

About Some Aspects of Influence of Social Networks on Efficiency of Functioning of Hotel Service of Russia

Ostapenko I.N.

Institute of Economic and Management
V. I. Vernadsky Crimean Federal University
Simferopol, Russia
i.n.ostapenko@mail.ru

Bakumenko M.A.

Institute of Economic and Management
V. I. Vernadsky Crimean Federal University
Simferopol, Russia
bakumenko_ma@mail.ru

Usenko R.S.

Institute of Economics and Management
V. I. Vernadsky Crimean Federal University
Simferopol, Russia
r_usenko@rambler.ru

***Abstract*—The authors' research is devoted to the influence of social networks on the efficiency of hotel business development in Russia on the example of the largest resort city of the country – Sochi, their impact on customer relations is noted. On the example of popular hotels in Sochi calculated key indicators of the activity of some social networks. It is shown that the considered hotels are client-oriented and they carry out appropriate work to ensure a high level of service; as a result of the analysis, insufficient use of tools of social networks is noted. The study revealed that the efficiency of interaction between hotel operators and customers in social networks to achieve the desired results of consumer behavior when choosing a hotel service remains at a low level.**

***Keywords*—tourism; hotel service; Internet, social networks; client relations.**

I. INTRODUCTION

The most important component of tourist activity is the sphere of hotel business, which at the moment is one of the most promising and rapidly developing, having a high return on investment and bringing significant profits. One of the main vectors of development of the enterprises of the hotel sector is the improvement of marketing technologies that are used in the Internet.

Digital marketing is actively changing the usual forms of marketing activities—not only content but also processes are subject to digitalization. Digital tools (including CRM-systems, automated management of advertising campaigns using AdRiver, Yandex.Direct, Alytics completely change the idea of market research and analysis. Advertising and promotion of hotel services on the Internet is currently considered one of the most easily accessible, easily implemented and modern marketing tools.

Currently, most people are active users of mobile devices and mobile Internet, which opens up new opportunities in the hotel industry. The use of social networks is one of the priority marketing tools, the role of which is constantly increasing. This tool is used both in small independent hotel companies and in large international chains.

II. LITERATURE REVIEW

The use of social media in business has significantly changed the way information is produced and disseminated in capital markets. Facebook, Instagram, Surfingbird social media platforms (e.g. Twitter, Facebook, Instagram, Surfingbird, Etc.) allow various organizations and companies, as well as users of their products and services to participate in cost-effective exchange of information in real time. Social networks differ from other Internet means of information exchange by their interactive nature of communication. Social networking platforms are widely used in business, as they encourage real-time feedback from users, develop and strengthen social connections between the company and stakeholders [1-3]. Social networks are gaining popularity among hotel operators as one of the most effective tools for promoting hotel services and establishing relationships with customers. Studies related to the issues of attracting customers through social networks and analysis of their connection with the purchase of hotel services have been carried out in the works of many scientists [4-8]. Analyzing their results, we can conclude that attracting customers in social networks plays an important role in the intention to buy hotel services. Some authors believe that attracting customers through social networks is a decisive factor [9, 10], therefore, hotel managers should improve the methods of working in social networks, improve reputation, improve the quality of information, promote their brand, etc.

Analyzing the research of authors studying the impact of social networks on attracting hotel business users in different countries, for example, in Serbia [11], Malaysia [9], China [10] and others, we can conclude about regional differences in the features of using this tool to work with customers, differences in some post characteristics, the role and influence of social networks on attracting hotel customers. It can be argued that the issue of effective customer engagement through social networks remains relevant, and even more urgent is the question of qualitative changes in customer relationships as a result of the use of social networks to make decisions about the choice of hotel service.

III. RESEARCH METHODOLOGY

The relevance of the research topic for the Russian Federation is due to the dynamic development of the hotel industry in recent years in connection with the development of tourism. Although there have been many studies of social networks from the point of view of users, but their impact on the effectiveness of tourism organizations has received insufficient attention, especially acute this problem exists in the activities of hotels.

The aim of the study is to study some aspects of the impact of social networks on the efficiency of hotel business. When choosing a hotel (hotel services), a more significant factor affecting the promotion of the brand is the feedback of people who are not interested in hotel profits, whose level of trust is higher than to the employees of the hotel business. Such independent assessments, personal opinions with the right approach to the analysis of the hotel's activities can be gleaned in social networks in order to create a unique service and hotel product that will most satisfy the potential customer.

