

Social customer relationship management in the hospitality industry

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Abstract

While research on the implementation of SCRM is trending in the manufacturing sector, there is scant research available on this phenomenon in the travel and tourism industry. The aim of this study is to examine how hotels could use social media tools for customer relationship management to increase business profitability. Semi-structured in-depth interviews were used to collect data from 20 senior managers in order to understand their perception on the social media marketing strategies used by respective hotels. Findings indicate that organisational culture readiness is an important factor to consider when implementing a social customer relationship management strategy. This study further explores the opportunities and challenges associated with the use of Trip Advisor and social networking sites. It contributes to marketing communication theory and from a practical perspective, it underscores how the co-creation of experiences on social media platforms can lead to business growth.

Keywords: Social customer relationship management, social media, hospitality industry, Trip Advisor, relationship marketing

1.0 Introduction

Social customer relationship management (SCRM) which is also known as CRM 2.0, is a business strategy which consists of engaging customers through social media conversations with the aim of building superior social and financial bonds (Chan et al., 2018; Dewnarain, Ramkissoon & Mavondo, 2018; 2018; Strauss & Frost, 2014; Zeithaml, 2018). According to Greenberg (2010), it's only in 2007, with a major growth in 2008, that traditional CRM underwent a makeover and it took off significantly in the form of social CRM. Often called CRM 2.0, SCRM is a strategy that unifies both customer transactions and interactions as opposed to the initial focus of CRM strategy which was solely based on customer transactions. The transformation of CRM into SCRM was triggered by the revolution in social media communications that brought about major changes in the way younger generations communicate with their peers and companies alike.

CRM 2.0 differs from CRM in terms of social features and affordances that its association with social media platforms brings to processes such as interactions that occur between the company and its suppliers, between the

customers and trusted peers and most importantly (Chanchaichujit et al., 2018), between the company and its customers and partners (Di Gangi & Wasko, 2016; Greenberg, 2010). SCRM centres on the notion of participatory culture which supports online collaboration and active creation and distribution of content as opposed to individual contribution (El Ouiridi, El Ouiridi, Segers & Henderick, 2015; Jenkins, 2009; Rahimi, 2017). While the initial focus of CRM was on identifying sales leads and improving marketing processes in order to come up with highly targeted corporate messages for specific market segments, SCRM relies on relational exchanges and community involvement (Harrigan et al., 2015; Van Asperen, De Rooij & Dijkmans, 2018). Therefore, as shown in Figure 1 below, SCRM lowers the barriers to engagement and enables influential nodes at various stages of the communication process which decrease customer related cost (Woodcock, Green & Starkey, 2011).

Prior to adopting SCRM as a marketing strategy in the hotel industry, an understanding of the customer relationship management process (CRM process) which is also commonly referred as customer lifecycle (CLC) is important (Babin & Harris, 2015). Anton (1996, p.15) stated that the CRM process occurs in 4 stages which include: customer selection, customer acquisition, customer retention and customer deepening. Even in the digital era, most companies are still focusing on customer acquisition and overlook the other stages in the customer lifecycle. Consequently, service-based firms and particularly hotels are mainly using massive advertising and sales promotions to reach customers and channel members (Gartner, 2015). The shift from customer acquisition to retention asks for a new mindset as well as the integration of new communication tools, a different tone of conversation and investment in order to create a better quality of relationship based on trust and reciprocity (Babin & Harris, 2015; Fletcher & Crawford, 2014; Nunkoo & Ramkissoon, 2012; Nunkoo, Ramkissoon & Gursoy, 2012). Unfortunately, many hotel firms still fail to distinguish between customer acquisition and retention and mostly, acquisition dominates (Padmavathy, Balaji & Sivakumar, 2012). This highlights the presence of strategic issues in SCRM implementation.

