Nhi Dinh

COMMUNICATIONS CHANNELS with "ALL-INCLUSIVE
HOSTEL" of SELINA in PANAMA

Degree Programme in International Business
and Marketing Logistic
2012

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Dinh, Nhi
Satakunnan ammattikorkeakoulu, Satakunta University of Applied Sciences
Degree Programme in international business and marketing logistics
April 2016
Supervisor: Blue, Riitta
Number of pages: 66
Appendices: 4

Keywords: Panamanian outlook, hospitality industry, communication channels, All-inclusive hostel

The purpose of this thesis was to introducing the newly innovative concept "All-inclusive hostel" applying by Selina Hostel in Panama. Based on the scenario, the paper aims to focus on Panamanian hospitality industry, which is defined as a heaven for entrepreneurs. Since the concept is completely new, communication channels act as an important role for the case company to market its concept which is the last but not least objective of the paper.

The theoretical part includes qualitative research, such as 12 pillars competitiveness and Porter's Five Forces on Panamanian economy. In addition, four main communication channels, such as Content, Mobile, Viral and Social Marketing will be also discussed.

With the aim of supporting the paper's thesis, the concept was described with its advantages and disadvantages. It will help Selina to design the most suitable communication channels for the concept by the marketing team with the author's contribution.

To support the theoretical section, the empirical research concerning the result of those communication tools was implemented. The research methodologies were applied are interview and questionnaire.

The last but not least is the communication channels executed by the marketing team and its result according to the survey based on the aforementioned information.

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1 INTRODUCTION

Doing business in a rapidly and erratically innovative world is a real challenge to all the enterprises, even with some huge companies. It demands a lot of creative ideas, differentiation from their competitors. Moreover, the key for achieving this goal is to reach the customers' desirability before they are aware of that. Perceiving this concept, Dekel Group who is doing business in Real Estate industry, is trying to build a newly innovative business idea "All-inclusive hostel" in hostel industry under the name "Selina hostels".

With the aim of both introducing the concept "All-inclusive hostel" and how this concept is communicated to the target customers not only in Panama but also travelers around the world, the thesis will be discussing the Panamanian emerging market's attractive in hospitality industry; Methodologies to do market research: Target customers and influencers; And Customers communication channels.

To support for the thesis practicalities, besides conducting theoretical researches, the author had chance, during her 6-month internship in Panama, to interview Selina hostel's managers about their business idea, and dispatched the customer survey of the hostel's guest before and after their stay to evaluate the applied communication channels and the concept.

2 PURPOSES AND OBJECTIVES

2.1 Purpose

During the internship in Panama of the author, she found out that "All-inclusive hostel" is a creative hostel structure which makes the customers do not expect to be treated wonderfully during their stay, yet in fact, they will. This concept goes with its own unconventional way that initially, firms have to achieve high expectation before their real experiences and then deliver the best service quality while customers are there. In fact, most of the firms get negative result with the customer satisfaction by doing it. Thus, "All-inclusive hostel" concept is worth being discussed and taken as a model study.

Furthermore, the author realized that communicating effectively to the customers is a key to succeed in all types of business. However, it is not an easy puzzle to fit between the others two which are the firms and the customers, especially for the new business idea like "All-inclusive hostel". Being part of Selina's project regarding communication channels boosts the author's interest to not only introducing this newly innovative concept but also the way it has been spread out.

The last but not least, the thesis is also acting as a guideline for hospitality entrepreneurs who desire to start-up their new business in an emerging market like Panama throughout discussing its economic outlook.

2.2 Objectives

To be successful in detailing the idea, it is crucial to point out objectives of the thesis which is the guideline for suggesting what the way is of successfully collaborating

traditional marketing and digital marketing taking Selina Hostel as a case company; and how flourish the Panamanian economic situation for a start-up is in hospitality industry.

In order to obtain the aforementioned objectives, the following questions must be answered in the following parts of the thesis:

- How is Panamanian hospitality industry?

- What is "All-inclusive hostel" concept?

- How to reach the target customers and influencers?

- How to communicate more effectively to the target groups?

3 GRAPHICAL CONCEPTUAL FRAMEWORK
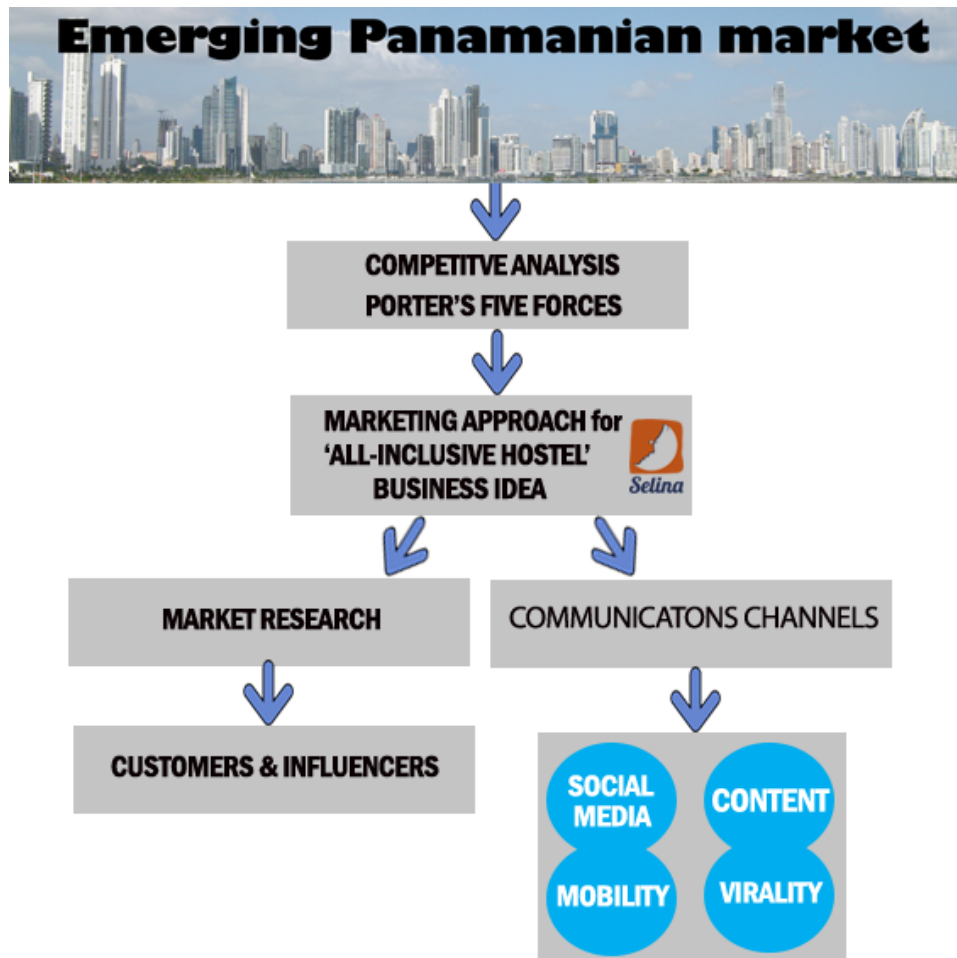
Figure 1: Relationship of the elements discussing

The graph above summarizes how the theoretical knowledge and the case company connected. Initially, the thesis is discussing how attractive the emerging Panamanian market is in hospitality industry that boosts the case company to strive for differentiation with the assist of two theories which are Competitive Analysis 12 pillars and Porter's Five Forces. Afterwards, explanation of "All-inclusive hostel" idea will be given in order to support the marketing strategies. Thirdly, target customers and influencers who are suitable for the hostel and how they are reached and communicated will mentioned and analyzed in a detailed way.

4 SELINA HOSTELS, DEKEL GROUP BACKGROUND

Before the start of the theories, it is more sense to mention the case company for a better understanding of the surrounding situation.

4.1 Selina Hostels

Dekel's latest brand creates a new benchmark in the world of hospitality. In fact, a totally new concept in the marketplace being introduced at Dekel's recently launched Blue Playa Venao project. The hostel's perceptions have changed radically in recent years and Selina could not be more different to the traditional view – something is remarkable if it redefines its accepted description and Selina Hostels does just that; it redefines hostels in terms of comfort, service and quality and more specifically it utilizes "All-inclusive hostel" idea. By applying this new concept, Dekel targets to fulfill all the demands of customers (e.g. tours, entertainment, bar, restaurant, concierge, etc.).

Selina's second project in 2015 will be conversion of an existing four-storey building in Panama City's Casco Viejo. The building will form the basis for the 250-bed hostel with roof terrace and pool overlooking the Bay of Panama, the historic Casco Antiguo on one side and the dramatic City skyline in the background. A third property will open at the end of 2015 in the popular tourist destination of the Bocas del Toro archipelago in North Western Panama.

The concept for Selina encompasses the provision of high quality yet affordable accommodation for budget and mid-end travelers in modern surroundings and stunning locations.

Dekel has created a new standard in hostel quality in Central America combining rustic culture with superb quality and services.

4.2 Dekel Group

Dekel is perhaps the most versatile, diversified development group at the forefront of Panama's vibrant real estate industry. Company principals have proven track records within their fields of expertise and this young team has infused fresh vigour into Dekel's vision of delivering maximum added value to group assets.

Dekel comprises a close team of highly experienced and skilled individuals. In-house expertise covers all aspects of corporate management and governance from financial control and asset management to engineering, project management, architecture and design, construction and property management.

Over the last seven years, Dekel Group has grown into one of Panama's leading real estate developers. The Group's portfolio of land and real estate assets has grown exponentially, whilst the company has also expanded its sphere of operations into the tourism, leisure and hospitality sector.

Dekel Group's founding partners have accumulated many years of experiences in the real estate development and management industries. When they first visited Panama, they recognized that this small country was set to keep growing in terms of its economic and commercial development potential. They found an enticing commercial anomaly: undervalued land combined with socio-economic and geopolitical stability pointing to an exponential uplift in values over the coming years.

The Board has seen Dekel grow into a diversified group of over fifteen individual businesses and, having built intrinsic value growth into the business plan, they are now well on their way to adding maximum value to group assets.

5 OUTLOOK OF THE PANAMANIAN MARKET

Before entering into any market to launch a new business, every firm needs a strategy to guide them to understand their target market from general to specific level.

To gain a thoughtful definition of the industry where Selina competes, there are two main market analysis tools, which are competitiveness analysis and Porter's Five Forces will be helpful.

5.1 Competiveness analysis

According to the website International Living (2015), the Republic of Panama occupies 75,990 kilometers, located between Republic of Costa Rica and the Republic of Columbia which connects Central and South America. The population of Panama is 2.9 million and Panama City, which is famous with the canal using as a connection between Atlantic and Pacific with 80 kilometers long, is the capital of the country. The main language spoken in Panama is Spanish but English is considered as the second one due to its wide use.

Panama has two main seasons: rainy, from May to December, and dry, from January to April.

Competitiveness of a market is a level of prosperity that can be achieved by investments. In fact, the more competitive the market is, the more potential benefits gaining by the investors (WEF, 2014-2015).

To define the competitive level of each market, World Economic Forum has set down twelve pillars which are (1) Institutions, (2) Infrastructure, (3) Macroeconomic environment, (4) Health and primary education, (5) Higher education and training, (6) Goods market efficiency, (7) Labor market efficiency, (8) Financial market development, (9) Technological readiness, (10) Market size, (11) Business sophistication and (12) Innovation.

However, since the main industry analyzing in this thesis is hostel industry, the author decided to principally focus on the factors (1), (2), (7), (11) & (12).

First pillar: Institution

This pillar focuses on how the government's policy support or encourage investments in order to generate wealth to the individuals, firms and the society.

Applying to the first one is really basic which is *the currency* of Panama is so-called Balboa. It has the same value as U.S Dollar from the America. Given this monetary stability, Panama attracts not only a lot of American tourists visiting to which contributes to the growth of tourism industry, following hostel industry but also American enterprises who desire to take advantage of no exchange controls and capital can be moved freely in and out of the country.