Instagram Facebook and Odnoklassniki are the most popular social networks in Russia, but if we consider the global popularity, it is, for example, Facebook, Twitter, Instagram.

To understand the impact of social networks on the sphere of hotel business, we will analyze the dynamics of the use of the Internet, the structure of its users, note the most popular. Compared to January 2018, at the beginning of 2019, the number of Internet users is 366 million more (9%), which is 4,388 billion people [12]. Based on the dynamics of the number of Internet users in the world (figure 1), we can say that during 2018, 1 million new users were added every day.

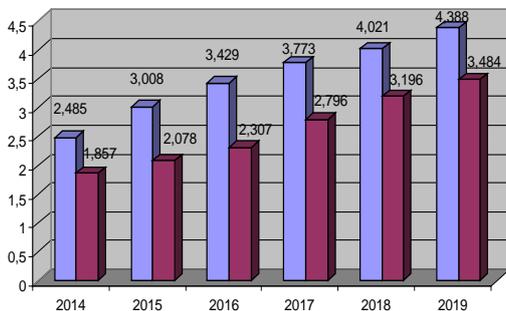


Fig. 1. Dynamics of growth in the number of Internet users and social networks in 2014-2019

The dynamics of the growth of the audience of social networks (figure 1) indicates an almost twofold increase in the number of users from 2014 to 2019. At the beginning of 2019, the number of social media users worldwide was 3.48 billion (this figure for the year increased by 288 million or 9%). The majority of users access social networks from mobile devices (3.26 billion, which is 10% more than last year, when 297 million fewer people visited social networks from mobile devices).

In the Russian Federation, there are 109.6 million Internet users, i.e. the level of Internet penetration among the population is at the level of 76%, and in 2018 has practically not changed [13]. The Russian audience of social networks is 49% of the total population (about 70 million people).

Analyzing the profile of the audience of social networks (figure 2), it can be noted that the global audience of social networks has grown significantly, at the moment the bulk of the total audience consists of users aged 30 years.

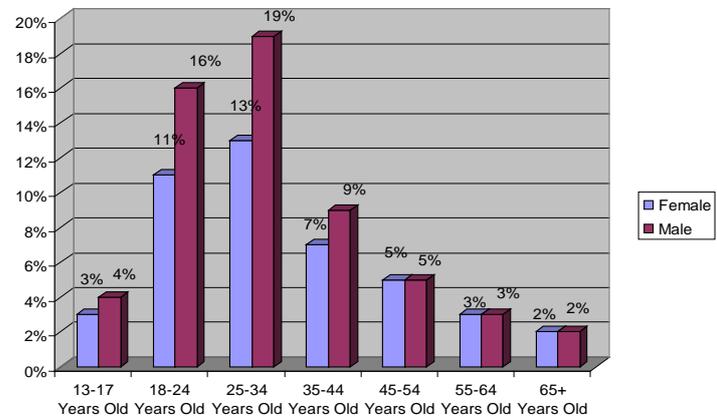


Fig. 2. Audience profile-social media in 2019

The older audience segment (over 55 years old) has a larger audience share than users under 18 years old. Social networks continue to have a gender imbalance (as shown in figure 2), which is caused by the fact that women have limited access to the Internet in many developing countries. At the beginning of 2019, the average user (in the world and in Russia) spent about 2 hours and 16 minutes daily on social platforms. The average user today is registered in almost nine social networks, but does not use them all. Social networks are increasingly used for work (more than 800 million people a year).

Consider the most popular social networking platforms (figure 3). The world's largest social network is Facebook, whose number of active users continues to grow. Facebook is an international social network where users create their profiles, can post links to content on the Internet, write comments, share photos, chat, watch short videos. Shared content can be made public and can be shared, for example, only among a specific group of friends, or with a single person. The results of the analysis confirm the fact that Facebook users enter the social network mainly to communicate with friends and family [14].

