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Development of Social Media Marketing for Russian Customers

Case Company: CheapSleep Hostel

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                                  marketing for Russian customers
                                  Case company: CheapSleep Hostel

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ABSTRACT

Importance of social media marketing has increased, as businesses have
understood the opportunities and benefits of using it. Social media is the
leading tool for reaching existing and potential customers. The aim of the
thesis is to study the concept of social media marketing and key
advantages of its implementation in the hospitality industry. The goal of
research is creating a development plan for the case company,
CheapSleep Helsinki.

The author uses deductive research approach and utilizes both qualitative
and quantitative analysis methods. Primary data of the study is collected
with help of interviews with personnel and customers, and an online
survey is conducted. Secondary data consists of online-based sources
and published sources - books and journals.

Theory about hospitality industry is used to gain better knowledge of key
factors influencing the industry and future perspectives of it. Concept of
consumer behavior is explained to learn what affects purchasing decisions
in the hospitality industry and how they are made. For creating the
development plan, information concerning social media marketing is
included in the theoretical framework of the study. The main tool used for
the analysis of the current situation with internal and external environment
of the company is SWOT-analysis.

Research outcomes identify social media marketing as a perspective tool
for reaching potential customers and supporting loyalty of existing ones.
Marketers need to pay attention to specifics of a target group of customers
coming from Russia by choosing sufficient marketing channels and
adjusting the content towards them.

Key words: social media, social media marketing, tourism, hospitality
industry, customer behavior, consumer decision-making, development
plan

CONTENTS

1 INTRODUCTION

This chapter introduces the reader to the background of the thesis and explains the methods used to complete the research. The general idea of the objectives of the research and data collection methods are given and research questions are presented and explained. Theoretical framework subchapter covers the main theory concepts related to the research. Thesis structure is provided in the end of the Introduction.

1.1 Background

For a significant period of time marketing was considered as a far less important thing than the actual operation in most spheres of business. But attention given to marketing from businesses has increased due to the growth of popularity of internet, e-commerce, social media and development of opportunities these can give to companies. Benefits from marketing, which were underestimated before, became vital to achieve to withstand the competition from other companies. (Wirtz, Tuzovic & Kuppelwieser 2014.)

Before the age of marketing priority over business operations, companies were aiming to attract and keep customers by providing them with a product of best quality and/or other features. Nowadays gaining customers attention is primarily conducted by creating an efficient and thoroughly developed marketing strategy. Positioning of a product, product story, image and reputation became the main factors for customers during making their purchasing decisions. (Wirtz et. al 2014.)

When improvements of business operations are being continuously done, customers are kept satisfied. But there are always potential customers, who are not aware of the company. That is why approach towards promotion should be done to gain more profit and broaden the market share of the company. (DeMers 2014.)

The case company, CheapSleep Hostel, is a hospitality business company, located in Helsinki, Finland. The company's major service is

providing affordable accommodation for tourists and locals. The company is aiming to increase attention to the quality of its services among customers coming from Russia, as they are one of the leading customer groups for the hostel (Statistics Finland 2018). Tourist traffic from Russia to Finland is rapidly growing due to the proximity between two neighbouring countries, which means that marketing promotion for Russian customers brings a potential to business growth and development (Helsinki Times 2015).

1.2 Thesis objectives, research questions and limitations

The purpose of this study is to create social media marketing guidelines for the case company, CheapSleep Hostel, which will be used as a basis for development of a complete marketing strategy targeted on Russian customers and used as an example of targeting analyses of other customers groups.

Objective of the study should be focused and can be achieved by answering questions, which reflect the research approach. Proper research question is clear and focused, it guides the research project and assists in development of logical arguments, while summarising the object of researcher's investigation. (Saunders, Lewis & Thornhill 2009, 33.) The main research question is:

- How should the case company improve their social media marketing to reach more customers coming from Russia?

Sub-questions are less-complex and more specific research questions, which are aimed to help the researcher to get findings to answer the main research question (Swaen 2017). To make it easier there were three sub questions: one related to current situation of common ways of utilizing social media marketing on the market, one concerning aspects necessary to contemplate while creating a positive impression about the company within target group and one about the advantages of approaching the target group:

- How can social media be used in marketing activities in the tourism and hospitality sector?
- What are the main aspects to consider while creating a social media marketing strategy and attracting potential customers from Russia?
- What are the possible benefits of properly developed social media marketing strategy?

Limitations of the study are the constraints on design of study or the utility of findings needed for establishment of research validity (Price & Murnan 2004, 66-67).

The thesis study is limited by the target audience of the research, industry type and market segment of CheapSleep Helsinki. Research target audience is Russian customers. Company is an operator in hospitality industry, hostel accommodation segment, that is why outcomes of the research are not guaranteed to be relevant to other market segments or industry.

1.3   Theoretical framework

Theoretical framework of the thesis relies on three main concepts: hospitality industry, customer behaviour in hospitality industry and social media marketing. Chapter 2 describes the general information about hospitality industry and accommodation sector of it, main factors affecting the industry, challenges and future perspectives of it.

Chapter 3 includes theory of consumer behaviour concept, describes motivators and facilitators of consumer behaviour, brief comparison of purchase decision models, complexities in consumer behaviour and changes in it due to the digital era.

The last theoretical chapter, Chapter 4 covers the concept of social media marketing, includes the description of several medias, social media

marketing strategy development plan and aspects to consider during creating it.

1.4 Research Methodology and Data Collection

As different studies may have a broad variety of research purposes, utilizing only one way of doing the research cannot be suitable and efficient enough. Researchers can decide to use one or combine two of the following research approaches: inductive or deductive. Deductive method implies observing the general theory as a basis for explanation and then testing it on a specific hypothesis, which allows the researcher to get more detailed information concerning the actual matter. Inductive approach is controversially based on creating a theory out a certain research matter. (Saunders et. al 2009.) For this research the deductive research approach was chosen as the research starts with studying the general theory about research topic and the research outcomes and conclusions were based on this theory.

Research methodology is another thing necessary to elect. There are two research methods to choose from – quantitative and qualitative. Quantitative research method is based on analyzing numerical data or data, which can be quantified, by utilizing various charting and statistical techniques to compare this data or explore it and find notional patterns and trends in it. (Saunders et al. 2009, 414.) Qualitative research method relates to analyzing non-standardized data requiring classification into categories and analyses of it is done by conceptualization of data. (Saunders et al. 2009, 480.) Based on the research topic, qualitative method was used primarily, while quantitative method was used as support.

Primary data is gathered by the researcher himself from survey conducted with Russian customers of CheapSleep Hostel and interview with both customers and company's employees. Secondary data, which is not researchers own findings, but primary data proceeded by other researchers is taken from literature, articles and internet-based sources.

(Saunders et al. 2009, 256.) Research approach, research methods and data used are presented in Figure 1.
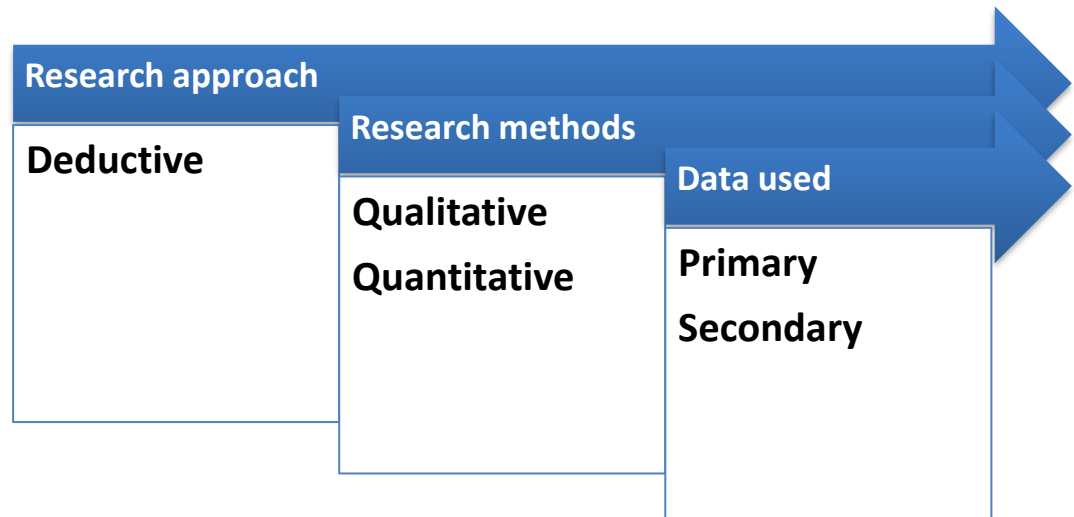
FIGURE 1. Research methodology and data collection

1.5   Thesis structure

As shown on Figure 2, after the Introduction section the thesis structure firstly includes the theoretical part. Chapter 2 has description of hospitality industry. Ideas about the concept of consumer behaviour are covered in Chapter 3. Chapter 4 contains information about social media marketing and its utilization for hospitality companies.

Empirical part in Chapter 5 is about the conducted research, how it was maintained, preparations and the results, which are followed by recommendations in Chapter 6. Conclusion part, Chapter 7, is an answer to the main research question. It is based on empirical research outcomes and theory. In the final Chapter 8 the whole thesis is summarized.
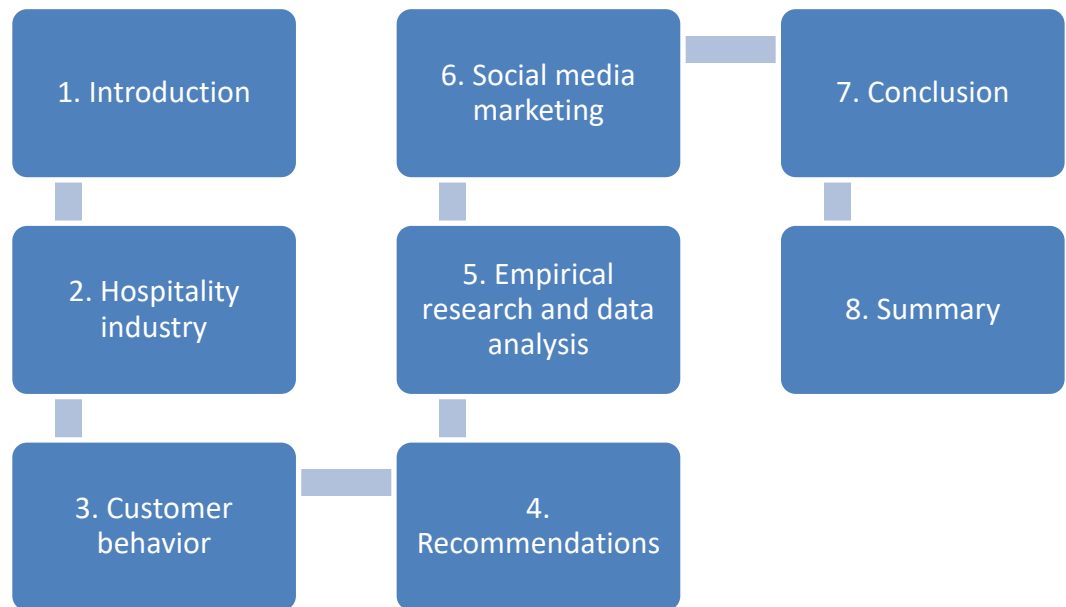
FIGURE 2. Thesis structure

2   HOSPITALITY INDUSTRY

Chapter 2 introduces the reader to the concept of hospitality industry, covers the impact of hotel business and future perspectives of it. Key factors and challenges influencing the industry are also described in this chapter.