Previous studies indicate that around 30% of CRM projects fail due to a lack of clear business objectives (Bull, 2003; Lehmkuhl, 2014). The introduction of social media technologies has impacted on customer relationship management processes calling for an effective leadership. This is so because leaders are responsible for monitoring changes and assessing risks in the external environment and are therefore best placed for setting a direction for the strategic implementation of CRM projects. Moreover, some of the key roles of leaders entail the approving of budgets, performance reviews and the empowerment and motivation of key employees (Ahani, Rahim & Nilashi, 2017; Haenlein, Skiera, Wege & Zhang, 2013; Malthouse, Pinto & Slevin, 1987). This study investigates SCRM from a managerial perspective, the main aim is to examine how hotels can effectively integrate social media tools with their customer relationship management strategy to promote co-creation of value (Ramkissoon & Uysal, 2018; 2014) to enhance customer experience and to top off the company's bottom line. To address the research objectives, the following research questions are proposed.

- 1) What are the main social media channels used by hotels for customer relationship management?
- 2) What are the potential opportunities and key barriers faced by the hotel industry when implementing a SCRM strategy?

2.0 Literature Review

2.1 CRM as an international marketing strategy

Customarily, networks and relationships as a marketing paradigm were falling in the domain of B2B (business to business) marketing rather than B2C (business to customer) marketing (Fletcher & Crawford, 2014). However, presently, the focus has shifted to B2C marketing as much attention is given to fostering and developing long-term relationships with customers in order to build trust and achieve customer loyalty which will result in higher profitability (Belch & Belch, 2018). The core ethos of CRM is the development of a customer-centric business culture which aims at winning and retaining customers by offering superior value as compared to other competitors in the marketplace. Earlier, in the 1990s, CRM was mainly about serving customers that you knew well but it's not the case anymore due to increasing remoteness between companies and the customers that they serve (Bligh & Turk, 2004; Rahimi et al., 2018). Viewed from another angle, globalisation has also led to breakthroughs in information and communication technologies which facilitate dialogue between firm and customers across various continents and enable the effective tailoring of products and services based on the responses obtained from international customers. With the integration of social media channels, CRM has now become a relevant strategy for international marketing in the tourism industry as it allows adaptation of the product, price, place and promotion and it equally assists in resource allocation and support services potentially needed by customers (Ramaseshan et al., 2006; Watson et al., 2018).

2.1 Changing role of social customers

As rightly pointed out by Vivek et al. (2012) and Berthon et al. (2012), the traditional approach of doing business entailed the firm producing value for customers. However, one of the major effect garnered by social media is the involvement of customers in the process of value co-creation. The customer is no longer a passive receiver of products or services at the end of the value chain. Today's social customers portray completely different characteristics as compared to customers in former times as they are connected to their peers and firms 24/7 via the web and mobile devices such as tablets and smartphones (Ramkissoon, 2018a). They expect information to be readily available to them upon request and they also exhibit a high desire to disseminate that information with trusted peers. Social media which is an offspring of Web 2.0 technologies, has created a space for collaboration by enabling a shift in focus from individuals to communities, intrusion to invitation and most importantly, from publishing to participation (Berthon et al. 2012; Dewnarain, 2018).

The availability of a wide array of social media channels such as TripAdvisor, Facebook, Twitter, Instagram, Linked In or travel blogs in the marketplace, has given rise to more complex purchase behaviour (Belch & Belch, 2018; Ramkissoon, 2018b). Online and mobile commerce have produced different shades of customers who have a propensity to combine multiple touchpoints in the consumer decision making process. On the other hand, the increased popularity of social networking sites such as Facebook, Twitter and Pinterest, has opened an avenue for a new business model which is known as social commerce. Liang and Turban (2011, p.5) define social commerce as a business activity that "involves using Web 2.0 social media technologies and infrastructure to support online interactions and user contributions to assist in the acquisition of products and services." Therefore, social networking sites cannot be neglected as a potential source of revenue generation by hotel businesses. This paper hence focuses on hospitality leaders' perceptions on the use of social media for customer relationship management.