Due to the fact that tourism industry has been booming in recent years, the Government decided to reinforce *a tourism master plan*, which was established in 1993, with the aim of boosting this industry with the massive growth. The plan has eased plenty of barriers to the investors. Including in this plan are some grants, following the Law number 8 of June 14, 1994, are follows (Stephens, 2006, 12):

- Total exemption for twenty years from import duties on construction materials, furniture, equipment and other items, such as tablecloths, linen, towels, glassware, as long as such items are not manufactured in the country.
- Total exemption from real estate taxes for twenty years, provided that the investment represents at least US$300,000 for hotels and motels located in the cities of Panama and Colon; or US$50,000, for those located in any other place in the country.
- Total exemption from wharfage on piers, and usage fees of airports constructed or rehabilitated by the investor. These facilities may be used by the government at no cost.
- Total exemption from income taxes on interest from loans, utilized in hotel and motel investment operations.
- Special depreciation rate of 10 percent per year on real estate property.
- Exemption from any tax levied over the net worth of the company.

Taking advantage to the aforementioned incentives, a lot of enterprises have been investing in Panama in mostly in hospitality, which makes this market become more competitive.

Second pillar: Infrastructure

Infrastructure helps investors with decision-making on how accessible the economy is to connect to the rest of the world at the most reasonable cost. In other words, whether the transport and communication infrastructure network are well-developed, the firms can integrate its business to other countries (Schwab, 2014).

According to New York University Blog (2014), Panama's infrastructure is known to be one of the best in Latin America and has been, currently, well-developed in and around urban areas. To upgrade the infrastructure for fulfilling transportation demands, the government has *widened roads and railroads network* throughout the country, and *several international airports*. Furthermore, considering as an Atlantic bridge, Panama Canal is the main maritime route for goods/ products transportation between the Central and South America. Owing to the high traffic every day throughout the canal, the Panama canal expansion project has been progressed with building the third set of lock – a third lane of traffic and expected to accomplish in 2016. With this new lane, canal's capacity increases by two times to handle relatively bigger vessels to meet demand growth with enhanced customer service (Canal the Panama website, 2015). Thanks for this expansion, materials transportation cost will be much lower which means building a new hostel in Panama will be much cheaper than before.

In a lot of developed nations, communication both internally and externally is the key of success. To be more specifically, broadband has such an important contribution in the economic growth by producing a series of effects similar to those generated by infrastructure deployment. Being aware of this fact and with the serial development, Panama offers an extremely *well-developed* infrastructure for *broadband services*, and international connectivity using fiber optic, submarine cables via the Atlantic and Pacific Oceans and a variety of satellite systems (Stephens, 2006, 7).

Furthermore, establishing a legal entity in Panama is easy (Arroyo, 2014). There are three most commons business vehicles launching in Panama: local operations, local limited liability companies, and branches of foreign corporations and those are all quick and easy to set up by executing articles of incorporation and filling them at the registry of companies which approximately take one week. For this reason, it is a right time for Dekel Group expands their business to launch hostel chains in Panama under the name Selina Hostels.

Fourth pillar: Labor market efficiency

According to WEF, it is critical that the effective and flexible labor market contribute in an intensive way of the economic competitiveness. In order to achieve the efficiency and flexibility of the labor market, the government must enforce incentives to give their best efforts in their jobs, flexibility to shift workers from one economic activity to another rapidly and at low cost, and to allow for wage fluctuations without much social disruption.

Currently, since Panama desires to attract more foreign investments, its *visa entry requirements* are more than welcome than in the past. This is exemplified by the fact that the Panamanian Government reinforced a new work permit visa for the expats are as follows (Angloinfo, 2015):

- Expats must have either a Panamanian or accessible foreign bank account with at least a $5000 deposit (Past: only accepted Panamanian bank account with at least $7000 deposit).

- Expats must demonstrate: Ownership of Panamanian property; Ownership of Panamanian/Panamanian residence corporation with business license (Past: only Panamanian corporation accepted); Offer of employment and contract from a Panamanian/ Panamanian residence business (Past: only Panamanian corporation accepted)

- Expats must have Health certificate can be obtained in their home country (Past: Only accepted the one acquired in Panama)

- Electronic application are available and interview can be processed in the Panamanian embassy in expats' home countries (Past: interview can only be taken in Panama)

Based on the aforementioned changes in visa policy for foreigners who want to work in Panama, it is firmly stated that the government is more flexible welcoming talents from all over the world. More importantly, hiring some foreign interns to work at the hostel, significantly, is a smart move of Selina Hostels. This tactic helps them with the talent shortages, and increasing more intelligence and overseas professional skills.

The second reinforcement in labor policy is the *wage benefits*. For instance, Panama is also entitled to a thirteenth month payment, a fictional additional month of salary, to be paid in three parts during the months of April, August and December (International Living, 2015). Additionally, the compensation paid to foreign personnel increased from 10% to 15% according to the multinational headquarters law.

The elimination restrictions on collective bargaining and an exemption that allowed companies to use temporary workers for three years *contributes to the right to strike* in Panama which is the third reformed incentive labor law (The White House website, 2015).

Last but not least, according to Arroyo (2014), employees operating under the multinational headquarters license, and employees with exclusive overseas responsibilities are exempt from the payment of personal income tax which is between 15% and 25% depending on the income level.

Fifth pillar: Business sophistication

Whether setting up a business in Panama is easier compared to others Latin American countries, entrepreneurs now will think about how advanced growth the organizations can be extended. In other words, it can be said that the more quantity and quality of local suppliers, the more extent of their intensive contribution to the business growth.

Mentioning business sophistication, there is one crucial factor contributing to this pillar is the *value chain breadth* of Panama thanks for its geographical location.

Firmly stating again, due to its advantageous strategic location, all the critical business, logistics, value-added services, and supply chain elements altogether provide unparalleled services for customers. In addition, Panama possesses the world's second largest Foreign Trade Zone, featuring unique store-front access to wholesalers. It serves as a gateway for Caribbean, Central, and South American distribution, and hosting the world's most critical canal to speed Ocean cargo to the U.S and beyond.

The second element contributing to the business sophistication of Panamanian market is the *extent of marketing*. There was a heap enhancement in the marketing activities. Explaining it in other way, we clearly see that all the enterprises have to invest highly in the marketing campaigns since it is the only way to win the customers. Especially since Panama has more FDI than ever, the market becomes more competitive and that's why the customers expect to experience more different and creative marketing campaigns. There was one outstanding marketing campaign which brought more than 39,000 additional travelers to Panama belonging to a joint effort between Copa Airlines and Panama Tourism Authority (The website of Copa Airlines, 2014). The campaign has been named "Panama is possible", launched since 2014 and introduced a tons of travelers from more than 20 countries to Panama's most exotic and extinctive natural heavens. The campaign ended up with a draw to fine the luckiest traveler whose prize was to enjoy an inclusive tour around Central America. Learning from this case, both Copa Airlines and Panama had gained a lot of benefits from this creative win-win marketing campaign.

Sixth pillar: Innovation

According to the definition of WEF regarding of the pillar innovation, it can derive from new technological and non-technological knowledge. Know-how, skills and working conditions are the elements of non-technological knowledge which is more closely related to the business sophistication – fifth pillar. With this final pillar, it is unsurprising stated that cutting-edge technology contributes significantly in the contribution of the economic productivity.

In order to possess innovation for the economy, enterprises in Panama have to produce or design and develop cutting-edge products and processes to win over with a

competitive edge and move toward even higher value-added activities. Applying in to Panamanian market, last year was a huge success for innovative *government procurement of advanced technological products*. There is a fact that Panama just has recently designed and implemented innovation policy (OECD, 2015) which demonstrates throughout "Panama's national innovation strategy: The pluri-annual plan 2010 – 2014 (PENCYT)". Strengthening of university capacities in the field of logistics is one of the priorities of the national strategic plan is the main feature of PENCYT. Furthermore, another practical highlight of the plan is to raise general perception of "innovation". By implementing this activity, Panama aims to strongly confirm that science and technology are powerful assets to help the country shift towards better living conditions; and at the same time, support the strengthening of domestic firms. This is illustrated throughout a digital literacy program, aiming to increase the accessibility of ICT in poor and rural areas and those with indigenous people, and therefore contributing to the reduction of digital gap. There are more and more raising awareness campaigns will be launched in the near future in order to facilitate access to the digital network and contribute to the development of local communities and their integration into the national system. For more information about this plan, please see *Appendices 1*.

Besides, acknowledging the fact that people become more sensitive regarding their intellectual property's protection, especially when they debut their ideas in the Central America, Panamanian government decided to enforce IPR-specific prosecutor with national authority in 2003 (The website of the U.S. Department of State, 2011). This legal department has consolidated and simplified prosecution of patent, trademark, and copyright cases.

In conclusion, although there are still some problematic factors for doing business in Panama that the Government needs to tackle, for example, high corruption rate; inadequately educated workforce and poor work ethic in national labor force, Panama currently possesses the most crucial elements of a potential market to transform to the developed market. Based on the aforementioned analysis concerning some competitiveness pillars of Panama, the country has a strategically logistical location for international freight businesses; a politically stable country, not a lot of chaos happening compared to the others Latin America countries; an open, market economy

with a lot of incentives and supporting from the Panamanian Government; and its widely commercial spoken languages are English and Spanish.

5.2 Porter's Five Forces

According to Porter (2008), the frame of the analysis tool is to identify five forces in the microenvironment that drive competition and threaten a firm's ability to make profits. The model below illustrates how interconnected the five forces are together.
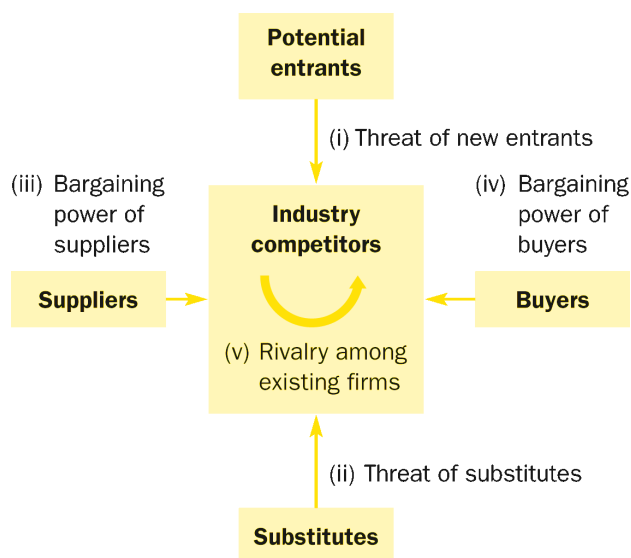

Figure 2: Porter's Five Forces Model

1. ***The threat of new entrants:*** New entrants to an industry bring new capacity and a desire to gain market share that puts pressure on prices, costs, and the rate of investment necessary to compete. Moreover, whether new entrants are branching out, they can utilize existing capabilities and cash flows to shake up competition. The more sophisticated level of the industry, the more entry barriers for the new comers but the less threatens for the existing firms.

   Despite the fact that doing business in the hospitality industry in Panama is easy in terms of legality, entrepreneurs still has hesitation at the same time. Indeed, the hospitality has become booming recently since Panama offers wildness through exuberant and native culture by seeing indigenous culture and more and more thrilling activities that will make customers feel chilling out without the involvement of city mess to the travelers. This phenomenon attracts more and more in-

vestors in this industry which threats Selina. Notwithstanding, launching a new hotel/resort needs an aggressive investment. For example, according to Trotter (2015), the building cost per room for a hotel, of course it depends on how high quality of a room you desire to build, is around $86,900 for a budget/economy hotel and $334,900 for a full-service hotel (Appendix 2). However, critically speaking, an average cost for building a hostel is affordably low which is around $20,000. Hence, it can be stated that the *threat of new entrants* for the hostel establishment is *neutral* in Panama.

2. ***The threat of substitutes:*** A substitute is a product in another industry that the consumer may see as alternatives and would indirectly harm the company in the related industry. Practically, the substitutes are easy to underestimate because they are wide and very different from the industry's product. When consumers have numerous substitutes the industry profitability would definitely suffer unless they distance it from substitutes throughout added value product, marketing, or other means. There are two scenarios signing that the threat of substitute is high. Firstly, the relative values of substitutes are better than the industry's product offering with more competitive price (e.g. internet based phone services – Skype vs. long-distanced telephone service). Secondly, the cost of switching to the substitute is relatively lower on customers' side. Applying to the hospitality industry in Panama, there are various choices either direct or indirect substitutes for customers to consider. For instance, there are a lot of crowd-souring for online accommodations like Airbnb, Bed-And-Breakfast (B&B), etc. with a relative low price and more interaction with the local people, customers who have high price sensitivity would rather book with it than staying in a hostel.