Tourism and travelling for people is a part of lifestyle, hobby, desired way of spending leisure time or necessity related to working life. The term tourism refers to the combination of temporary short-term movement of people to places outside their usual environment for leisure, business and other purposes and activities related to this movement (Holloway & Humphreys 2016, 6-7). The hospitality industry is a fundamental part of tourism sector, which includes both accommodation and catering services (Swain & Mishra 2012, 209).

2.1   Accommodation business

The accommodation sector's prior task is providing people with a certain form of sleeping and hospitality facilities either self-serviced or with cleaning and/or catering amenities included (Holloway 2016, 349). Type of accommodation provided may be segmented and targeted by geographical, demographic, psychographic and behavioural variables (Holloway 2016, 80-84). Geographical variables are defined by location of accommodation in a specific zone, country, region or place. Demographical segmentation is based on age, gender, occupation and other variables related to consumers' demographical situation. Psychographic variables are defined by interpersonal communication, relationships within societies customers belong to and consideration of other members of those societies as credible advisors. In other words, psychographic variables can be considered as norms and policies or common views of the social group. Behavioral variables in segmentation are related to the concept of consumer behavior and are described and discussed in Chapter 3. (Holloway 2016, 80-84.)

Another type variable is described by Nykiel (2011, 17) and determines the segments of market by the amount of money consumers are allowed and ready to spend. Due to the limitations in budget tourists' choice possibilities are diminished and customers are forced to find the product with best value per price.

Market analyses benefits the most from combining several variables for building the understanding of customers' way of thinking for specific target groups and use the valuable advantage of such research' outcomes. (Nykel 2011, 16.)

2.2   Key factors influencing the industry

Economic situation globally and in individual countries or regions plays an important role in forming and development the tourism industry and hospitality sector of it. As the financial system is the basis for the transfer of funds in exchange of goods and services, it performs as a certain barrier against risk and financial institutions are responsible for allocation of capital and usage of it, what creates the mutual dependence between tourism and economics: growth of tourism enriches the capital flows, while without capital flows controlled by financial institutions high potential of the industry is impossible to unlock. (Shakouri, Yazdi, Nategian & Shikhrezaei 2017.)

"Globalization is a global integration of international trade, investments, information technologies and culture" (Investopedia 2018). Trend of international integration creates unified quality standards for hospitality industry and lowers the market-entry barriers for international companies while making traveling more affordable and accessible (Walker 2014, 41).

Technological integration presents opportunities for convenience and efficiency of both customer service and business operations and at the same time dictates the necessity of utilizing those technologies to keep the business competitive, which is complex in terms of non-standardized software and hardware design. (Walker 2014, 40-41.) Computer

reservation systems has simplified the processing of reservation and made information visible and easily accessible, the data exchange process has become immensely faster compared to the same exchange without information technologies (Buhalis 2003, 98). The impact of social media marketing on hospitality industry is covered in Chapter 4.

Legal requirement for companies operating on the hospitality market are issued to protect customers and guarantee fair market conditions for all market players. To benefit from advantages offered by the legislation system a company must comply with the requirements itself, while in situation of constantly changing market situation supplemented by necessity of adjusting the operations is challenging. (Walker 2014, 40.)

Safety and security with all components of it, like political security, health and sanitation, personal data safety, environmental security, disaster security and others are tightly connected with the situation on the market of tourism. Tense atmosphere caused by global conflict, terrorism and criminality has drew attention to security norms and control over the situation was turned from passive to active to protect and ensure the safety of travelers around the globe. (Kovari & Zimanyi 2018.)

2.3 Challenges of the industry

Like in any other sphere of business, hospitality sector has its own scope of challenges, the goal for enterprises is to find solutions and keys to changing a challenging issue into advantage over competitors. This subchapter contains common challenges and brief descriptions of them.

- Rapidly growing competition within the sector along with new interconvertible market segments, for example, house rental services such as Airbnb (Chan & Quah 2008, 15).
- Travel agencies have more power and those dictate the trends and regulate the market, purchasing power of consumer is expeditiously growing. This tendency deprives companies from being market

developers and converts them into highly dependent market followers. (Chan & Quah 2008, 15.)

- High dependence on economic and political situation makes the industry exposed to changes in the global market environment (Chan & Quah 2008, 15).

- Lack of product differentiation caused by specifics of the industry is hard to overcome, as restructuration of business or making the unstandardized and diverse product in hospitality industry requires significantly more effort and resources than limitation and standardization of services (Chan & Quah 2008, 15).

- Operational issues, such as fixed and variable cost-reduction, human resources turnover, lack of knowledgeable personnel, lack of experience and skills of customer service creates a complex issue, without solving problems with operations achievement of competitive quality level of service provided becomes unattainable. (Chan & Quah 2008, 15.)

- Loss of control over customers, changes in consumer behavior and customers' expectations are all challenges for the industry, which requires from businesses being always ready for rapid adjustments of operations (Goyal 2010).

- Complications with branding issues of instilling local authenticity of local culture into brand standards (Goyal 2010).

- Financial and technological viability (Goyal 2010).

2.4   Future of hospitality industry

Holloway (2016, 387) predicts the future of hospitality industry by saying that the trend of fulfilling consumers' demand on novelty and improved facilities will be kept, market separation between high-end market players like large chain hotels, fashion hotels, hotels marketed on basis of historical or architectural heritage and between budget sector accommodation establishments offering efficient price for quality as well as recognisable branding and positive image. Other predictions are the growth of internet-based review sites as a powerful tool affecting

customers' decision-making process, trend on involving more sophisticated cost-reduction business strategies in operational lifecycle of hospitality sector companies and development towards usage of up-to-date technologies**.**

3   CONSUMER BEHAVIOR

This chapter describes the phenomenon of customer behaviour in the sector of tourism and the key components influencing the decision-making process.

Customer behavior is the scope of activities including pre-purchase, consumption and post-purchase stages of buying process. Selection, usage and reaction to hospitality services or any other products are also a part of consumer behavior concept. (Morrison 2010, 98-99.)

3.1   Factors affecting consumer behavior in hospitality industry

Factors affecting consumers' mindset by its intention are separated into pull and push factors (Holloway 2016, 74). In other words, those factors are classified as motivators and determinants.

Motivators are a range of factors, which motivates consumers towards making the purchasing decision. They can be motives to take any possible holiday or oriented to a holiday to a specific destination during specific time. (Horner & Swarbrooke 2007, 64.)

Determinants are factors, which determine if a consumer will be able to take a holiday or not and the type of holiday (Horner et al. 2007, 73).

Naturally motivators and determinants are tightly connected and interrelated, because people tend to base their decisions on both desires and reality circumstances. Understanding these factors brings an opportunity for detailed analyses of consumer behavior in tourism. In following Subchapters 3.1.1 and 3.1.2 factors associated with psychological characteristics of individuals and inter-personal interactions are covered.

3.1.1 Personal factors

Needs are a difference between what customers have and their desires, which can be anything from biological and vital desires, like need for food or safety, to more psychological desires, for instance, need for self-fulfillment. Wants are means of satisfying the needs selected by customers. (Morrison 2010, 99.)

Perception is a process of evaluating the facts by using their five senses. Facts are proceeded through perceptual screens, perceptual biases, selective retention and require a closure, in other words information is going through the complex of barriers before it finally reaches a potential customer and it can only affect in case after avoiding these obstacles facts are perceived positively. (Morrison 2010, 105-107.)

Learning is a concept of gaining knowledge resulted in changes in behavioral patterns. That is why decisions made by consumer of the same target group, but with different experience may vary a lot. (Morrison 2010, 110.)

Personality includes such characteristics as mentioned before needs, wants, perception, learning and emotions. Personality is a broaden concept with many different components of it and each person has a unique personality type, which strongly affects the person's responds to the environment. For this reason, predictions based on personality type concept are inexact and approximate. (Morrison 2010, 111.)

Another personal factor affecting consumer behavior is lifestyle and environment where the person exists. Studies about behavioral patterns show that there is a correlation between age, occupation, income and employment and decision-making practices. (Morrison 2010, 111.) Growing bargaining power and rising income level motivates individuals to travel more to change the lifestyle pattern and differ from other individuals of their social group by gaining knowledge and experiencing new cultures and destinations. Incentivized traveling or in other words travelling for business is also a considerable factor, which is partly a necessity for some

people, but at the same time a significant motive to visit unexplored places. (Swain & Mishra 2012, 95.)

A final personal factor described by Morrison (2010, 113-114) is self-concept, which is a perception of the person by him or herself. There are four types of self-concept:

- Real self – the way we really are
- Ideal self – the way we would like to be
- Reference-group self – the way we think other people see us
- Self-image – the way we see ourselves

Self-image is a combination of other three types and it is the most widely used for marketing purposes, as people tend to try to reduce the gap between their real selves and their ideal selves to make members of their reference group see them better too. Demonstration effect is represented in case a person's interest is aroused by seeing other people travelling or is under the influence of emerging number of new-age tourists, who travel a lot and freely gain new experiences. (Swain & Mishra 2012, 85.)

Other aspects mentioned by Swain and Mishra (2012, 86) are self-realization and spirituality. Self-realization is a fundamental motive to discover Peron's inner self through seeking a secluded place, which is a common practice related to religious beliefs and spirituality. Happiness from mental and physic relaxation is considered by researchers to be a personal motive as well (Swain & Mishra 2012, 87).

Other researchers highlight such factors and categories of motivation as:

- Motivation as a fantasy to experience behavior they may not be sanctioned in the home location;
- Motivation as auto-definition and meaning, which implies analyses of tourists' vision or definition of their situation rather than their behavior;

- Physical motivators related to health purposes, sport, pleasure and refreshment of body and mind. (Cooper, Fletcher, Fyall, Gillbert & Wanhill 2008, 46-47.)

3.1.2   Interpersonal factors

"A culture is a combination of the beliefs, values, attitudes, habits, traditions, customs, and forms of behavior that are shared by a group of people." A group of people sharing the components of culture is also referred to as culture, which is the biggest social group to which customers belong. Combination of different cultures evolve into subcultures, which make the variety of cultural characteristics more precise and narrow. This offers more possibilities for concrete analyses rather than general ideas about the culture and how it affects the customer decision-making behavior. (Morrison 2010, 114-115.)

Social classes are determined by wealth, lifestyles, status, etc. The strongest indicator of a social class is occupation. Travel destinations, means of traveling, activities during trips and other possessions are tightly related to social class. The role of social classes in tourism decision making is significant to the hospitality industry because of its close connection with leisure activities. (Morrison 2010, 117.)