2.3 SM technologies: Trip Advisor and Social networking sites (SNS)

Web 2.0 has resulted in a shift from business to consumer communication to peer to peer content generation and sharing of information, Trip Advisor.com has become the number one online network whereby travellers seek information from other peers prior to travelling to a hotel (Dewnarain et al., 2018; Ghazi, 2017; O'Connor, 2008). Travel consumers have instant access to a large pool of information which in turn ease evaluation of alternatives and reduces the time taken in the decision-making process. Marketers are no longer responsible for producing or presenting contents online on Trip Advisor since customers take ownership of producing content online based on their personal experience. However, the sheer amount of information available online has a propensity to create confusion for travel customers and it also raises a question mark on the credibility of sources.

When purchasing a high value product, people normally seek opinions from peers in order to manage perceived risks associated with the purchase. Customers often purchase services or experiences on social networking sites like Trip Advisor, Facebook, Twitter or Instagram and given the intangible nature of service, word of mouth becomes a critical component in the purchase decision-making process (Ghazi, 2017; Moro & Rita, 2018; Ramkissoon, 2018b). Earlier, word of mouth would take place when people would meet up around water fountain or for coffee. Hence, one person could share his experience with another 10 to 15 persons. Today, word of mouth has taken a new skin and is commonly known as 'world of mouth' since one person can spread a message to thousands of people at once by posting content online on social networking sites (Ayman & Kaya, 2017; O'Connor, 2008, p.48). The diversity of social media landscape and its continuously changing nature renders it challenging to create a systematic classification based on defined rules. However, the outcome of social media interactions in the form word of mouth does prompt the need for further research on social customer relationship management.

3.0 Methodology

This paper adopts a qualitative approach to gain insights on potential benefits and key barriers to implementing a SCRM strategy in this thriving industry. Seven General Managers, 3 Sales and Marketing Directors and 10 Managers, from both local and international hotel chains, were interviewed to understand the perception of hospitality leaders on social media marketing strategies used by their respective hotels. The sample population comprised of hospitality leaders from 3-star, 4-star and 5-star hotel properties in Mauritius, an island situation on the East Coast of Madagascar. Semi-structured in-depth interviews were used.

3.1 Justification for chosen sample

Previous qualitative research conducted by Bull in 2003 in a manufacturing firm in the UK has indicated that the successful implementation of CRM would require effective leadership, sourcing, targeting and evaluation strategies. Similarly, Galbreath and Rogers (1999) suggested that effective leadership is critical to ensure the successful implementation of CRM which necessitates business process change and the introduction of new technology. Since leaders are responsible to monitor the external forces that affect an organisation, they are often in a better position to set the strategic direction of CRM 2.0 projects. Influential leaders have the power and authority to bring about changes rapidly in an organisation by motivating key personnel to adapt to changing environment and new technologies. Based on the above, this study explores perceptions of senior managers on the implementation of SCRM in the hospitality industry.

3.2 Data collection

The instrument used to collect data was a semi-structured questionnaire that was divided into 3 sections. The first part had general questions on the perception on CRM, the second part mainly focused on the different types of social media tools being used by hotels, the main benefits and challenges that stem from using these tools and the last part comprised of questions based on the organisational culture. Twenty hospitality leaders participated in this research and data was collected as from January until April 2017. All the interviews were conducted personally by the researchers, at the respective hotels and the interviews were recorded using a voice recorder. At the beginning of each interview, each interviewee was provided with a questionnaire and a consent form. Each interview lasted for around 45 minutes to 1 hour and all the participants were highly engaged and willingly shared their everyday experience when it comes to SCRM implementation.

3.3 Data Analysis - constant comparative analysis

In qualitative research, data analysis is an ongoing process which includes memo writing, constant comparison and theory-building (Charmaz, 2006; Glaser & Strauss, 1967). The research process guides the researcher towards new avenues as every time an interview was conducted memoing was done, new data was compared with previously collected data and questions were revisited whenever it was deemed necessary. Memoing is a crucial step when using qualitative research, skipping this step may lead to a loss of conceptual details. Finally, making use of constant comparisons allowed for greater precision and reduces bias in the overall results.

