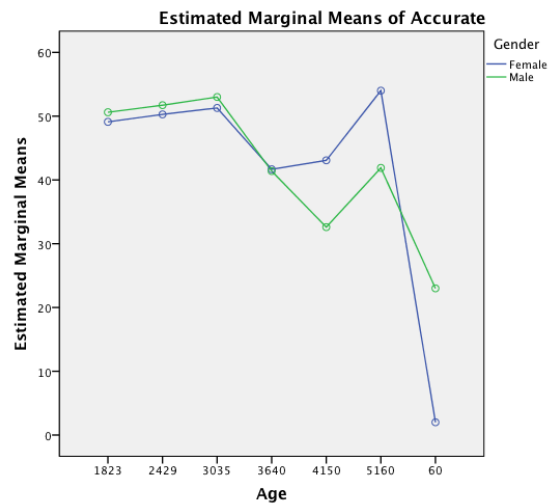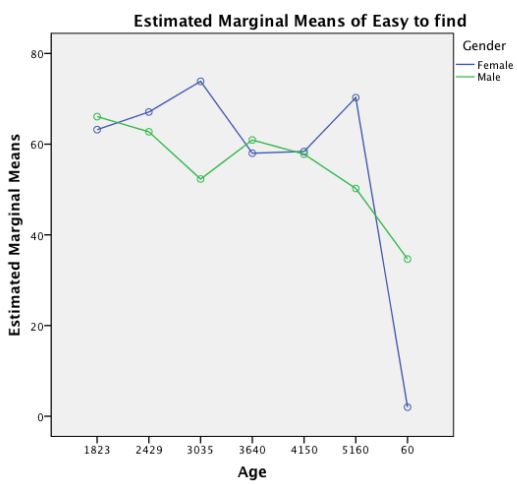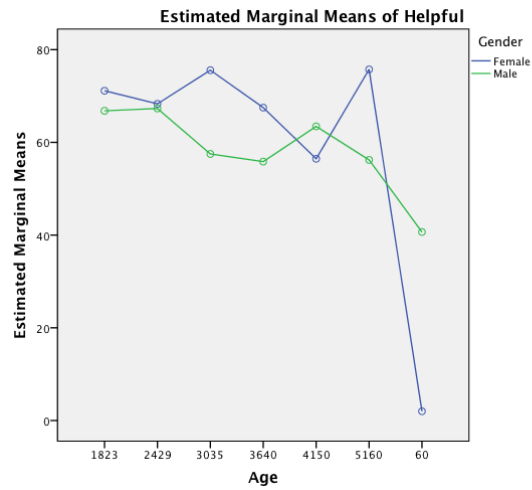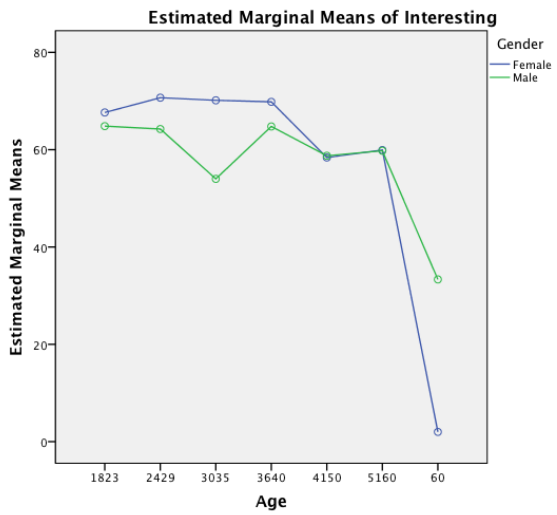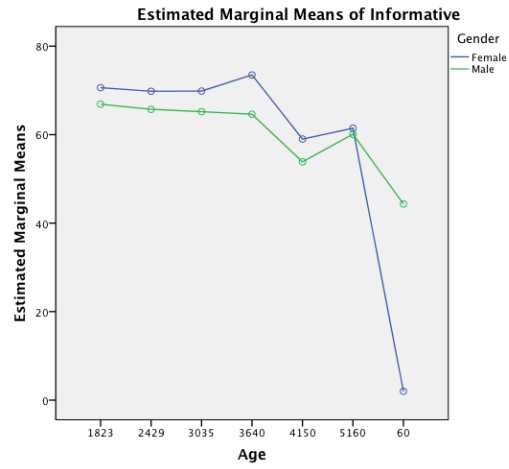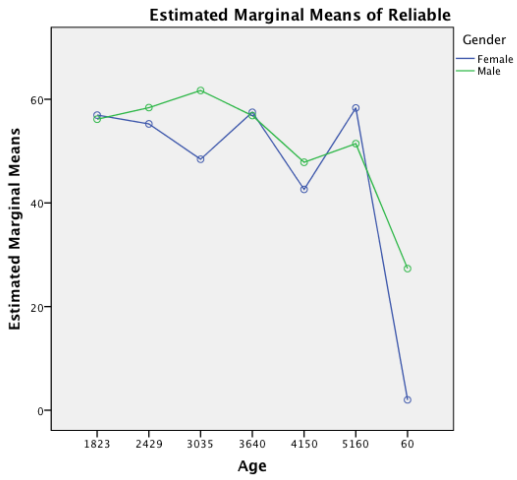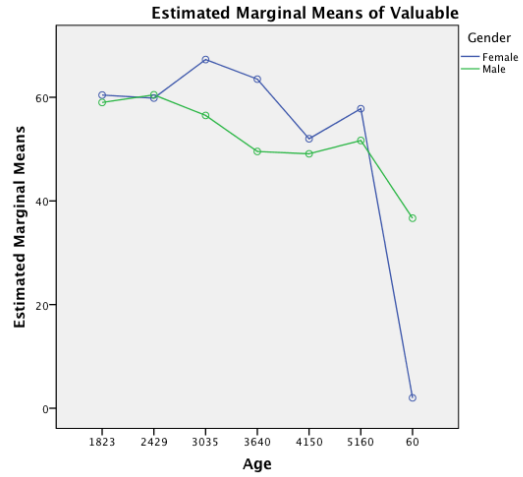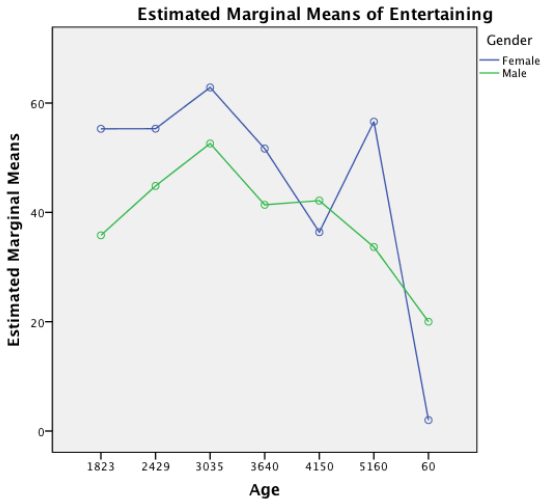
3.7. ONE-WAY ANOVA: PERCEPTION OF SOCIAL MEDIA AND USAGE