Reference groups are categorized into primary and secondary groups. Primary ones involve unrestricted direct communication, for instance, within family members or friends. Seconday ones are those groups in which the communication or interaction is spontaneous and or the amount of it within group members is limited. For example, clubs with memberships, churches, work places, hobby societies. People are also affected during making decisions by aspirational and dissociative groups. In first case, people are pulled to making a positive purchase decision by their desire to become closer to members of specific group of people due to outstanding qualities of them, e.g. professional athletes. Dissociative groups act oppositely to aspirational and dissuade customers from

purchasing specific goods, which members of such groups typically buy or use. (Morrison 2010, 115-116.)

Opinion leaders exist in any social group and act as sources of information about goods or services. They become trend-setters because they are among the early buyers of the product. In any group there are several opinion leaders, who have a specialized knowledge in a specific field, e.g. type of trip or accommodation. The leaders tend to constantly seek for more information about their specialty topic to become more experienced and be recognized as experts in the group. (Morrison 2010, 117.)

3.2   Purchasing decision making models

The model by Kotler et al. (2017, 177) presented in Figure 3 involves three blocks: stimuli, buyer's black box and buyer's responses. Stimuli are divided into marketing (product, price, place, promotion) and other (economic, technological, political, cultural). Buyer's black box consists of buyer characteristics and buyer decision process. Final stage is buyer's responses, which are product choice, brand choice, dealer choice, purchase timing and purchase amount. The model is simplified and linear, but it clearly states the transition from influencing factors to final decisions.

Buyer's black box

• Product, price, place, promotion
• Economic, technological, political, cultural

Marketing and other stimuli

• Buyer characteristics
• Buyer decision process

• Product choice
• Brand choice
• Dealer choice
• Purchase timing
• Purchase amount

Buyer's responses
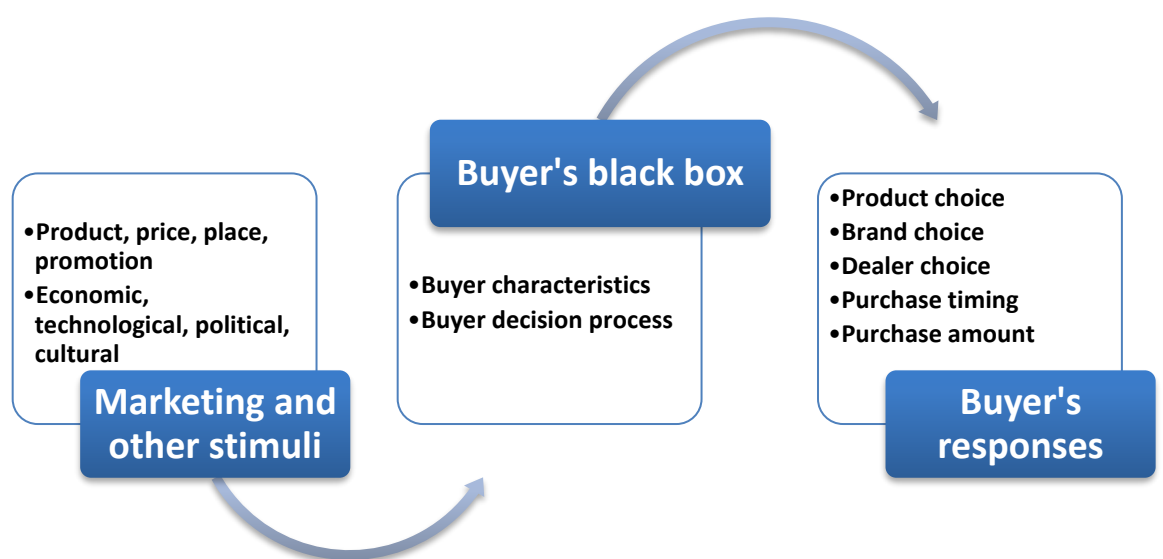
FIGURE 3. Buyer's decision model (Kotler et al., 2017)

The funnel model of the customer decision journey includes five significant stages, as presented in Figure 4. The name funnel is used due to the similarity of narrowing the wide variety of possible decisions down to one exact decision with the narrowing of a funnel. The process starts with raising awareness about all possible options to consider caused by necessity or desire. Next step is familiarizing with those options deeper, getting to know about details, specifics and features of them. Afterwards the step of consideration takes place, decision-makers filter out the whole options variety choices satisfactory for specific demand criteria. (Court et al. 2009.)

Awareness

Familiarity

Consideration

Purchase

Loyalty
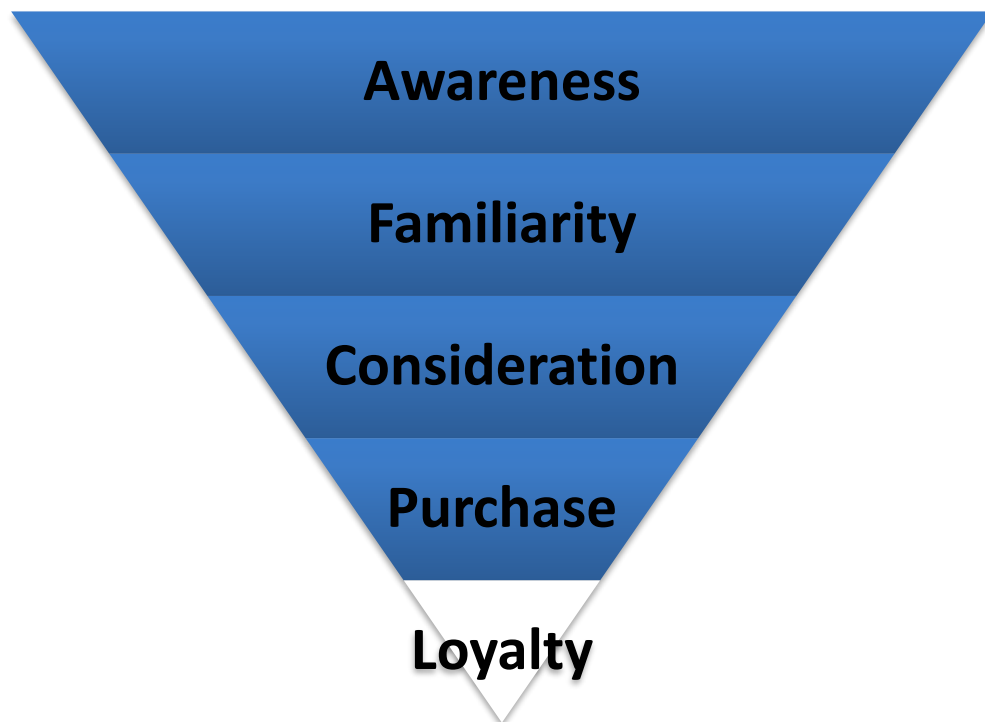
FIGURE 4. Funnel buyer's decision model (Court et. al 2009)

For service providers it is Important to focus on outstanding performance not only during each stage of the actual purchasing phase, but also during the post-purchase period. As the traditional funnel doesnot cover what happens after the post-purchase phase, there is another model, of more circular one with a so-called "loyalty loop", shown in Figure 5, expressing the impact of post purchase customer experience generating loyalty and

impression about the product or service, what will be considered and expected during the upcoming customer journeys. (Court et al., 2009.)
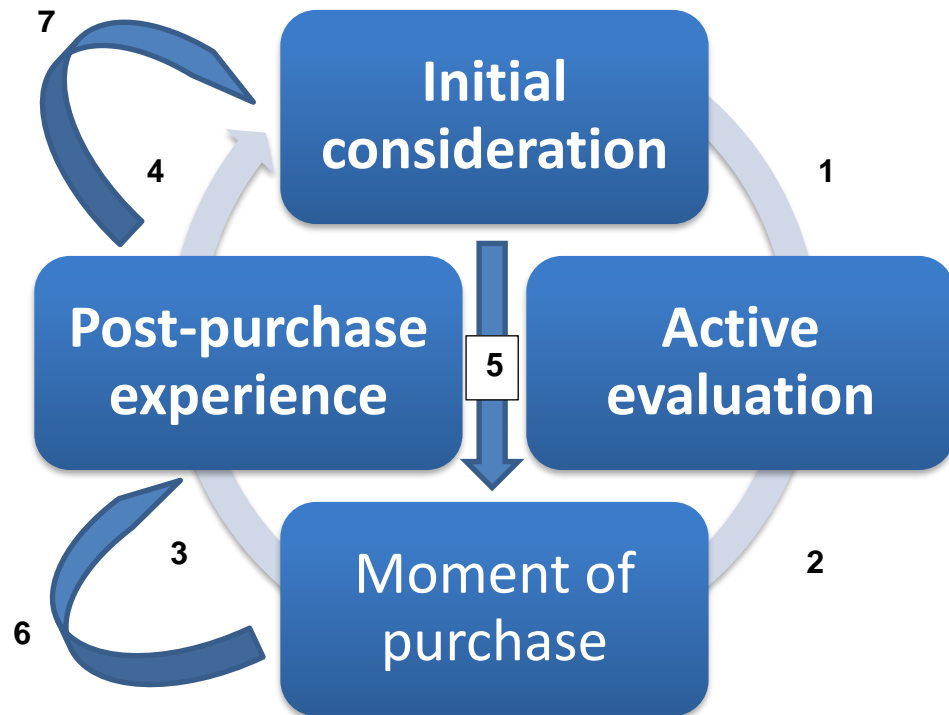
FIGURE 5. "Loyalty loop" buyer's decision model (Court et. al 2009)

3.3 Complexities of consumer behavior in hospitality industry

In this subchapter few challenging issues related to consumer behavior are covered, as well as their impact on decision making process.

High involvement in purchase decision and high consumer commitment become a barrier during the decision-making part, as it means that customers' decisions require bigger amount of attention and effort than routine day-to-day decisions. That is why the process is genuinely time-consuming. (Horner et. al 2007, 83.)

Trying out the final experience of consumption the tourism product is impossible until the purchase is done and the product is used. High levels of insecurity linked to intangibility also prolong the decision process, while

involving more information sources and decision influencers to assure that selection is reasonable and rational. (Taberner 2013.)

Emotions are playing an important role in the buying process as a matter of fact that holidays are typically rare event in individuals life. For that reason, tourists let emotions take priority over rationality, as getting positive emotions along with fulfilling other needs is natural and holistic purpose of taking holidays. (Hosany & Gilbert 2010, 513-526.)

Decisions are strongly influenced by other people, whom individuals consider to be reliable, experienced and credible for giving advices and suggestions of possible decision options and by people accompanying the tourist during his or her trip. In second case decision-making is more complex as decision is based on a combination of factors affecting behavior of both individuals. (Kotler et al. 2017, 181-184.)

Purchasing decisions in hospitality and tourism sectors are usually made long before the actual trip. The perception of the holiday may considerably or even crucially change after the decision is made and the service or product or purchased. This fact brings more uncertainty during initial decision-making phase, as predicting future or possible needs is more complex than evaluating current ones and searching for fulfilment solution. (Horner et al. 2007, 142.)