Creswell (2013) stated that qualitative research goes in parallel with data collection and write-up of findings. Thus, data analysis started right after the first interview which consequently provided the researchers with insights on the relevance of the research questions. Some questions that were considered irrelevant were deleted over time, based on emerging themes, new questions were also added (Saunders & Lewis, 2012).

As opposed to quantitative research whereby the investigator endeavours to preserve all of the data collected so as to reconstruct or substitute missing data, the focus of qualitative research is on data reduction, eventually the researcher is only left with a few themes (Guest et al., 2012). Given the richness of data in qualitative investigations, all the data cannot be used. Thus, during the process of data analysis, codification first takes place and then, codes are linked together to form a few themes (Creswell, 2013). While there exists a number of software for coding, in this case, the authors have opted for NVIVO which was found very useful to organise the qualitative data during the initial stages of data analysis. Once patterns and linkages were identified between emerging themes, the next step was to report the findings.

4.0 Findings

4.1 Social media channels used by hotels

4.1.1 Trip Advisor (TA) as a relationship marketing tool

There was a consensus when it came to Trip Advisor which is considered as the number 1 communication tool for hotels. Trip Advisor being a specialized site for hotels remains a highly octane one when it comes to new customer acquisitions as 90% of the GMs interviewed believe that it is the first touch point with the brand. Besides, following purchase, this is also the space where customers would go to give feedback as it is a platform which is independent from the hotel owned media such as blogs, forums or social networking sites. However, in most cases, the interviewees stated that they are limited in terms of affordances of TripAdvisor which can be considered as both a positive and negative thing. Positive because it restricts each party to one post and afterwards, they can either continue the conversation offline via phone or online itself, through emails and personal messages.

On the other hand, it can be considered negative, as a negative comment can stay for a while and even though the problem is solved later, the hotel does not get a chance to clarify the situation and other users do not get to know what was eventually done to remedy the situation or what was done for the guest as compensation.

4.1.2 Social Networking Sites (SNS) as relationship marketing tools

The main advantages of using social networking sites such as Facebook, Twitter, Instagram or YouTube are real-time communication and high reach (Garrido-Moreno et al., 2018). According to hoteliers, social networking sites have considerably reduced the number of emails exchanged with clients and equally, the cost of traditional advertising. Social networking sites (SNS) have a propensity to increase brand visibility as posts can go viral within seconds and they can accordingly be considered as an effective way of promoting events and other activities taking place at the hotel. Through the use of features such as live streaming on YouTube or Facebook live, customers can watch events live and this increases the tangibility of services offered by hotels. Moreover, social media platforms such as Facebook or Twitter are mainly used during ‘stay’ that is once the customer is at the hotel. Therefore, unlike TripAdvisor, all the problems flagged can be investigated and solved while the customer is still at the hotel. Therefore, social networking sites are action-oriented and give hotels a chance to remedy a situation quickly either based on a simple message exchanged on Facebook or a post.

4.2.1 Similarity between TA and SNS

When referring to the use of social media in general (Trip Advisor and social networking sites), the main benefit lies in their ability to reach an international community (Belch & Belch, 2018). Unlike traditional advertising which had a relatively low accountability, conversion rates for social media platforms can be easily calculated. Social media platforms altogether provide both existing and potential customers with very specific and richer reviews that in turn decrease the amount of time taken in the consumer decision making process. These platforms provide open access to customers which means that a person does not have to register to access reviews (Moro & Rita, 2018). Even if a person is booking through a tour operator or a travel agency, no matter where they are in the world, they can always cross-check with content on these platforms. Hence, it can be said that sharing of experiences by fellow travellers or rather ‘someone like me’ can form the overall perception of the buyer.