Secondly, tours organizers are also threatened to stand out of the crowd since it serves the entertainment to the travelers. Considering as a tourism place, Bocas Del Toro has plenty of travel agency businesses which also offer a lot of competitive price tours packages. Hence, the challenge here is: how are the tours amongst the organizers distinguishable?; and How the customers get benefits from that difference?. Due to those concerns, the threat of substitutes in hospitality in Panama is *high*.

3. ***The strength of buyer power***: Powerful buyers can be defined as who can force down prices, demand better quality or more service to capture more value. They have this power as they are price sensitive and are able to negotiate the price with the industry participants. There are two characteristics demonstrating buyers groups who have negotiating leverage. First is the buyer group that purchases a large relative to the size of a single vendor. This group normally exists in the industry with high fixed costs and low marginal costs, such as telecommunications equipment, off-shore drilling or bulk chemicals. Secondly, if the products in the industry are standardized or undifferentiated, buyers can always find equivalent products, they will always ask for discounts, especially if the groups of buyers are price sensitive.

Concerning Panamanian situation, the majority of travelers is mainly backpackers who have limited budget so that they usually seek for some discounts as much as they can. Moreover, since there are a lot of competitors in the same industry, the guests can always find a substitute suitable for their budget. For this reason, differentiation in the service concept is the successful key to compete in this harsh industry. In conclusion, the buyer is *highly powerful* in terms of *customer services quality and differentiation*.

4. ***The strength of supplier power***: In every industry, there are always three main stakeholders who are suppliers, companies and customers. To run a business, the companies need to not only depend on their powerful customers but also the power of their suppliers. The question concerning here is how the powerful suppliers affect upon the company's tactics. Simplifying the fact, if the suppliers, including suppliers of labor, are monopolies in the industry like Microsoft with its fragmentation of PC assembling; Or it costs aggressively for the industry participants for switching suppliers because it takes time for a big corporation to learn how to operate a new supplier's equipment; Or suppliers offer differentiating products like pharmaceutical companies offering patented drugs with distinctive medical benefits have more power over hospitals, health maintenance organizations, etc.

The power of suppliers in hostel industry in general is *medium* in Panama owing for two reasons. Firstly, concerning the national suppliers, they do not have much difference neither in prices nor customer services. Most of the suppliers (e.g. mattress, table wares, kitchen utilities, furniture, etc.) are owned by households who launch the business with their instinct mostly that can explain why they do not value the customer services. However, since mentioning above, Panama has attracted a lot of foreign investors to this country, thus, the war now is not happening domestically anymore, but internationally. Combining these two supplier categories, the environment will get more competitive amongst suppliers regarding the quality and customer services.

5. ***Rivalry between existing competitors:*** The aforementioned forces all feed back into this crucial one. According to Porter (2008), price discount, new product introductions, advertising campaigns, and service improvements are the familiar forms that can be seen in the war between existing competitors. Nevertheless, there are two determinants for the degree to which rivalry drives down an industry's potential profits: The *intensity* with which companies compete; the *basis* on which the companies compete.

The intensity of rivalry is greatest if there are numerous competitors that bring more toughness, competitiveness in both terms inside and outside the market; the slowness in industry growth then rivals has to fight for their market share; and Market exit barriers also influences the intensity level of rivalry. To clarify this key, the sunk costs for the exit decision of the firm should be considered. Sunk cost is a cost that has already been incurred and thus cannot be covered (Investopedia, 2013)

The basis of which the companies compete mainly effects on price competition. Services amongst the rivals are identical and buyers switching costs are low which lead to cutting down the prices to gain more customers. Fixed cost is the first scope to be considered. If they are high and marginal ones are low that again, it will incent rivals to decrease the price below the average costs, mostly. In contrast, whether the products have perishability that push the rivals sell when

it still has value. This price war happens mainly with groceries products, for example.

One more key which influence the level of rivalry is the market exit barriers. Based on the definition of sunk cost in section 2.1.2, hospitality industry needs medium-high investment which has quite a lot of "uncoverable" costs, that leads to the firm to enter or even exit is medium-high.

To sum up, the *competitive environment* of this industry is *high* in terms of product differentiation and innovation; yet it is very difficult for new firms can enter to auto industry so that there is a medium of degree of rivalry in this industry.

6 MARKET RESEARCH

6.1 Customers

In order to understand the company's target audiences, market research is all the time utilized even in the digital era. According to Kotler, et al (2008), market research is the process of gathering, analyzing and interpreting information about the market, product or service to be offered for sale in the market, and about the past, present and potential customers for those products or services. It is also the activity of researching characteristics, spending habits, location and needs of the business's target market, the industry as a whole, and the particular competitors the business is facing. Some market researchers mainly depend on paper-surveys, conducting interviews with the focus group or they would outsource from a reliable market research company. However, it would cost them a lot of resources until they can understand their target market which is unaffordable small enterprises to implement.

With the advanced technology are available nowadays, there are more choices for firms to get a better customer insight. If we are in the discussion regarding market research in the digital advanced technology world, there is no more relevant concept to look at than *SEO – Search Engine Optimization.* With the analytics gathering from SEO's data, the company would obtain the information concerning where their target people are from, what the most recent trends are and what the strategic priorities the companies can decide for their brands and products (Kaden & Linda, 2012). There are two main focuses that the companies could get support from the *SEO* regarding their market research:

- *Decoding the most urgent concern of the firms' audiences*: with the keyword research and content deployment from *SEO*, the main tools utilizing currently is Google Analytics, LinkedIn, etc., the firms could not only get the information but also support with decoding the most pressing and urgent customers' concerns; influences and factors impact upon their buying decisions; and last but not least, their most current problems and trends.
- *Focusing the content*: By taking advantage to the support and information from SEO, the enterprises could, firstly, reach their target audiences. After this step, they are ca-

pable of creating the firms' attractive, authentic and transparent content that the audience wants and steer them to the firms' sales cycle. The how-to build content will be discussed in later part.

6.2 Influencers

The second knowledge that had been approached by a communication classic, was "influencer engagement", is still on the rise. Influencers, conventionally speaking, are people who have the power to affect the purchase decisions of others because of their real/ perceived authority, knowledge, position or relationship (Shelley, 2014). However, some people said that if they have an attractive marketing campaign with a greatly innovative product, so why should we care about the influencers? They might be right, yet, there is a survey conducting by Bacon (2014) resulting that 90% of people believes brand recommendations from their friends, only 10% trusts brands or the advertisements. Based on this recent survey, it is clear that influencer engagement is a marketing strategy that needs to be kept in the current. Recently, in digital era, *influencer engagement* has been known as *influence marketing*. Technically, the main objective of both terms is to build the brand notoriety by approaching the buyers' influencers, yet the way it has been executed has been improved and upgraded creatively owing to the digital shift.

The influencers' approach can be either direct or indirect. For example, Selina Hostels organizes weekly party on every Friday and askes some famous local or international DJs to be part of the event. This way of communication works effectively, yet it can only reach a small amount of the hostel's target influencers mainly who love EDM music. Nevertheless, the hostel aims to reach as much target customers as possible, thus, they started to recruit bloggers, or Youtubers to talk about the hostel. This strategy enables the influencers to act as (Roy, 2014):
- *Inspirers*: being a well-known person in a community helps the influencers to be capable of adding a thoughtful and attractive content and response to the company's target audiences throughout his/her own content.
- *Collaborators:* collaborative content, for instance a series of video-interviews or setting up a joint event, is a major step to broaden the exposure of the content.

- *Amplifiers:* the next step is to widen the scope of content's exposure. However, the challenge for each company in this step is to choose influencers who are the key players who have the company's target audiences. A major mistake that most of the company embraces is choosing those influencers who have the largest number of followers, fans or readers, yet who are not the company's market segmentation.

- *Critics:* asking for the influencers' critics is a good way to enhance the company's content because they are all experts on content improvement; and in turn, they will appreciate this gesture and recognize that the company really does value their opinion and expertise, increasing their willingness in actively helping with gaining greater exposure through their networks.

- *Stars*: Most of the people desire to be recognized or well-known widely. So do the influencers. They are all seeking to be a recognized thought leader, to promote their own specific expertise and to build their own personal brand. Hence, it is really important that the firms give them exclusive information about the products so they will be more than happy to co-create the product content with the firms.

7 COMMUNICATION CHANNELS

Communication is defined as the process by which information is transferred between one individual or group and another, both within and outside the organization (Jones 2007).

After identifying who the company desires to target to and communicate with, building the content of the message is highly important.

7.1 Content Marketing

The phrased describes a message which can be interchanged by "content" and flows in every direction through a variety of seamless platforms, formats and devices. The content is easily accessible, shareable and publishable at a wide scale (Odden 2012). For the success of all of the aforementioned marketing methods, Content Marketing must be achieved. In other words, Content marketing is most crucial element of digital marketing. The statement is not exaggerating anymore if the importance of Content Marketing is discussed.

In a simple way, building an authentic content allows the company to approach to attract, engage, and inspire customers to a logical solution to buy and share through content that emphasizes with the varied interests and behaviors during the buying cycle" (Jefferson & Tanton 2013). Moreover, the Eldelman 2012 Barometer of Trust report presented at the World Economic Forum figured out that trust in governments decreased by 9% in 2011 and the same crisis fall to business with 5% reduction of trust level. Consumers, currently, have a thought that they are living not only in the digital world but also cynical world. Due to the crisis of growing lack of trust, marketers need to build a valuable content where customers can understand, feel and see the firm's expertise, usefulness, authenticity and humanity instead of merely how great the firm is. In a more detailed way, a valuable content delivers (Lieb 2011):

- *A spotlight*: With possessing a deep understanding to the company's target group, they can utilize that knowledge to get found online. For example, while writing a blog of giving back-packers some travelling tips, they adopt the style and language of that target group.

- *Star quality*: Always searching for differentiation and uniqueness allows firms to stand out from the crowd. Indeed, customers become savvier with the services quality, especially now they can check reviews/ feedbacks on a lot of webpages.

- *Buzz*: Since people know the company, they will talk and discuss online and offline with their friends/ relatives which make the firms get more mentions. Even in the situation that their peers do not know about the company, they will again check it with other people, and so on, thus, the more the firm get found, the more they get talks and discussion.

- *Shelf life*: As long as the content is memorable and useful, customers would come back to use the company's services again at their purchasing time.

- *Personality*: Being authentic with the content helps entrepreneurs to gain trust and likes from the audiences. The reason behind is that

After acknowledging the benefits of a valuable content, the action is now how to win with the firm's content over their competitors. There are seven guiding principles for creating a valuable content suggesting by Lieb (2011) are following:

a. *Put the customers first*

   It is true that customers only care about their problems and how to tackle it so that if firms are merely proud of their innovative products, they will lose their customers eventually. Customers are primarily buy firms' products and make profit for the firms, thus, all the marketing communication should be beneficial to them and second concern will be the firm's business. In order to do that, with the help of market research on the firm's target group, companies are able to talk more about the group's needs and how to fulfill it. For example, a lot of hotels are facing a common mistake which is uploading an overload edited-photos of their properties. It seems like they all see that those look nice, artistic and attractive in their eyes, however, it does not look true in customers' eyes. Too much effects makes customers think that firms' assets are offering are either too fantasy to be existed or have a lot of hiding spots. Customers desires to see and feel the authenticity in the original photos to make them feel they are already in the place of the photos. Originality is not everything that customers need. Companies have to have a deep customer insight so that they can know how to create a valuable content based on the mantra "Customers come first".

b. *Help, don't sell*

This guide sounds contradictory to the eventual objective of marketing. Nevertheless, being a helpful advisor is the only way to connect with cynical customers in a digital world. Before reaching to a purchase, marketers need to build a trustful relationship with their customers so that they can think of the company's products at their purchasing time. For a longer term, gaining the audience's trust would help the firms not only making more profits on it but also more new relationships from them. This is also true for any other circumstance. Imagine that when customers come to a hostel after a long bus drive and the receptionist starts "*advertising*" the hostel's new services without asking what the customers truly need so he/she can help them; they will feel annoyed and "*being sold*" with the services. Hence, in order to help customers, firms should always listen to them first.

c. *Give the company's knowledge a way, for free*

Everyone loves the word "free". Moreover, it is also memorable for the ones who benefit from it who brings it to them. It is abundant to discuss the reason why customers highly prefer give away stuffs so it is more crucial to see how firms can gain benefits from their free hard-earned knowledge. There are a lot of concerns that giving away free knowledge means entrepreneurs are creating a chance for their competitors to steal your company's divulging secrets; or why should they do that for *free*. The simple answer is allowing the competitors steal it does not mean they will win the firm's business. The products and services are not only information and know-how that make people choose the company. It is more than the experiences, the services processing delivering by expertise staffs. For this reason, to be hard to beat, firms have to be different and unique to stand out of the crowds. The last but not least notion is that the more generous the firms are, the more benefits in terms of referrals and reputation that will more than pay itself they can earn.

d. *Tell a good story*

Story can be easily written in newsletter format or even in a formal speech which will be spread in a large scale. Indeed, telling stories from the heart is an intersection between what the company is offering and what their customers truly want. A good story includes meaning, creative and strong idea of the company's stand in the market so that customers are able to feel connected and spread it further.