3.4   Customer behavior in digital era

Digitalization is a process of restructuration and adjustment of different aspects of peoples' life around technologies and media infrastructures (Bloomberg 2018). Customers behaviour and the way people interact with companies, products and services has significantly changed due to digitalization. Consumers have an advantage over businesses, as their purchasing power is rapidly growing, because of digitalization. Customers become more demanding on each stage of decision-making process. This fact forces companies to be more transparent, effective and to interact

more with customers before, during and after the purchase of an actual product to achieve customers' loyalty. (Singh 2017.)

Increased demand for personalisation is also an effect of digitalization. As technologies nowadays simplify the customisation of marketing messages and targeted marketing is widely spread, people tend to expect a personal touch in marketing messages to feel that a product is created and developed specifically for them. (Muller, Damgaard, Litchfield, Lewis & Hörnle 2011, 21.)

4 SOCIAL MEDIA MARKETING

Marketing is a process of creating a product or service value and delivering it to customers to satisfy their needs and to gain profit (Kotler et. al, 2017, 37). Social media is a computer-based tool utilized for sharing various content and interacting with creators and users of it (Investopedia 2018). Content on social media channels is mostly identified as "user-generated", while type and structure of medias can vary from blogs, micro-blogs, video- or photo-sharing channels to professional networking and traditional webpages. Social media marketing (in other words SMM) is an activity of targeting and reaching customers for increase in profit, improvement of brand image or other goals of business maintained through social media channels (Wilson 2010,13). SMM is used for increasing revenue, product development and innovation, increasing brand awareness and researching customers audience to improve their satisfaction and loyalty (Scott & Jacka 2011, 36).

Growing importance of social media marketing influences consumers and businesses. Consumers tend to research online for products, brands and experience of other users by reading posts, reviews and blogs. Customers nowadays are also more likely to share their own experience and tell their followers, friends or other potential users what is their opinion about a product – either recommend it for purchase or recommend avoiding it. (Agresta & Bough 2011, 32.)

From a brand's perspective social media marketing affected the traditional customer purchase journey. Due to existence of social media channels, there is a broader platform for communication with customers and delivering information about services during awareness stage of the cycle. Interest stage is affected by interactions between existing and potential customers, content they create and therefore engage potential consumers' interest. Influencing the consideration stage of the purchasing cycle for companies is easier, because of an opportunity to present real product stories generated by consumers themselves and benefit from peoples' association with the story. (Agresta et al. 2011, 33.)

There is also a considerable change in the way marketing strategies are developed. SMM pushes a shift from making impressions about the product to building communication with customers, from buying audience's attention with paid advertisements to building and managing loyal and interested in brand's story audience for continuous interaction and brings the concept of word of mouth to a higher level of importance. (Agresta et al. 2011, 9.)

4.1 Social medias, brief description and utilizing potential

In this subchapter types of social media channels are listed, main types useful for hospitality industry are named with examples of well-known medias of this type, brief description and utilization potential of this medias are also stated. SMM platforms can be divided into several big groups:

- Social networking sites (Facebook, Vk, LinkedIn, Google+)
- Microblogging sites (Twitter, Tumblr)
- Publishing tools (WordPress, Blogger, Squarespace)
- Collaboration tools (Wikipedia, WikiTravel, WikiBooks)
- Rating/review sites (TripAdvisor, Amazon ratings, Angie's list)
- Photo sharing sites (Instagram, Flikr, Pinterest)
- Video sharing sites (YouTube, Vimeo)
- Personal broadcasting tools (Ustream, Livestream, Twitch)
- Virtual worlds (World of Warcraft, Farmville)
- Location-based services (Foursquare, Swarm, Yelp)
- Widgets (Profile badges, Like buttons)
- Social bookmarking and news aggregation (Digg, Deilicious)
- Group buying (Groupon, Living Social, Crowdsavings) (Barker, Barker, Bormann, Roberts & Zahay 2017, 78.)

Following chart by Statista (2017) shown in Figure 6 represents the most used social medias in Russia. According to this data, Russian internet users are actively using social networking sites (Vkontakte, Facebook, Odnoklassniki, Google +), interact with others via messenger apps (Skype,

WhatsApp, Viber, FB Messenger), share pictures on Instagram, while the leading social media, used by 63 percent of population is a video-hosting YouTube.
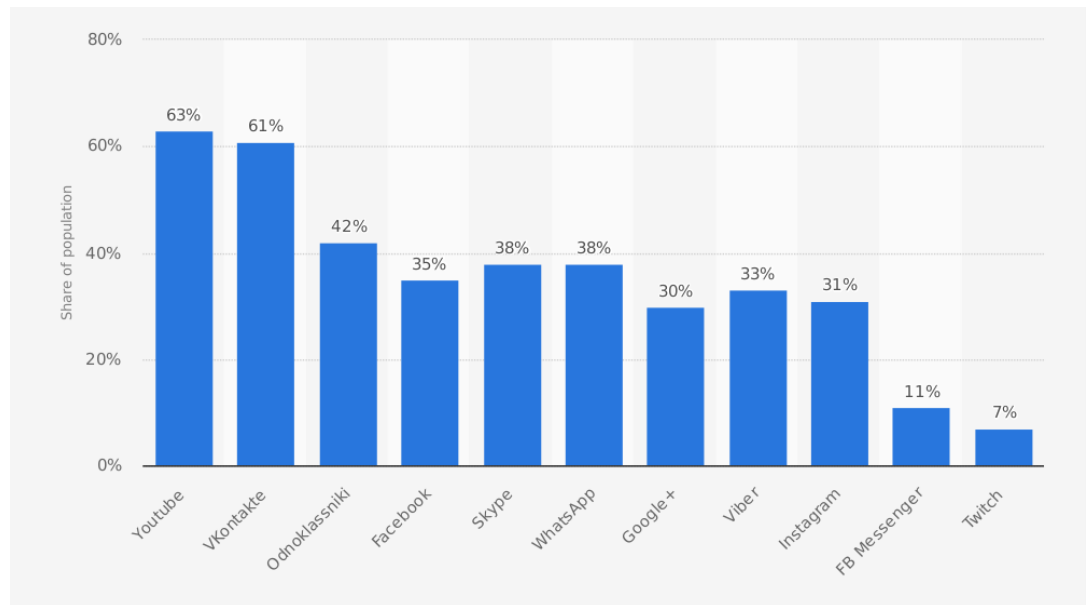
FIGURE 6. Penetration of leading social networks in Russia as of 4th quarter of 2017 (Statista 2017)

According to the research by Deloite CIS Research Centre (2017), the share of Russians considering themselves as active social media users is 84 per cent. Majority of this group (40%) share content and news both online and face-to-face. However, nine per cent of respondents prefer sharing the information in person.

4.1.1   Facebook, Vkontakte, Odnoklassniki

Social networking sites are webpages used for making connections with family, friends, colleagues. The connections may consist of various content – messages, calls, blog posts, photos, videos, music, articles and other sources. The connections are built both by sharing content created by other users and by generating own content.

Facebook has reached one billion users in 2012 (Facebook 2018) and currently is the second most popular website after Google (SimilarWeb 2018). Vkontakte and Odnoklassniki, social networks with similar functions

as Facebook, targeted towards Russian and Russian-speaking users, are taking accordingly 8th and 22nd ranking of web traffic generation (SimilarWeb 2018).

Opportunities for both businesses and users are tremendously broaden, from sending direct messages to maintaining a fan page related to a new marketing campaign with a combination of photos, videos and posts with comment about a product just in a few minutes. Social networks bring a possibility of reaching huge audience at zero cost, the only thing needed is a captivating content, attractive for users to share it with others. At the same time there always is an option to invest in paid advertisement on the platform and generate traffic to company's own webpage or any other page needed. (Wilson 2010, 88.)

4.1.2   YouTube

YouTube is the biggest video-hosting in the world with 1,5 billion logged-in monthly users (Matney 2017). The whole idea of YouTube is related to sharing videos and the platform actively engage users to create new content by sharing money from advertisement built-in the videos (Wilson 2010).

Videos used for promotional business activities can be either self-sufficient videos with entertaining, educational or motivational message, or use the model of TV-ads shown in the beginning or in the middle of other users' videos. Both options bring the advantage of reaching potential customers through easily consumable and entertaining content. (Wilson 2010.)

4.1.3   Instagram

Instagram has around 700 million active monthly users and 400 million daily users (Curtin 2017). This makes the platform 9th most popular website worldwide (SimilarWeb 2018). Instagram originally was created in 2010 as a photo-sharing application for IOS and later, in 2012, for Android

and in 2013 for Windows Phone and desktop version of Instagram Feed (Instagram 2018).

Along the timeline of its existence Instagram launched several significant updates, which changes the concept of the network and user experience. One of them was the launch of Instagram Direct in 2013, feature of sending direct private messages to other users instead of commenting publicly on their posts (Instagram 2013). In 2013 the service allowed users to upload short videos and within next 24 hours five million videos were already uploaded on Instagram (Novakova 2017). In 2016 the service launched a new feature of sharing pictures or videos of "moments of the day", which will disappear in 24 hours after posting, to let users share content they consider not suitable for their Instagram profile portfolio (Instagram 2016).

These features along with the concept of a social network, where users can express themselves by sharing photos and videos with clear and simple editing tools, open a diverse field of opportunities for businesses. It is possible to keep in touch with customers and reply to their feedback publicly and privately, share moments of business operations or sneak-pics and highlights of on-going project to gain attention to products or a company in general, create a feeling of users involves in company's life by posting stories. Collaboration with existing marketers, which are called by the platform community "influencers", is another option of interaction with potential customers indirectly, as the audience of some influencers exceeds the audience of huge brand, for instance, Selena Gomez with 136 million followers is almost two times more followed than the official account of Nike (Instagram 2018). (Dawley 2018.)

4.1.4 Foursquare

Foursquare utilizes the idea of using GPS-location of a user to suggest places of interest, cafes, tourist attractions, accommodation and other types of location on demand. It combines the location and reviews of users to give the most suitable suggestions. Utilization potential is providing the

information about a company to potential customers with description of services, photos and reviews from existing customers, while all this information is tightly connected with a geolocation of the business, so that users know what are the nearest establishments they are looking for. Another advantage relates to game-alike competitiveness of Foursquare's service Swarm, which let people check-in those establishments and receive game points, badges and achievements for visiting specific places. The most frequent visitor online becomes a mayor of the place, what motivates people to visit them more often and this leads to increasing amount of returning customers. (Foursquare 2018.)