4.2.2 Comparative analysis between TA and SNS

According to several GMs and hotel managers, customers tend to write more positive reviews on social networking sites as compared to Trip Advisor. It can be argued that SNS are not specialised sites for hotel reviews and they rather provide an organic space for people to interact with their social circle. Therefore, when something goes wrong at the hotel, customers still want to project a positive image about their holidays and hotel experience to their friends and followers. This can be linked to the concept of impression management which is a behaviour adopted by online users in order to appear socially desirable (Goffman, 1978). However, to be a reviewer on Trip Advisor, the user should first create a profile and normally, a pseudonym can be used instead of the actual user name when providing feedback. This depicts that customers are conscious about the difference that exists between social networking sites and reviewing sites such as Trip Advisor or Holiday Check. It is also worth noting that during their stays if something goes wrong, clients tend to drop a personal message through Facebook messenger to the hotel. Therefore, it is clear that social networking sites are not perceived as blackmailing tools and there is a great potential for hoteliers to adopt a social customer relationship management approach that will altogether leverage their relationship with customers and can lead to brand favourability and advocacy. Table 1 below demonstrates the key differences between Trip Advisor and SNS.

4.3 Barriers to implementing SCRM

4.3.1 Lack of control

One of the key challenges associated with the use of SNS is a lack of control because if not managed properly, hoteliers can easily lose control on these platforms that mostly empower customers. Certain posts such as Christmas promotions do generate numerous queries which makes it difficult for the social media executive to answer everything within 24 hours. As rightly stated by one of the GMs: “if you reply the next day, it’s not real-time communication anymore” (GM5). This puts the marketers under pressure as they need to answer all queries within a reasonable delay. Furthermore, when there are too many replies, answers tend to become redundant very quickly. There are also external factors such as poor connectivity and limited bandwidth, outside the control of the hotel, which are considered to hinder the optimal use of social media tools. Finally, if the right monitoring strategies are not in place, social media can be rather considered as a ‘blackmailing tool’ rather than a ‘promotional tool’ (GM 3).

4.3.2 Trust

In numerous cases, GMs and managers said that they are reluctant to switch to online communication due to a lack of trust. In most cases, digital platforms are being handled by few selected key persons. At times, all the heads of department are involved or generally, only the marketing manager and the GM. There are instances whereby people who have not been at the hotel, have created fake profiles in order to post negative reviews about the hotel (Zhao, Xu & Wang, 2019). Besides, at times, customers tend to exaggerate things in order to get something from the hotel instead of discussing their issues directly with the guest relations staff. Since we are dealing with open platforms, customers are conscious that hoteliers would not like to see something negative being posted. Furthermore, very few hotels have got a community page for their employees as mostly management is scared that upset employees may lash out on these platforms or they can also misuse this platform to obtain something from the management.

Paradoxically, it is worth noting that SCRM even though it is still at a conceptual phase seems to work best in hotels where there is high collaboration amongst co-workers and everyone is involved in the implementation of SCRM. While there have been cases in the past and there are still random cases whereby social media platforms are being used as a blackmailing tool. Hoteliers who are involving their employees in the implementation of their digital strategies will gain much more in future (Valos, Mavondo & Nyadzayo, 2019). Certain companies have been very smart and they have linked usage of social media platforms to the performance appraisal system, thus creating incentives for internal clients who are their employees. In other words, if employees’ names are mentioned on social media platforms, they are either rewarded or they earn points to be qualified employee of the month or year award. Similarly, when proactive employees capture nice photos and moments at the hotels and demonstrate creativity that are altogether promoted on social media, they are ultimately rewarded as they are contributing to building brand awareness. Overall, it can be said that if hotels are genuinely trying to deliver a high level of customer service, they should not be afraid to invest their resources on social media platforms whether it’s for internal or external communication. The main purpose of those digital tools is for social listening and if the company has nothing to hide and if it is conducting itself in an ethical way, it will benefit from an enhanced brand equity in the long run. Conclusively, negative comments are subject to the intention of the customers and the odd cases will not harm the reputation of the company as people are smart enough to discern between genuine comments and fake ones.