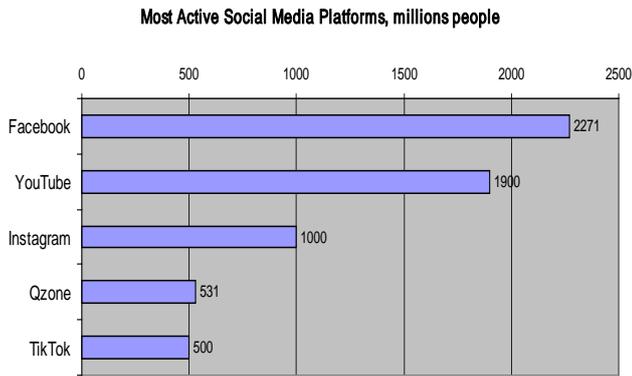


Fig. 3. The world's largest social networks

YouTube, the world's largest video hosting provider, provides its users with services for storing, forwarding, displaying, monetizing video content [15], ranks second in terms of visitors at the beginning of 2019, ahead of Instagram—a network that shows very good results for content with beautiful videos and photos, where even B2B projects with intangible products can create attractive images to increase the interest of the audience. The five most popular social networks are rounded out by the leading Chinese platforms.

Among the largest social networks used in Russia (shown in figure 4), in addition to the largest global social networks include domestic: "Vkontakte" (international name: VK) - helps people to communicate, Express their opinions, find listeners, and "Odnoklassniki" (OK.ru) - multilingual social network, giving the opportunity to create your profile, communicate with other people, almost anywhere in the world, to search for people.

Initially, social networks were used as an entertainment tool, but in a short time they have turned into a powerful marketing tool. Social media marketing is on the rise and has recently become increasingly important. Investment in social media advertising worldwide is projected to grow from \$ 32 billion. in 2017, to approximately \$ 48 billion. in 2021 [16]. Facebook's revenues for 2018 alone totaled \$ 32 billion. [17].

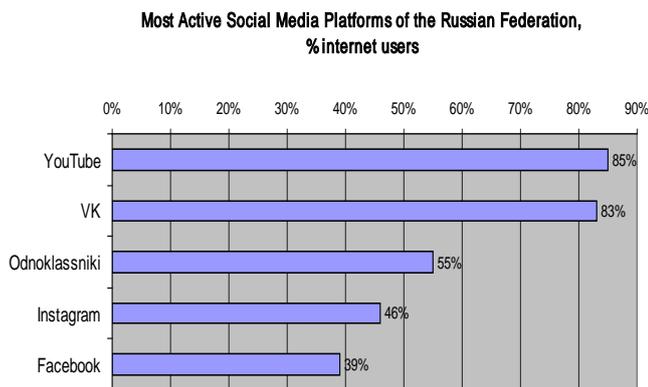


Fig. 4. The largest social networks in Russia

Thus, social networks are an important marketing channel due to their high communication capabilities, targeted impact on the target audience and individuals.

IV. RESULTS

Features of the use of social networks in the hotel business in the Russian Federation, consider the example of hotels in the largest resort city of the country – Sochi, located on the North-East coast of the Black sea. The length of the city is more than 100 km. in 2014, the "Russian Riviera" hosted the XXII Olympic winter games, in 2018, Sochi hosted the matches of the world Cup, which is now a good reason for the attractiveness of Sochi for tourists. For the analysis, the 10 best hotels in Sochi were selected according to TripAdvisor [18] as of 31.08.2019. The "traveler Score" sorting was applied. Of the 328 hotels in Sochi, presented on the website TripAdvisor, according to the selected criteria in the top ten included: Citrus Hotel – 1st place; Forward Hotel – 2nd place; Swissotel Resort Sochi Kamelia – 3rd place, part of the hotel chain Swissotel Hotels & Resorts; Hotel Pullman Sochi Centre – 4th place, part of the hotel brand Pullman; hotel Castle Bogatyr – 5th place, is part of the amusement Park Sochi Park; Radisson Blu Resort & Congress Centre and Park Inn by Radisson Rosa Khutor – 6th and 8th place, respectively; represent the Radisson hotels Chain; Mercure Sochi Centre and Mercure Rosa Khutor Hotel-7th and 10th place, respectively; representatives of the Mercure Hotels chain; Hyatt Regency Sochi-9th place, part of the Hyatt hotel chain [18; 19-29].

Seven of the ten listed hotels are representatives of international hotel chains. All hotels in question have social media accounts. Table 1 contains information on the size of the social network communities of hotels as of 31.08.2019.