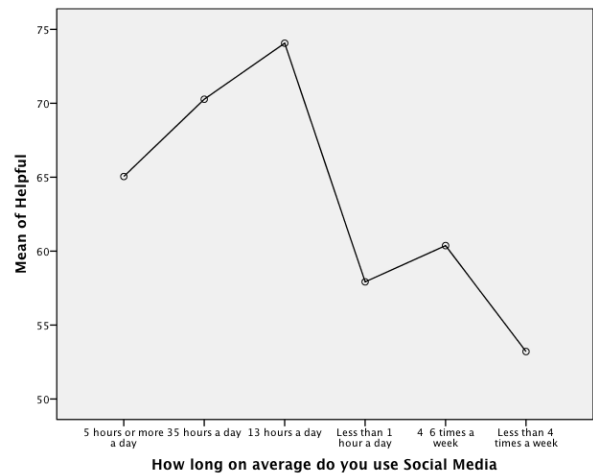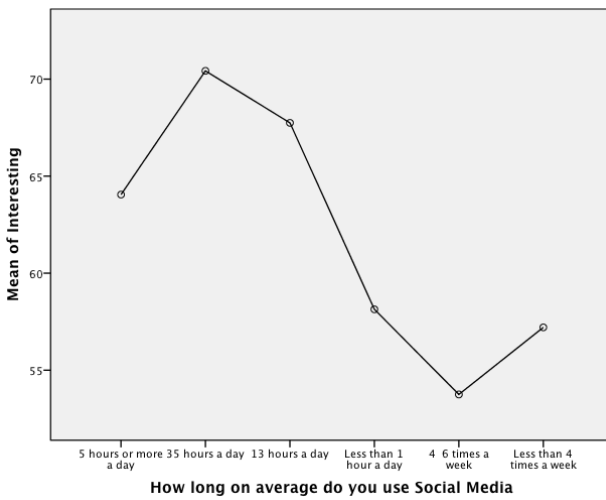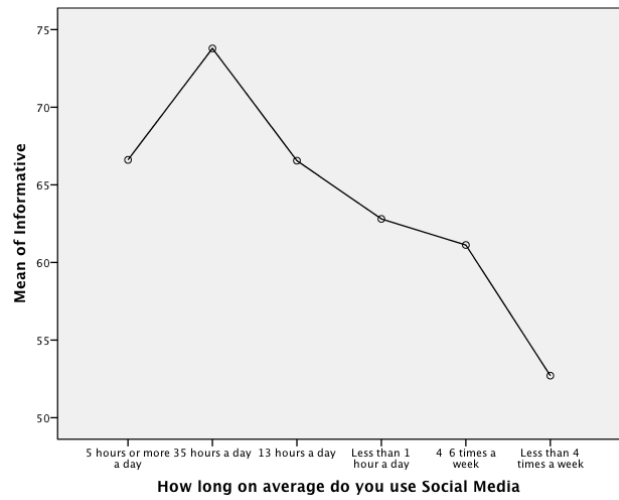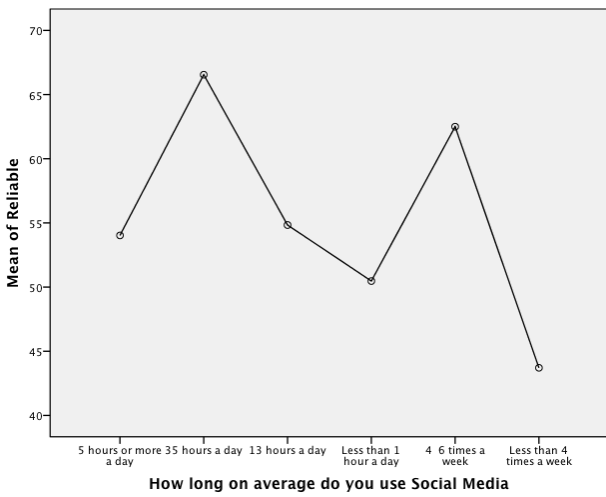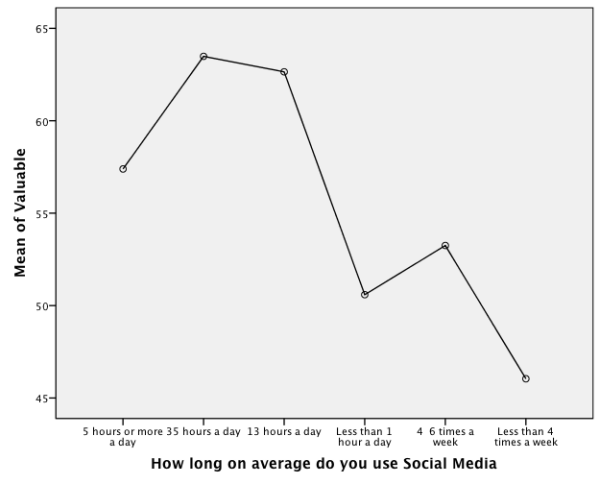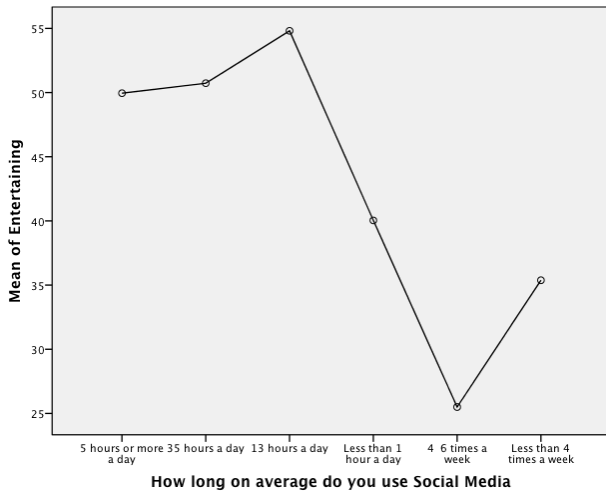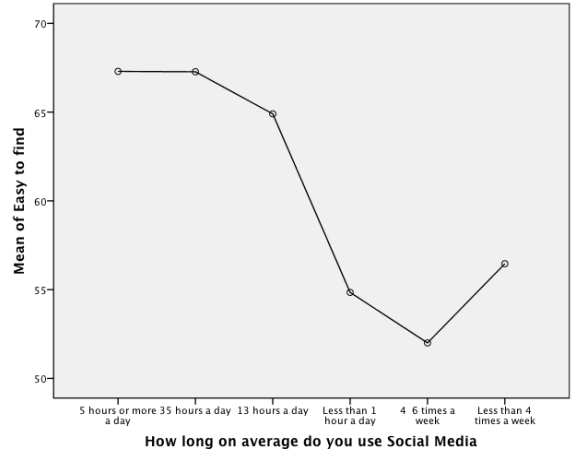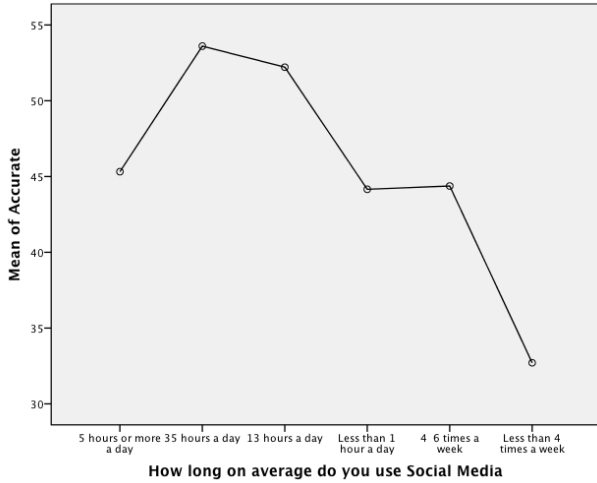
3.8. OTHER TABLES AND CHARTS

Nationality

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Portuguese	206	87.3	87.3	87.3
	Danish	1	.4	.4	87.7
	Greek	1	.4	.4	88.1
	Moldovan	1	.4	.4	88.6
	Australian	1	.4	.4	89.0
	Indonesian	1	.4	.4	89.4
	Colombian	1	.4	.4	89.8

Malaysian	1	.4	.4	90.3
Finnish	1	.4	.4	90.7
Dutch	1	.4	.4	91.1
Spanish	3	1.3	1.3	92.4
German	1	.4	.4	92.8
Russian	1	.4	.4	93.2
British	3	1.3	1.3	94.5
American	2	.8	.8	95.3
Canadian	2	.8	.8	96.2
Costa Rican	2	.8	.8	97.0
Peruan	1	.4	.4	97.5
Brazilian	3	1.3	1.3	98.7
Italian	3	1.3	1.3	100.0
Total	236	100.0	100.0	

Facebook — 2.394
Travel communities and Forums ... — 1.828
Lonely Planet — 2.017
Bookingcom — 3.242
Tripadvisor — 2.763
Blogs — 2.123
Youtube — 1.92
Twitter — 1.159

Overall Matrix Scorecard

65