

Impact of Social Media Marketing Efforts of Boutique Hotels on Brand Equity and Customer Preferences

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Abstract

Companies and brands have entered a new age since the rise of social media, one in which they must find more dynamic approaches to client interaction. More than two-thirds of Internet users are now within reach of this rapidly growing marketing channel, making it ripe with possibilities for establishing and strengthening a company's brand and reputation. There are new possibilities and benefits for brand management thanks to social media, but there is also a persistent challenge: assessing the impact of social media marketing operations on key brand success criteria. The study measures or evaluates the impact of social media marketing efforts on brand equity, preference, and loyalty. The final results confirms that SMMEs(Social Media Marketing Efforts) influence Brand Equity significantly at 5% level of significance. Accordingly the various aspects related to SMMEs are also statistically significant as the P-value $(0.00) < 0.05$ (Standard alpha value). It is being observed that brand equity of boutique hotels is more influenced by brand image as compared to brand awareness. SMMEs (Social Media Marketing Efforts) by boutique hotels positively and directly influence consumer brand preference and brand loyalty as the measured correlation coefficient value is found be 0.944.

Keywords: SMMEs, Brand Equity, Brand Loyalty

Introduction:

Social media allow marketers to connect with consumers in their social circles and establish more personal connections. Social media has revolutionized the creation, dissemination, and consumption of brand content, transferring control of brand image from marketers to consumers and their online interactions and content. This research aims to investigate the influence of social media marketing initiatives on brand equity, consumer brand preference, and brand loyalty. Additionally, it seeks to uncover the diverse factors associated with the establishment of brand identity for boutique hotels.

Brand equity can be explained as the value (worth) of the particular brand which is being measured from consumer's perception of the

desirability and quality. Brand equity is based on the factors like consumer loyalty, brand recognition and satisfaction level of customers. It is one of the most important aspects which is being considered as the key factor for company's success as it impacts the consumer decision making, marketing strategies & partnerships.

According to Jacoby (1971) the concept of brand loyalty is

basically based on the psychological processes being a biased buying behavioural reaction while selection one of the brands from various different brands over a period of time when it comes to luxury products and services the brand loyalty is being measured by “how frequently customers say they have purchased and want to purchase a specific brand”.

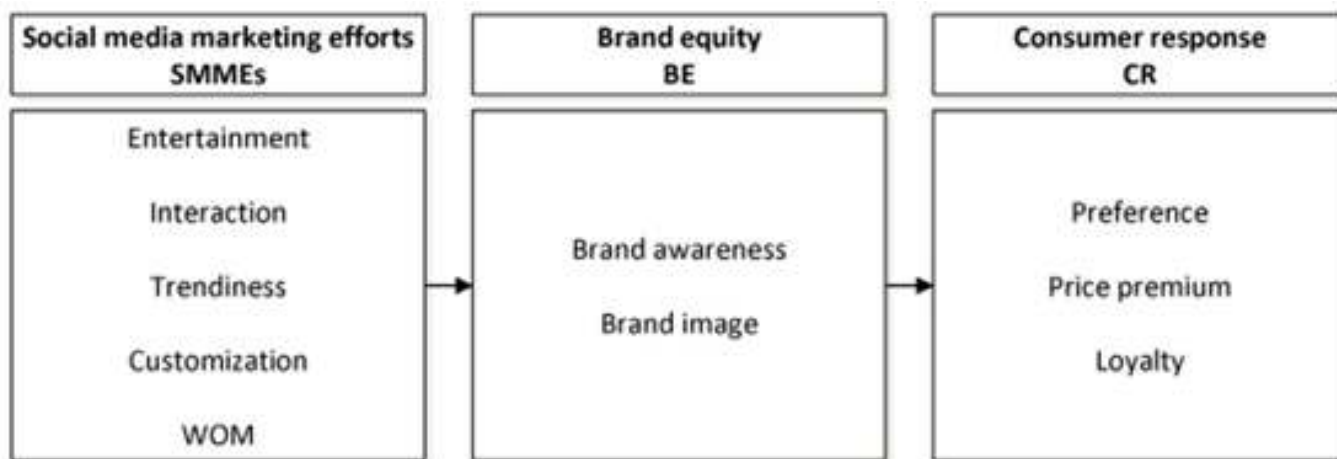


Figure 1: SMME's & Brand Equity, Preference (Godey, B., et al, 2016)

Consumers have a tendency to choose one brand over another when there are several similar options on the market. This preference is based on the consumer's prior exposure to, and impressions of, the brand in question. To gauge consumer preference for a given brand, researchers frequently ask participants to rank their top three brand choices within a certain category or set of brands. Brand preference measures developed for use in prior research on high-end products (Truong, McColl, & Kitchen, 2010; Vigneron & Johnson, 2004) have been employed.

