



# **The Impact of Instagram Marketing on Boutique Hotels in Galle, Sri Lanka**

Jennifer Mohandas

Geethani Mendis

BACHELOR'S THESIS  
May 2025

Bachelor's Degree Programme in International Business

## ABSTRACT

Tampereen ammattikorkeakoulu  
Tampere University of Applied Sciences  
Bachelor's Degree Programme in International Business

MOHANDAS JENNIFER  
MENDIS GEETHANI

The Impact of Instagram Marketing on Boutique Hotels in Galle, Sri Lanka

Bachelor's thesis 55 pages, appendices 03 pages  
May 2025

---

This study examines the effect of Instagram marketing on the business performance of boutique hotels in Galle, Sri Lanka. As social media is at the center of consumer decision-making in the hospitality industry, it is essential to identify the role played by Instagram for boutique hotel managers. The purpose of this study was to investigate how Instagram's visuality, influencer collaborations, promotional content, and trust-building actions affect customer engagement and business performance.

A quantitative research design was employed, and a sample size of 150 employees of boutique hotels was employed through convenience sampling. Data on participants' behavior and perception about Instagram marketing were gathered using a structured questionnaire. The data were analyzed using descriptive statistics and multiple regression analysis with the help of SPSS software.

The findings established that Instagram marketing significantly enhances brand recognition, customer engagement, and booking levels for boutique hotels. Visual media, influencer promotion, and trust measures were found to be the primary drivers of customer interest and business performance. Additionally, it was established that promotional material directly impacts purchasing decisions.

The study concludes that Instagram is a necessary tool for boutique hotels to attract and retain visitors. From the study, the following recommendations were made to boutique hotels to adopt consistent visual brand, strategically work with influencers, leverage promotions, and build increased trust through interactions. Future scholars are encouraged to extend the research to other social media platforms and explore long-term effects of brand loyalty.

**Keywords:** Business Performance, Boutique Hotels, Customer Engagement, Influencer Marketing, Instagram Marketing

---

## CONTENTS

LIST OF TABLES.....	5
LIST OF FIGURES .....	6
GLOSSARY or ABBREVIATIONS .....	7
ACKNOWLEDGEMENT .....	8
ABSTRACT.....	8
1 INTRODUCTION .....	9
1.1 Thesis topic.....	9
1.2 Thesis objective, purpose and research question(s).....	10
1.2.1 Purpose .....	10
1.2.2 Research Question.....	10
2 CONCEPTS AND THEORY .....	12
2.1 Social Media Marketing.....	12
2.2 Relevance of Social Media Marketing to Hospitality Industry.....	12
2.3 Instagram marketing .....	13
2.4 Factors affecting business performance .....	15
2.4.1 Perceived Effectiveness of Instagram Marketing in Influencing business performance.....	15
2.4.2 The Role of Visual Aesthetics, Influencer Marketing, and Promotions in business performance.....	16
2.4.3 Trust and Credibility of Boutique Hotels Based on business performance.....	17
2.5 Marketing theories.....	18
2.5.1 Social Media Engagement Theory (SME) .....	18
2.5.2 Consumer Decision-Making Process (CDMP).....	19
2.6 Working methods and data .....	21
2.7 Thesis process.....	23
3 DATA ANALYSIS AND INTERPRETATION .....	25
3.1 Demographic data analysis.....	25
3.2 Descriptive statistics.....	31
3.3 Correlation analysis.....	35
4 DISCUSSION AND FINDINGS .....	38
4.1 Perceived Effectiveness of Instagram Marketing in Influencing Business Performance .....	38
4.2 The Role of Visual Aesthetics, Influencer Marketing, and Promotions in Business Performance .....	39
4.3 Business Performance of Boutique Hotels in Terms of Trust and Credibility .....	41

5	CONCLUSION AND RECOMMENDATION.....	44
5.1	Conclusion .....	44
5.2	Recommendations for Boutique Hotels in Galle .....	46
5.3	Recommendations for Future Researchers .....	47
6	REFERENCES .....	49
	APPENDICES.....	52

**LIST OF TABLES**

Table 1: Position .....	25
Table 6: Descriptive statistics for IV 1 .....	31
Table 7: Descriptive statistics for IV 2 .....	32
Table 8: Descriptive statistics for IV 3 .....	33
Table 9: Descriptive statistics for all variables .....	34
Table 10: Correlation analysis.....	35

**LIST OF FIGURES**

Figure 1: Position .....	26
Figure 2: Service period .....	27
Figure 3: Size of the hotel .....	28
Figure 4: Instagram usage .....	29
Figure 5: Posting frequency .....	30

**GLOSSARY or ABBREVIATIONS**

SME	Social Media Engagement Theory
CDMP	Consumer Decision-Making Process

## **ACKNOWLEDGEMENT**

First and foremost, we are thankful to recognize the guidance and experience of our supervisor, Sari Matala who has given us the most helpful advice, support, and constructive criticisms throughout the course of this research. Her experience and wisdom have played a pivotal role in the shaping of this study and pushing us to the maximum level of excellence.

We would also like to extend our sincere gratitude to the managers and visitors of the Galle boutique hotels who readily participated in the survey and provided their valuable feedback, making this study possible. This research project would not have been achieved successfully without the cooperation and willingness of these individuals.

We would also like to thank the academic and non-academic university staff for providing the resources and facilities necessary to carry out this research with effectiveness.

A heartfelt thank you to our families and friends for their unwavering encouragement, understanding, and emotional support throughout this journey. Their faith in us has been a source of strength during difficult times.

Finally, we are grateful to all the individuals directly or indirectly contributing in this research. All pieces of assistance, no matter small or insignificant they might be, have assisted in completing this study. We deeply appreciate all the support we have had.

# 1 INTRODUCTION

This study investigates the impact of Instagram marketing on boutique hotels in Galle, Sri Lanka. The hospitality industry has been revolutionized by the digital revolution, and Instagram has emerged as a successful method for brand creation, customer engagement, and revenue generation. Boutique hotels, being their unique, personalized experiences, are highly reliant on appearance and stories to get tourists. Instagram, being a visual-based website, provides the ideal platform for such hotels to share images of their look, facilities, and experiences (Bashar et al., 2012).

## 1.1 Thesis topic

This is a crucial topic based on the increasing dependency of travellers on social media in making reservations. Most boutique hotels in Galle utilize Instagram to market their brands, but little is known regarding the effectiveness of these practices in stimulating customer interaction and business growth (Bertho et al., 2012). By discovering how to use Instagram marketing, boutique hotels can maximize their marketing campaigns, acquire more consumers, and enhance their market competitiveness.

The justification of this study stems from its business and social importance. Business, in this case, is in the sense that identifying the most effective Instagram marketing strategies can help boutique hotels maximize their return on investment, drive occupancy rates, and build long-term customer loyalty. Socially, the research highlights the shift in travel patterns among tourists who utilize visual social media updates in choosing where to stay, contributing to the bigger argument on digital marketing trends among hospitality businesses.

The topic is a critical and contemporary issue as social media marketing continues evolving, fueling consumerism and business planning. With the surging tourism industry in Sri Lanka and the unique charm of boutique hotels in Galle, the study is imperative for hotel owners, marketers, and stakeholders hoping to optimize their online presence and attract a global clientele.

## **1.2 Thesis objective, purpose and research question(s)**

This study objective is to explore the impact of Instagram promotion on boutique hotels in Sri Lanka's Galle, and how the social media platform influences customer interaction, brand perception, and reservation. With growing popularity for visual media and social media in the tourism industry, Instagram has become a premium tool for promoting boutique hotels. The study proves how user-generated content, influencer posts, and curated posts influence customers' attitudes and behaviors. Through the study of these variables, the research hopes to shed light on the efficacy of Instagram as a tool to engage and retain guests in the hospitality industry that is characterized by intense competition.

### **1.2.1 Purpose**

The purpose of the current study is to determine the effectiveness of Instagram as a marketing tool for boutique hotels in Galle and identify strategies that enhance online presence, attract potential tourists, and build customer interactions. Through knowledge on these matters, boutique hotels can enhance their social media marketing efforts in a bid to raise bookings and loyalty towards their brands.

### **1.2.2 Research Question**

The main research question guiding this study is:

- How does Instagram marketing influence customer engagement and business performance in boutique hotels in Galle, Sri Lanka?

To further explore this topic, the following sub-questions will be addressed:

1. How does Instagram marketing influence travelers' booking decisions and brand perception?
2. What challenges do boutique hotels face when implementing Instagram marketing strategies?
3. What best practices can boutique hotels adopt to maximize the effectiveness of their Instagram marketing campaigns?

Instagram has become a top promotional platform for the hospitality and travel industry since today's travelers utilize visual media and word-of-mouth when selecting hotels (Chiruluta, 2021). Boutique hotels with their distinct character and personalized service must possess a strong online presence to be able to compete with chain hotels. However, as the application of Instagram marketing has grown, there is minimal academic work that examines its actual impacts on Sri Lankan boutique hotel performance. With these research questions, this study aims to be useful to hotel marketers and managers in attempting to leverage the use of Instagram to propel increased business success.

## **2 CONCEPTS AND THEORY**

This chapter represents the theories describing Social Media Engagement Theory (SME) and Consumer Decision-Making Process (CDMP) which help to achieve an understanding of how Instagram marketing influences customer engagement and booking behavior. Also provides an overview of boutique hotels in Galle, their promotional strategies, and the role of Instagram as a promotional tool for this sector and factors are identified based on the previous research findings.

### **2.1 Social Media Marketing**

Social media marketing is the process of gaining traffic or users' attention via social media websites. That is, we can say that the use of social media websites to market services and products is social media marketing. Furthermore, social media marketing has the advantages of low cost, rapid spread in a wide community, and user interaction (Vance et al., 2009), so most firms are becoming involved actively in social media, symbolizing also the beginning of social media sites as revolutionary marketing or publicity platform also known as social media marketing.

