

SOCIAL MEDIA - DO THEY GENERATE BOOKINGS AND ROI?



Social Media had made a huge impact in the society as well as business. This trend is expected to even rise in the next few years. Many tourism industry stakeholders - tour operators and hotels for instance - embraced the new media. Others remained skeptical. The following statistics show how efficient social media can be.

Air Asia, an airline company serving mainly in the Southeast Asian region, had utilized social media. In turn, they had sold over 800,000 tickets in just the span of two days thanks to the social networks.

Expedia, on the other hand, had an increase of 70,000 bookings in about 2 months with the use of their Facebook Page and other forms of promotional campaigns with the use of social media. Not to mention a 156% increase on the average time spent by users on their website, as provided by Compete. In a study made by Compete, about 75% of the users admitted that a brand having a Facebook page had influence, in some form or another, in arriving at a purchase decision.

Mary Kay, a direct-selling company (mainly skin care products), and BlogHer, an online community for women, had seen an increase of 260% in terms of purchase intent thanks to social media.

According to a study made by **Lab42**, more than 50% of people who use social media when planning their trips change their plans depending on what information they learn from social media. For those people who had changed their travel plans, 43% of them even changed their hotels or resorts.

There is a wide array of methods in tracking the ROI when social media is involved. Generating Promo codes or special rates for social media users is a basic method in tracking direct bookings. Social Media teams had met success with fans clicking Facebook RSVP's for events in hotels or other establishments. Promoting TweetUps can increase revenue and at the same time tracking ROI. Hotels often give food and drink discounts for those attending their TweetUps.

Other social activities are not that easy to track though. Since about 70% of travelers make posts while on vacation, it could mean that their friends and relatives see the destination and the travel product they use. But there are unofficial viral exposures that can't be tracked, since they aren't brand retweets or Facebook page comments.

Aside from the ones stated above, using social media will entail a lot of benefits and other opportunities to raise ROI, like marketing research or customer feedback. Companies even use it for customer service or support. To give a concrete example, some airline companies even have a team of 10 or more people for their customer service account in Twitter to lighten the load of their call centers. Having said all these, investing in social media is never a mistake, since it would surely give more bookings and will help in enhancing customer engagement.

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