A FRAMEWORK FOR INVESTIGATING SOCIAL MEDIA ADOPTION BY AUSTRALIAN SMALL AND MEDIUM SIZED TOURISM ENTERPRISES (SMTEs)

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ABSTRACT

As social media grows, more tourism businesses are showing interest in its benefits as a tool to promote destinations or advertise hotel rooms. Studies examining social media implementation by Australian SMTEs are currently nascent, leading to a limited understanding of the potential that these platforms can offer. This paper analyses the business requirements and user perceptions regarding social media and proposes a theoretical framework for investigating social media presences by SMTEs, while considering current good practices for social media marketing.

Key Words: Social Media, Facebook, SMTE, Early Adopters, Web 2.0.

INTRODUCTION

One of the important developments associated with online Internet presence is the advent of social media, which brings to the web consumer-generated content (Xiang and Gretzel 2010). This shared content symbolises the shift from "push marketing" to a conversation model, where customers make their purchase decisions based on recommendations from peer reviews (Treadaway and Smith 2010). Social media, therefore, potentially enables the basis for new business opportunities, where the engagement of customers tends to be informal and immediate.

The Australian tourism industry has enjoyed major benefits from the use of Information and Communications Technology (ICT) (Sharma et al. 2000). Despite the wide use of technology, Australian Small and Medium Tourism Enterprises (SMTEs) have traditionally found it difficult to adopt new technologies and innovations (Sharma et al. 2000; Au 2010). Indeed, the literature in the area of social media adoption among Australian SMTEs is limited (Au 2010), even though this new phenomenon is becoming important to businesses. Arguably there are several challenges for SMTEs in adopting social media. One main challenge relates to the understanding how and why Australian SMTEs might be able to use social media, given that it is new innovation.

This paper proposes a theoretical framework for developing and measuring an effective social media presence by SMTEs as reflected in the business requirements, benefits and resources needed to create Facebook presence. Although the framework focuses on Facebook it could be easily extended as a measurement and adoption model to some of the other existing social media platforms.

LITERATURE REVIEW

A social media tool represents "a virtual community in which people with shared interests can communicate by posting and exchanging information about themselves" (Shin 2010, p.428). With the emergence of social media there is a growing recognition in the shift from "push marketing" to a conversation model, where customers make their purchase decisions based on content from peer reviews, blogs and tagging (Treadaway and Smith 2010). A study in the U.S. suggests that more small firms are adopting social media tools, with around 45% of the respondents indicating they have a social media presence on either Facebook or Twitter (Jantsch 2009).

Parra-López, Bulchand-Gidumal et al. (2010) proposed a theoretical model that explains the factors determining the intensions to use social media for planning a vacation trip. Their findings suggest that the benefits

the user believes he or she gets from using social media (social, functional, psychological and hedonic benefits) are the main reason to use these media tools when planning a trip.

Good practices and guidelines applied to social media can be divided into three categories: strategy, content and feedback. The guidelines under the "Strategy" category relate to the questions that have to be answered before using social media for marketing purposes, in order to maximise results and to save time and money. Brands that use social media without a clear strategy may be ignored by the users or attract negative comments as happened to Wal-Mart, who neglected the maintenance of its Facebook page (Beuker 2009). Under the "Content" category there is a requirement to publish creative material. Work by Solis (2010) suggests that users will share good, meaningful content – which may lead to the anticipated viral effect. This content has to be compelling, relevant and practical. The "Feedback" category normally relates to the continuation of the discussion between the users and the owners of the social media identity.