4.1.5 Tripadvisor

TripAdvisor is the world's largest travel site. It has more than 600 million reviews of various hospitality companies, restaurants, hotels, attractions and tour operators. Reviews are user-generated and include photos, description and rating from zero to five "bubbles". The website also compares prices on different booking channels to let users book the best option possible. (TripAdvisor 2018.)
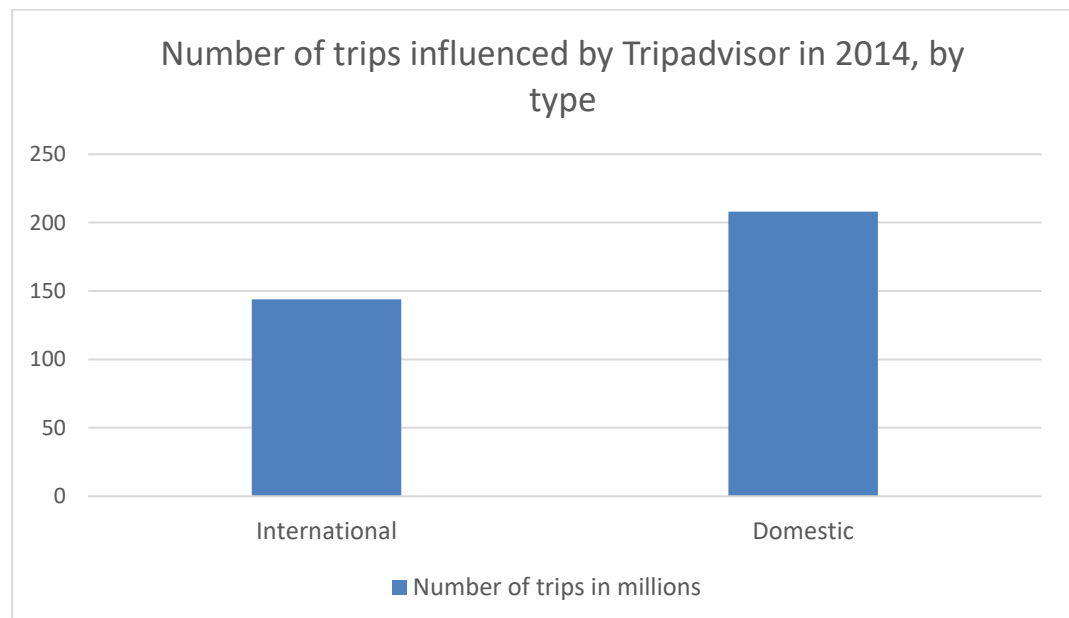

FIGURE 7. Number of trips influenced by TripAdvisor in 2014, by type (Statista 2018)

Figure 7 demonstrates the number of trips affected by TripAdvisor, which has reached the amount of 352 million. This influence was determined as trips done by anyone who has accessed TripAdvisor to reach a destination, hotel or restaurant mentioned there. (St atista 2018.) Thus, TripAdvisor is valued by users as a reliable and useful source of information for researching the tourism products.

4.2 Steps of developing a SMM strategy

First step of creating or improving a SMM strategy is the analysis of current social media presence of a company. Knowledge of which networks are used, which of them are the most valuable and how do accounts compare to competitors' profiles is a useful basis for improvements, because marketers can analyse the impact and results of company's past social media actions. (LePage 2017.)

Next step is to research the existing audience and determination of target audience group. Analysis should reflect demographic characteristics of a group and factors affecting the customers behaviour described in Chapter 3.1.

Another important step is setting objectives and goals. By implementing this step a company can perceive a clearer vision of a future SMM strategy and get an opportunity to evaluate result outcomes of it, compare it with goals and determine aspects to be improved. (Scott et al. 2011, 32.)

Actual implementation of the strategy includes the choice of channels to use, content for them, frequency of the content, staffing and funding of it (Scott et al. 2011, 32-34). Testing, evaluating and adjustment of SMM plan is an inherent part of it, as without constant development marketing strategy's reliability decreases and it cannot stay up-to-date (LePage 2017).

4.3   Aspects to consider during creating the SMM strategy

In this subchapter important aspects, which needs to be considered during creating and implementing a SMM strategy are covered.

Continuous importance of actions means that random or inconsistent use of social media will not produce any benefit. As brand reputation or brand image is never determined by only one fact, social media planning is a complex of actions, posts and communications needed to finish the overall impression. Each of them has an important role and responsibility of marketers is to continuously ensure that every action is not harmful for a strategy in general. It is also important to understand that social medias are constantly changing due to development of technologies and changes in audience's behaviour and a company's SMM strategy should be up-to-date with those changes. (Barker et al. 2017, 65.)

Being honest and transparent in all actions on social medias is vital for building brand's trustworthiness and gaining high level of credibility among potential customers. Another aspect of credibility is achieving positive reputation for knowledge and expertise in the field, companies need to become resourceful and provide audience with information helpful for them, not for the company. (Barker et al. 2017, 66-67.)

The necessity of active participation in social media communities is another aspect to consider. It is crucial to be always ready to respond and be conversational to create an impression of mutual dialogue between business and consumers. Welcoming participation and feedback from the audience is mutually beneficial and compulsory, because in current market situation the audience controls the communication, not the marketers. (Barker et al. 2017, 65.)

Every company should respect other online participants by treating people as equals, considering individuals as less important than the company itself is an unacceptable mistake, which must be prevented at all costs. Paying attention to cultural differences of individuals, for example, language issues or various norms of behaviour in different societies, is

also vital to avoid misperception and confusion about social media activities of a company. (Barker et. al 2017, 69-71.)

Protecting company's intellectual property is on the same importance level as issue of customers' privacy. Collecting information without permission and utilizing it without customers' will is unethical and can be considered illegal if it breaks existing privacy policies. Following all the regulations, rules and norms of usage social medias is a fundamental prerequisite to success in SMM. (Barker et. al 2017, 68-73.)

5 EMPIRICAL RESEARCH AND DATA ANALYSIS

This chapter includes the information about the organization of the research and the analysis of empirical outcomes. Firstly, methods and characteristics of the research conducted are described, followed by results and analysis of data collected.

Research is based on the interview with one of the company's employees, interview with actual guests and a survey among Russian customers of the company. Interview with the employees is used to understand current situation in marketing activities, recognise the approach towards marketing promotional strategy used in the company and to witness company's plans, goals and vision of how marketing strategy can be improved. Data collected from the interview is used primarily as a source of information and isn't analyzed in detail.

Another interview is conducted among three participants of target group of this survey, Russian customers. They were asked about their opinion on current quality level of company's social media accounts and ideas for improvement of those. Interview isn't analyzed distinctly, the data collected is used in Chapter 6 for development plan creation, questions can be found in appeno.

Third part of the empirical study is an online survey conducted among Russian customers of the company. Results of it are shown and analyzed in this chapter.

5.1 Design and formulation of empirical research

Empirical research philosophy is defined as a way of gathering information by utilizing experience rather than logic. The research questions are answered through observation and survey, due to impossibility of sufficient analyses of the case company's situation based only on theory. (Wilson 2009.)

As mentioned previously, there are two research methods: qualitative and quantitative. Qualitative method is based on operating with non-standardized data and quantitative is related to analysing measurable data (Saunders et al. 2009, 480). Qualitative method is prior and used for proceeding the information collected during interviews and analysing data from survey. However quantitative method becomes a support in building logical statements about the results of survey.

The interview with company's employees aware of marketing activities was aiming to learn about current plans and actions in marketing promotion, vision of future perspectives of it. Interviewee was the manager of the company aware of its business operations and past marketing activities. Interview with customers consisted of reviewing existing social media marketing channels and company's accounts, evaluating usability of those and investigation about improvements, which can be potentially implemented. Customers were also asked about their perception of properly maintained social media profiles of businesses in general to compare it with profiles of case company.

Main component of empirical research was a survey among Russian customers. The goal of the survey was to find out the impact of social media on their decision-making process, learn about behavioural patterns of using those in everyday life and seek after opinion about appropriate and suitable content for media. It included nine questions, both with multiple-choice, single-choice and with an option of an open answer. The survey was originally made in Russian language to avoid language barriers, the version of questionnaire translated to English can be found from the appendix.

5.2   Data collection

This chapter describes the process of collecting data for the thesis. The following Figure 8 presents the different stages of data collection.
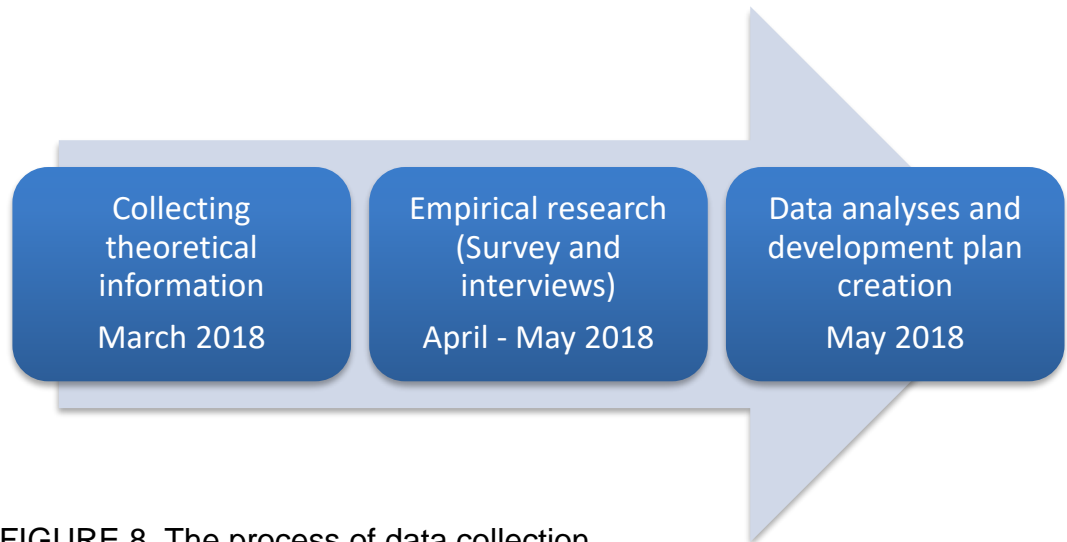
FIGURE 8. The process of data collection

The thesis writing process was launched in March 2018. Initial step of it was collecting secondary data for a basis of theoretical framework. This data included various sources about tourism and hospitality sector of it, researches concerning consumer behaviour in general and customer decision-making in tourism specifically, as well as information about social media marketing channels, impact and usage scenarios for hospitality business.

Based on gathered theory in April 2018 researcher designed a questionnaire for the survey and decided what topics should be discussed during the interview with employees and customers. Implementation of empirical research stage was started in late April 2018. Interviews were conducted in the beginning of May 2018. Guests were interviewed in person, as one part of the interview was a social media accounts review. Interview with company's employees were conducted partly in person and partly via email.

Survey was conducted online with Google Forms, customers were invited to participate in it upon their arrival to avoid side effects of the service provided on the survey. The duration of research was 10 days, the number of respondents was 50. This amount of responses was relevant enough for meaningful analyses, which is described in the following subchapter.

5.3 Data analyses

In this subchapter data gathered from empirical research is processed and analyzed.

5.4 Social media marketing in CheapSleep Hostel

The case company is a hostel in Helsinki providing accommodation for both international and domestic tourists, customers can rent accommodation for short and long-term and the type of accommodation varies from private room to beds in dormitories. The target audience is mostly short-term guests travelling to Finland or using Helsinki as a layover stop during their journey. (Interview with CheapSleep's personnel of 2018.)

According to personnel, company's marketing is focused on promotion of the hostel on booking channels, for instance, Booking.com or Expedia. Before company utilized Google AdWords and had an outsource specialist, who maintained its operations, but it didnot bring any significant impact on sales. Besides for this company is currently actively Facebook and Instagram, has a profile in YouTube and would like to gain more attention from users and potential customers on social media. (Interview with CheapSleep's personnel 2018.)

