The Effective use of Social Media in Destination Branding

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Abstract

This bachelor thesis is a qualitative research aimed to investigate necessary conditions for an effective use of social media platforms in destination marketing. Research conducted in this study is solely based on literature research. The study combines general theory of social media marketing and branding with theory of destination branding and concludes propositions based on those two theories. There are three propositions for an effective use of social media activities in destination branding: good quality content of social media updates, involvement from the whole destination marketing organization, and integration with other marketing platforms. The aim of developing these propositions is for additional insights regarding effectiveness in social media destination branding, and not a correct hypothesis since there is no empirical evidence whether these propositions are true.
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Chapter I: Introduction

1.1 Background

Social media has changed the way people communicate unlike the way it was before. In the past, people were used to one-way conversation via phone or message. After internet has been discovered, people began to develop the culture of collective information communication. They feel that it is now part of their lives that according to CNBC, people in the US spend on average 30% of their time on social media every day (Popkin, 2012). People can input, share, and give feedback freely with others who shares similar interests worldwide. Recently, many of them have joined the trends of sharing travel-related contents in social media that is supported with geographical-tagging (Stefanidis, 2011). The creation of this user-generated content is not only beneficial for other users from information sharing, but also for travel sites from high ranking in search engine. Hyperlinks from constant posts and reviews through social media will positively affect the rank of travel-related content in search engine. Since nowadays tourists use online search for traveling purpose a lot , travel site’s position in search engines has become more important and social media has created an advantage for them (Gretzel, 2006).

Besides personal use, social media can be utilized for company or organization use as well. Marketers thought that making a social media account is more effective than developing a website. Since not everyone is able to develop a website, company often hire web-designer with a cost. While with social media, cost can be minimized since hiring a developer is not necessary in making an account. Companies also believe that after engaging in social media, their brand recognition has increased, relationship with customers had become closer and wider (Rooney, 2011).

Social media can be included in promotional mix as an integrated marketing communications (IMC). IMC manages collaboration between various marketing tools to create unified communication of marketing strategy to target markets (Boone & Kurtz, 2007). Unlike social media, traditional promotion mix engage in a controlled one-way communication, such as public relations, advertising, direct marketing, etc. (Mangold & Faulds, 2009). Meanwhile, many aspects of consumer behavior have changed along with the development of online communication (Mangold & Faulds, 2009). Therefore promotion mix in traditional IMC has to be upgraded with social media, enabling broader ways of marketing communication.

Much research on social media has been done in the context of the business community. The question has been raised regarding the applicability of social media as marketing tool for cities. Promotional mix in the case of cities is limited compared to business with regard to their budgets. Promotions are mainly seen in websites or printed advertisement such as travel magazine and usually to promote events in cities. Moreover, goods or services as a product have fewer characteristics than cities, making it easier to implement certain marketing
approach such as social media marketing. Meanwhile engaging certain marketing policy in a city require more thoughtful preparation since it may affect social, economic, politic and other important entities.

Many cities have directly as well as indirectly made use of social media. If cities have yet to utilize social media, then workers of city government might already use it and unconsciously benefit their cities. Social Media Marketing Industry Report claimed that 64% of marketers spend at least five hours per week on social media (Pradiptarini, 2011). If people who work directly with marketing are already using it, perhaps it would be the perfect time to include social media in their business strategy.

Although their target audiences are also local citizens, the practice of city marketing is mostly perceive in tourism (Kavaratzis, 2008). The City of New York is arguably one of famous tourist destinations. Since 2005, the amount of international visitors has increased steadily from 6.8 million to 11.4 million in 2013. In 2006, the city appointed its own Chief Marketing Officer and created official marketing organization, namely NYC & Co. to support NYC’s tourism by engaging in advertisements, collaboration with creative communities, tourism events, as well as social media activities (NYC&Co, 2014). Its official twitter account @nycgo was launched in 2008 as a platform to communicate tourist-related updates that is also integrated with its official website (Twitter.com, 2015).