Social media platforms offer a way for businesses to bring their brand online and make people aware. There is also the potential for those same businesses to engage with their customers online and address customer service issues in a timely fashion. The paid advertising features are also extremely varied. Businesses can utilize targeted options to reach the very people they are seeking. The potential is almost limitless, and it leaves ample scope for businesses to make use of these tools. Hence, businesses like to hire social media marketing over conventional marketing, and it is also called the way to promote products and services in the 21st century (Bonilla et al., 2019).

### **2.2 Relevance of Social Media Marketing to Hospitality Industry**

Usage of social Internet platforms has become widespread, and customers utilize social media to share their good experiences and the bad side. This is a very

important aspect for well-established companies as it will be used to improve the advertising of the company, leading to the firm's benefit. Since individuals have taken social media consumption through means of communication, the management of the company can associate with the greatest contributor to their success, which is the guests.

Proper use of SMM helps to increase the traffic to the hotel's website. SMM increases brand reach for the hotel and provides publicity for products or services to the target people. It helps generate leads. Helps to create organic reach through many social shares for the hotel's content. SMM builds amicable social communities for the company (Chen and Lin, 2019). SMM helped hotels to avail themselves of meaningful connections with their customers. On the other hand, it helps hotels to learn more about their audience. Another advantage is social media helped hotels tailor their clients' demographics more appropriately according to their business strategy.

### **2.3 Instagram marketing**

Instagram, which was launched in 2010, quickly became one of the most used social networking websites with a huge number of users. Facebook and Twitter had led the way initially, but Instagram's focus on pictorial content and user engagement turned it into another type of force that was a wonderful tool for businesses to contact potential consumers (Duffy, 2016). The platform allows organizations to interact with their consumers through images, videos, and individual comments, creating an interactive environment for marketing activities. Due to this change in visual media, Instagram has emerged as a primary marketing tool with the possibility of companies receiving increased brand exposure and consumer engagement.

The emergence of social media revolutionized how companies approach marketing, providing them with plenty of data that can be utilized to guide their strategies. However, with all this, there is no business norm controlling social media marketing, and companies never know how their customers feel about using social media data for marketing (Hassan, 2014). Even though Instagram is helpful in many aspects, such as direct communication and customized content, it is also difficult

in relation to the use of data and privacy. Research has established that customers' acceptability of social marketing via social media is based on how the companies handle publicly available information (Erdogmus and Cicek, 2012). The consumers are, however, most comfortable with direct marketing more than any other form of contact, such as opinion mining or customer ratings. Resolution of these problems and providing answers to them forms the core for the marketer to gain customers' trust and confidence through their online activities.

The function of Instagram in advertising has dramatically shifted, and today it is a necessity for large businesses and small businesses alike. Companies use the site to expand their reach and increase exposure by posting every day, engaging with their followers, and leveraging Instagram's various features, such as Instagram Direct, to interact with clients (Huey and Yazdanifard, 2014). With its friendly interface and visually appealing content, Instagram has especially found itself to be a favorite among sectors such as fashion, where beauty and lifestyle and visual storytelling drive success. Visual and user-generated content-centric nature of the platform has transformed it into a major player in online marketing, whereby businesses ranging from local companies to multinationals such as Coca-Cola and Adidas are able to expand their digital footprint.

Even though Instagram continues to be a great marketing weapon, its influence on users is of concern. There has been evidence that it sets a growing addiction to social media, like Instagram, that affects the academic performance and mental health of users. Some studies have determined that the addiction to Instagram is significantly related to loneliness and introversion since users try to confirm their existence by using the social relationships on Instagram (Jacobson et al., 2020). The psychological effect of Instagram use, in the case of social and academic stress, has been at the center of concern for the negative effects of excessive use of social media. Studies have also indicated the social needs of recognition and belongingness in the formation of Instagram addiction, with entertainment playing no or negligible roles. These findings suggest that while Instagram presents superb opportunities for branding engagement and exposure, its addictive nature has adverse psychological consequences for users.

The reason why marketing is done via Instagram is due to the ability of Instagram as a marketing channel to engage the users with imagery and facilitate direct interaction between business and customers. Being a photo-centric platform built on influencer marketing and promotion; Instagram today is a top component of today's marketing. Influencer advertising and visually enticing posts assist businesses in establishing real connections with their desired audience, which can have a huge impact on reservation behavior in sectors such as hospitality (Jadhav et al., 2013). As boutique hotels increasingly rely on Instagram as a channel to present their offerings, the role played by the platform in establishing trust and credibility through flawlessly styled content is more important than ever. It is proven that the perceived trust and credibility of a brand can be greatly influenced by Instagram content, and this in turn influences bookings. This points to the necessity of having a strong, reliable online presence on Instagram to reach and engage consumers.

## **2.4 Factors affecting business performance**

This is a discussion of how business effectiveness perceived by consumers is determined by visual appeal, influencer marketing, and marketing strategies regarding how they shape consumer perceptions. It also looks at the critical role of credibility and trust in increasing engagement, brand loyalty, and overall business results in today's competitive and digitally driven marketplace.

### **2.4.1 Perceived Effectiveness of Instagram Marketing in Influencing business performance**

Instagram's highly visual platform provides boutique hotels with a solid platform to present their properties, services, and distinct experiences in a way that boosts overall brand awareness. Such visual storytelling is crucial in driving heightened brand awareness and customer engagement, which are major business performance drivers (Kaplan and Haenlein, 2012). For boutique hotels, the creative use of branding and imagery on Instagram can positively influence customer attitude and eventually drive increased occupancy and revenue. Bilgin (2018) indicates that visually appealing social media advertising improves brand awareness, possibly translating into better business outcomes. Wally and Koshy (2014) also

highlight Instagram's ability to create long-term digital experiences that allow hotels to engage and retain customers successfully. Besides, Bonilla et al. (2019) observe that high-quality pictures and engaging captions on Instagram are good channels for fuelling traveler interest, thereby influencing improved market performance among boutique hotels.

#### **2.4.2 The Role of Visual Aesthetics, Influencer Marketing, and Promotions in business performance**

Visual aesthetics, influencer endorsement, and promotions are instrumental in eliciting engagement on Instagram. Visual aesthetics, and by extension the quality of the photos, is instrumental in making a positive first impression for consumers. Hotels are sure to use Instagram to offer high-quality visual material, such as lavish amenities, scenic views, or special experiences, in hopes of instilling a desire to travel. Research by Cehen and Lin (2019) indicates that aesthetically pleasing Instagram content will be more likely to result in positive consumer responses, in the forms of higher activity in the likes, comments, and shares categories. Boutique hotels in Galle, which have traditionally differentiated on atmosphere and personalized services, have Instagram's ability to visually depict and communicate these elements as central to drawing potential consumers (Tafese and Wien, 2018).

Except for aesthetic intention, influencer marketing is also a widespread form of driving engagement and credibility. Lifestyle and travel influencers have great power to persuade the consumer in promoting boutique hotels in an honest and natural form of expression. Duffy, (2016) argue that influencer marketing can allow hotels to reach a higher population and be trusted by intended consumers via endorsement by third-party individuals. Influencer marketing works, as has been demonstrated by studies by Agresta and Boush (2010), through the use of the influencer's credibility and audience to create an emotional connection with the public. For Galle boutique hotels, gaining local or overseas influencers places them before pre-existing pools of potential consumers, building awareness and interest of the brand.

Deals or promotions are the other essential aspect of Instagram advertising. Deals, coupons, or bargains advertised on Instagram have the ability to actually convert customers to action. Ponnusamy et al (2020) research found that promotions shared on Instagram are more likely to achieve more engagement, for instance, commenting and sharing, as customers believe such promotions are special or temporary. Promotions are most effective when they are targeted to the correct audience because this maximizes the chances of conversion from fans to clients. Instagram promotions can be used by Galle boutique hotels to entice local and international visitors, creating awareness and immediate bookings.

#### **2.4.3 Trust and Credibility of Boutique Hotels Based on business performance**

Trust and credibility are required in consumer choice-making in the hospitality industry. Because social media platforms like Instagram provide a peek into the identity of a company, consumers will be happy to believe what they see in forming an opinion about the company. Brand trust has a significant impact on consumer loyalty and choice-making, particularly in choosing regions of accommodation when traveling. Research by Shareef et al., (2019) has shown that positive interactions on Instagram, e.g., customers' reviews and authentic brand updates, can strengthen consumer trust towards a business quite considerably. In the case of boutique hotels in Galle, frequent and authentic updates on Instagram that portray brand promises and consumers' experiences are able to instill credibility and trust among would-be tourists.

User-generated content (UGC) also influences the relationship between Instagram content and consumer trust. As indicated by Seo and Park, (2018), user-generated content such as guest reviews, images, and testimonials on Instagram is more trustworthy than branded content. UGC provides social proof, which is critical for boutique hotels in attempting to achieve credibility among their consumers. As potential customers see real visitors sharing their experiences on Instagram, they tend to trust the brand more and perceive it as reliable and credible. This is particularly crucial for boutique hotels in Galle, as their reputation is built on the visitors' experience and what they share online.

The visual aspect of Instagram also provides an opportunity for hotels to build trust based on transparency. According to research conducted by Neti (2011), promotional transparency, which involves posting behind-the-scenes or real-time facts, makes consumers perceive authenticity, leading to increased consumer trust. For Galle boutique hotels, Instagram posting of behind-the-scenes processes, such as preparation of a room or interactions with guests, can personalize the brand and establish a closer relationship with their audience. Instagram transparency fills the gap between the public image of the brand and the perception of the customer and makes the brand more relatable and trustworthy. Furthermore, research by Jadhav et al., (2013) has established that posting frequency and consistency on Instagram matter to long-term credibility. Regular posting of good content by posting hotels regularly keeps them in the minds of their online customers, earning their trust. Boutique hotels in Galle stay at the top of the minds of potential customers, and therefore there are more booking chances.

## **2.5 Marketing theories**

This examines business efficacy through the lens of the most dominant theories, such as Social Media Engagement Theory and the Consumer Decision-Making Process.