TABLE I. SOCIAL MEDIA COMMUNITIES THE 10 BEST HOTELS IN SOCHI (ACCORDING TO TRIPADVISOR, SORTED BY "TRAVELER RATING") AS OF 31.08.2019 A

| # | Hotel | Number of subscribers, people |
|-----|---|---|
| 1. | Citrus Hotel | Facebook (18) |
| 2. | Forward Hotel | Facebook (1748); Instagram (898); VK (256) |
| 3. | Swissotel Resort Sochi Kamelia ^b | Facebook (64352); Instagram (8219); Twitter (46005) |
| 4. | Hotel Pullman Sochi Centre | Facebook (3027); Instagram (8138) |
| 5. | Hotel Castle Bogatyr (Sochi Park) | Facebook (5277); Vk (42344); Odnoklassniki (3089); Instagram (106396) |
| 6. | Radisson Blu Resort & Congress Centre, Sochi ^c | Facebook (4997); Instagram (6883); Pinterest (21); Twitter (13283) |
| 7. | Mercure Sochi Centre ^d | Facebook (620451); Twitter (28); Instagram (43618) |
| 8. | Park Inn by Radisson Rosa Khutor ^e | The same as in # 6 |
| 9. | Hyatt Regency Sochi | Facebook (4416); Instagram (20418) |
| 10. | Mercure Rosa Khutor Hotel ^d | The same as in # 7 |

As can be seen from table 1, all the hotels have one or several international social networking sites such as Facebook, Instagram, Twitter, Pinterest. Two hotels (Forward Hotel and

hotel Castle Bogatyr) also maintain their pages in Russian social networks: VK and OK.ru.

Of the hotels belonging to international hotel chains, Swissotel Hotels & Resorts and Mercure Hotels are characterized by a significant amount of social media communities. Social networking pages of hotels belonging to international hotel chains are usually maintained for the entire network in English. Among the three hotels that are not part of the international hotel chains, a significant amount of communities in social networks is characterized by Hotel Castle Bogatyr (Sochi Park). The number of subscribers of Sochi Park in the social network Instagram – 106396 people. It is important to note that The first place in the tripadvisor rating is occupied by the hotel, whose social networks are poorly developed. The number of subscribers of Citrus Hotel in the social network Facebook on the date in question – 18 people, and the most recent publication dates from 29.05.2019.

Since all 10 hotels in question have Facebook accounts, it is possible to conduct a comparative analysis. One of the key indicators of the "vital activity" of the social network-the number of "speaking" users who openly Express their opinion in public messages, create public content about the quality of hotel services, interesting offers, shortcomings, etc. - make social networks an actual indicator of public sentiment, allowing you to catch the "live" social problems. Let's calculate the important indicators for the analysis of social networks: publication activity as the ratio of the number of publications in 2018 to the number of periods (12 months) - the average monthly number of publications on the corresponding Facebook page in 2018, and the average community reaction as the total number of "likes" of users for all publications in 2018 attributed to the total number of publications for this period. The results of the analysis are presented in table 2 and are clearly illustrated in figure 5. Also in table 2, the indicator "average community response" is calculated-the percentage of the community volume

TABLE II. INDIVIDUAL CHARACTERISTICS OF SOCIAL NETWORK FACEBOOK IN 2018 GODAE

| Hotel | Publication activity per month, units | Average response communities | |
|---|---------------------------------------|------------------------------|------------------------------|
| | | units | share of the total community |
| Citrus Hotel | 7,3 | 0,9 | 4,90 % |
| Forward Hotel | 3,9 | 1,7 | 0,10 % |
| Swissotel Resort Sochi Kamelia | 8,3 | 1389,4 | 2,16 % |
| Hotel Pullman Sochi Centre | 17,3 | 12,4 | 0,41 % |
| Hotel Castle Bogatyr | 44,3 | 9,9 | 0,19 % |
| Radisson Blu Resort & Congress Centre; Park Inn by Radisson Rosa Khutor | 6,2 | 15,0 | 0,30 % |
| Mercure Sochi Centre; Mercure Rosa Khutor Hotel | 11,6 | 117,6 | 0,02% |
| Hyatt Regency Sochi | 10,3 | 23,3 | 0,53% |

e. Compiled and calculated from [19-28]