Company's Facebook page has 15 thousand likes with a rating of 3.8 out of 5 based on 1,180 users' reviews (CheapSleep's Facebook page 2018). Facebook is utilized for representing company's operations and life in the hostel to potential customers. Users can reach the company by sending a direct message and the response rate is 84%, meaning company usually replies within three hours. The page has all contact information of the hostel mentioned, as well as the link to its webpage, where users can book a room. Customers perceive the Facebook page of a company as a source of information about recent activities of the hostel and a convenient way to communicate with the company. Main improvement solution defined by the interviewees was updating the profile more often, at least

on weekly basis, and generating more diverse content. (Interview with customers 2018.)

Instagram account contains 106 posts and has 222 followers, 80 percent of users are aged from 18 to 34. Russians are the second biggest followers group after Finns, 12 percent of page visitors are Russians. (CheapSleep's Instagram account 2018.) Posts are done in English and include photos and videos about life in the hostel, events and interesting places in Helsinki, as well as pictures of guests during events conducted by hostel staff. Instagram account is maintained by members of staff, some of the pictures are reposted from guests' profiles (Interview with CheapSleep's personnel 2018). Customers reviewed the Instagram account of CheapSleep, as user-friendly and informal, which is attractful considering the type of accommodation provide by the company and target audience of the hostel. At the same time, the quality of pictures and themes of publication were evaluated as not sufficient and appealing for following the profile for the interesting content and not for getting to know the company. (Interview with CheapSleep's customers 2018.)

Company's YouTube account has 22 followers and the most popular video has 3,2 thousand views. The most recent video was posted 5 months ago, so the account is not up-to-date and is not actively used. Videos are about company's employees, guides on how to get to the hostel and how to use some of the hostel's facilities. There are also videos about company's partner restaurants. (CheapSleep's YouTube account 2018.) Account needs more appealing and up-to-date content, as some of the videos are four years old and the quality of them doesn't create positive impression of company's professionalism in terms of content design (Interview with CheapSleep's customers 2018).

Company's TripAdvisor profile is not operated by the company, that is why the impact on it from personnel's perspective is minimal besides for providing the up-to-date pictures of the establishment (Interview with CheapSleep's personnel 2018). There are 290 reviews with an average rating of 3,5 bubbles out of five. Customers consider replying to guests'

reviews and questions on TripAdvisor as a suitable opportunity for improvement, because doing this will provide guests with the most relevant information and enhance customers' experience (Interview with CheapSleep's customers 2018).

5.5   Data analysis of the survey

First question of the survey is related to the amount of time customers spend on social media. Survey participants could select one of four options describing the amount of social media consumption. Replies represented that most of the respondents use social media for more than two hours a day (72,4%), however some people use it for less than half an hour a day (6,9%). The results shown on Figure 9 present that significant majority of guests use social media a lot on daily basis and proves that social medias play an important role in people's everyday life.
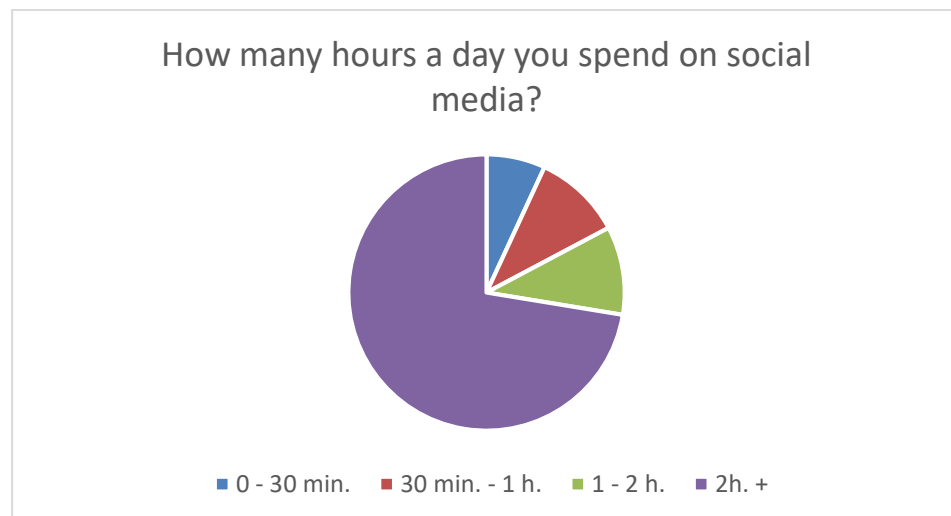
FIGURE 9. The amount of social media consumption

Second question was about the preferences in social medias used. Respondents could choose multiple options from the list and add their own option. The results show that the most popular media channels within customers coming from Russia are Vkontakte, Instagram and YouTube. Popularity of Facebook and Twitter is less, only 20,7 per cent of respondents mentioned that they use Facebook and 13,8 per cent

mentioned Twitter. Other medias are less popular, for example, Telegram, Snapchat, Foursquare with up to 6,9% of people mentioning it.
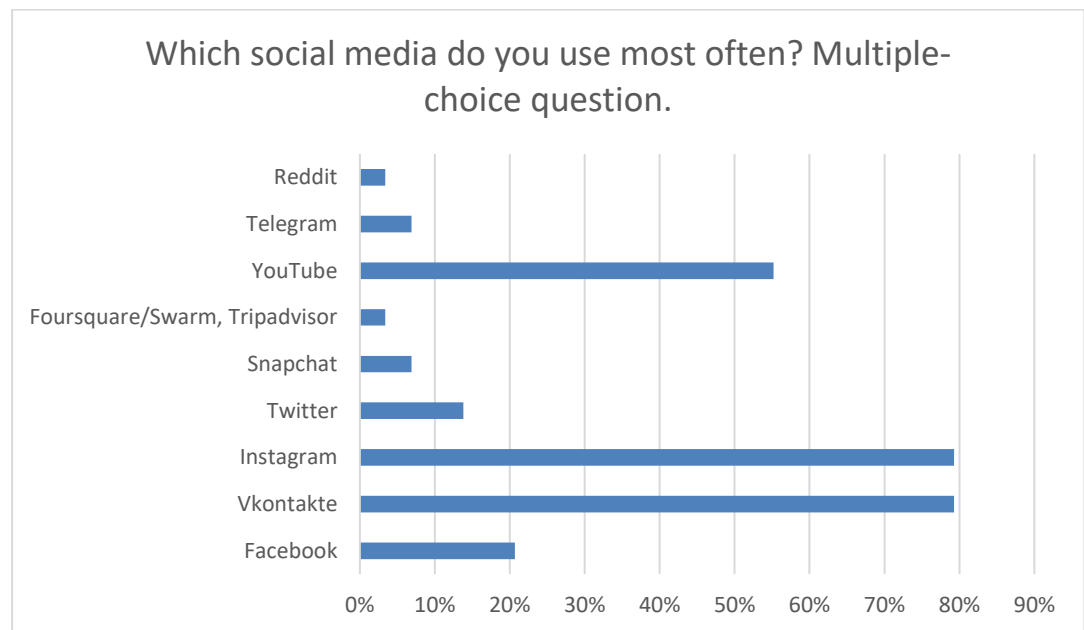
FIGURE 10. Popularity of specific social medias

The aim of third question was to find out the reason why people use social media. The answer options were limited to three variants – for communication, for entertainment or for searching the information about products and services. Survey results show that people do not perceive researching products the prior utilization scenario for social media. Most of the people use social media for communication (69%) and other part mostly use it for entertainment (31%).
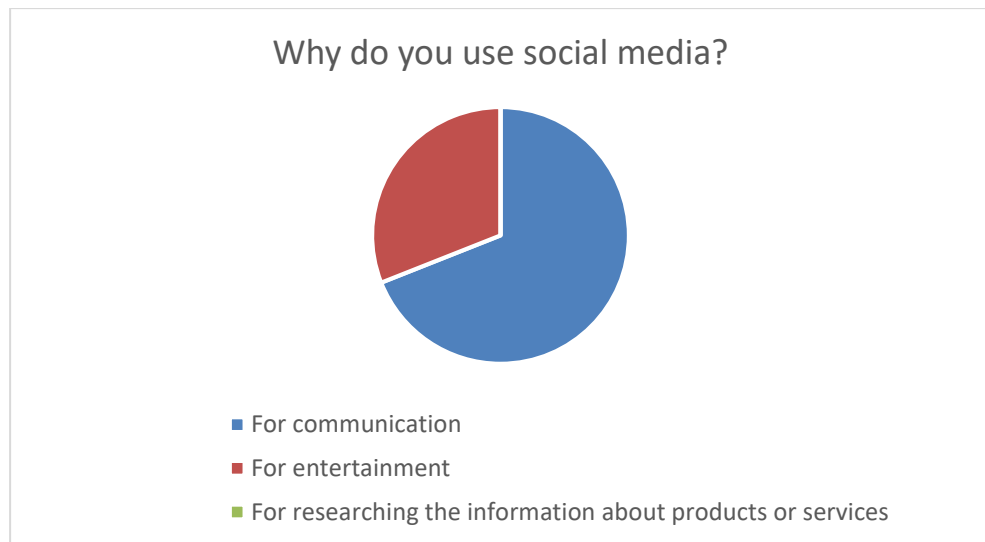
FIGURE 11. Reasons for using social media

Question four covered the aspect of importance of social media account in relation to purchasing decision-making. 72,4 per cent of respondents acknowledge how important company's social media profiles are for creating positive impression leading to an actual purchase.

Questions 5 and 6 were asking if respondents visited company X's accounts online and which ones. 31 per cent of customers replied positively and mentioned that they had visited Facebook (57%), Instagram (57%), Vk (14%), company's website (14%) and reservation page on Booking.com (14%).

Respondents, who had visited social media accounts were asked to briefly evaluate the quality of those by mentioning whether they consider information there useful or interesting and whether they would visit the profiles again.
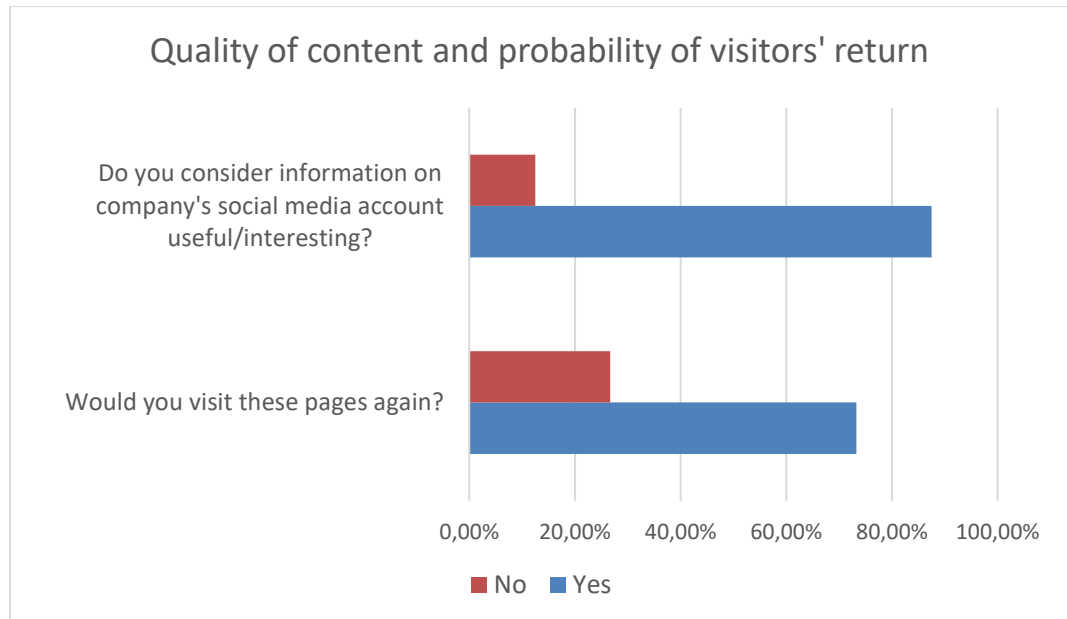
FIGURE 12. Quality of content and probability of visitors' return

As it is shown on Figure 12, only 12,5 per cent of respondents evaluate information and irrelevant or not fascinating, when 26,7 per cent replied that they wouldn't visit the profiles again. That means that even though people consider content useful, there is a lack of motivation to follow the channel continuously or return to it.