### **2.5.1 Social Media Engagement Theory (SME)**

Social Media Engagement Theory (SME) presents a valuable approach to explore the influence of Instagram marketing on the performance of boutique hotels in Galle, Sri Lanka. SME elaborates upon how consumers engage with online content through likes, comments, sharing, and other forms of engagement that play a crucial role in establishing brand image and customer relationships. Being a visually based platform, Instagram enables Galle boutique hotels to express their individual style, customized services, and customer experience in innovative ways, which create emotional bonds with prospective travelers (Alkhasoneh et al., 2024).

Instagram marketing transcends mere gaining followers; it is about crafting substantial engagement that enhances brand attachment and business performance.

Boutique hotels normally use high-quality images, influencer partnerships, and active features such as questionnaires and Q&A functionalities to enhance user engagement. These active contents are prioritized by the Instagram algorithm and made accessible to more people, making the brands more visible (Di Gangi and Wasko, 2019). Increased visibility can have the capability of creating enhanced recognition for the brand and ultimately enhance reservation levels.

User-generated content is a strong force in this process. When visitors post their experiences on Instagram stories, reels, and tagged images, they are authentic supporters of the hotel brand (Rozak et al., 2021). These peer recommendations are stronger than typical advertisements, so they are a powerful driver of future bookings. Furthermore, when boutique hotels in Galle respond to comments and direct messages, they build trust and have more solid relationships with their followers.

According to the SME model, consistent and active Instagram marketing has the potential to significantly boost customer interaction, grow brand awareness, and enable better business outcomes (Duradoni et al., 2023). Boutique hotels in Galle can use Instagram's features in an effective way to boost their online presence, get more visitors, and maintain a competitive position in the hospitality sector.

### **2.5.2 Consumer Decision-Making Process (CDMP)**

Consumer Decision-Making Process (CDMP) by Kotler sees five steps a consumer undergoes prior to making a purchase decision: need recognition, information search, alternative evaluation, purchase decision, and post-purchase behavior. Instagram marketing is a key factor that impacts all the stages of this decision-making process for boutique hotels (Akinyode et al., 2015).

The first step, need recognition, occurs when potential travelers feel the urge to travel to someplace new. Instagram, being a visual platform, creates travel desire through sharing stunning scenery, luxurious accommodations, and out-of-the-ordinary experiences. Boutique hotels using Instagram to market their quirky offerings have the ability to create in travelers the need to travel to Galle.

The second phase, information search, is the period during which customers venture out searching for information regarding their prospective visit. Instagram is a primary research site where users surf through hotel websites, read through guest reviews, and view influencer endorsements. Interactive captions, Instagram highlights, and direct feedback on questions enable boutique hotels to share necessary information to prospective visitors (Sidhu and Saini, 2021).

The third step is the evaluation of alternatives, where travelers compare boutique hotels based on various criteria like price, services, and amenities. Instagram marketing allows boutique hotels to differentiate themselves by emphasizing their selling points, for example, individualized service, green efforts, or unique experiences (Mutua and Mwikya, 2022). Visual coherence, customer engagement, and good reviews enhance credibility and the likelihood of being chosen.

At the decision point of booking, travelers finish making their reservations. Instagram marketing strategies such as limited-time promotions, offer discounted prices, and call-to-action captions (such as "Book now for a special rate!") can push people to bookings. Hotels that add direct book links to Instagram bios or stories can streamline the customer experience and welcome immediate action.

Finally, the post-purchase behavior phase includes guests sharing their experiences on Instagram through tagged posts, stories, and reviews. Guest-generated positive content boosts brand image and attracts future travelers. User-generated content hotels that encourage user-generated content, engage with guests after checkout, and feature testimonials on their Instagram pages build long-term customer relationships and repeat business.

With the Consumer Decision-Making Process (CDMP), boutique hotels in Galle are able to observe the influence of Instagram marketing on decision-making among travelers. An effectively planned Instagram strategy that addresses every stage of the decision-making process strengthens customer engagement, increases brand trust, and eventually translates into more hotel bookings.

For the study determining the effects of Instagram marketing on the business performance of Galle boutique hotels, the Social Media Engagement Theory is

the most appropriate conceptual framework for data collection. This theory is centered on how individuals interact with social media messages through likes, comments, shares, and other forms of interactions that clearly reflect the success of Instagram marketing initiatives. It helps researchers quantify both quantitative metrics such as engagement rates and follower growth, and qualitative aspects such as user sentiment and relevance of content. These bits of data are crucial to analyze the impact of visual attractiveness, influencer partnerships, and advertisement content on Instagram to consumer behavior and ultimately business objectives such as bookings, loyalty of customers, and brand awareness. Compared to the Consumer Decision-Making Process, a more psychologically inwardly focused stage, Social Media Engagement Theory provides a more practical and measurable framework for capturing true-time consumer input and linking it to performance of boutique hotels in the online sphere.

## **2.6 Working methods and data**

The study employs a quantitative methodology to gauge the impact of Instagram marketing on boutique hotels' business performance in Galle, Sri Lanka. The goal is to examine the role of Instagram strategies such as the use of visual aesthetics, influencer collaborations, and promotional posts on customer engagement, booking behavior, and brand attitude. The theoretical framework on which the study is founded is the Social Media Engagement Theory, which explains how consumers interact with brand content on social media such as Instagram, and how engagement can lead to substantial outcomes such as customer loyalty, trust, and buying (Dessart, Veloutsou, & Morgan-Thomas, 2015). This model is particularly relevant in the hospitality industry, where purchasing behavior by consumers is greatly determined by visual narratives and digital interaction (Mariani et al., 2018).

The principal data collection instrument will be a standardized online survey questionnaire distributed to customers who have had interactions with any of the 38 boutique hotels in Galle listed under the Sri Lanka Tourism Development Authority (SLTDA, 2019). The questionnaire will gather quantitative information on user engagement with Instagram content, perceptions of marketing messages, and their impact on booking behavior. The survey will include closed-ended questions

using a 5-point Likert scale ("strongly disagree" to "strongly agree") so that data could be made consistent and easily analyzed (Joshi et al., 2015).

The study population includes hotel employees who have knowledge about their organization's Instagram promotion activities and can provide informed responses on customer dealings and experienced booking tendencies. As well as researcher collected data from the customers who are visiting hotels in Galle. 150 participants will be attracted by convenience sampling, as per the sample size table of Krejcie and Morgan (1970). The use of this approach is justified due to limitations of a practical nature such as time limitation and participant availability. Respondents will be chosen based on their level of interaction with Instagram marketing, for example, content creation, social media management, or guest engagement activities.

This method aligns with the Social Media Engagement Theory by quantifying measurable levels of web engagement such as likes, comments, and shares and relating them to quantifiable measures of business performance such as increased bookings, enhanced brand reputation, and customer loyalty. Through the measurability of Instagram marketing activities, this research aims to furnish actionable insights for boutique hotel managers looking to amplify their online visibility and competitiveness in the tourism sector. Some of the key variables to be examined are:

- Perceived effectiveness.
- The role of visual aesthetics, influencer marketing, and promotions.
- Trust and credibility of boutique hotels.

Besides, secondary data will be gathered using Instagram analytics of selected boutique hotels such as engagement rate, follower growth, and comments on promotional posts. These numerical indicators will provide further insights into the effectiveness of Instagram marketing campaigns.

The data gathered will be analyzed using SPSS (Statistical Package for the Social Sciences) to identify patterns, relationships, and trends. The following statistical methods will be applied:

Descriptive statistics (mean, standard deviation, frequency distribution) to tabulate sentiment and levels of engagement with Instagram marketing.

Correlation analysis to establish the relationship between booking decisions and Instagram engagement.

Regression analysis to determine the impact of factors influencing Instagram marketing (e.g., influencer alliances, quality of content, and promotions) on customer purchase intent.

Cross-tabulation to analyze differences in responses against nationality-based demographic criteria such as age, gender, and frequency of travel.

The findings will be interpreted based on Social Media Engagement Theory (SME) and the Consumer Decision-Making Process (CDMP). SME will be used to quantify the amount of customer engagement created by engaging content on Instagram, while CDMP will be used to assess the extent to which Instagram advertising influences different stages of the customer process, from awareness to post-purchase conduct. By matching survey results with Instagram analytics metrics, the study will provide a holistic view of how Instagram marketing contributes to the success of boutique hotels in Galle.

Through applying a quantitative approach, this research ensures objective measurement of the efficiency of Instagram marketing and provides actionable recommendations for boutique hotels to enhance their online strategies.

## **2.7 Thesis process**

The aim of this thesis is to provide an overall assessment of the impact of Instagram marketing on boutique hotels in Galle, Sri Lanka. The study follows a logical flow, beginning with an introduction to the topic, proceeding with a review of pertinent theory, data gathering, analysis, and conclusions.

Chapter 1 introduces the subject of the research, discusses why it is important, and provides the research aims and objectives. It also provides a concise overview of the methodology and presents an outline of the structure of the thesis.

Chapter 2 presents the theory, describing Social Media Engagement Theory (SME) and Consumer Decision-Making Process (CDMP). They help achieve an understanding of how Instagram marketing influences customer engagement and booking behavior. Also provides an overview of boutique hotels in Galle, their promotional strategies, and the role of Instagram as a promotional tool for this sector.

Chapter 3 outlines the research methodology, data collection, and analysis methods, and why quantitative research using surveys and Instagram analytics is employed.

Chapter 4 presents the results of the survey and data analysis, utilizing statistical methods in analyzing customer responses and Instagram data.

Chapter 5 ends by providing a summary of the thesis and conclusion, recommending boutique hotels and offering suggestions for future research. The thesis concludes with a summary of the main findings and contributions to hospitality digital marketing.