7.2 Mobile Marketing

The mobile marketing is "simply marketing activities conducted over the medium of mobile telecommunications devices (McDonald & Meldrum 2013). Moreover, in the book writing by Kaufman and Horton (2014), they mentioned mobile as the real-time enabler of the digital culture. However, without the existence of smartphones and tablets, there would be no on-the-go numerous options and capabilities for consumers, which then empowering them so much like nowadays. The mobile marketing starts from the simplest activities via mobile devices like sending SMS or texts. For instance, the airline operators will automatically send a reminder of their customer's flight itinerary. More sophisticated activities which are becoming more popular like the development of "apps" that either replace an organization's website or provide a particular aspect of service; social games for mobile devices; and the most recent one is payment mechanism. There are a lot more enterprises in different industries nowadays are taking advantage of mobile technology's popularity. But the wander here is that why the mobile marketing is highly preferable by both consumers and sellers like that?

There are two main natures of mobile marketing that answer the question above:
- What is *unique* about mobile marketing is that the organizations are able to highly target, direct, personal, and immediate communication and exchanges. In other words, this can be seen as the ability to connect with the consumer at the very heart of their personal space, location, and even their consumption context (McDonald & Meldrum 2013). For example, imagine that a person, who had a bad day at work, was received 20% off for their favorite meal at the restaurant on their way home. It would definitely drive him/her to pass on that restaurant buying the suggested meal. There is not a coincidence or luck on this person's purchase. The restaurant captures and stores their frequent customers' personal information and past purchase behaviors in order to send them offers just in time after their work thanks to mobile marketing.
- In addition to the mobile marketing's characteristics that makes it become highly preferable by the marketers, it has the *"future" of sales*. This is exemplified by the fact that it creates the possibility of customers and sellers integration. With the help of mobile website that facilitates social media where the firms can link consumers to their offline and online community.

Besides the aforementioned characteristics, which help the firms with their profitability growth, mobile marketing also leverage customers' relationships. Since it enables direct communication with the consumers, marketers can cut through a saturated media landscape with highly targeted communications and services for the user. It offers a valuable channel to reach target customers that might be difficult for other means to reach. Some people might say that this can only be true if the firm's target group is young generation who mostly use mobile technologies. In contrast, the group extends to the older group as well as those who live in the remote locations. Currently, mobile marketing has a deeper and more powerful penetration, which, as a result, will incorporate vast tracts of consumers and purchases in both individual and organizational settings.

As part of mobile marketing activities, there are some sub-drivers they should be touched on as firms try to market to their mobile audience suggesting by Pasqua and Elkin (2012):

- *SoLoMo:* which is the reflection of social media, local proximity, and mobile devices convergence and a smart phone application is a specific example of SoLoMo convergence. With an application, it is able to determine a consumer's location, suggest businesses close by, and provide ratings and reviews of those businesses. Furthermore, on the consumer's side, it allows them to post his or her own ratings, reviews, comments, and pictures onto the social networking site of their choice. For the above effects, SoLoMo, therefore, could ensure the easy accessibility when prospects are nearby, for a bricks-and-mortar presence. Starwood Hotels and Resorts is a good example of using SoLoMo for attracting their guests coming back to their services. They encourage their customers to check in on Foursquare for earning bonus loyalty points. In conclusion, taking the example of Starwood Hotels and Resorts, there are a lot of social apps are now created with the following mind-set: to keep the users engaged in-app for as long as possible in order to mine data from them (data which can be used to further improve the user experience and to generate ad revenue).

- *Augmented Reality (AR):* This sub-drive allows marketers to produce real-world experiences that literally become digital. Also, augmented reality blurs the lines between what is real and what is computer-generated; or it uses digital technolo-

gy to enhance a person's natural surroundings. For these features, customers can view, hear, touch and even smell the place where they are actually are not physically there.

However, there are some challenges for mobile marketing that marketers should manage them efficiently; otherwise it would negatively affect an organization's marketing efforts. A key challenge for organizations using mobile marketing is to achieve a level of interaction with consumers that adds values to the relationship but that does not threaten privacy. Additionally, marketers must avoid multiple, untimely or unwanted messages sending to their customers. This will then lead to annoying feeling from the customers that they are being treated in an impersonal way. Besides, since mobile marketing relies heavily on the wireless communications, this potentially opens the door for security and privacy breaches and the transfer of unwanted viruses, thus the technological factor should be taken care carefully to avoid those problems. The last but not least challenge is the immediacy of mobile communications. This means that the ideas of going "viral" would easily and quickly lead to dissatisfaction can be transmitted more rapidly than an organization can counter or compensate for. Moreover, it is factual that the propensity to communicate frustration or poor experiences is greater than the propensity to communicate positive experiences; hence, mobile communications seem to be as much a danger as an opportunity.

7.3 Viral Marketing

Thanks to mobile marketing in digital environment, marketing messages can be forwarded quickly at low costs to a great number of acquaintances, friends and even to complete strangers by consumers, like "viruses" (Rakić, 2014), which is so-called currently as viral marketing. Health (2013) defines viral marketing as the act of "creating entertaining or informative messages that are designed to be passed along in an exponential fashion, often electronically or by email." There are two main benefits of viral marketing bringing to marketers (Kaplan & Haenlein 2011):

- Firstly, it allows the products and services promoting at the very *low budget*, yet still reach the same or even *higher levels of awareness* as others means. Especial-

ly in hospitality industry, YouTube data shows that travelers are spending more time for watching travel-related content more than 118% year over year (Crowel 2014). Hence, for a start-up with a valuable content to gain awareness throughout YouTube is more viable and cost-effective compared to other means of communications.

- Secondly, with the ease of implementing a viral marketing strategy, but still assuring *quality*, *exposure* and *reputation*, it is a highly preferable marketing tool for a lot of organizations. Besides, three basic criteria must be met, with the help of SoLoMo, if market desires to be successful with viral marketing: the right people need to get the right message under the right circumstances that can be achieved with SEO which was discussed above. This benefit of viral marketing will be proved in the following part which is the conditions for an epidemic viral campaign (Kaplan & Haenlein 2011):

a. *The messengers: Market mavens, social hubs, and sales people*

According to the mentioned authors, finding the right people to spread the message is the first critical element for an epidemic viral marketing. Market mavens is included in this factor which refers to individuals who have access to a large amount of marketplace information, and proactively engage in discussions with other consumers to diffuse and spread it. As being a part of this informational loop, social hubs act as a distributional place for all the messages. In other words, the combination of *market mavens* and *social hubs* can be referred to *influencers* from traditional marketing. Besides, if the market mavens are not persuasive enough for spreading the news, sales people should step in to amplify by making it more relevant and convincing.

b. *The message: Memorable and interesting*

The name of this second condition already tells its whole meaning. Only messages that are memorable and sufficiently interesting and infectious would be able to be passed. There are several options how to build a message like that, yet, it would be discussed in a more specific way in the *Content Marketing* part.

c. *Traditional forms of communications back up:*

Viral marketing relies intensely on the buzz which tends to die out quickly within a couple of weeks at best. It is highly important to be aware that this kind of marketing is all about interesting creation and nothing is more than boring than the yesterday's news. Thus, to maintain momentum, firms need to complement viral

marketing with more traditional forms of communications. For instance, STA Travel agency in Australia released a viral video called "Move, Eat, Learn" (Youtube, 2011). The video inspired travelers to visit Australia, due to not only the breathtaking landscapes themselves but also its culture. Besides, travel site also included a series of discounts throughout its partnership with the national Australia agency by offering promotional coupon by 10% online booking. This combination between conventional and unconventional form of communication allows the STA to reach more target audiences and raise more awareness and interests of them.

7.4 Social Marketing

According to Brenna et al (2014), social marketing refers to a wide spectrum of processes and/or activities involved in establishing societal-level changes or individual changes. Hastings et al (2011) conceptualizes social marketing as "the most experienced management system for balancing and integrating the application of regulation, education, and facilitation tactics to meet the desires of large-scale populations as they change over time". This allows seamless generation of information and easy access to it which, consequently, enhance individuals' empowerment, participation, openness, networking, conversation and community. Acting as a management system, social marketing has five categories for its applications: blogs, social networks, communities, forum/bulletin boards, and content aggregators (Li 2013).

There are several tools leveraging social marketing activities like:
- *Social networking sites*: According to the 2011 Social Media Marketing Industry Report, 90% of correspondents said they have spent around 6 hours per day for Facebook, Twitter, LinkedIn, and blogs.

  Facebook: Since Facebook's exist, it really helps people cultivate a community of friends and share information.

  Blogs: are often seen as online diaries of someone who is passionate about a topic, and then share it with the world to foster an active community of readers who

provide comments on the author's posts. As mentioned in the traditional marketing part above, it merely focused on one-way communications aimed at transmitting messages from firms to their audiences, such as advertisements. Notwithstanding, with blogs, companies are able to engage with their customers, as a result, allows two-way communication via blogs can be gained. In general, blogs bring the following benefits for marketers such as: Instantly publishing timely information; Creating an easily controllable and accessible community and conversations with readers/consumers; Turning negative viewpoints into positive ones; Enhancing the firms' organic search rankings; And getting media coverage and attracting new customers.

According to Scoot (2013), there are three steps that help a marketer to become a blogger:

The first step is to acknowledging what people are saying about the company's market place and products/services so that you are able to sense the important bloggers, their online voices and viewpoints. This step is achieved by reading as many blogs as you can.

Secondly, find a potentially beneficial blog where you can leave your comments on it. This step helps marketers with letting the bloggers know who you are, what your viewpoints are and if you are interesting and have a good rapport at the beginning with them, they will share the information regarding your industry with you which you might not know. With the importance of this step, one of the successful factors is how you present yourself throughout your comments. Hence, researching deeply on your target blogger's viewpoint and blog etiquette (e.g. language, style, etc.) and plan your comments carefully so that you will be successful with your first shot. Besides, building a good relationship with them would be beneficial for marketers in a long-term.

After penetrating the blogging world, marketers can start their own blog with planning, designing and writing blog's content. Monitoring, afterwards, is a sub-step for this one. This does not only include updating the blog but also measure its results. For example, text-mining technologies is the best help for being responsive and

catching up the blogging trends which will later allow marketers to tap into the mind of the market place.

Twitter comprises short comments or posts and also considered as the most popular microblogging service currently. Twitter shortens the time requirements and allotted time for thinking for content generation, which consequently, become a huge source for consumer ideas. This tool allows marketers to track trends and mine data related to the success of products, performances, or services.

Media-sharing sites (Youtube, Flickr) use emotion to tell stories in ways that most other forms of marketing cannot (Scott, 2013) which is known as a "high-consideration touchpoint" where all the information goes down easier with visuals (Sluis 2014). Since almost everyone has a smartphone which is enough for making a video. With a ready smartphone's cameras, marketers can always for, for example, a short clip showing how their products are made or used without any professionals requirements with recording skills. Afterwards, product's blog can be the place to transmitting the video. Someone might argue that blogs represent a company so how can we dare to post a raw video on it. It is factually say that the less techniques involved in a video, the more authentic and trustworthy the video is. Indeed, customers are technologically savvy which there is not difficulty for them to see whether a video is real or technology involved. Based on the survey made by Sluis (2014), there were 56% of correspondents answered they feel more connected and convinced with un-editing video rather than the other. Hence, marketers should not be obsessed with the mindset that a video requires a lot of technological skills that will make them overlook to the benefits of it.