Related Work:

Nadda et al. (2015) examines the most recent marketing trends in social media as well as the impact that internet technology has on marketing practices. Mainly social media platforms and networks are source of information and data flow which includes creating a environment help for individuals to share experiences and knowledge using sociological aspects and technological aspects. The social media platform consists of three main elements “Publishing Technology for Everyone, Information Diffusion, and

Relationship Building” as well as the various dimensions of each of those components. It also brings up the subject of social media marketing as a novel forum for establishing connections inside online communities. The researcher focused the impact of major social media sites, including their rankings, features, strategic operations, as well as the pros and cons for businesses who use social media for marketing.

Bansalet al. (2014) discussed the new business and consumer methods centered on marketing, communication, and information are making people increasingly vital to the overall process. The social media usage for customer engagement and experience sharing is becoming increasingly widespread. Many customer care online communities and forums are there along with social media networks and platforms such as YouTube, Facebook, Twitter etc. these platforms provide environment for customer interaction each day.

Social media networks & platforms are cultural today. Also, it is a trend in business. Customers both present and

potential, are now inclined towards social media to discuss queries related to services and products they purchase or want to purchase. These kinds of communications are absolutely necessary for successful businesses. Because of the sheer number of people who use social media platforms all over the world, businesses now have the opportunity to develop marketing strategies digitally, giving them gain over their rivals. Accordingly the study provides a definition of social media marketing as well as its methodologies, discusses the challenges and opportunities facing the industry, and looks at the trends that are now occurring and likely to occur in the future.

According to author Liet al. (2020) there hasn't been a lot of research done to systematically consolidate and expand information on social media marketing strategies, despite the fact that the importance of social media is expanding in organizations' goals. In order to fill up this study void, researchers are defining SMMS based on the features of digital marketing strategies, marketing management and social media. Another step suggests establishing a concept for the SMMS development, which includes the drivers, inputs, throughputs, and outputs. Secondly, the author present a taxonomy that classifies SMMSs according to one of the following four maturity levels strategically are "social commerce, social content, social monitoring, or social customer relationship management". The various aspects and classifications related to SMMSs were being tested and validated based on different empirical researches being done through interviews and surveys.

Research by Naylor, Lamberton, & West (2012) states that social media is where consumers go to learn about and generate opinions on businesses and goods. The hospitality business as an example, guest reviews have a significant impact on which hotels people choose to reserve. According to a survey conducted and published by eMarketer.com, 45% of adolescent females polled said they rely on the views of their friends and classmates when determining what clothing and footwear to buy. Hence, these communities have an impact on consumer tastes.

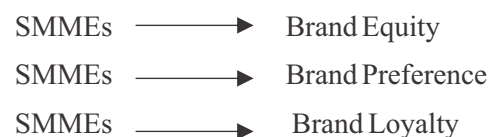
Methodology:

Mainly the research work measures the effect of SMME's (Social Media Marketing Efforts) on brand equity building

and creation; it also covers aspects related to customer behaviour towards brand building. Designed a quantitative survey specifically tailored for individuals who are consumers and followers of renowned boutique hotel brands that have made significant investments in social media marketing. Sampling technique: non-probability-based convenience sampling method was being adopted. A sample size of 500 respondents was being considered from different districts of Rajasthan. The instrument used for data collection was a well developed structured questionnaire. Accordingly the questionnaire was being divided into two parts, the first part includes the open and close ended questions related to demographic aspects and the second part contains the questions related to brand building and SMME's (Social Media Marketing Efforts). To enhance the depth of our analysis, a pilot survey was executed to validate the measuring scale. Factor analysis and the application of Cronbach's Alpha were employed to assess the reliability and validity of the instrument. Following multiple tests to ensure its robustness, the researchers confirmed the questionnaire's consistency, demonstrating a Cronbach's Alpha value of 0.873.

Research Model:

Based on finding the association between SMMEs & Brand Equity, Brand Preference and Brand Loyalty.



Objectives:

1. To study the impact of social media marketing efforts on brand building with reference to major districts in Rajasthan.
2. To analyze the factors which help brand building of boutique hotels in Rajasthan.
3. Measure the influence of social media marketing efforts on the brand equity, consumer preference and brand loyalty of boutique hotels in Rajasthan.