### 3 DATA ANALYSIS AND INTERPRETATION

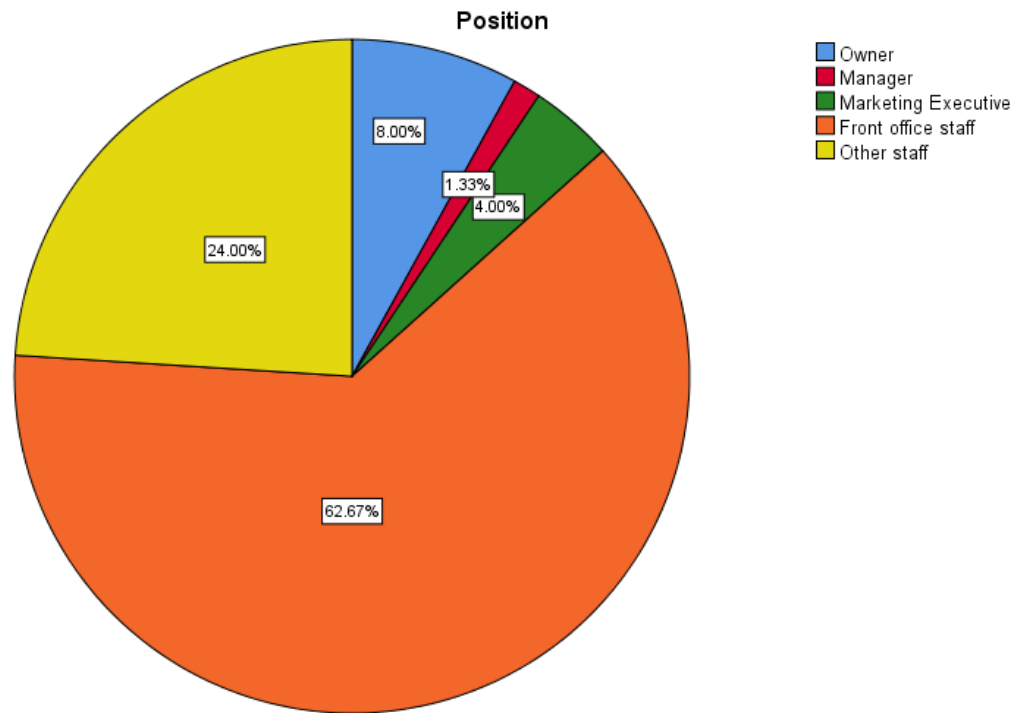
This study explores the impact of Instagram marketing on the business performance of boutique hotels in Galle, Sri Lanka. It focuses on how visual content, perceived effectiveness, and trust and credibility influence brand awareness, customer engagement, and ultimately, business outcomes. The research also examines demographic factors such as staff roles, experience, hotel size, and Instagram usage patterns to understand how these elements contribute to marketing effectiveness. By analyzing descriptive statistics and correlation data, the study aims to highlight the significance of Instagram as a strategic tool in enhancing visibility, customer interaction, and the overall performance of boutique hotels.

#### 3.1 Demographic data analysis

*Table 1: Position*

		Position			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Owner	12	8.0	8.0	8.0
	Manager	2	1.3	1.3	9.3
	Marketing Executive	6	4.0	4.0	13.3
	Front office staff	94	62.7	62.7	76.0
	Other staff	36	24.0	24.0	100.0
	Total	150	100.0	100.0	

Source – Survey data 2025

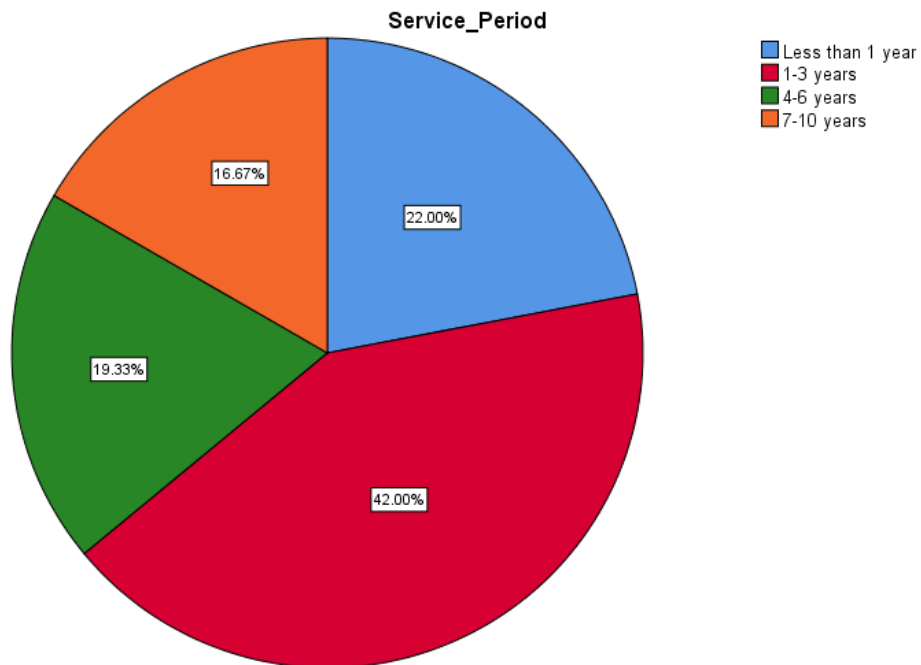


*Figure 1: Position*

Source – Survey data 2025

Survey data show the breakdown of the respondents by occupation in boutique hotels in Galle, Sri Lanka. The highest number of participants were front office staff, who made up 62.7% (94 out of 150) because they are central to guest interaction and hotel operations. Other staff made up 24%, while owners made up 8%. Marketing executives made up 4%, and managers made up just 1.3%. This implies that most of the answers were gathered from employees at the operational level who have direct contact with customer service and daily hotel operations, giving important insight into how Instagram marketing affects guest experiences and overall business performance.

## Service period

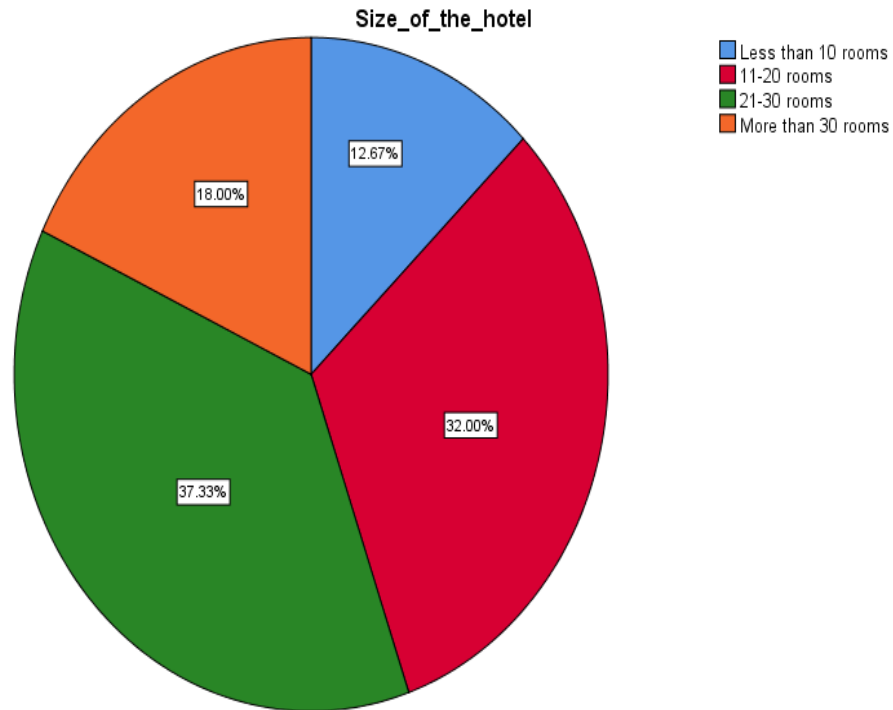


*Figure 2: Service period*

Source – Survey data 2025

The data regarding periods of service illustrates that the largest percentage of boutique hotel staff in Galle have average experience. The largest category, 42% (63 individuals), work 1 to 3 years, followed by 22% who work less than one year. Personnel who have 4 to 6 years of service record 19.3%, and 16.7% are comprised of 7 to 10 years of service. This spread indicates that the majority of employees are mid-level or fairly new based on tenure, and this can either be an indicator of an expanding hospitality sector or high staff turnover. Their insights give real and timely observations regarding marketing practice.

## Size of the hotel

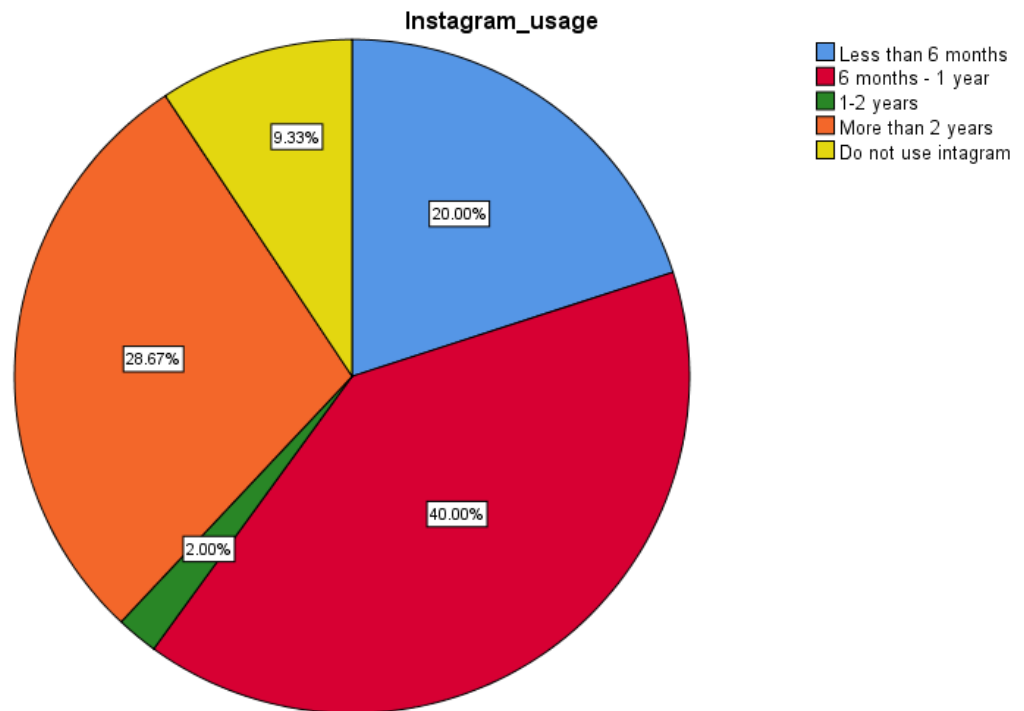


*Figure 3: Size of the hotel*

Source – Survey data 2025

As far as the size of the hotel is concerned, most of the boutique hotels in Galle have a moderate number of rooms. Approximately 37.3% of them have 21–30 rooms, and 32% have 11–20 rooms. Hotels with over 30 rooms make up 18%, while the lowest segment, less than 10 rooms, has 12.7%. This segmentation illustrates that most boutique hotels in the area are medium-sized hotels, which aligns with the concept of tailor-made services that boutique hotels are generally associated with. Size can dictate the scope of Instagram marketing efforts and the ability to engage with potential visitors on an efficient scale.