4.3.3 High Initial setting up cost

The high setting up cost associated with the creation of a new digital marketing unit has also been identified as a prime factor behind the slow transition to SCRM and the effective use of social media marketing. As rightly

pointed out by the hoteliers, a new digital marketing department will necessitate the recruitment of a community manager along with brand ambassadors or ‘social media champions’ who will be responsible for implementing the right digital strategies determined by the headquarters and also recommend things to the management based on activities taking place at the resort. Another relevant factor highlighted by GMs and managers is the ongoing training cost associated since the employees will need regular training not only on new features but also, to be able to optimise on new tools such as Snapchat and current trends in the marketplace. At the moment, in most hotels there is a CRM executive and a social media executive and they normally report to the marketing manager. This can be considered as the reason behind why CRM is not integrated with social media. While answering the question on whether social media is integrated with CRM, most of the managers and GMs said ‘in process’, ‘to some extent’, ‘not integrated’ or ‘planning to’ as they are not very sure about the potential value or benefits that can be generated from SCRM implementation.

4.4 Organisational culture readiness

Organisational culture readiness is one of the most vital factors needed to ensure support for change initiatives through the involvement employees (Jacobson, 1957). A number of hotel managers interviewed said that they have online presence on social media platforms mainly for advertising and to promote events that can appeal to the local market. However, so far, CRM has not been integrated with social media. The main reasons quoted are: lack of skills on how to implement this strategy, time consuming, requires training and recruitment of new staff. As stated by M10, ‘We have worked on a template to answer queries and to respond to customers because if we score a satisfaction rate of 80% or less, it has a huge impact on our booking.’ In contrast, M2 said that it is high time for hotels in Mauritius to practice content marketing and not just to say thank you using the same template. ‘For example, if a customer liked our Italian restaurant, it is an opportunity to engage in a conversation and to further probe on what did he particularly like because we want him to share his experience with others.’ Accordingly, GM 2 who works for the same hotel chain as M2, also highlighted that we are not only after likes but rather, we focus on gaining visibility from people who will come and most importantly, return on investment should be there.

5.0 Discussion

i) Social media channels used by hotels (Trip Advisor; SNS)

While hospitality leaders are conscious about the importance of social customer relationship management, the usage of social media tools to boost the efficiency of hotel businesses is still not a reality. When it comes to the social media tools being currently used, Trip Advisor continues to remain the number 1 tool for communication with customers. However, our study also highlights that Trip Advisor comes with limitations and hence, if hoteliers are fully reliant on Trip Advisor, they may lose out in the long run.

Following a comparative analysis between the use of social networking sites and TripAdvisor, it was interesting to note that customers are increasingly using Facebook to interact with hotels and for problem-solving during their stay. The level of engagement and expectations of social customers vary tremendously during the different stages of the purchase process (Dewnarain, 2018; Ramkissoon, 2018a). This in turn highlights the importance for hoteliers to revamp their communication strategies and to promote the use of Trip Advisor and SNS concurrently. Hotel Managers need to ensure consistency in terms of messages being communicated across various platforms in order to avoid channel conflicts. As stated by Di Gangi and Wasko (2016), social customers are expecting a unified communication message across all channels but unfortunately, customer experiences are still being affected by a lack of consistency in the message being communicated across various sales and communication channels.