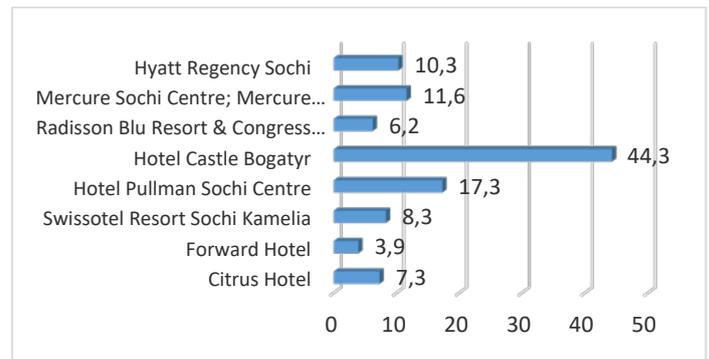


Fig. 5. Publication activity of popular hotels in Sochi

The highest average publication activity is characterized by Hotel Castle Bogatyr (44.3 publications per month) and Hotel Pullman Sochi Centre (17.3), and the lowest (3.9 publications per month) – Forward Hotel. The rest of the hotels in 2018, the average number of publications per month did not exceed 12. Speaking about publication activity, it should be noted that the most important thing is not the number of publications, but their quality and importance for readers.

The pages of ten hotels in question in the social network Facebook can be divided into 2 groups by the nature of the content:

- pages of hotels belonging to international hotel chains contain General content for all hotels of this chain and are maintained in English (with the exception of Hotel Pullman Sochi Centre and Hyatt Regency Sochi);
- Russians Facebook pages of hotels, which are maintained on behalf of a particular Sochi hotel in Russian (or with the addition of English translation) and cover the life of this hotel.

According to the calculations presented in table 2, the most successful hotel of the first group is the hotel Swissotel Resort Sochi Kamelia. The average community response to a Facebook post by Swissotel Hotels & Resorts is 1389.4 likes (or 2.16 % of the community size). The most successful hotel in the second group is the Hyatt Regency Sochi (the average community reaction to a Facebook post is 23.3 likes or 0.53 % of the community).

The analysis allows us to draw the following conclusion. Social networks are an additional tool to maintain the competitiveness of the hotel business. Their application will lead to a significant positive effect, provided the availability of quality service in the hotel and professional and regular filling of social networks with quality and relevant content.

V. CONCLUSIONS

Analyzing the results of the study, we can draw the following conclusions:

1. Considered hotels strive for the highest quality indicators, this suggests that the hotels are customer-oriented and they are working to ensure a high level of service.
2. Each hotel does not fully use the tools of social networks, having their own individual shortcomings.

3. Despite the fact that hotel operators pay great attention to expanding their presence in social networks, the effectiveness of their interaction with customers in social networks to achieve the desired results of consumer behavior when buying remains ambiguous, not fully studied. Thus, the issue of researching effective customer engagement in social networks to stimulate purchasing behavioral outcomes in the context of the hotel industry requires further in-depth study.

4. Social networks today are considered to be an important component of marketing activities, but of great interest is the study of their impact on human capital, namely its component-interpersonal relations, in particular – customer relations.

On the one hand, social networks are a tool for hotels, which today is a necessity, because in them the hotel can present itself from the best side, emphasizing its uniqueness, providing complete information. On the other hand, social networks allow visitors to view guest reviews, which helps a potential client to make a final choice.

The process of digitalization of the tourism industry, in particular in the field of hotel services will help to increase its competitiveness at the international level, as customers will have a better quality of service, and the enterprises of the tourist service will receive higher revenues from their activities. Since the hotel service is crucial to comfortable stay of the person in another city or country, to feel comfortable, like at home, the social network, influencing the choice of hotel or other hotel services, protecting against possible errors, giving positive and negative feedback, thereby affecting the quality of life – health, leisure, comfort, which changes the quality of human capital. Since human relationships are part of human capital, social networks undoubtedly change the structure of an individual's relationships.