Review sites (TripAdvisors): Consumer-generated media and review sites are highly trendy nowadays so that to have a strong presence on the search engines, firms need to fight for excellent reviews (Dunphy 2015). Not only delivering good customer services for getting good reputation on the review sites but also dealing with bad reviews should be considered. As mentioned above, poor perceived quality is spread in a greater extent than the good one. For this reason, Johnson (2011) suggested that do not reply the negative reviews on-site, instead, contact the reviewers personally with your calm, clear and fair response. By taking this action, firstly, firms can handle the

spread of negative reviews directly to the reviewers; secondly, they could prevent the bad reviews are featured on the review sites so that, only good reviews are popped-up.

8 RESEARCH METHODOLOGY

8.1 Research Design

The research was conducted in three stages. Firstly, macro-economic environment of a country and industry, in this case is Panama and hospitality respectively is discussed to deliver more knowledge to the audiences. Following stage of research is the market research that the case company is utilizing. The last but not least is how the company communicates with its customers by applying for main communication channels: Content, mobile, viral and social marketing.

To connect the theoretical knowledge and practical research, the case company's background was given. Since the company allowed the author to be part of the project, the managers also supported the author to access to some company's information; however some data is kept confidentially at the request of the authorities. This kind of information is highly important as it acts as a bridge between the idea, "All-inclusive hostel" and the idea's marketing communication, which are communication channels.

The third section is the practical research. In this part, there are three sub-actions being taken which are interviewing, customer survey and marketing team's activities project that the author participated. Furthermore, with the aim of making the paper is smooth, the business idea "All-inclusive hostel" is described by reviewing its originality, advantages and disadvantages so that the marketing strategies can both leverage the strengths and remedy the weaknesses.

8.2 Data Collection and Analysis

Qualitative data collection is applied in order to gather the information needed for the paper. According to Jha (2008), the qualitative data is defined as "detailed descriptions of situations, interactions, observed behaviors, direct quotations from people about their experiences, attitudes, beliefs, and thoughts and excerpts or entire passages from documents, correspondence, records, and case histories". The materials were

mainly found from SAMK Library both online and in-house. Furthermore, some dissertations were taken as references.

Besides the aforementioned sources, an interview, which is part of the qualitative research methods, with the manager, Ms. Linda and the owners, Mr. Rudasevski and Mr. Museri of Selina was conducted while the author was physically in Panama. Since the interview was held in the meeting room of the hostel with more than 1 person, this is categorized as a group interview. The author was an interviewer and asked questions and everyone in the room can volunteer to answer those (UTSA University, n.d). The reason why the author chose this type of interview is to make the interview as a discussion to have clarifications if needed. There was a discussion before the interview to make an agreement between two parties what kinds of information the author can ask, the suggestion dates and venue for the interview. After that, the interviewers, the author, sent the questions in advance to the interviewees in order to make sure there was no misunderstanding amongst them and to save time for them during the interview. When the review was finished, the face-to-face interview was conducted at the office of Selina hostel in Bocas Del Toro. After the interview, all the answers were paraphrased to meet the consistency and goals of the report, nevertheless it still kept the sense of the interviewees' answers. Eventually, the final interview note was sent to Selina's manager to confirm the credibility and authenticity of it. (Appendix 3)

The third method was questionnaire dispatching to all the guests staying at the hostel which are the target population for the survey. This tool is grouped as quantitative research, which is frequently referred to as hypothesis testing research. The quantitative research method normally begins with statements of theory from which research hypotheses are derived (Jha 2008). The survey has been designed in order to achieve the customers' opinions under written form regarding their before, during and after their perceived experiences at the hostel so that it can help audiences to acknowledge how important and efficient the applied communication channels of Selina hostel are. *Written questionnaire* is the cheapest way to reach a lot of people and allows them to remain anonymous (WMICH University, 2003). Before dispatching the survey, its draft was sent to the managers for modifying it if needed and so did the result report. The surveys were given to the customer for filling in at their checks-in and in order

to shorten the time, the survey was structured to be clear and simple to avoid ambiguity or confusing questions. After 3-month of collecting answers for the survey, there were 1,200 respondents were reached. Survey's results were gathered, graphed and analyzed to support the paper's goal.

8.3 Validity and Reliability

Each research should have two desirable qualities: Reliability and Validity. According to UTMB University (n.d), reliability is the extent to which an "experiment, test, or any procedure yields the same results on repeated trials". Whereas, validity constructs measures what the research says it is measuring (UTMN University, n.d).

To maintain the credibility of the research, resources were chosen from the reliable websites with the most up-to-date version and the reliable authors.

Regarding the interview, as mentioned above, the company's owners and managers checked language of the author's note after her rewrite so that all the information and style of the note are suitable, correct and reliable.

The questionnaire had been implemented for 3 months to bring objective characteristic to its results. Besides, the questionnaire's dispatching length also shows how effective the chosen communication channels are that support the main goal of the paper. The last but not least, it was made in the briefest way following the manager's request to save time for the customers.
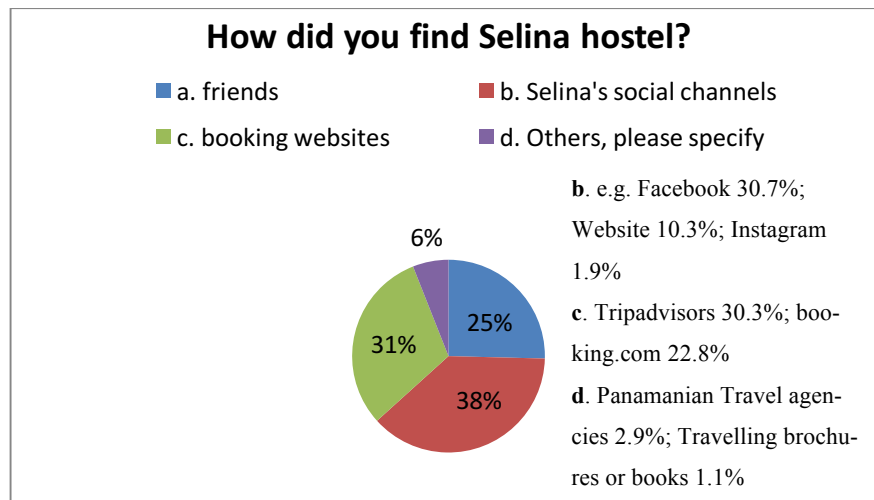
9 SURVEY RESULT

Question 1

Figure 3: Customers' ways to find Selina

The graph above shows the proportion Selina's communication channels contributing to its spread. Based on it,the majority of customers found Selina through its social channels, such as Facebook (30.7%), Website and Instagram. This number implies the fact that Selina is on the right track to get found online so that customers could land in its social channels, not through other intermediaries. The following figured channel by the guests is via some popular booking websites like Tripadvisors, booking.com, thus it is worth investing building partnership and content with those. Furthermore, "word-of-mouth' is the third common channel of Selina's customers whose purchasing decision is affected by their influencers. Hence, this is a sign to prove that the better perceived quality the in-house customers have, the more spreads the brand will gain.
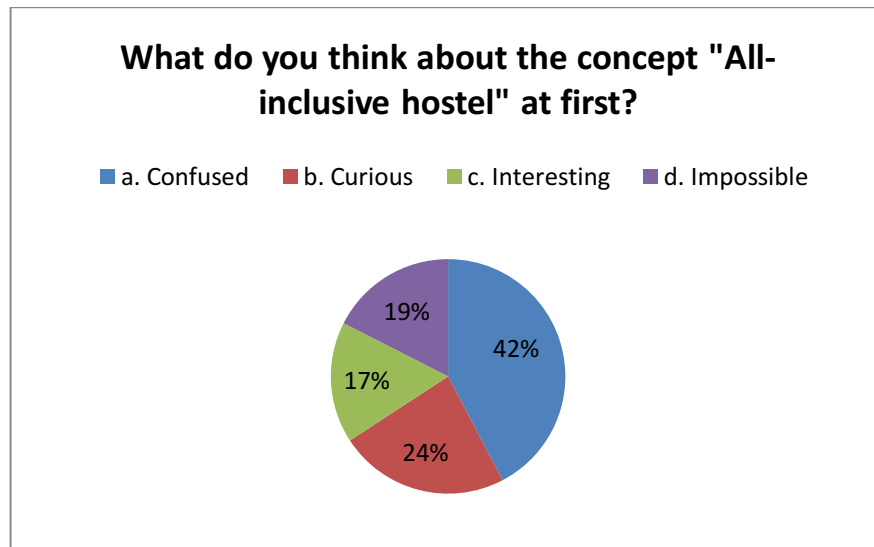
Question 2

Figure 4: Customers' thoughts of the "All-inclusive hostel"

The second question in the survey is related to the customers' thinking when they first heard about the "All-inclusive hostel". According to the pie chart above, 47% respondents said that they were confused with the concept because they have never heard of it before. The following 24% said that they were curious; 17% felt interesting about; and 19% thought that the concept was impossible to execute. The result is positive in terms of having the belief to the concept and "might" try it even with the confusion.
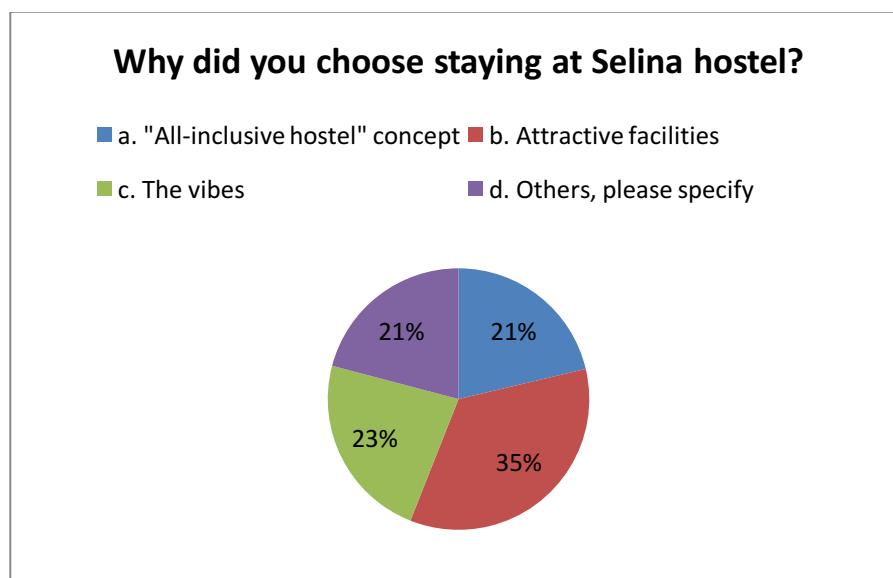
Question 3

Figure 5: Reasons to stay at Selina

With the third question, Selina hostels can be aware which parts of them are 41ttracttive to the customers which incent them to stay at the hostel. According to the result, the "All-inclusive hostel" concept raises customers' curiosity which if the way Selina communicates is attractive, different and creative enough, customers will be more tempted to experience the concept. Moreover, thanks to the concept execution which allows various facilities for the customers, it became the main hook of Selina. The last but not least which is contributed by the "All-inclusive" concept as well is the hostel's vibes from its different target groups posting on Facebook and Instagram.

Question 4

How is Selina's blog?