Social media integration is a great way to promote city tourism both directly and indirectly. However, there has been little evidence and studies for its effectiveness to city branding. Therefore, this bachelor thesis aimed to investigate necessary conditions that make social media marketing in city branding of tourism effective.
1.2 Research Question

Social media marketing is perceived as a new trend in city branding. Increasing accessibility to internet has motivated people to utilize more of social media, particularly in marketing. On the other hand, the realization to implement social media marketing to promote city tourism has been done in many municipalities. Therefore it is important to explore and evaluate the case further, and research question is formed:

*What are the necessary conditions for the effective use of social media platforms in destination branding?*

To help answer the research question, sub-questions are prepared as such:

1. *What is social media marketing and branding?*
2. *What is destination branding?*
3. *What are the necessary conditions for an effective use of social media platforms in destination branding?*

1.3 Methodology

In order to answer research questions, arguments on this bachelor thesis will be based on literature research. Literatures that are used revolve around social media marketing as well as city branding. They are varied from reports, journals, papers, research, as well as news sources.

The first chapter will contain introduction about social media as marketing tools for city branding. Background of the topic will be discussed as well as research question and methodology. The second chapter will thoroughly explain social media marketing in general, and continue with the third chapter which illustrates the overview of city branding. The fourth chapter will explain current state of social media activities in destination branding and derive necessary conditions for effective use of social media in destination branding by combining the insights from chapter two as well as chapter three. In the last chapter, overall conclusion will be made as well as limitations and suggestion for further research.
Chapter II: Social Media Marketing and Branding

2.1 Social Media

According to Merriam-Webster, the term ‘social’ described as “relating or involving activities in which people spend time talking to each other or doing enjoyable things with each other”. Being social requires interaction between parties within a community (Merriam-Webster, 2015). On the other hand, ‘media’ is said to be “a particular form of system or medium of cultivation, conveyance, or expression”. It refers to a platform for communication of ideas or information that in this case relies on the use of internet (Merriam-Webster, 2015). Therefore, it can be concluded that social media resolve as an electronic communication platform such as Web sites, which are established to support interaction and information sharing between individuals of a community.

The invention of social media has made the distance between consumers and companies closer by enabling personal interaction (Yan, 2011). However as more and more people use social media, users gain more power and companies as well as organization lose control of their authority (Thevenot, 2007). In the context of destination branding, marketers no longer hold full power of destination’s brand image.

2.2 Development of Social Networking Sites

![Launch Dates of Major Social Network Sites](image)

Source: Boyd & Ellison, 2007

Social media platform was firstly discovered in 1997 when SixDegrees.com was launched. As the first generation of social media, there were many shortcomings that made many platforms in this era rather short-lived. The second generation began with the success of Friendster in 2002, but ended quickly after it failed to...
anticipate high traffic with high technological growth (Boyd & Ellison, 2007). The last generation or the recent social media wave has successfully evolved online communities in a huge way since it contributes to the birth of numerous social networking sites. Although they are considered young, this SNS generation is widely used today. There are two famous sites that have gained more than a billion users including companies and organization and enabled marketing strategy to be integrated in their model (Statistica.com, 2015). These SNS will be further discussed in this research:

1. Facebook

   Facebook was found in 2001 as a trial site by Mark Zuckerberg. It was initially launched as an exclusive networking site for Harvard University. In 2006, users of Facebook skyrocketed when it reopened for public. Now, with almost 1.5 billion users around the world, it became one of the first to offer integration with marketing strategy. (Cassidy, 2006; Curtis, 2011; Statistica.com, 2015).

   Facebook serves as a convenient platform for marketers to connect with potential customers and communities. Maintaining relationship with communities is important for marketing, most importantly for cities. Marketers can share information on their Facebook ‘page’ for free, or pay for an access to marketing data and targeted advertisements. An update on Facebook can be varied from texts, pictures, videos, or a link to existing webpage. Marketers can treat this update as an approach to spread advertisement or campaign similar to mass media. Like word of mouth, when other users ‘like’ or comment on your Facebook page, they also share your post automatically to their own circle of friends. It is likely that their friends will share it again and multiply viewing numbers. However, information in viral advertisement of social networking site will not be decreased as the number of shares increase. Therefore it created more advantage for marketing more than traditional word of mouth.