References

- [1] S. Miller, Gregory & Skinner, Douglas. The Evolving Disclosure Landscape: How Changes in Technology, the Media, and Capital Markets Are Affecting Disclosure. *Journal of Accounting Research*. 2015, 53, pp. 221–239.
- [2] Lovejoy, Kristen & Waters, Richard & Saxton, Gregory. Engaging Stakeholders Through Twitter: How Nonprofit Organizations Are Getting More Out of 140 Characters or Less. *Public Relations Review*. 2012, 38, pp. 313–318.
- [3] Aula, P. Social media, reputation risk and ambient publicity management. *Strategy and Leadership*. 2010, 38, pp. 43–49.
- [4] Varkaris, E., & Neuhofer, B. The influence of social media on the consumers' hotel decision journey. *Journal of Hospitality and Tourism Technology*. 2017, 8(1), pp. 101–118.
- [5] Hardjono, Budiono & Pooi San, Lai. Customer Relationship Management Implementation and its Implication to Customer Loyalty in Hospitality Industry. *Jurnal Dinamika Manajemen*. 2017, 8(1), pp. 92–107
- [6] Dieck, M. C. T., Jung, T. H., Kim, W. G., & Moon, Y. J. Hotel guests' social media acceptance in luxury hotels. *International Journal of Contemporary Hospitality Management*. 2017, 29(1), pp. 530–550.
- [7] Dewnarain, Senika & Ramkissoon, Haywanee & Mavondo, Felix. Social customer relationship management in the hospitality industry. 2019, 1(1), pp. 1–14.
- [8] Choi, E. K., Fowler, D., Goh, B., & Yuan, J. X. Social Media Marketing: Applying the Uses and Gratifications Theory in the Hotel Industry. *Journal of Hospitality Marketing & Management*. 2015, 25(7), pp. 771–796.
- [9] Chee Yoong, Liew & Bee Lian, Song. Customer Engagement in Social Media and Purchase Intentions in the Hotel Industry. *International Journal of Academic Research in Business and Social Sciences*. 2019, 9, pp. 54–68
- [10] Chen, Y. R. Perceived values of branded mobile media, consumer engagement, business-consumer relationship quality and purchase intention: A study of WeChat in China. *Public Relations Review*. 2017, 43, pp. 945–954.
- [11] Kalinić, Časlav & Vujicic, Miroslav. A subnational assessment of hotel social media metrics: The case of Serbia. *Geographica Pannonica*. 2009, 23, pp. 87–101.
- [12] Global Digital 2019 reports. URL: <https://wearesocial.com/global-digital-report-2019>.
- [13] Digital 2019: The Russian Federation, <https://datareportal.com/reports/digital-2019-russian-federation>
- [14] Why so many people use Facebook. URL: https://webznam.ru/publ/soseti/fbook/pochemu_facebook/4-1-0-958
- [15] Информатика [Online resource]. – Available at: http://inphormatika.ru/materials/chto_takoe_youtube.html
- [16] Statista: Social media marketing - Statistics & Facts. URL: <https://www.statista.com/topics/1538/social-media-marketing/>
- [17] Wikipedia. Facebook, <https://en.wikipedia.org/wiki/Facebook>
- [18] TripAdvisor. Hotels of Sochi. URL: https://www.tripadvisor.ru/Hotels-g298536-Sochi_Greater_Sochi_Krasnodar_Krai_Southern_District-Hotels.html
- [19] Official website Citrus Hotel. URL: <http://citrushotel.ru/>
- [20] Official website Forward Hotel. URL: <https://hotel.forwardtower.com/>
- [21] Hotel's Official website Swisshotel Resort Sochi Kamelia. URL: <https://www.swisshotel-hotels.ru/hotels/sochi-kamelia/>
- [22] Official website Hotel Pullman Sochi Centre. URL: <http://www.pullman-sochi-centre.ru/>
- [23] Official website Hotel Castle Bogatyr. <https://www.sochipark.ru/bogatyr>
- [24] Official website Radisson Blu Resort & Congress Centre. URL: <https://www.radissonhotels.com/ru-ru/hotels/radisson-blu-resort-congress-sochi>
- [25] Hotel's Official website Mercure Sochi Centre. URL: <https://mercure.accorhotels.com/gb/city/hotels-sochi-v3811.shtml>
- [26] Hotel's website Park Inn by Radisson Rosa Khutor. URL: <https://www.radissonhotels.com/ru-ru/hotels/park-inn-rosa-khutor>.
- [27] Hotel's official website Hyatt Regency Sochi. URL: <https://www.hyatt.com/ru-RU/hotel/russia/hyatt-regency-sochi/aerhr>
- [28] Aleksandr S. Kuznetsov. Russian Professor' meeting. *The Russian Journal of Physical Education and Sport*. 2019, 14(1), pp. 17–22. DOI: 10.14526/2070-4798-2019-14-1-18-24.
- [29] Official website Mercure Rosa Khutor Hotel. URL: <https://mercure.accorhotels.com/gb/city/hotels-sochi-v3811.shtml>