■ a. Never read it   ■ b. Useful   ■ c. Extremely helpful   ■ d. Aweful
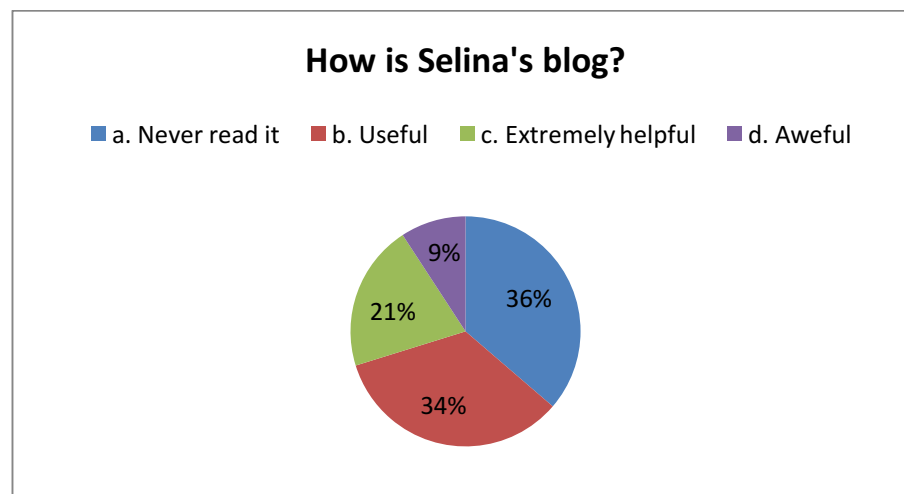
9%
21%
36%
34%

Figure 6: Selina's blog in customers' minds

According to the graph above, 34% of correspondents said that they found out the blog is helpful for them; following by 21% saw it was really useful. Nonetheless, there was still huge amount, which was 36% of customers, who have not read the blog yet, and 9% thought that it was awful. Hence, Selina Hostel should focus on the reason why the blog has not been seen as a helpful channel by the customers and then figure out the remedy for it.
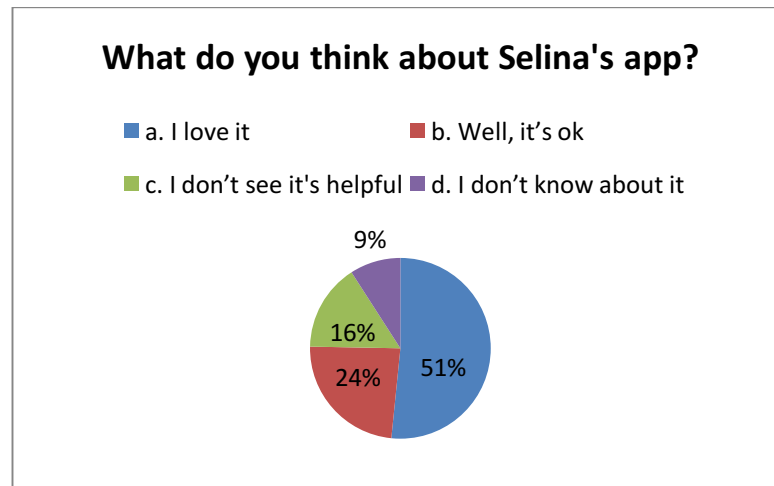
Question 5

Figure 7: Selina's app in customers' minds

The second communication channel that Selina desires to utilize is the application. After launching the application for a while, the hostel received slightly positive feedbacks from the customers. There was 51% of customers were asked how the app is replied that they love the application because they could get, for example, free drinks at the bar most of the time from collecting points in app. However, there were still 16% and 9% of customers who found it unhelpful and unaware about it, respectively. Thus, it is crucial that Selina could take action immediately in order to lower the percentage of those groups.
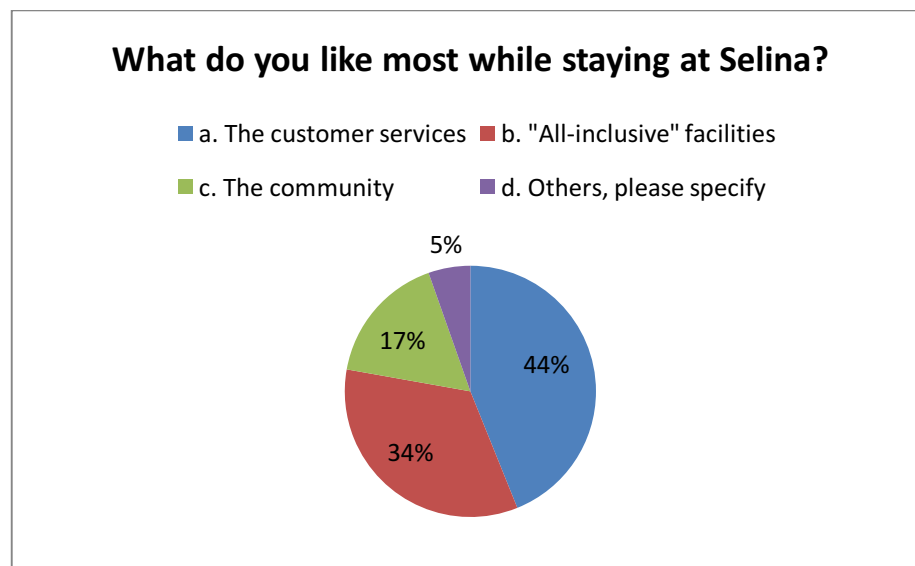
Question 6

Figure 8: Customers' preferences at Selina

Concerning the perceived experience of the hostel's guests, they are more tempted and satisfied with the customer service which is a good sign demonstrating that Selina has trained their staffs to bring the best hostel service in town really well. Besides the high-quality customer services, they guests also enjoyed the "All-inclusive" facilities so that they can feel like home and never get bored or tired of seeking around to see what to do. The last but not least contributing in the success of Selina is the community creating by targeting different groups of the concept.

Question 7

In the survey, question 7 is an open space for guests to suggest which should be improved for the better perceived experience while staying there and the follows are the customers' suggestions:

- More options at the concierge office (e.g. tours around the island, activities, tours times, cancellation policy)
- More various food choices at the restaurant
- Improve booking system
- Reduce the check-in time (e.g. complicated procedures, a lot of forms to fill in)
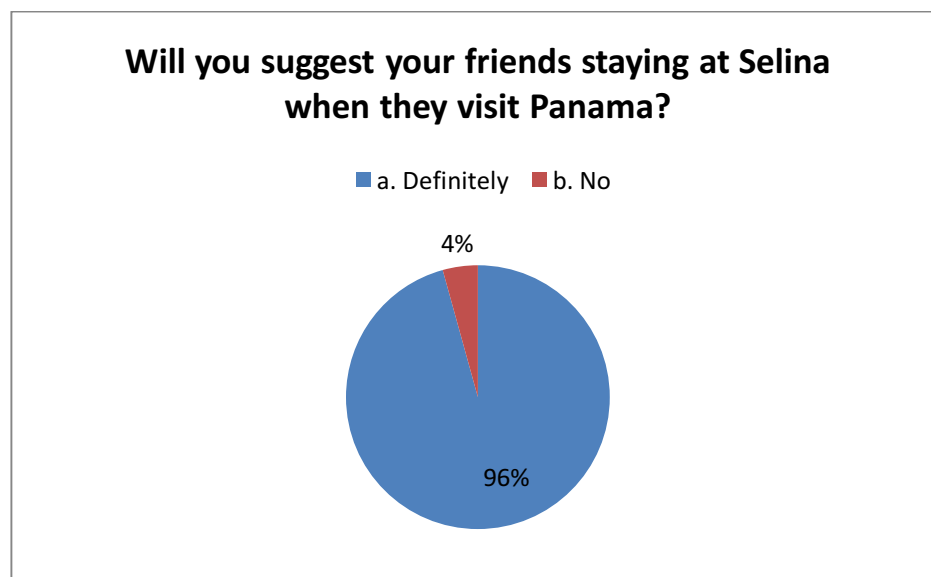- Flexible with the check-in time

Question 8

Figure 9: Customers' re-visits chances

The last but not least question is to acknowledge if the guests still desire to come back or even more, spread the words for the hostel. It is clear to see how customers

are satisfied with the hostel in general throughout the survey result since 96% answered that they would like to come back to Selina if they have chance.

10 SELINA WITH "ALL-INCLUSIVE HOSTEL" COMMUNICATION CHANNELS

10.1 The Concept's Originality

In fact, establishing a hostel chain in Panama demands an aggressive investment. Moreover, with the highly competitive level, entrepreneurs even need to think more strategically than solely dealing with the money. In Panama, most of the direct rivalries of Selina launches a basic hostel which offers customers "a - bed - to – sleep and an under – bed – to – place – their - luggage", not thinking about the word "a home". Being aware of how a home means to a person's journey, Selina Hostels came up with a newly innovative hostel concept "All-inclusive hostel" which means that customers are able to customize. However, the real war is further beyond than that. Selina desires to compete not only against others hostels but also against hotels, resorts, travel agencies, and bar and restaurants striving for the motto "Customers come first".

10.2 "All-inclusive hostel" description

According to the survey designed by the author, it shows that customers really enjoy the facilities at Selina, or better stated, "All-inclusive" facilities since it satisfies all customers' needs. Thus, this is a good sign for Selina to leverage the concept more for a long-term tactic.

Technically describing, the concept allows Selina to combine all kinds of services that they want for customer satisfaction. This is exemplified by the fact that Selina is now running a restaurant, a bar / juice bar, a concierge office, a bakery and obviously, a hostel. To simplify the concept, it is easier to analyze the departments break down.

- *A bar and Restaurant – Food and beverages department (f&b):* Firstly, there is an issue with its suppliers when the hostel owns a bar and restaurant. Due to the fact that Panama is located in a strategically logistical geography, the country attracts a lot of foreign suppliers from the States mainly in foods and beverages industry. Besides

that, they also have a numerous of local suppliers delivering the service. Yet, Selina Hostels chose a disadvantageous location, Bocas Del Toro, for receiving orders for their bar and restaurant. Bocas Del Toro is located in an island which is even harder and more costly to get the supplies. In addition, since Selina desires to launch a luxury restaurant with various foods cooking in skilled professional styles, they need to find a reliable and long-term f&b service with low cost whose logistics network is wide. Nonetheless, the Selina's bar and restaurant still has some advantages. It is located with the front sea view where customers can enjoy delicious foods and Caribbean vibes at the same time. Furthermore, as applied to all others departments, Selina differentiates itself by its trained staffs who provide the best customer service quality to all its guests. All employees are coached intensively for a week and tested before he/she is able to serve the guests officially by himself / herself. Working closely to the bar and restaurant is the *Food and Beverages department*, which is basically considered as kitchen. Every Monday, both departments have a meeting together in order to collect the feedbacks from the customers regarding the foods quality, then handle the problems and last but not least is to improve the plan for the upcoming week.

Picture 1: The bar and restaurant with front sea view at Selina

- *Concierge office:* The office offers different kinds of activities for the customers. This includes: StandUp Paddle board (SUP Board); tours with normal boats or catamaran own by the hostel with different adventurous activities around the island at customers' choice; or riding horse; etc. Following the concept which primarily concentrates on the customers, they can modify their packages without an increase in the prices and quality. Selina strives to have all facilities and equipment in-house which reduce the cost while using and at the same time, Selina can be as much flexible as possible to satisfy the customers' desirability. Nevertheless, the consideration is it needs a high fixed cost to invest in a catamaran, for example.