The last question includes the multiple-choice list of content type, which could potentially be included in existing social medias. Figure 13 represents replies to this question.

FIGURE 13. Information needed for social media accounts

Results show that even though the knowledge of English, which is company's prior language both during its operations and on social media, is low among people in Russia (EF English Proficiency Index 2018), it is more important for respondents to find useful information about special deals, about events and city of Helsinki and to be able to book fast rather than seeing content in Russian language. Information about special offers and discount (75,9%) has two times more demand than entertaining content about life in the hostel (37,9%).

6 DEVELOPMENT PLAN

After gathering the information about the hospitality industry, how consumer behavior works and what affects is and researching the social media as a concept, the development plan is ready to be done. The development plan is based on empirical research outcomes and theoretical framework. It is divided into analysis of current situation in the company by using SWOT-analysis model, building strategic suggestions for company's action plan and ways of reaching customers coming from Russia on social media.

6.1 SWOT-analysis

To create a successful SMM strategy, current situation with company's social media must be analyzed. For this purpose, SWOT-analysis model is utilized. This model describes internal and external business aspects of company's business environment, which are divided into four factors: strengths, weaknesses, opportunities and threats. Strengths represent advantages and strong pros, which are under control or affected by the company. Weaknesses are disadvantages and weak points. Opportunities are related to external issues, which cannot be controlled by the company, but need to be considered to benefit the most from development plan. Obstacles for company's operations are called threats. (Mindtools 2018.)

Strenghts	Weaknesses
Companies business operations are connected can be a good source for content ideas There are existing social media accounts, which can be used as a basis for development	Low level of social media presence Lack of a certain employee responsible for marketing activities Lack of SMM planning
Opportunities	Threats
Social medias are popular within target group Wide potential audience Positive feedback from customers	Comptetitors Risk of negative feedback and poor brand image Changes in SMM trends

FIGURE 14. SWOT-analysis of company's social media

As shown in Figure 14, first strength of the company's social media activities is that the company's business operations are related to customer service and providing the hospitality services. This fact allows the company to generate ideas for content itself. (Interview with personnel 2018.)

Another strength is existing social media accounts. Company has a Facebook page with 15 thousand likes and accounts on Instagram and YouTube. The experience of maintaining those channels and current followers are a proper basis for future development of social media.

Low level of social media presence described in Chapter 5.4 is a weakness, as stronger usage of social medias enhances conversion rates and improve brand loyalty along with a company's image (DeMers 2014). Lack of SMM planning is a crucial weak point, because without goals and objectives the progress in promotion via social media cannot be evaluated and improved. As all activities online are important and random or inconsistent actions cannot produce any profit, marketing activities should be thoroughly planned (Barker et. al 2017, 65). Not having a certain

member of staff responsible only for SMM activities is also a weakness, which can become an obstacle in creating a consistent marketing strategy (Interview with personnel 2018).

As mentioned in Chapter 5.5 social media are popular within target group. The number of internet users worldwide has reached 4,021 billion (Chaffey 2018), potential opportunity of reaching such a vast audience shouldn't be avoided. Positive brand image and positive feedback from existing clients are boosting factors for creating decent impression about the company on social media, which is also an opportunity (Scott et al. 2011, 39).

The last component of SWOT-analysis is threats. The main threat for the company is getting negative reviews or feedback, which can spoil the impression about the company. Constant change of trends in SMM requires content adjustment of marketing strategy, that is why if the strategy is not adjusted on time, there will be a risk of failure in getting benefit from social media promotion. Competitors with already developed social media and holding significant part of the market are also a threat, because this will play a role of an obstacle in market competition.

6.2   Action plan for the company

Action plan for the company is based on theoretical framework and primary data from empirical research. Another analysis tool, which the plan relies on is SWOT-analysis on internal and external business environment of social media in case company. Action plan includes setting goals for SMM, main channels and type of content to be created and utilized, suggestions for engagement solutions and means of evaluation of SMM development. Brief content of the Chapter is covered in Table 1.

TABLE 1. Components of SMM strategy for CheapSleep Hostel.

Goals	For pre-purchase phase
	For purchase phase

	For post-purchase phase
Channels	Facebook
	Instagram
	YouTube
	TripAdvisor
	Other channels
Engagement	Specifics of content
	Timetable and activity schedule
	Resources
Evaluation	Growth of social media accounts
	Impact on business

6.2.1 Strategic goals

During the pre-purchase stage of potential customer's decision-making journey company's focus on media should be on raising awareness about the need for travelling or accommodation, as it is the very beginning of a purchasing process and without motivation to travel to Helsinki people will not consider purchasing accommodation services of the CheapSleep Hostel, as described in Chapter 3.1.

Prior goal for the company during consideration and purchase phase of consumer journey is to diverge from competitors, present all the advantages of its operations and build trust by providing reliable and trustworthy information.

The main goal after sale of accommodation is to improve customer satisfaction and create loyalty by engaging them to share their experience with other users. If the experience is positive, then it will benefit the brand image in a clearer way. However, negative feedback gives an opportunity to react to it and either improve guests experience with an answer dedicated to it or to get ideas for improvement of business operation. Goals of all three stages need to be considered throughout the whole process of creation and implementation of SMM development plan.

6.2.2   Channels and utilization scenario

This subchapter contains researchers' suggestions related to utilization scenarios of social media for the company. Brief outcomes of the subchapter are presented in Table 2.

TABLE 2. Suggestions for social media channels utilization scenarios

Facebook, Vkontake	Visual content
	Blog posts about events and company development
	Reposting relevant information related to tourism in Helsinki and Finland
	Events and questionnaires
Instagram	High-quality pictures
	User-generated content
	Instagram stories and live videos
YouTube	Videos about hostel infrastructure
	Videos engaging peoples' interest in visiting Helsinki

	Promotion and presentation of well-known tourist attractions and "hidden gems" or events
	Collaborations with travel vloggers
	Using paid ads in-built before and during related videos
TripAdvisor, Foursquare	Replies to reviews
	Replies to questions
	Mentions of channels on other media
	Keeping information about the hostel up-to-date and reliable
Telegram, WhatsApp	Utilizing as an extra channel of communications with customers

For reaching bigger audience on Facebook or Vkontakte, company needs to refer to the origins of utilization social networks. Key purpose of them is creating communication between users themselves and the company based on discussion and sharing of various content. For that reason, content needs to be open for discussion, for example, visual content or blog posts about the hostel, about tourism Helsinki or Finland. These media channels can also be fulfilled by questionnaire and discussion forums related to business operations improvements to gather ideas and feedback from customers. Promoting special events conducted in the hostel or nearby to it can enrich the number of potential customers by adding people interested in those events more than in accommodation.

YouTube content generation is limited by the concept of video-sharing social platform. However, it is not limited by the topics of the content. Hostel's video content can benefit from creating videos about hostel

infrastructure, related to instructions for check-in procedure, reservation or using establishment's facilities. Videos should enhance people's interest in visiting Helsinki, provide them with information about interesting attractions worth visiting. Interviews with satisfied guests or story-telling by them can help to humanize the social media and improve brand perception. Using paid advertisement in-built into popular travel accounts' videos are also an option for drawing attention to hostel's own content. (YouTube 2018.)

Content for Instagram can be developed by increasing the quality of images, creating unified style of publications and editing presets for ease of editing. Featuring fans, who mentioned CheapSleep in his or her post, by sending a direct message, leaving comment or even reposting the image or video to company's profile can be used for improvement of business to consumer communication, as customers will feel that they are involved in company's life. Utilizing such Instagram features as Instagram Stories or Instagram Live can help to create a feeling of even stronger connection and proximity with followers (Instagram 2018).

For utilization scenario of Foursquare and any other review-based media, for example Foursquare, researcher suggests being open to the audience by replying to reviews, giving answers to questions and constantly updating company's information on a channel. To increase TripAdvisor's impact on business, company should engage customers to share their experience with others and stressing on the importance of it for company's development and better quality of service in future.

Other channels, which the company can utilize are various messenger apps, for instance, Telegram, WhatsApp and Facebook Messenger. Maintaining an extra communicational channel in addition to traditional ways, like phone and email, is a mean of making interaction with the company more convenient for clients and therefore improve customer satisfaction.

6.2.3 Engagement

In this subchapter suggestions for specifics of content are given along with timetable and activity schedule. Resources required for implementing the SMM strategy are also mentioned in this subchapter.

Humanization of the brand and its presence can be done by mentioning the name of an actual employee, who replies to guests' reviews, messages of comment. Doing this will create a feeling of unique attention dedicated specifically to a guest, which affects customer experience in a positive way. (Scott et al. 2011, 37.)

Adopting the appropriate conversational style is needed to avoid misunderstanding related to communicational or language issues. Avoiding grammar mistakes and controversial statements, which can cause serious problems, is a crucial necessity for any company. At the same time lexis can be adjusted in terms of which style of communication.

Admiring users to share their experience by bringing elements of gamification to the content is an effective solution for enhancing user engagement. Various contests, inspiring followers to generate content for the hostel and to draw attention to its social media among other users with a motivation of getting reward in return is one of examples of how this method can be utilized. (Spacey 2017.) Opportunity to obtain special offers, discounts or to win a giveaway of free accommodation or any other valuable prize would increase chances of drawing users' attention to social media, as they perceive it as getting something in return to their loyalty.

As social media needs consistent management and monitoring, company should plan the timetable for posting and other related activities. It is important to concentrate on quality over quantity, however establishing strong marketing presence requires content to be generated and posted frequently. Videos for YouTube require more time and effort than blogposts and pictures on Instagram, that is why for YouTube content updates on weekly basis are enough. For online networking channels it is

vital to show followers that the company is ready to reply 24 hours a day. The same rule applies for Instagram.