Different levels of innovativeness define the timing and degree to which a person adopts a new concept or idea. In his theory, Rogers (2003) portrays the early adopters as people who feel more comfortable with technology, and who look for ways to improve their business. According to Rogers, these early adopters assist with reducing the uncertainty of an innovation or a new idea.
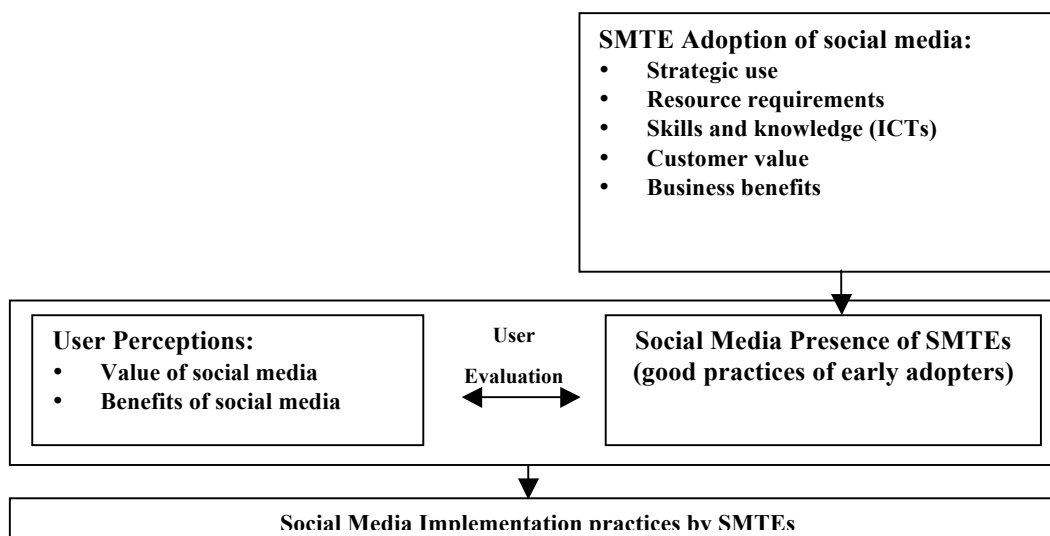
Small and medium tourism enterprises (SMTEs) are divided into several sectors such as accommodation, sites of interest and active recreation, each with its own characteristics and differences in its operation patterns (Reichel and Haber 2005). These businesses usually dominate the tourism market, assist with improving local economies by infusing tourism spending and producing a wide range of tourism products (Bastakis et al. 2004). The Australian tourism industry is believed to be one of the country's main sectors to benefit from ICT, mainly due to the suitability of its products to the characteristics of eCommerce (Sharma et al. 2000). Despite this assumption, Australian SMTEs find it difficult to adopt new technologies. In his work of ICT and eCommerce adoption by regional Australian SMTEs, Braun (2002) claimed that both the ICT infrastructure and the level of ICT skills were lacking. Similar barriers were found by (Au 2010), who examined the Web 2.0 adoption of tourism businesses in New South Wales. His research demonstrates that SMTEs are the only non-adopters of Web 2.0 tools, mainly due to a lack of technical competence.

RESULTS (CONCEPTUAL FRAMEWORK)

Social media is a new phenomenon, that has become important to businesses in general and tourism entities in particular. Notably SMTEs have limitations in their adoption of ICT being notorious for not having sufficient technological knowledge and limited access to appropriate resources to adopt such new innovations (McGrath et al. 2006). Some studies have examined the use of social media amongst Australian SMTEs and reached limited conclusions. Indeed, the main conceptual areas that emerged from the literature are the user perceptions of and expectations from social media, the requirements for Australian SMTEs to implemented social media and the unique features of social media. These conceptual areas and their interaction are depicted in figure 1.

Figure 1:

A framework for investigating the adoption of social media by SMTEs

SMTE Adoption of social media:
- Strategic use
- Resource requirements
- Skills and knowledge (ICTs)
- Customer value
- Business benefits

User Perceptions:
- Value of social media
- Benefits of social media

User Evaluation

Social Media Presence of SMTEs
(good practices of early adopters)

Social Media Implementation practices by SMTEs

(1) User Perceptions: This area is associated with the perceptions that users have about social media and how they value characteristics such as functional and hedonic benefits (Parra-López et al. 2010). It is suggested that social media pages will be perceived differently by users, who will evaluate them through a personal set of satisfaction levels, expectations and goals. Therefore, it is advised to include user perceptions as part of the conceptual framework of social media-related studies. **(2) SMTE Adoption of Social Media:** This area is associated with the reasons that SMTEs have developed to incorporate social media into their marketing strategy, while considering their ICT resources and other unique characteristics, as well as their motivation for providing extra customer value (Sharma et al. 2000; Rogers 2003; Braun 2002; Bastakis et al. 2004; McGrath et al. 2006; Au 2010). **(3) User evaluation of Characteristics of Social Media:** This area is associated with the recommended good practices to implement in social media marketing, under three leading categories: strategy, content and feedback (Beuker 2009; Solis 2010). These good practices will serve as an evaluation tool for understanding patterns of satisfaction or dissatisfaction in the user experience.

Each of these areas will influence the implementation of social media by SMTEs: the users will give an indication of the support or rejection (according to their needs being fulfilled or not); the SMTEs through their adoption practices relating to strategy, resources, benefits and ICT knowledge issues; and the current social media guidelines that are important for those who maintain the social media presences.

CONCLUSION

Tourism businesses worldwide have discovered the effectiveness of social media as a marketing platform. Australian SMTEs have been experimenting with this relatively new innovation since its emergence. However, their actions as early adopters have not been examined leaving many questions in regard to the value of their social media performance. The paper proposed a conceptual framework for investigating social media presence by SMTEs that reflects both user perceptions and business requirements.

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