Picture 2: The concierge office with pop-up design

Picture 3: Thrilling Flyboarding at Selina

- *Hostels services*: In the interview, Mr. Museri, one of the co-founders of Selina Hostel said that they plan to have different types of rooms starting from dorms to suites. The distinctions between those types of rooms are the view from the rooms and facilities in it. Guests staying at the suite will enjoy a balcony with ocean front view. All of these rooms are on the second floor where it has a terrace and only guests who stay here can access to this floor to maintain their security and privacy. In contrast, dorms are located on the first floor without the ocean view. All types of rooms include buffet breakfast, access to all facilities in-house, however, there is possible to upgrade their choices of utilizing hostel services for both. For example, Selina has a basic spa for all guests, yet for a special treatment and services, guests can customize at their needs. Being consistent with the 'All-inclusive hostel', customers will always have various choices for satisfying their desireability, and with all the basic stuffs, it's all included when they stay with us.
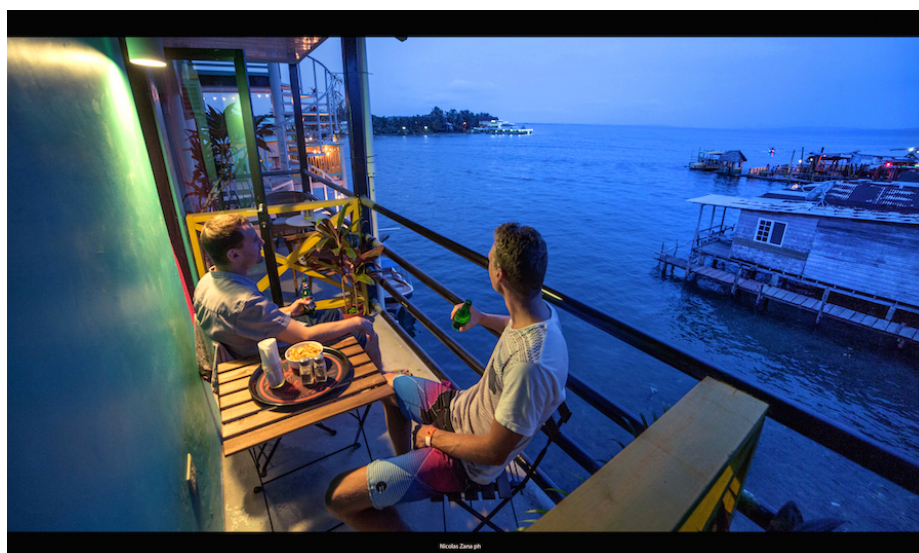
Picture 4 & 5: Deluxe room with private balcony

- *Marketing department:* The hostel's manager and owners have planned to recruit recruit different talented students from all over the world to form a marketing team. They believe that with the students' youth, talents and their access to the digital world, they are more than capable of assisting the hostel to spread the concept 'All-inclusive hostel' to the worldwide travelers. Ms. Linda also added, they will guide the team to focus on building content to the online community, at the same time, creating offline Selina community at the hostel. In order to do that, Selina needs more traffic on their social channels like Facebook, website and Instagram.

To help the marketing team collaborate more effectively with others department and create the consistency in hostel operations, each team member will be working at others department like the bar and restaurant, receptionist and concierge office and they will be rotating after a month constantly. A reason behind this decision is to help the team understand the hostel's operations in the deepest level so that they are able to build the most authentic content and to design the best marketing strategies for Selina (Interview). For example, while the author worked at the concierge office, she could update all the tours discount and transform it into a creative message and upload it in facebook to attract more guests taking it. At the same time, the author can assure that all the messages communicating from the department to customers are correct and valid at their purchase time. It does not only create a solid bridge amongst each department but also increase the responsiveness to the customers center if anything happens.

Picture 6: The international marketing team at Selina

10.3 Advantages and Challenges of "All-inclusive Hostel"

Firstly, Selina calls itself as a hostel allows customers to have a low expectation regarding the customer service quality there. Indeed, most of the hostels in Panama is barely considered as a decent place to sleep owing to a lot of bed bugs, noises and a

lack of hygiene. However, this is also an *advantage* of Selina to address itself like that so they can have a lot of rooms to surprise their guests and gain more customer satisfactions which just a few firms doing business in hospitality industry can achieve a positive result of it. With the thought of making the guests feel like home during their stay, and at home, people can do whatever they want, the managers allow the customers to customize the package for their own journey. Initially, they will only have to pay minimum $12 for a bed in a dorm, and then they can enjoy all the hostel's facilities like swimming pool, pool table, restaurant and bar at the ocean view, concierge office and bakery and juice bar. Moreover, the hostel has its own catamaran, canoes, boats and other equipment for the guests to delight themselves. Thus, basically, guests start their own journey with a $12 and they will modify it by themselves with the help from Selina Hostels which they can never find it in any other hostels or even a hotel. Comparing this concept to a resort, customers do not have to pay in advance a whole package that includes some unnecessary objects and it means they will waste their money which should not happen like that. Last but not least, the more chances to customize, the more satisfied the customers will be with the services.

In order to be successful with the concept, it requires a huge investment for all the facilities so that the hostel is able to reach the customers' needs. Besides, communication channels are also one of the *challenges* since the hostel also desires to target upper middle class. It can be explained due to the fact that their main keywords for searching their holiday's accommodation are "5-star hotel" or "resort". Thus, to win over the hostel's big competitors like those, Selina has to be creative attractive with their communication ways to this sophisticated group.

Besides, there are numerous both direct and indirect competitors in all departments: rooms, concierge, restaurant and bar which make the business environment that Selina is in currently blended and various. This leads to an intensive price war amongst Selina and its rivals. For example, Selina had to keep offering discounts and creating more attractive advertising campaigns (will be discussed more in marketing section) or differentiate their services from their rivals, etc. Following its model, Selina already make a differentiation with "All-inclusive hostel" against their rivals and arise curiosity of how a hostel can apply the resort model.

10.4 Building Selina community

Selina's owners desire to create not only a comfortable atmosphere at the hostel but also a community in a long-term. With this aim, their desirable target groups are *back-packers* who always seek for a cheap place to stay for their journey. According to the interview with the owners and managers, the market research was mainly based on Google analytics. The manager utilized Google to figure out what the key-words are using most often when travelers who want to find some tips of Bocas Del Toro, Panama. Besides, the demographics, their online activities and the most frequent landing pages were also collected. All the data was summarized and given anonymously to protect the users' privacy. As possessing an in-depth data of the target group, the next crucial step is decoding those data into real actions which allows the hostel to reach its target group by creating helpful and authentic content on its website towards Selina's target audiences. Due to the confidential characteristic, the research result could not be shown following the owners' requests.

With the information of the most popular landing pages which allows the hostel to have the idea of who they will partners with, known as *influencers*. The result was that most frequently visit websites that travelers land in were from different blogs. It can be explained by the fact that this group prefers simplicity, honesty and reality. Their choices are mostly based on their connection with the places, the people who wrote the blog and the language they used. Acknowledging this behaviors helps the managers to inspire travelers exploring Bocas Del Toro; to collaborate with a lot of inspiring people; to amplify that Selina is a friend who wants to be part of the back-packers' journey; to receive and handle the constructive criticism; and to make everyone feels like a star because they have a full control to their journey.

Moreover, Selina hostel does not want to be only known as a "hostel". With this ambition, they desire to extend their target group to the upper middle class and above, who are highly demanding regarding the customer services. Those target groups have complete characteristics that is challenging for Selina to satisfy both yet thanks to Google analytics, the owners could still find common searching habits of both target groups. This is exemplified by the fact that the middle class also prefer landing in some blogs or depend heavily into review sites to help them with their decision mak-

ing. The different characteristic between those groups is the demand facilities to satisfy themselves which Selina has to do more exercises to gain a deep insight of it. Additionally, with an entrepreneurial mind, the owners said that Selina is built not to become only a hostel but also a community and in order to make it flourish, it needs different people whose backgrounds are contrasting. They also added, the idea behind is to blend the hostel with more colors. The challenge immediately rose from this idea which relates to creating the content that the content should both satisfy both groups. Fortunately, everyone likes authenticity and trustworthy, and so do the groups. Hence, the following sections will be explaining how Selina builds its content to communicate with the contrasting audience types.
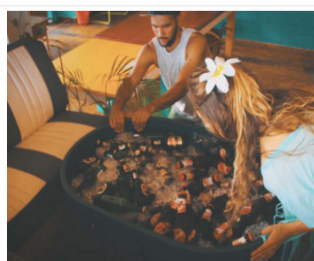
10.5 "All-inclusive Hostel" – "Spread the word" stage

Before going to a deep explanation regarding how Selina' marketing team publicly communication channels, it is crucial to see what customers think at first when they heard about it. Based on the aforementioned survey result, Selina's blog can be a strategic remedy to erase confusion and impossibility in the concept in the customers' mind and at the same time to increase more curious to attract them to try.

1. **Selina's blog**

According to the interview conducted by the author, the manager mentioned that they recruit an international marketing team to build up and maintain the content for Selina and writing a blog was the first task the team desired to achieve. The main aim of Selina's blog is first to explain the "All-inclusive hostel" concept to raise more curiosity in customers which then incent them to come to the hostel. Secondly, it is to give travelers who plan to visit Panama some useful tips. The tips are related to accommodations, transportation, sightseeing and some other topics. For instance, a lot of tourists got bitten by the beach mosquitoes in Panama so that, on Selina's blog, there is a post showing how to avoid those flyers by using coconut oil. Furthermore, since the island is an attractive spot for surfers, the team targets to organize a blog series giving away free knowledge of how to be a professional surfer. For instance, as it shows in the *Picture 7,* there is a blog instructing whether Bluf beach is a good

spot for the beginners. The team was supported by surfing coaches of Selina and transformed the knowledge to useful and accessible posts by whomever, from beginning to advanced surfers can access to it. Additionally, to maintain the frequent traffic of the blog, the team members plan to post every two days. The content was planned monthly in advance to be sure there will be a review, check and fix. More specifically, an online excel sheet was created where teammates were able to put their interest topics that they desire to write about, how and where they collect information, and the due date for its finish. Each member is responsible for at least 2 posts weekly so that the blog can be continuously updated. Topics are various and freely chosen by the members. Eventually, the posts will be edited by the marketing team leader.

Picture 7: Selina's blog

After three months of running the blog since the hostel was newly opened, the website has more traffic according to the analytics from Google.

However, as the survey result shows, there were still a huge amount of guests replying that they did not know about the blog. This proportion should be decreased significantly. In order to achieve more awareness of it, the team decided to incent the customers, whoever book online throughout the website, comment on the blog they like to get a discount code 10% via email which can be used afterward for their reservation. Besides the views of the blog, shares also play an important part of its spread. According to the result, the team asked few participants who said they did

not see the blog was helpful, most of them responded in the same way that the blog does not have enough pictures to help them with understanding and attracting to read the text. Being acknowledged to this reason, the marketing team decided to travel around the island for taking more high-quality authentic photos to demonstrate the blog in a more attractive way, for example.

2. Selina Application

The next customer communication methods the marketing team decided to apply based on SoLoMo theory is to invent Selina application. The pictures below show how friendly the application's interface is.
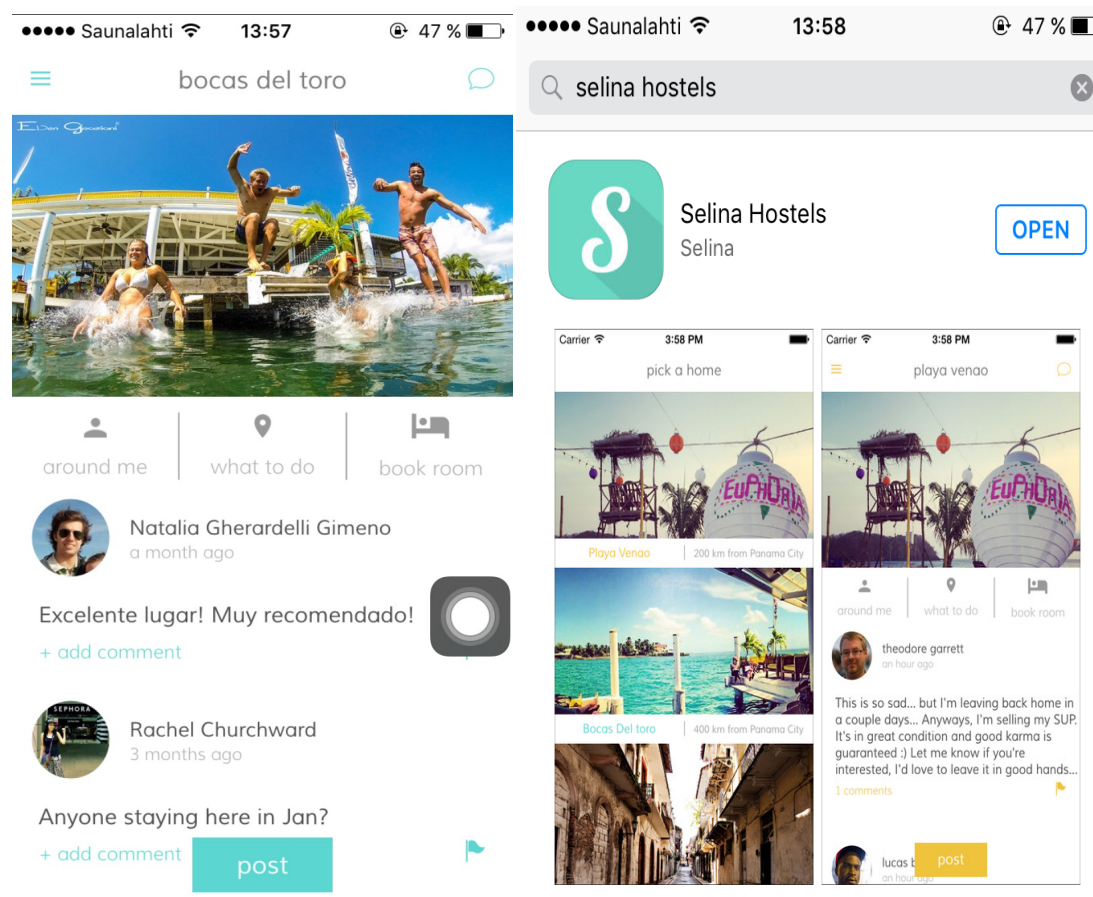
Pictures 8: Selina's application