## Instagram usage

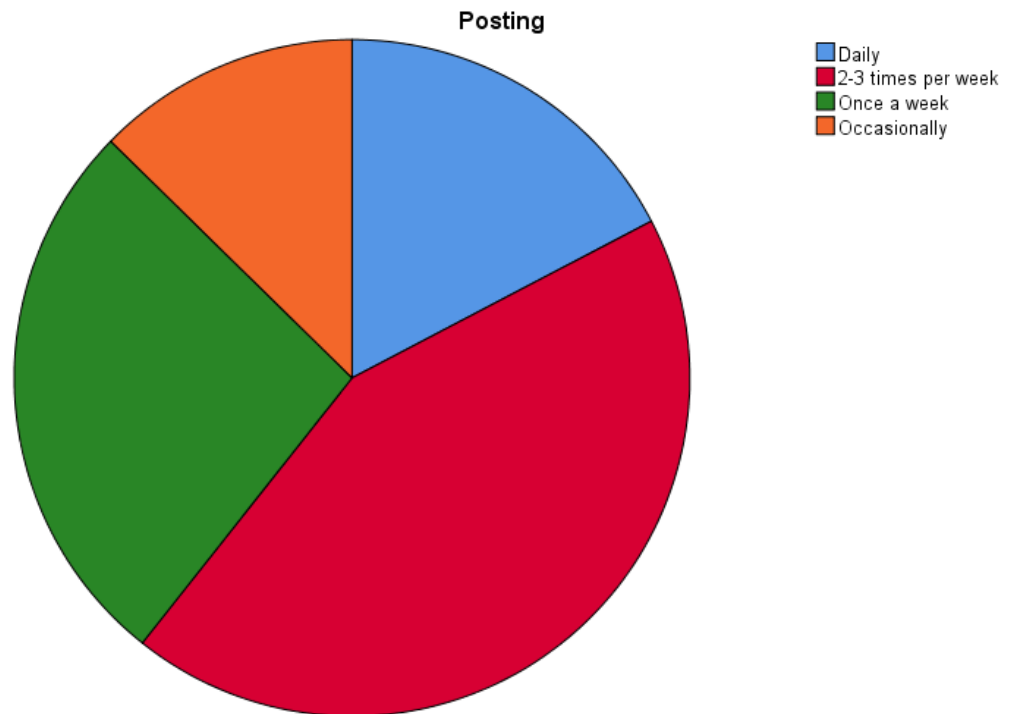


*Figure 4: Instagram usage*

Source – Survey data 2025

Use of Instagram by boutique hotels in Galle points to the fact that it is a widely utilized platform. 40% have used it from 6 months to 1 year, mirroring new usage trends. A further 28.7% have been utilizing it for more than 2 years, pointing to rising awareness of the platform. About 20% have used it for less than 6 months, and a paltry 2% used it for 1 to 2 years. Surprisingly, 9.3% of the respondents replied that they never used Instagram. These statistics reveal the increasing role of the site in the hotel industry and how it can possibly affect business presence and performance.

## Instagram posting frequency



*Figure 5: Posting frequency*

Source – Survey data 2025

Posting frequency among boutique hotels in Galle is not the same, as most hotels post according to a standard schedule. Most (43.3%) post 2–3 times a week, while 26.7% post once a week. Almost 17.3% post daily, exhibiting high digital interaction. The second group, 12.7%, post infrequently, exhibiting very low social media interaction. These findings prove that hotels in general know they need to regularly post in order to attract and engage with an audience. Posting on a regular basis is likely geared towards increasing brand awareness, engaging with the prospective visitors, and leveraging Instagram's algorithm to build online visibility and business success.

### 3.2 Descriptive statistics

Table 2: Descriptive statistics for IV 1

Question	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Instagram marketing increases our hotel's visibility.	17 (11.3%)	18 (12.0%)	52 (34.7%)	39 (26.0%)	24 (16.0%)
Instagram helps attract more customer inquiries.	15 (10.0%)	23 (15.3%)	57 (38.0%)	35 (23.3%)	20 (13.3%)
Instagram promotions lead to more bookings.	18 (12.0%)	29 (19.3%)	50 (33.3%)	36 (24.0%)	17 (11.3%)
Instagram is an effective platform for showcasing our services.	12 (8.0%)	20 (13.3%)	56 (37.3%)	47 (31.3%)	15 (10.0%)
Instagram engagement (likes, comments) influences customer decisions.	14 (9.3%)	26 (17.3%)	48 (32.0%)	46 (30.7%)	16 (10.7%)

Source – Survey data 2025

The table highlights responses to the extent to which Instagram marketing impacts hotel performance. A significant proportion of the respondents (34.7%) were neutral towards Instagram's ability to improve visibility, whereas 26% agreed that it enhances visibility. Of the respondents questioned, 38% were neutral when asked about customer inquiries, and 23.3% agreed that Instagram creates more inquiries. 33.3% were neutral concerning Instagram promotions leading to bookings, whereas 24% agreed. Instagram success in offering services

counted 37.3% of neutral views and 31.3% which agreed. Finally, Instagram engagement's impact on customer decisions reported a fairly uniform split, 32% which were neutral, and 30.7% which agreed.

*Table 3: Descriptive statistics for IV 2*

<b>Question</b>	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Neutral</b>	<b>Agree</b>	<b>Strongly Agree</b>
High-quality visuals on Instagram attract more attention.	23 (15.3%)	29 (19.3%)	49 (32.7%)	35 (23.3%)	14 (9.3%)
Our hotel maintains a consistent visual theme on Instagram.	12 (8.0%)	28 (18.7%)	57 (38.0%)	31 (20.7%)	22 (14.7%)
Use of colors and design in our posts enhances brand identity.	12 (8.0%)	29 (19.3%)	49 (32.7%)	40 (26.7%)	20 (13.3%)
Instagram photos/videos influence customers' perceptions of our hotel.	29 (19.3%)	22 (14.7%)	41 (27.3%)	32 (21.3%)	26 (17.3%)
Aesthetic posts increase the likelihood of users following our page.	21 (14.0%)	34 (22.7%)	45 (30.0%)	38 (25.3%)	12 (8.0%)

Source – Survey data 2025

The table illustrates the impact of visual attractiveness within Instagram marketing. The majority (32.7%) were neutral to high-quality images attracting notice, but 23.3% agreed. For visual consistency of theme, 38% were neutral and 20.7% agreed. Influence of color and design on brand identity had 32.7% neutral responses, of which 26.7% agreed. Influence of Instagram videos/photos on customer opinions was mixed, with 27.3% neutrality and 21.3% agreeing. Aesthetic

value of posts influencing user followership had 30% neutrality and 25.3% agreeing, indicating mixed thinking on the impact of visual appeal on brand growth.

*Table 4: Descriptive statistics for IV 3*

<b>Question</b>	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Neutral</b>	<b>Agree</b>	<b>Strongly Agree</b>
Customer reviews and feedback on Instagram enhance trust.	13 (8.7%)	34 (22.7%)	50 (33.3%)	38 (25.3%)	15 (10.0%)
Regular Instagram activity improves our hotel's credibility.	17 (11.3%)	26 (17.3%)	58 (38.7%)	33 (22.0%)	16 (10.7%)
Instagram helps build transparent relationships with guests.	13 (8.7%)	23 (15.3%)	57 (38.0%)	42 (28.0%)	15 (10.0%)
Featuring user-generated content increases customer trust.	23 (15.3%)	21 (14.0%)	38 (25.3%)	39 (26.0%)	29 (19.3%)
Instagram presence makes our brand seem more trustworthy.	29 (19.3%)	22 (14.7%)	50 (33.3%)	36 (24.0%)	13 (8.7%)

Source – Survey data 2025

This table raises details about Instagram's impact on trust and credibility. 33.3% were neutral concerning customer feedback and review formation of trust, while 25.3% agreed. Opinion was also divided over whether Instagram could enhance credibility, with 38.7% being neutral and 22% agreeing. Building sincere relation-

ships with visitors via Instagram had 38% neutrality and 28% agreeing. Incorporating user-generated content was perceived favorably by 26%, while 25.3% was neutral. Finally, the existence of Instagram as a contributor to brand trust had 33.3% neutral answers with 24% in agreement, showing divided views on whether it can enhance brand trustworthiness.

*Table 5: Descriptive statistics for all variables*

		<b>Descriptive Statistics</b>				
		N	Minimum	Maximum	Mean	Std. De- viation
Perceived	Effective- ness	150	1.00	5.00	3.1587	.83007
Visual Aesthetic		150	1.00	5.00	3.0373	.88489
Trust and creditability		150	1.00	5.00	3.0640	.82489
Business Performance		150	1.00	5.00	3.1733	.83374
Valid N (listwise)		150				

Source – Survey data 2025

Descriptive statistics explain the impact of Instagram marketing on the Galle boutique hotels' business performance in Sri Lanka. Four variables were tested: Perceived Effectiveness, Visual Aesthetic, Trust and Credibility, and Business Performance, each rated on a 5-point Likert scale from 1 (Strongly Disagree) to 5 (Strongly Agree), based on the feedback given by 150 respondents.