ii) Barriers to implementing SCRM

This study has identified a range of factors such as trust, lack of control and high initial set up cost that may altogether act as barriers in the implementation of a SCRM strategy in the hotel industry. The best way to gain customers' trust is through positive word of mouth as discussed earlier in the literature review and SCRM is a key enabler of PWOM and brand loyalty (Abubakar & Mavondo, 2014; Dewnarain et al., 2018; Filieri, Alguezaui & McLeay; 2015; Nunkoo & Ramkissoon, 2012). As for lack of control, if the hotel brand enjoys a good reputation based on online feedback, it should not be worried about control. A high rating on FB or TripAdvisor does consolidate brand credibility and further ensures service quality assurance (Guha, Harrigan & Soutar; 2018, Parasuraman, Zeithaml, & Berry, 1988). Concerning the high setting up cost, this could seem as huge investment initially but it is bound to decrease with time as once there will be a standard operating procedure in place, it will not be difficult to manage the running of the platforms which will also generate revenue in the long term in the form of social commerce. Social customers are prosumers who produce content and consume goods and services simultaneously. Therefore, it is high time for senior hospitality leaders to overcome both their fears and barriers to implement SCRM and to nurture an environment which is conducive to business growth (Alvarez-Milana, Felix, Rauschnabel & Hinsch, 2018).

iii) Organisational culture readiness

One of the key findings of this research is organisational culture readiness to use social media tools for customer relationship management. Without the involvement of employees, a SCRM strategy will fail badly in the hospitality industry which is fundamentally a service-based industry. Employee training and the development of policies on social media use should remain the priority of senior managers. Co-creation of service calls for a service provider and service recipients and if both parties do not align on the tools used in service delivery, a huge communication gap will occur if we refer to the gaps of model of service quality (Figure 2) by Zeithaml, Bitner and Gremler (2018).

In the digital era, potential employees do assess a company's digital presence and how technologically advanced they are before choosing to join. The hospitality industry remains a labour-intensive sector and being on top of the game when it comes to using SM technologies can be a prime incentive for fresh graduates to join the workforce. Hoteliers should not simply hire people who are familiar with social media technologies but they should rather focus on potential employees who can use data from social media channels for business process innovation. When there is a mismatch between customer-driven service designs and standards and company perceptions of consumer's expectations, a service design and standards gap occurs (Zeithalm et al., 2018). A poor service innovation process leads to service designs and standard gap which results in customer dissatisfaction and consequently, affects business profitability (Payne & Frow, 2005).

6.0 Conclusion

Conclusively, to survive in this constantly evolving environment, hospitality leaders cannot afford to remain insensitive to social media technologies which have transformed the communication process and service delivery alike. It is high time for hospitality leaders to tap into the changing behaviour of social customers who will continue to make their travel purchase decision based on what their peers are saying that is based on user-generated content on social networking sites. More and more, customers are foregoing of travel agencies and tour operators and they are booking directly. Social networking sites such as Facebook and Instagram have become emerging trends in facilitating customer relationship management as well as social commerce. Therefore, hoteliers cannot continue to overlook the *raison d'être* of social media technologies which are here to stay. The contribution of our study to literature is three-fold. From a theoretical perspective, it contributes to relationship

marketing theory by analysing the opportunities and challenges associated with the use of social media tools to foster customisable and structural bonds with customers. Secondly, the co-creation of experiences on social media platforms can either lead to positive word of mouth or brand loyalty and can thus considerably decrease marketing expenses. Finally, with a significant growth in social commerce, SNS can become a vital channel to drive sales in the form of new bookings for hotels.

6.1 Limitations & future research

Even with the current hype around social media tools, the effectiveness of CRM 2.0 remains unexplored to a large extent and companies are mainly experimenting with the implementation of social media applications without really understanding how SCRM can contribute to customer satisfaction and loyalty (Ong et al., 2018; Sarner, 2011; Trainor et al., 2014). This research currently lacks customer perspectives and it is recommended for future research to study SCRM from customer perspectives as the whole foundation of SCRM rests on the co-creation of value. Therefore, customer perception of SCRM cannot be overlooked if we want to effectively implement this strategy in the hospitality industry. Using the findings of this research as foundation, a quantitative investigation can be carried out on a sample of customers. Last but not the least, this research could also be extended to other African countries as social media technologies have a tremendous reach and can help hotels with their international marketing strategy.

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