Hypotheses:

1. H01: There is no significant impact of social media marketing efforts on brand equity.

Ha1: There is significant impact of social media marketing efforts on brand equity.

2. H02: Social media marketing efforts does not have positive and direct influence on the consumer brand preference and brand loyalty.

Ha2: Social media marketing efforts have a positive and direct influence on the consumer brand preference and brand loyalty.

Results:

The main objective of this research work is to find the

influence of SMMEs (Social Media Marketing Efforts) on the customer preferences and brand equity towards the boutique hotels. In order to measure the impact quantitative survey method was being adopted targeting customers and followers of boutique hotels. Based on the prominence in social media marketing and investment the hotels from different districts of Rajasthan were considered. The following boutique hotels were being included Taj Lake Palace, RAAS Jodhpur, RAAS Devigarh, Rajmahal Palace RAAS Jaipur, Golden Tulip Essential Jaipur etc.

Measurement scale adopted: Likert Scale (1-5 points)

Table 1: Descriptive Statistics

Descriptive Statistics			
Social Media Marketing Efforts (Kim & Ko, 2012)	N	Mean	Std. Deviation
Entertainment			
Connecting through social media is a fun	500	3.8840	0.81232
Social media seems interesting	500	3.8940	0.83436
Interaction			
Social media enable information-sharing with others	500	3.8600	0.90887
Conversation or opinion exchange	500	3.8840	0.79486
Easy to give opinion through social media	500	3.8220	0.84127
Trendiness			
Social media content is the newest information	500	3.6960	0.89509
Social media is very trendy	500	3.8120	1.15035
Customization			
Social media offer a customized information search	500	3.6860	1.01660
Social media provide customized service.	500	3.5780	1.08178
Word of mouth			
Pass information on brand, product, or services	500	3.8520	0.76109
Upload content on Blogs	500	3.7360	0.79471
Brand Awareness (Kim and Hyun, 2011)			
Awareness of particular boutique hotel brand	500	3.8580	0.85046
Features of particular brand come to individuals mind quickly	500	3.6720	0.88430
Recall the symbol or logo of particular brand.	500	3.8780	0.74581
Brand Image (Kim and Hyun, 2011)			
Leading boutique hotel	500	3.6980	0.87426
Extensive experience	500	3.8820	0.78569
Representative of the hotel industry	500	3.7960	0.87631
Customer-oriented boutique hotel	500	3.7260	0.88798

Descriptive Statistics			
Brand preference(Kim and Hyun, 2011)			
Prefer to purchase Particular brand.	500	3.5800	0.88383
Services of Particular boutique hotel	500	3.9520	0.84090
Readiness to pay the premium price (Netemeyer et al., 2004)	500	3.6020	0.91502
Brand Loyalty (Yoo et al., 2000 , Aaker et al., 1991)			
Recommending & suggesting the hotel to other consumers	500	3.7520	0.90340
Recommend a particular hotel to my friends	500	3.9060	0.93964
Regularly visit the particular brand hotel	500	3.8800	0.85970
Satisfied with brand with every visit.	500	3.7400	0.87746
Valid N (listwise)	500		

Table 2: SMMEs & Brand Equity

Coefficient of Determination R ² and Significance Value		
N = 500	R-Square Values	Significance (P-value)
Social Media Marketing Efforts (SMMEs)		
SMMEs → Brand Equity	0.926	0.00
SMMEs → Entertainment	0.749	0.00
SMMEs → Interaction	0.818	0.00
SMMEs → Trendiness	0.684	0.00
SMMEs → Customization	0.658	0.00
SMMEs → Word of Mouth	0.637	0.00
SMMEs → Brand Awareness	0.882	0.00
SMMEs → Brand Image	0.987	0.00
Brand Equity		
Brand Equity → Brand Awareness	0.941	0.00
Brand Equity → Brand Image	0.980	0.00

H01: There is no significant impact of social media marketing efforts on brand equity.

Ha1: There is significant impact of social media marketing efforts on brand equity.