The variable Business Performance measured the highest mean value of 3.1733, which indicated that respondents somewhat agreed that Instagram positively influences such key performance measures as customer interaction, reservation numbers, and visibility of the hotel brand. The finding is consistent with that Instagram, when utilized strategically, has the ability to enhance the market presence of a hotel and facilitate growth and profitability directly.

Perceived Effectiveness had a highly similar mean value of 3.1587, showing that the participants view Instagram as an effective marketing medium. The visual aspect of Instagram allows hotels to convey their distinctive personality and features to a wide audience, which promotes brand awareness and trust.

Visual Aesthetic, at an average of 3.0373, emphasizes the role played by looks in shaping customers' interest and engagement. Because boutique hotels generally focus on one-of-a-kind and welcoming styles, having a beautiful Instagram account helps draw people to it and foster positive attitudes, which in turn can help bring about improved business outcomes.

Trust and Credibility with a mean score of 3.0640 reflects the part played by Instagram in building a credible brand image. Posting timely, word-of-mouth, and genuine images helps build consumer trustworthiness, which in turn may help build long-term customer relationships and encourage repeat business.

In general, the descriptive statistics indicate that Instagram marketing has a very important role to play in regards to impacting the business performance of boutique hotels in Galle. While perceptions are slightly varied, the findings support the perception that Instagram is to blame for increased visibility, customer trust, and ultimately better business success for boutique hotels using the platform effectively.

### 3.3 Correlation analysis

*Table 6: Correlation analysis*

		<b>Correlations</b>			
		Business Perfor- mance	Per- ceived Effecti- veness	Visual Aesthe- tic	Trust and cre- ditability
Business Perfor- mance	Pearson Correla- tion	1	.548**	.523**	.586**
	Sig. (2-tailed)		.000	.000	.000
	N	150	150	150	150
Per- ceived Effecti- veness	Pearson Correla- tion	.548**	1	.665**	.603**
	Sig. (2-tailed)	.000		.000	.000
	N	150	150	150	150

Visual Aesthetic	Pearson Correlation	.523**	.665**	1	.660**
	Sig. (2-tailed)	.000	.000		.000
	N	150	150	150	150
Trust and credibility	Pearson Correlation	.586**	.603**	.660**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	150	150	150	150

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Source – Survey data 2025

Correlation analysis delivers valuable information about Instagram marketing elements and business performance for boutique hotels in Galle, Sri Lanka. Pearson correlation coefficients were obtained for business performance with three primary independent variables: perceived effectiveness, visual aesthetic, and trust and credibility. Analysis was computed on 150 responses, and all relations were statistically significant at the 0.01 level (2-tailed), demonstrating strong and meaningful relationships.

Highest correlation was between business performance and trust and credibility with 0.586 coefficient. What this means is that the moment boutique hotels develop a credible and trustworthy reputation through the content on their Instagrams, there will be a better business performance. Trust plays a major part in consumer decision-making, especially for the hospitality industry. Increased interaction, openness, and regular communication via Instagram help build authenticity that results in bookings and loyalty to customers.

The perceived effectiveness and business performance relationship was also significant, with a Pearson value of 0.548. This shows that those who think Instagram is an effective platform for marketing also show higher business performance. Since Instagram is seen as a deserving channel for promotion, brand exposure, and customer interaction, hotels can better match their online efforts with the demands of the market, resulting in improved outcomes like more bookings, higher occupancy, and improved customer retention.

A similarly strong relationship was found between Business Performance and Visual Aesthetic, at 0.523. Instagram's visually centred layout makes the social media platform of choice for boutique hotels, which are likely to rely on atmosphere, taste, and individuality in attracting patrons. Eye-catching Instagram messages through high-quality images, thematic consistency, and creative design lead to favourable brand perceptions and emotional engagement, both of which are business performance determinants.

In conclusion, all three factors perceived effectiveness, trust and credibility, and visual aesthetic have positive and significant effects on business performance. These findings support the fact that an effective Instagram marketing strategy can be a powerful driver of growth and competitiveness for boutique hotels in Galle.

## **4 DISCUSSION AND FINDINGS**

This chapter presents and expounds the major conclusions of the study on how Instagram marketing approaches affect the performance of boutique hotels in Galle, Sri Lanka. The findings are interpreted with relevant theoretical perspectives to provide richer insights into approaches employed and implications.

### **4.1 Perceived Effectiveness of Instagram Marketing in Influencing Business Performance**

Survey findings also indicate the outcomes that, in terms of promoting boutique hotels on Instagram, it is a very effective medium to increase awareness and engagement. A high agreement percentage has settled that Instagram puts their hotel out there (42.0% agree and 16.0% strongly agree), confirming Instagram is an adequate site for getting brand noticed (Kaplan & Haenlein, 2012). The findings are consistent with earlier studies conducted by Bilgin (2018), who asserted that visual social media marketing may enhance brand consciousness and lead to improved business returns. For boutique hotels, the capacity of Instagram to present good-looking images plays a significant function in stimulating client interest and commitment.

The findings show that Instagram is not only fantastic for visibility but also for stimulating customer inquiries (36.6% agree, and 13.3% strongly agree). Customer engagement through comment, like, and share defines consumers' decision to a high degree, based on the survey (30.7% agree, and 10.7% strongly agree). This has been witnessed in tandem with Wally and Koshy's (2014) contention that Instagram results in long-term customers and customer retention. Whenever boutique hotels tell a visual story about services through Instagram, they communicate with prospective customers and establish an experience that impacts reservations.

The success of Instagram promotions in driving bookings (35.3% agree and 11.3% strongly agree) also reflects Instagram's capacity to convert interest into

real sales. Instagram promotions can indeed draw in potential customers by offering limited-time offers and discounts, as proposed by Ponnusamy et al. (2020). This reflects that Instagram is not just a branding tool but also a direct conversion tool. Instagram has become a pivotal platform for the promotion of boutique hotels' products. As Kaplan and Haenlein (2012) pointed out, its ability to tell stories through images enables companies to introduce their own brand look, which also serves to draw in would-be customers. Galle's boutique hotels have successfully embraced this method by showcasing good-quality images of their properties, surrounding environment, and customers' experiences. These images are a successful tool in the information search and need recognition stages of the Consumer Decision-Making Process (CDMP), evoking curiosity and interest among potential visitors (Akinyode et al., 2015).

Consistent with Social Media Engagement (SME) theory, these photo posts don't merely attract attention—thus forming connections. Interactions between users were triggered by engaging visuals, according to users, which is pivotal to brand recall and loyalty. Bilgin (2018) and Cehen and Lin (2019) support this by the fact that visually attractive posts lead to high engagement. In practice, Galle's boutique hotels utilized deep visual content in order to evoke an emotional attachment between the consumers and them, ultimately influencing their consideration set.

The study also found that Instagram facilitates two-way communication, the essence of engagement. Stories, live streams, reels, and Q&A allowed hoteliers to have ongoing conversations with their audience. Di Gangi and Wasko (2019) argued that such interactions allow businesses to stay at the top of users' feeds, reminding them of the brand presence. Such interactions were particularly potent in the evaluation stage of the CDMP, where customers weigh options before making a choice.

#### **4.2 The Role of Visual Aesthetics, Influencer Marketing, and Promotions in Business Performance**

Visual aesthetics were identified as a key element in Instagram marketing. The research shows that nice visuals grab individuals' attention (46.6% agree and

9.3% strongly agree), supporting the finding of Cehen and Lin (2019) that visually appealing content attracts more consumers to get involved. For boutique hotels, showcasing luxurious amenities, beautiful views, and unique experiences on Instagram creates a travel aspiration and influences customer mindsets. Particularly, atmospheric and personalized services of Galle hotels are stressed, and thus utilizing visually appealing materials (Tafese & Wien, 2018), they can differentiate themselves. This outcome implies that the content quality of Instagram is an important component of a successful marketing campaign.

The study also highlights the influence of influencer marketing since the respondents agreed that working with influencers facilitates customer trust and engagement (13.3% strongly agree and 23.3% agree). Duffy (2016) opined that influencer marketing assists businesses in increasing their reach and building credibility. The study shows that boutique hotels in Galle can benefit from working with lifestyle and travel influencers who can seamlessly endorse their products, thus increasing their reach and engagement.

Promotions are also an important aspect of Instagram marketing. As per the survey, Instagram promotions lead to increased bookings (35.3% agree, 11.3% strongly agree), which aligns with Ponnusamy et al.'s (2020) findings that Instagram promotions can increase engagement and drive consumer action. Not only do these promotions generate instant interest but also long-term brand awareness. By providing special offers, boutique hotels can prompt customers to book quickly, thereby leading to increased bookings and revenue.

When customers reach the evaluation phase of the decision-making process, they compare accommodations based on Instagram profiles. Tafese and Wien (2018) discuss how Instagram allows boutique hotels to communicate visually cues like exclusivity, luxury, and comfort—indicators of competitive power in this niche market. This is consistent with the notion that visual beauty is closely linked to perceptions of quality, allowing potential visitors to differentiate between options (Mutua and Mwikya, 2022).

Influencer marketing was a major strategy used by the majority of boutique hotels. These influencers, often travel and lifestyle bloggers, serve as expert sources of

information, shaping the decisions of their followers. Duffy (2016) contends that influencers bridge the gap between advertising material and authentic storytelling. The trust that exists in influencer recommendations is the foundation of the CDMP's purchase and assessment stages. Agresta and Boush (2010) also theorize that this kind of trust facilitates emotional engagement, which subsequently encourages customers to act on recommendations.