The left picture is the main interface of the application where it has three main features: *Around me; What to do and Book room.* "Around me" part is a chat box where customers can pop up a message on it and ask, for instance, for a company to play pool at the bar. This is a feature that helps Selina's guest with being connected and

executes the idea of Selina community. The second attribute is "what to do". With following this tab, the guests can get the idea of what activities (e.g. how many SUP boards are still available, etc.), tours (e.g. schedule, number of participants, etc.) and tips of for their vacation. This feature allows customers to book all they want from the concierge office without visiting it in advance. Moreover, travelling tips from this application is connected with the blog so that it can boost more visitors read the blog and increase the blog traffic as well. The last but not least point is "Book room". As simple its name, customers can book the rooms online throughout the application with the pictures of the room and facilities that they can utilize. Based on the afore-mentioned features' description, to sum up, there are three benefits delivering to the customers when they use Selina application:

- *Get free stuff***:** Guests can earn points for everything they do in Selina, and score rewards like drinks at the bar, free activities, or free nights in the hostel which is applied to all the Selina's branches.
- *Be part of the community***:** It allows customers to meet like-minded people, ar-range meet-ups and activities, trade tips and experiences, and stay connected throughout their travels.
- *Find the best activities***:** Guest are able to discover all the best things to do around the visiting town, easily rent gear like bikes and surfboards, and sign up for awe-some group activities and tours.
- *Get into Selina events***:** The application will notify all the Selina events as well as discounts to the guests so that they will never miss a single event.

After merely a month of implementing the app, customer feedback for it was positive based on the aforementioned survey result. Nonetheless, to lower the percentage of guests to try the app, the marketing team gives them 10% discount when they have the application showing to the receptionists at their checks-in.

3. Review sites

Following the survey result, most of the customers found Selina throughout the two most popular booking websites, Tripadvisor and Booking.com. Indeed, it is under-standable that customers checked the reviews from these websites first before mak-ing decision where to stay. Being aware of this behavior, Selina decided to excite the

guests leaving reviews, regardless of its good or bad reviews, after their stay and they have chance to enjoy 10% for utilizing all services at the hostel. Besides, the marketing team also attempted to handle all the negative reviews by contacting them directly and leaving "sorry" reply on the websites after it. After the contact and asking for more specific explanations behind the bad reviews, the team will then forward it to the manager for further solution depending on each case. With this system, Selina has turned a lot of unsatisfied customers to a new potential influencer who will spread their experiences for Selina.

4. **#Feellikeresort campaign**

With two main aims of creating a Selina community and making everything possible in a hostel, the marketing team plans to start with the hashtag "feel like resort" campaign.

The campaign commence by encouraging all the guests who have stayed in Selina posting pictures or check-in on Facebook and Instagram along with a short description about their experiences and #feellikeresort if they think this hashtag reflects Selina's image. Every month, the marketing team will reward the most interesting story to the writers a coupon for a discount of 20% with their next stay at the hostel or whether the writers who are staying at Selina, they will get the discount for their following night immediately. The prizes are changing all the time to incent customers to try and receive mysterious gifts. For example, customers can be surprised with a full course of dinner specially made by Selina's chefs.

The campaign will be successful concerning creating an *authentic content*. Firstly, Selina do not have to market itself alone, they do it with their customers. Indeed, Selina utilize its crowd, the customers, to spread the word, especially when the crowd has more power and authenticity than the hostel. This can be understood by the fact that customers merely participate to the campaign only when they feel that staying at Selina gave them the feeling like staying at a luxury resort and worth sharing out loud. Moreover, the more people use the hashtag, the more Selina got found and the more authentic its content online is since it is built by the guests.

11SUMMARY AND CONCLUSION

To sum up, the theoretical knowledge concerning firstly, the economic outlook analysis tool and marketing research and customer communication methods are sophisticated yet highly recommendable for all the entrepreneurs. The crucial elements of the market analysis applied were competitiveness analysis, focusing on the country's advantages, and Porter's Five Forces, concerning the industry characteristics in general, are very important as starting to invest in any new markets. Moreover, how to communicate effectively with customers should be concentrated by the firms since without the customers, they are not able to achieve success. Thus, regardless of how significant change the economy can be, all the aforementioned theories are still highly essential.

On the research part, Selina Hostel was applied for a deeper practicality for the aforementioned theories. The research part was implemented under two ways which were interview, questionaire. Besides, the author's observation while working there was helpful in finishing the thesis. Being aware of the digital trend, Selina decided to mainly focus on building up its online content to get more traffic and found on the Internet throughout its blog, application and review sites. After utilizing those communication channels, Selina received positive feedbacks from their customers, yet there are still rooms to enhance. For instance, there should have been more describing pictures on its blog for customers to see and feel. Furthermore, with one of the aims of 'All-inclusive hostel' which is creating a community, not just a hostel, Selina desgined a campaign to encourage guests, who already had or are having experiences there, will share their memories with the #feellikeresort. The campaign will definitely bring more spreads from the crowd which is more convincing compared to the hostel itself if they do it. Afterward, the hostel will be mentioned a lot and get more traffic online which Selina strongly believes that. Last but not least, Selina also aims for a consistency in its operations through all the departments. To achieve it, the hostel organizes weekly meeting on every Monday with all departments for them to be aware of the most updated promotions and/or news so that they are able to communicate with customers without mislead information or hesitation.

In conclusion, despite of needed improvement in the idea execution, Selina is still known as a creative start-up in Panama with its newly innovative idea 'All-inclusive hostel' and the way it communicates with its customers. In a long-term, it is strongly believed that the hostel is able to succeed further and be more popular with its concept.

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APPENDICES

1.

Table 2.2. **Key features of Panama's innovation policy: The National Strategic Plan for Science, Technology and Innovation (PENCYT), 2010-2014**

Programming period	2010-14	
Budget (SENACYT)	USD 98.38 million (committed from 2010-12); 90.48 million (executed from 2010-12) USD 42.48 million (committed in 2013)	
Innovation policy framework	National innovation systems framework	
Development goals	• Sustain GDP growth • Diversify the economy, and increase the knowledge and specialised human capital content in production • Develop skills and human resources for competitiveness	
Strategic objectives	• Invest in human capital for knowledge-based development • Foster social and economic innovation • Support applied research in STI for social and economic development	
Lines of actions	• Undertake high-impact projects in logistics, tourism, agriculture (i.e. priority sectors defined in government strategic plan); • Improve human resources and scientific infrastructure development; • Enhance knowledge generation and diffusion; • Strengthen private sector innovation; • Enhance STI education and public awareness; • Increase capacities of public STI institutions	
Main programmes (Iniciativas)	• Financing of "centres of excellence" in logistics, tourism and agriculture, i.e. national research institute for logistics and transport and applied research centre for agricultural research; • Direct funding of new research and development (R&D) projects, research networks and public-private platforms for technology transfer (with a focus on strengthening regional R&D capacities); • Financing of scientific infrastructure, access to electronic scientific resources and publication assistance for researchers (i.e. in biosciences); • Direct financial support to young researchers; • Introduction of specialised postgraduate study programmes and technical education schemes in logistics, tourism and agriculture; • Scholarships and subsidies for postgraduate and doctoral studies abroad; • Insertion programme for scholarship holders into academia, business and public institutions; • Attraction of foreign and repatriation of Panamanian researchers; • Financing of stationary and mobile Internet units (Infoplazas) to promote ICT access and use; • Financing of start-ups and assistance in internationalisation efforts of businesses; • Financing of programmes and evaluations to strengthen science and maths education; • Creation of innovation challenges and prizes.	
Sectoral focus	Yes	
Priority areas	*Sectoral:* Seven priority sectors 1. Bio and health sciences; 2. Agriculture, forestry, fisheries; 3. Basic sciences; 4. Social sciences; 5. Education; 6. Industry and energy; 7. Logistics and transport	*Horizontal* Five transversal programmes a. ICT development; b. STI and the environment; c. Gender equality in STI; d. STI and Ethics; e. Strategic alliances for STI

Source: Authors' elaboration based on National Strategic Plan for Science, Technology and Innovation (PENCYT), 2010-2014.

2. Average cost per room for a hotel development

	Land	Building and Site Improvements	Soft Costs	FF&E	Pre-Opening and Working Capital	Total
Budget/Economy Hotels						
Average	$13,500	$63,400	$6,600	$8,800	$3,500	$86,900
Allocation	13%	69%	7%	11%	1%	
Midscale Hotels w/o F&B						
Average	$16,900	$81,100	$12,300	$11,100	$4,300	$117,800
Allocation	12%	68%	8%	11%	3%	
Extended-Stay Hotels						
Average	$15,400	$88,000	$12,800	$15,400	$3,800	$162,200
Allocation	11%	68%	9%	12%	2%	
Midscale Hotels w/ F&B						
Average	$16,800	$95,600	$15,000	$15,300	$4,300	$155,300
Allocation	16%	63%	11%	11%	3%	
Full-Service Hotels						
Average	$38,100	$193,600	$14,600	$28,400	$17,200	$334,900
Allocation	12%	67%	10%	10%	4%	
Luxury Hotels and Resorts						
Average	$121,700	$392,600	$94,200	$62,500	$23,900	$705,100
Allocation	17%	60%	14%	10%	4%	

3. Note for the interview taken place on 18.02.2015 at Selina Hostel, Panama

Participants and roles:

      1. Mr. Rudasevski – Selina hostel's co-founder

      2. Mr. Museri – Selina hostel's co-founder

      3. Ms. Linda – Selina hostel's manager

      4. Ms. Dinh - Interviewer

1. **What made you be a start-up in hospitality industry in Panama where there are a lot of political and social issues happening at the moment?**
2. **How did you come up with the idea "All-inclusive hostel"?**
3. **What is your expectation from Selina hostel with "All-inclusive hostel" concept?**
4. **What do you think about the challenges of this idea?**
5. **What's your plan to overcome all those challenges that you mentioned?**
6. **Would you please specify the communication channels that Selina desires to target with the help of marketing team? And with those strategies, what do you see Selina in the next 5 years?**

4. Customer survey

CUSTOMER SURVEY

Dear customer,

We would like to ask you to answer this survey in order to make Selina gets better and turns some issues to opportunities and finally delivers the best quality to you. We really appreciate your input.

1. **How did you find Selina hostel?**
   a. Friends   b. Selina social channels:…
   c. Booking websites:………………………. d. Others, please specify:…
2. **What do you think about the concept "All-inclusive hostel" at first?**
   a. Confused   b. Curious
   c. Interesting   d. Impossible
3. **Why did you choose staying at Selina hostel?**
   a. "All-inclusive hostel" concept
   b. Attractive facilities
   c. The vibes
   d. Others, please specify
4. **How is Selina's blog?**
   a. Never read it   b. Useful
   c. Extremely helpful   d. Awful
5. **What do you think about Selina's app?**
   a. I love it ……………………………………………………………....
   b. Well it's ok……………………...
   c. I don't see it's helpful……………………………………………………
   d. I don't know about it
6. **What do you like most while staying at Selina?**
   a. The customer services
   b. "All-inclusive" facilities
   c. The hostel community
   d. Others, please specify……………………………………………………
7. **What should be improved at Selina?**

8. **Will you suggest your friends staying at Selina when they visit Panama?**
   a. Yes   b. No

Gracias and enjoy your stay at our not just a hostel!