Table 3: Model: SMMEs & Brand Equity

Model Summary				
SMMEs → Brand Equity				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.962 ^a	.926	.926	.20690
a. Predictors: (Constant), Brand Equity				

Table 4: ANOVA: SMMEs & Brand Equity

ANOVA ^a						
Model		Sum of Squares	Degree of Freedom	Mean Square	F	Sig.
1	Regression	267.729	1	267.729	6254.003	.000 ^b
	Residual	21.319	498	.043		
	Total	289.048	499			
a. Dependent Variable: SMMEs						
b. Predictors: (Constant), Brand Equity						

H01 is tested for identifying the influence of various SMMEs (social media marketing efforts) on the brand equity. Accordingly the results of multiple regression model linking between SMMEs to brand equity is shown above in the table. The impact of SMMEs on Brand Equity is significant at 5% level of significance. The various components or aspects related to SMMEs are statistically significant as the P-value (0.00) < 0.05 (Standard alpha value). It is being observed that brand equity of boutique hotels is more influenced by brand image as compared to brand awareness.

Table 5: Coefficients: SMMEs & Brand Equity

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.221	.047		4.722	.000
	Brand Equity	.954	.012	.962	79.082	.000
a. Dependent Variable: SMMEs						

H02: Social media marketing efforts does not have positive and direct influence on the consumer brand preference and brand loyalty.

Ha2: Social media marketing efforts have a positive and direct influence on the consumer brand preference and brand loyalty.

Table 6: SMMEs & Brand Preference

Coefficient of Determination R ² and Significance Value		
N = 500	R-Square Values	Significance (P-value)
Social Media Marketing Efforts (SMMEs)		
SMMEs → Brand Preference	0.849	0.00
SMMEs → Brand Loyalty	0.811	0.00
Brand Preference		
→ Brand Preference Prefer aParticular Brand Boutique Hotel	0.523	0.00
Brand Preference → Quality of Services of Particular Boutique Hotel	0.745	0.00
→ Brand Preference Readiness to pay the premium price	0.700	0.00
Brand Loyalty		
→ Brand Loyalty Recommending & suggesting the hotel to other consumers	0.428	0.00
→ Brand Loyalty Recommend a Particluar Hotel to Friends & Relatives	0.650	0.00
→ Brand Loyalty Regularly Visits to the Particular Brand Hotel	0.528	0.00
→ Brand Loyalty Satisfied Level with Brand afterEvery Visit.	0.649	0.00

Table 7: Model: SMMEs & Brand Preference

Model Summary				
SMMEs		Brand Preference, Loyalty		
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.944 ^a	.890	.890	.25265
a. Predictors: (Constant), Brand Preferences, Brand Loyalty				

Table 8: ANOVA: SMMEs & Brand Preference

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	257.325	2	128.662	2015.716	.000 ^b
	Residual	31.723	497	.064		
	Total	289.048	499			
a. Dependent Variable: SMMEs						
b. Predictors: (Constant), Brand Preferences, Brand Loyalty						

Table 9: Coefficients: SMMEs & Brand Preference

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.023	.062		-.368	.713
	Brand Loyalty	.530	.025	.506	21.144	.000
	Brand Preferences	.488	.024	.493	20.606	.000
a. Dependent Variable: SMMEs						

H02 is tested for identifying influence of various SMMEs (social media marketing efforts) on the consumer brand preference and brand loyalty. The results of multiple regression model linking between SMMEs to Brand Preference and Brand Loyalty is shown above in the table. The impact of SMMEs on Brand Preference and Brand Loyalty is found to be significant at 5% level of significance. The various components or aspects related to SMMEs are statistically significant as the P-value (0.00) < 0.05 (Standard alpha value). It is being observed that SMMEs by boutique hotels positively and directly influence consumer brand preference and brand Loyalty as the correlation coefficient value is found to be 0.944 (which shows strong positive correlation between the variables).

Conclusions:

Many conceptual and measurement challenges make social media marketing a difficult sector for such measurements. As such, this study fills a significant need in the existing

literature by examining the early adopter of boutique hotels use of social media. The study's foundation is the hotel industry, as previous studies have found that boutique hotels often excel at using new media to connect with and attract their target audiences.

Brands should regard social media marketing efforts as not only the way to reach customers globally but also as the most cost-effective brand building tool. As the R² is found to be 0.926 and the corresponding P-value of 0.00 which is quite lesser than 0.05 (Standard alpha value) which confirms that social media marketing efforts influence brand equity positively which also impacts subsequently the other branding goals or brand building aspects such as brand loyalty, customer brand preference, willingness to pay premium price etc.

The various social media marketing efforts from the boutique hotels influence the consumer brand preferences through brand loyalty but the role of brand equity which includes brand awareness and brand image having R² values as 0.941 and 0.980 appears more effective and relevant. In order to increase the brand loyalty, the boutique hotels should focus on customers satisfaction level, quality of services and sharing the experiences of customers through social media marketing platforms.

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