Along with this, Rozak et al. (2021) delineated influencer-generated content as social proof that enhances the believability of brands. The researchers described how social media fans believe influencer endorsements more than business advertisements, boosting bookings. Influencer marketing is also tied back to SME theory, where attempts are to move interactions into relations. These collaborations boost visibility and engagement, thus enhancing recall of the brand and driving conversions.

Promotional tactics on Instagram, such as limited-time offers and discounts, also worked. Ponnusamy et al. (2020) opine that these tactics prompt immediate action. Boutique hotels reported that promotions created massive spikes in bookings and engagement. These campaigns worked best at the purchase stage of the CDMP, where customers are motivated by limited-time offers. Targeting the correct demographic was also reported to be crucial in optimizing promotional performance.

### **4.3 Business Performance of Boutique Hotels in Terms of Trust and Credibility**

Trust and credibility were major determinants of business performance on Instagram. According to the findings, customer feedback and reviews on Instagram are important in building trust (25.3% agree, 10.0% strongly agree). This is supported by Shareef et al. (2019), whereby positive customer feedback and interactions have been found to enhance consumer trust. It suggests that by engaging with their users and soliciting feedback, boutique hotels can gain trust as well as reputation.

Lastly, user-generated content (UGC) also had a huge influence on trust. The respondents indicated that UGC, or guest reviews and photos, increases the degree of trust in the brand (45.3% agree, 19.3% strongly agree). Seo and Park (2018) noted that UGC is considered more authentic and trustworthy than branded content. For Galle boutique hotels, presenting user-generated content enables them to leverage social proof, making their brand more credible and relatable. This finding aligns with Neti's (2011) assertion that transparency on social media fosters consumer trust. When boutique hotels post behind-the-scenes content or real-time updates, it enhances their credibility and builds stronger relationships with their audience.

The need for regular posting was also emphasized, and the agreement between respondents that frequent posting on Instagram increases the credibility of the hotel (32.7% in agreement and 10.7% in strong agreement). Regular postings from time to time keep the hotel under consideration, making potential buyers recall and build long-term trust. Jadhav et al. (2013) agreed on the finding with their assertion: regular posting maintains credibility and keeps customers in the long run.

The findings underscore the importance of trust and authenticity in Instagram advertising. The respondents clarified that frequent, genuine communication built credibility. Shareef et al. (2019) concur, with emphasis on the role played by authentic updates to build trust. Respondents noted that posts such as employee introductions, behind-the-scenes videos, and genuine reactions to comments assisted in making their brand more relatable to potential purchasers.

Transparency during promotion, where hotels display real-time activities and processes of serving, was also emphasized. As Neti (2011) clarifies, this elicits a greater sense of emotional connection. By providing customers with an honest view of daily operations, boutique hotels reduced psychological distance between expectations in online and offline. Participants showed that the approach not only promoted bookings but also reinforced loyalty, which helped support the post-purchase phase of the CDMP. Jadhav et al. (2013) found that updates increase brand recall. Hotels discovered that frequent posting kept them up to date and in the spotlight. This resonates with SME theory that regular interaction builds long-

term relationships. Duradoni et al. (2023) add further that constant interaction builds higher trust and enhances business performance.

The study found that Instagram marketing behaviors influence all stages of the Consumer Decision-Making Process. Visually engaging content triggers the initial awareness of a need to travel. Detailed captions, informative highlights, and easy access to communication tools enable the information search stage. During the evaluation stage, a strong visual profile, user feedback, and influencer endorsement help differentiate the hotel from others. Strategic use of offers and links at the point of purchase increases bookings. In the post-purchase arena, incentivizing guests to share their experiences extends the hotel's scope and builds trust.

In conclusion, boutique hotels in Galle applied the use of Instagram marketing to influence consumer behavior and attitude. Using strategic visual management, influencer partnership, tools for engagement, promotions, and authentic communication, they have influenced all phases of the consumer process. This merging of CDMP and SME concepts provides a complete picture of mechanisms of Instagram marketing effect.

Lastly, Instagram marketing is more than a marketing channel but also a strategic asset that supports long-term business development. Boutique hotels that maximize its potential grounded on consumer psychology and relationship marketing can enjoy competitive advantage. The findings confirm that Instagram facilitates brand establishment and consumer interaction, both of which are essential for facilitating business success in the boutique hospitality sector of Galle, Sri Lanka.

## 5 CONCLUSION AND RECOMMENDATION

### 5.1 Conclusion

This recent study investigated how Instagram marketing would influence boutique hotel business performance in Galle, Sri Lanka. As competition becomes increasing and competitive with a visually driven orientation of the hospitality business, the effectiveness of social networking websites, Instagram specifically, has become paramount in this regard. Boutique hotels through their customized offerings and emphasis on unique customer experience find it befitting to come together with Instagram's image-driven storytelling aptitude. This study aimed to assess how fundamental aspects of Instagram marketing i.e., aesthetic appeal, influencer marketing, promotional content, and credibility enhance brand awareness, customer engagement, and business performance.

The research concluded that Instagram profoundly influences the business outcomes of Galle boutique hotels. Visual content posted on Instagram, particularly aesthetic images and videos, are conclusive in attracting attention from potential customers. These photographs help hotels convey their uniqueness, ambiance, amenities, and location more effectively than would be possible through conventional marketing channels. Because tourism is so experience- and environment-dependent, the visually oriented character of Instagram is in harmony with the hospitality industry's ethos. It was apparent from the responses collected that prospective travelers are greatly reliant on Instagram to find and compare accommodations before booking.

Another important aspect of the findings is influencer marketing. Social media influencer partnerships, especially within travel and lifestyle niches, help boutique hotels reach more people and build trust. Influencers are trusted outsiders whose recommendations are perceived as more authentic and tangible than traditional advertising. Their tweets typically featuring real-time visits, genuine reviews, and experiential stayovers enhance the appeal of boutique hotels and encourage their followers to consider making a booking.

The study also proved that promotional posts uploaded on Instagram significantly influence customers' buying decisions. Flash sales, holiday promotions, and limited offers create an impression of urgency and scarcity that pushes users to make quick decisions. Promotional content uploaded as posts, stories, or highlights increases visibility and engagement as well. The seamless integration of booking links and call-to-action features on Instagram enables users to shift from interest to purchase with little resistance.

Credibility and trust were also found to be important elements in spurring customer engagement and conversion. The authenticity and consistency of Instagram content shape users' perceptions of the brand. Hotels posting regularly, responding to comments, and publishing genuine guest feedback are more likely to build long-term connections with their followers. Moreover, user-generated content, i.e., published photos marked and guest reviews, was seen as an important mechanism for building trust. These organic testimonials are powerful because they are social proof and real experiences.

The influence of Instagram marketing doesn't end at the booking stage but also influences customer loyalty and word-of-mouth marketing. Satisfied guests who share their experience online not only create free promotion but also act as brand ambassadors. These word-of-mouth impacts online have a multiplicative effect on business performance by attracting like-minded travelers and generating repeat bookings. Thus, Instagram is not merely an ad platform but serves as a piece of the customer journey cycle, from discovery, decision to post-stay interaction.

Instagram marketing was also emphasized in this research in terms of synchronization with consumer behavior. The research indicated that Instagram influences the consumer's path at various stages: from a sense of need to searching for options, considering alternatives, reservation, and feedback on stay. This travel is made convenient by Instagram features such as saved posts, highlights, reels, direct message, and engaging features such as polls and questions. These features offer boutique hotels with an instant and effective way to engage with current and potential customers and establish stronger brand connections.

Generally, Instagram marketing plays a significant role in influencing business performance by enhancing brand awareness, customer interaction, trust, and conversion. Boutique hotels in Galle that have been able to effectively use Instagram are in a good position to capture market attention, stand out from competitors, and establish long-term relationships with visitors.

## **5.2 Recommendations for Boutique Hotels in Galle**

Based on the findings of the study, one can provide different suggestions which will help to make effective Instagram marketing strategies for boutique hotels in Galle and improve overall business performance.

First, boutique hotels must have a unified and beautiful Instagram presence. Great photos and videos that capture the unique features of the hotel—whether interior design, food choices, views, and guest facilities—can be capable of generating curiosity and an emotional reaction from prospective tourists. Posting consistently in the same theme and tone will also establish a uniform and recalled brand identity.

Second, hotels have to invest in influencer partnerships that resonate with their brand identity and corporate values. Influencer partnership with travel and lifestyle influencers has the power to amplify reach and traffic to the hotel's Instagram page. Influencers should be handpicked on the basis of audience reach, engagement rate, and the hospitality market of the hotel. Offering complimentary stays or exclusive experiences can encourage influencers to endorse the hotel organically.

Third, content of promotions has to be properly planned and effectively shared. Flash sales, promo offers, package deals during season times, and packaged deals need to be accentuated using tales, reels, and interactive posts so that interactions rise. Through the utilization of countdown timers, questionnaires, and questions, interactions and involvements can even get further strengthened. Further, driving followers towards reservation links or numbers should become easily accessible and simple.

Fourth, hotels must invest in trust building through openness and interaction. Regular chat with followers through comments, messages, and posting followers' content makes the brand more human and indicates care on the part of the hotel. Sharing behind-the-scenes content, staff stories, and real-time updates builds authenticity and makes the hotel more human. Requesting customers to mention the hotel and provide their feedback can also generate good quality user-generated content that makes the hotel more credible.

Fifth, data and analytics have to be leveraged to monitor and improve performance. Instagram offers deep insights into post engagement, story reach, audience demographics, and behavior. Boutique hotels should monitor these metrics regularly to ascertain what type of content is engaging their audience most and adjust their strategy accordingly. Data-driven methods can optimize content, identify trends, and enhance return on investment in social media marketing.

Finally, boutique hotels need to consider Instagram as part of an integrated digital marketing effort. Combining Instagram efforts with the hotel's website, e-mail campaigns, and other social platforms will create a robust, well-integrated, and compelling online presence. Cross-promotion and messaging consistency across channels will further build reach and solidify brand awareness.