Timing of posts depend on two factors – target audience and statistics on usage of social media channels throughout a day. Customers coming from central Russia live in the same time zone with Finland, that is why there is no specific need for readjustment of posting time. Distant regions of Russia with different from Moscow time zone should be taken into consideration, so that the time of posting chosen is suitable for the major part of the audience. (Aynsley 2018.)

The best time to post on Facebook is midday of weekdays, for example, on Wednesdays at noon and 2 p.m. and Thursday at 1 and 2 p.m., while the safest time to post to cover more broaden audience is on weekdays from 10 a.m. to 3 in the afternoon. Saturday is the day with least engagements rate in the week and the least suitable time of a day to post is evenings and early mornings. (York 2018.) For posting on Instagram the safest time to post in terms of amount of traffic is the period from Tuesday to Friday from 9 a.m. to 6 p.m., the best day for posting is Thursday and the day to avoid is Sunday (York 2018).

Researcher's suggestion for human resources and budgeting of SMM marketing are hiring a specialist in media marketing or outsourcing of SMM to a promotional agency. Budgeting should be planned according to return on investment in SMM revealed by brief weekly evaluation of it and diverse analysis once a month.

6.2.4   Evaluation

Evaluation of SMM activities can be provisionally divided into evaluation of growth of social media accounts and into evaluation of impact on business. Growth of social media accounts can be measured by the amount of "likes" and "shares", by the growth of audience, considering the "followers vs. following" ratio. The number of active followers replying to post and engaged for the actual communication is another indicator of

social media strategy condition. Comparison of organic results gained without implementing paid advertisements and results of paid actions can represent how atractful are company's accounts for the audience. Number of company's mentions in posts created by other users is another benchmark of SMM success. (Siu 2018.)

Impact of SMM on company's business operations can be measured by the number of leads from social media to company's website or to any other landing page, for example, reservation page. Changes in audience's demographics towards desired one is a sign that social media targeting is implemented properly. Overall growth of revenue or sales compared to the average growth of the industry is probably the most significant indicator to evaluate impact of social media marketing on business. (Siu 2018.)

6.3   Reaching customers coming from Russia via SMM

To reach more customers coming from Russia researcher suggests paying attention and setting focus on demographical and cultural specifics of Russian customers and geographical benefits of Helsinki as a travel destination.

Finland is a neighboring country with Russia. Finland is one of the most popular destinations in Europe for the reason of simplicity of traveling there. Convenience of transportation, which includes regular bus, train and airplane connections generates vast tourist traffic within the two countries. The Helsinki airport, located in Vantaa, is an important transport hub, which makes Helsinki a convenient layover point during the journey. Ferries going to Sweden and Estonia are attracting Russian tourists too. Shkurov 2017 Emphasizing the convenience of traveling to increase the amount of people interested in visiting Helsinki and consequently demanding for accommodation services is a beneficial idea for CheapSleep's SMM strategy.

Average salary in Russia is around 700 euro (Trading economics 2018). As Finland is not one of the resort destinations, customers prefer to spend

time exploring culture and historical hermitage of the city. For these reasons a lot of people from Russia tend to save up by cutting expenses on accommodation, but at the same time they seek for best price per quality ratio offers. (Interview with customers 2018.) Focusing attention of social media accounts visitors to the quality of services provided for a decent price is one of the company's advantageous options to withstand from competitors. Providing followers with exclusive offers on social media, as well as giveaways of free services, can also contribute to development of brand image among customers coming from Russia.

Promotion of Helsinki as place to visit for holidays or events is another mean of attracting Russian customers. Hockey tournaments conducted in Helsinki, concerts of worldwide famous music groups and music festivals in summer are reasons for visiting Finland and Helsinki specifically. As public holidays and vacation dates are partly different in Russia and Europe, consideration of importance of those will increase company's popularity within target audience, as this action can be perceived as a sign of respect and being attentive to each customer personally.

Promotion of other services of hostel rather than accommodation only needs to be utilized as well. Company provides kitchen facilities and free breakfast for all customers, which gives guests a possibility to cut some of the food expenditures. Another aspect possible to advertise to tourists in entertainment. Hostel organizes weekly events by gathering guests to party and play board games. Hostel atmosphere encourage people to enjoy the company of people from different countries and is valued by Russian as an opportunity to experience communication with foreigners. (Interview with personnel 2018.)

During making purchasing decisions people tend to rely a lot on other people's opinion. Emphasizing the feedback from Russian guests and famous in Russia influencers on social media is a way to gain better trust with potential customers. (Dawley 2018.)

7   CONCLUSIONS

This chapter combines the results of research about the development and information gathered from secondary sources. Answers to research questions are also provided in the chapter. The second part of the chapter covers the validity and reliability issue and includes suggestions for further studies.

7.1   Answers for research questions

The research is focused on social media marketing and engagement of customers coming from Russia using social media. The case company, CheapSleep Hostel, was aiming to increase attention to the quality of its services among Russian customers via social media and therefore research question was formulated as: How should the case company improve their social media marketing to reach more customers coming from Russia? The main research question is answer further in this chapter, after the answers to the sub-questions are provided as a support.

How can social media be used in marketing activities in the tourism and hospitality sector?

Social media is a computer-based tool utilized for sharing content and communication. As the key goal of marketing is creating and delivering value of a product or service to potential consumer, social media marketing can help companies to create this value through communication with customers. Social media can and need to be used on all stages of customer journey in hospitality to raise awareness about tourism product and engage people's desire to travel, to differentiate from competitors and to improve company's brand reputation and customer loyalty.

What are the main aspects to consider while creating a social media marketing strategy and attracting potential customers from Russia?

Key aspects to consider for creating a successful SMM strategy are specifics of the target group and their behavioural patterns on social

media. Understanding of those patterns requires knowledge of concept of consumer behaviour, motivators and determinants of it, as well as other factors affecting it. Perception of utilization potential of social media and its impact on the market are needed to finalize the strategy.

What are the possible benefits of properly developed social media marketing strategy?

Thoroughly developed SMM strategy can bring the company stronger customer loyalty. Deeper understanding of customers' needs and wants gathered during creation of the strategy allows the company find out new ideas and areas of business operation, which need to be necessarily improved. Positive effect of social media marketing actions on the auditory aware of company's services can lead to increase of sales and overall growth of business.

How should the case company improve their social media marketing to reach more customers coming from Russia?

According to the analysis of existing social media and the interview with personnel needs to be improved, as the prior focus of promotional activities was on booking channels. Channels, which company is utilizing, are Facebook, Instagram and YouTube, but the company is not using social media actively enough. Increasing company's activity level can be achieved by updating social media account on regular basis, generating and sharing content generated by other users, actively communicating with the audience and rewarding the loyalty of it by providing exclusive deals and giveaways for followers.

The empirical research formulated as a survey was conducted within 50 guests of CheapSleep Hostel coming from Russia. The research results clarified that Russians use social media on daily basis for entertainment and communication purposes. The most popular channels were Vkontakte, YouTube, Instagram and Facebook. Suggestion of the researcher is to focus the SMM strategy on these channels, while constantly monitoring trends in social media and behavioural patterns of

target audience is crucial for benefiting the most. The activity of interactions with the audience should be raised on all the channels used along with generating high-quality content, which can motivate the followers to discuss and share it. Understanding the target audience is a vital prerequisite for development and implementation of a social media marketing strategy.

7.2 Validity and reliability

The goal of the study is to find answers for the research questions. The goal of the study was reached as the answers were found. Research is based on primary and secondary information. Secondary information included books, journals and internet-based sources. Primary information was gathered from interviews with both personnel and customers and a survey about utilization of social media and quality of company's existing social media. The number of survey respondents is 50, which is enough for analysis and reliable conclusions. According to these factors, the research is valid and reliable.

7.3 Suggestions for further research

As the study focused on customers coming from Russia, research concerning social media marketing targeted towards other nationality would contribute in fulfilment of uncovered information. A broader study on customer behaviour in hospitality industry would bring more useful outcomes as well. Social media are dynamic and that is why future research of SMM trends is needed to keep the results up-to-date.

8 SUMMARY

The aim of the research was to obtain deeper understanding of using social media as a marketing tool. The goal of the study was creating the SMM development strategy for the case company and to find an answer to the research question of how can case company develop its social media to attract more customers coming from Russia.

To establish a theoretical foundation for the study researcher described the concept of tourism and hospitality industry. The phenomenon of consumer-behavior and key factors affecting it are explained to reach the understanding of how purchasing decisions are made and how to affect on them. The topic of social media marketing as the main research object is also covered in theoretical framework.

The researcher wanted to analyze actual customers' perception of case company's social media marketing actions and investigate common patterns of their social media usage. For that reasons, researcher created a survey and conducted interviews with customers. Empirical part revealed that social media is an important information seeking tool and that customers see the necessity for development of case company's social medias.

The final part of the study was creating a development plan for the company with suggestions of improvements to reach the goal of making the company's brand image more atractful for customers coming from Russia. Development plan was conducted based on theoretical framework and empirical research gathered from survey.

Outcomes of the study indicate, that SMM development and active implementation of sufficient marketing strategy have various advantages for reaching new customers and generating loyalty of existing ones. Proper selection of content and paying attention to specifics of the target group are vital prerequisites for benefiting the most when reaching customers coming from Russia.

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Interviews

Personnel of the company. 2018. CheapSleep Hostel. Interviewed 7 May 2018.

Customers of the company. 2018. CheapSleep Hostel. Interviewed 9 May 2018.

APPENDICES

APPENDIX 1. Survey questionnaire

1. How often do you use social media?
   a. 0 – 30 min. per day
   b. 30 min. – 1 h. per day
   c. 1 – 2 h. per day
   d. More than 2 h. per day
2. Which social media do you use the most? Multiple choice question
   a. Facebook
   b. Vkontakte
   c. Instagram
   d. Twitter
   e. Snapchat
   f. Foursquare/Swarm, TripAdvisor
   g. YouTube
   h. Other, specify
3. What is the main purpose of using social media for you?
   a. Communication
   b. Entertainment
   c. Researching products, services and reviews of them
4. Does the quality of company's social media accounts affect your opinion about a product?
   a. Yes
   b. No
5. Have you visited social media accounts of CheapSleep Hostel? If yes, specify which ones.
   a. No
   b. Yes, which ones
6. Do you consider content there useful/interesting?
   a. Yes
   b. No

7. Would you visit these accounts again?
    a. Yes
    b. No
8. Which kind of content should be included in company's social media profiles? Multiple choice question
    a. Content in Russian language
    b. Information about special offers, deals and discounts
    c. Fast reservation option
    d. Information about the city and events there
    e. Entertaining content about company and life in the hostel
    f. Other, specify

APPENDIX 2. Interview with personnel of CheapSleep Hostel

1. What is company's field of business? Which services or products it provides?
2. What is the target audience of the company?
3. Who is responsible for marketing activities?
4. What is the impact of past marketing activities?
5. What would company like to achieve by using social media marketing?

APPENDIX 3. Interview with customers of CheapSleep Hostel

1. How often do you use social media?
2. Do you follow any businesses on social media? What do you value the most in social media profiles of brands?
3. Are you familiar with social media accounts of CheapSleep Hostel?
4. What are the pros and cons of them?
5. What aspects of social media profiles are necessary to improve and how?