### **5.3 Recommendations for Future Researchers**

While this study has provided valuable feedback on the impacts of Instagram promotion on boutique hotels in Galle, there remains some scope to explore further areas of research.

Second, future researchers may delve into comparative research of various social media platforms. Although Instagram was the platform in this study, other platforms such as Facebook, TikTok, and YouTube also have unique features and user activities that may impact marketing effectiveness. Comparative analysis would offer a wider context of social media marketing in the hospitality industry.

Secondly, larger and more representative sample size will be covered in future studies. Broadening the scope to cover boutique hotels operating in other regions

of Sri Lanka or South Asia will facilitate wider generalizability of the research findings and outlining of the regional trends and demands in practices of digital marketing.

Third, there is scope for looking at the long-term effect of Instagram advertising on repeat business and brand equity. While this study aimed at short-term measures of performance, research into how regular use has an influence on repeat business as well as word-of-mouth would be beneficial.

Fourth, future researchers may use a mixed-method design involving qualitative interviews and quantitative surveys to gain more insightful understanding of the guest perceptions and experiences. Exploring the psychological and affective aspects of social media interactions can enrich consumer behavior and make it better to understand.

Fifth, academics can investigate the influence of new technologies such as augmented reality (AR), virtual tours, and artificial intelligence (AI) on social media marketing. As digital marketing is continually evolving, it is important for boutique hotels to stay ahead of the game and know the effect these technologies are having.

Lastly, future research can explore boutique hotels' internal problems in undertaking Instagram marketing, such as having limited resources, training employees, and creating content. Knowledge about these challenges will inform support programs, training sessions, and digital literacy programs hospitality-specific.

## 6 REFERENCES

Agresta, S. and Bough, B. B., 2010. *Perspectives on social media marketing*. Nelson Education.

Akinyode, B. F., Khan, T. H. and Ahmad, A. S. B. H., 2015. Consumer decision making process model for housing demand. *Jurnal Teknologi (Sciences & Engineering)*, 77(14).

Alkhasoneh, O. M., Jamaludin, H., Bin Zahar, A. R. I. and Al-Sharafi, M. A., 2024. Drivers of social media use among SMEs and its impact on brand awareness and customer engagement. *Asia-Pacific Journal of Business Administration*.

Bashar, A., Ahmad, I. and Wasiq, M., 2012. Effectiveness of social media as a marketing tool: An empirical study. *International Journal of Marketing, Financial Services & Management Research*, 1(11), pp.88-99.

Berthon, P. R., Pitt, L. F., Plangger, K. and Shapiro, D., 2012. Marketing meets Web 2.0, social media, and creative consumers: Implications for international marketing strategy. *Business Horizons*, 55(3), pp.261-271.

Bilgin, Y., 2018. The effect of social media marketing activities on brand awareness, brand image and brand loyalty. *Business & Management Studies: An International Journal*, 6(1), pp.128-148.

Bonilla, M. D. R., del Olmo Arriaga, J. L. and Andreu, D., 2019. The interaction of Instagram followers in the fast fashion sector: The case of Hennes and Mauritz (H&M). *Journal of Global Fashion Marketing*, 10(4), pp.342-357.

Chen, S. C. and Lin, C. P., 2019. Understanding the effect of social media marketing activities: The mediation of social identification, perceived value, and satisfaction. *Technological Forecasting and Social Change*, 140, pp.22-32.

Chiriluta, R., 2021. *An exploration of how marketing technique and promotion via Instagram drives domestic tourism in Ireland* (Doctoral dissertation, Dublin, National College of Ireland).

Dessart, L., Veloutsou, C., & Morgan-Thomas, A. 2015. Consumer engagement in online brand communities: A social media perspective. *Journal of Product & Brand Management*, 24(1), pp.28–42.

Di Gangi, P. M. and Wasko, M. M., 2016. Social media engagement theory: Exploring the influence of user engagement on social media usage. *Journal of Organizational and End User Computing (JOEUC)*, 28(2), pp.53-73.

Duffy, B. E., 2016. The romance of work: Gender and aspirational labour in the digital culture industries. *International Journal of Cultural Studies*, 19(4), pp.441-457.

Duradoni, M., Innocenti, F., Mattiassi, A. D. and Guazzini, A., 2023. Italian Validation of the Social Media Engagement Questionnaire (SME-Q): A Preregistered Study. *Human Behavior and Emerging Technologies*, 2023(1), pp.2363112.

Erdoğan, İ. E. and Cicek, M., 2012. The impact of social media marketing on brand loyalty. *Procedia-Social and Behavioral Sciences*, 58, pp.1353-1360.

Hassan, A., 2014. Do brands targeting women use instamarketing differently: A content analysis. In *Marketing management association annual conference proceedings spring*, pp.62-65.

Huey, L. S. and Yazdanifard, R., 2014. How Instagram can be used as a tool in social network marketing. *Center for Southern New Hampshire University (SNHU)*, 7(4), pp.122-124.

Jacobson, J., Gruzd, A. and Hernández-García, Á., 2020. Social media marketing: Who is watching the watchers?. *Journal of Retailing and Consumer Services*, 53, pp.101-774.

Jadhav, N. P., Kamble, R. S. and Patil, M. B., 2013. Social media marketing: The next generation of business trends. *IOSR Journal of Computer Engineering*, 21(2), pp.45-49.

Joshi, A., Kale, S., Chandel, S., & Pal, D. K. (2015). Likert scale: Explored and explained. *British Journal of Applied Science & Technology*, 7(4), 396.

Kaplan, A. M. and Haenlein, M., 2012. Social media: back to the roots and back to the future. *Journal of Systems and Information Technology*, 14(2), pp.101-104.  
Krejcie, R. V., & Morgan, D. W. 1970. Determining sample size for research activities. *Educational and Psychological Measurement*, 30(3), pp.607–610.

Mariani, M. M., Di Felice, M., & Mura, M. 2018. Facebook as a destination marketing tool: Evidence from Italian regional Destination Management Organizations. *Tourism Management*, 68, pp.312–327.

Mutua, F. and Mwikya, J., 2022. Brand Loyalty and Brand Name Awareness on Consumer Decision Making Process on Airtel Kenya Mobile Money Transfer.

Neti, S., 2011. Social Media and its Role in Marketing. *International Journal of Enterprise Computing and Business Systems*, 1(2), pp.1-15.

Ponnusamy, S., Iranmanesh, M., Foroughi, B. and Hyun, S. S., 2020. Drivers and outcomes of Instagram Addiction: Psychological well-being as moderator. *Computers in Human Behavior*, 107, pp.106-294.

Rozak, H. A., Adhiatma, A., Fachrunnisa, O. and Rahayu, T., 2021. Social media engagement, organizational agility and digitalization strategic plan to improve SMEs' performance. *IEEE Transactions on Engineering Management*, 70(11), pp.3766-3775.

Seo, E. J. and Park, J. W., 2018. A study on the effects of social media marketing activities on brand equity and customer response in the airline industry. *Journal of Air Transport Management*, 66, pp.36-41.

Shareef, M. A., Mukerji, B., Dwivedi, Y. K., Rana, N. P. and Islam, R., 2019. Social media marketing: Comparative effect of advertisement sources. *Journal of Retailing and Consumer Services*, 46, pp.58-69.

Sidhu, L. S. and Saini, R., 2021. Investigating the Influence of Social Media Influencers on Consumer Decision Making Process of Plurals and Millennials.

SLTDA. 2019. *Registered Tourist Accommodation*. Sri Lanka Tourism Development Authority.

Tafesse, W. and Wien, A., 2018. Implementing social media marketing strategically: An empirical assessment. *Journal of Marketing Management*, 34(9-10), pp.732-749.

Wally, E. and Koshy, S., 2014. The use of Instagram as a marketing tool by Emirati female entrepreneurs: An exploratory study. In *29th International Business Research Conference, World Business Institute Australia, Australia*, pp.1-19.

## **APPENDICES**

### Appendix 1. **Questionnaire**

#### **Demographic Questions**

1. **What is your position in the hotel?**
  - Owner
  - Manager
  - Marketing Executive
  - Front Office Staff
  
2. **How long have you been working in the hotel industry?**
  - Less than 1 year
  - 1–3 years
  - 4–6 years
  - 7–10 years
  - More than 10 years
  
3. **What is the size of your hotel (number of rooms)?**
  - Less than 10 rooms
  - 11–20 rooms
  - 21–30 rooms
  - More than 30 rooms
  
4. **How long has your hotel been using Instagram as a marketing tool?**
  - Less than 6 months
  - 6 months – 1 year
  - 1–2 years
  - More than 2 years
  - We do not use Instagram
  
5. **How often does your hotel post on Instagram?**
  - Daily
  - 2–3 times per week
  - Once a week
  - Occasionally
  - Rarely/Never

Section	Statement	Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)
<b>Perceived Effectiveness</b>	Instagram marketing increases our hotel's visibility.					
	Instagram helps attract more customer inquiries.					
	Instagram promotions lead to more bookings.					
	Instagram is an effective platform for showcasing our services.					
	Instagram engagement (likes, comments) influences customer decisions.					
<b>Visual Aesthetics</b>	High-quality visuals on Instagram attract more attention.					
	Our hotel maintains a consistent visual theme on Instagram.					
	Use of colors and design in our posts enhances brand identity.					

	Instagram photos/videos influence customers' perceptions of our hotel.					
	Aesthetic posts increase the likelihood of users following our page.					
<b>Trust and Credibility</b>	Customer reviews and feedback on Instagram enhance trust.					
	Regular Instagram activity improves our hotel's credibility.					
	Instagram helps build transparent relationships with guests.					
	Featuring user-generated content increases customer trust.					
	Instagram presence makes our brand seem more trustworthy.					
<b>Business Performance</b>	Instagram marketing contributes to an increase in room bookings.					
	Social media campaigns have improved our revenue.					

	Instagram engagement contributes to customer retention.					
	We monitor Instagram metrics to evaluate marketing success.					
	Instagram has helped us achieve a competitive edge in Galle.					