2. Twitter

   Twitter was found by Jack Dorsey and Evan Williams in 2007 after failing many social media projects. On Twitter, users can only update message or ‘tweet’ up to 140 characters, thus it is considered simpler than Facebook. The simplicity feature had gained them instant popularity as public figures, media outlets, as well as businesses make updates on twitter every day (Kwak, 2010). There were approximately 316 million users as of 2015 with 500 million tweets daily (Twitter, 2015). The traffic of twitter updates has made it the new medium for ‘real-time’ reporting. News like traffic accident or football match most likely appears at the same time of the occurrence (Kwak, 2010).

   65% of Fortune 500 companies have twitter account, which makes it the most popular SNS for business (Burson-Marsteller, 2010). Compare to Facebook, Twitter’s simplicity feature also enables more person-to-person connection with potential and existing markets. Since this is a difficult goal for companies as well as cities, they will be benefited the most by having a Twitter account. However, consumers will expect friendly and fast response that is difficult to maintain. Like any other social media, traffic on Twitter also enables good as well as bad information to travel faster than traditional media. This
may hurt companies since they do not have total control of information flow. Therefore, marketers are advised to receive proper training beforehand.

Unlike Facebook, relationship between two users is not determined by being a friend to one another. On Twitter, relationship is separated based on following and being followed, thus the two has no reciprocation. A user may follow other user but it does not guaranteed him to be automatically followed back. A follower will receive tweet updates and is allowed to send private direct message to his following (Kwak, 2010). It closely represents current social situation where being friends does not always mean they maintain relationship with each other. Public figure for example, might have more followers that he does not know all personally. Therefore, the use of Twitter is similar to mass media marketing rather than personal engagement.

### 2.3 Word of Mouth VS Social Media

Word of Mouth (WOM) is a marketing tool where channel of communication is dominated by consumers and independent from companies. Information shared in word of mouth is mainly associated with trust and therefore higher in value (Brown, Broderick & Lee, 2007). A lot of marketing experts will confidently agree that word of mouth is one of the most effective marketing approaches (Savert, 2011). However, according to Savert (2011), this conventional method has several shortcomings:

1. **Information is slowly dispersed**
   The more information is distributed, the more time it takes to spread.
2. **Information changes as it is distributed**
   The more information is distributed, the higher the degree of error. Marketers are independent or have no control on all people as the main characters in word of mouth. Different level of understanding among people creates the risk of misinformation.
3. **The further the information is distributed, the more receivers have less information**
   The reason for this shortcoming is also the same as point two. The more information is distributed, the more it loses its original purpose. Marketers have limited ability to neither determine nor correct all context of information that is incomplete.

Interestingly, social media can rectify these shortcomings and transforms into a more effective tool of electronic word of mouth or e-WOM. In social media, marketers can treat viral advertisement as ‘update’. This update can be shared to friends or other users, similar to how word of mouth works. However, an update can be immediately distributed to all friends or users at once or with less effort and therefore more effective (Savert, 2011).
The second and third problem can also be addressed if social media is utilized. When an update from a user is being shared by second user, the third and following users will see information being shared exactly the same as how it was shared originally by the first user. The shared update can include detailed information such as the creator’s identity, background and location (Savert, 2011). Therefore effectiveness and credibility of social media are guaranteed more than traditional word of mouth. Goodwill and trust is the fundamental base of SNS, hence accountability as well as fool proof of communication in social media that are important to sustain business-to-consumer relationship can be secured (Neti, 2011). Both are also especially important for city marketing and branding since they represent high-level stakeholders and policymakers of cities.

2.4 Social Media Marketing

Long before social media was found, Lazer and Kelly (1973) describe social marketing as implementation of marketing knowledge, concept, and techniques that aimed to strengthen social and economic ends. They also explained that it includes analysis of the social consequences of marketing policies, decisions, and activities (Lazer & Kelly, 1973). The definition of both marketing and social media marketing refer to strategic and methodological process of marketing to establish firm’s influence within the society. The difference is social media marketing benefit from the internet (Neti, 2010).

Social media is a ‘collective intelligence’ platform that enables not only consumers, but also companies to learn about their market (Litvin, Goldsmith, & Pan, 2008). As much as consumers are able to express opinions about a product objectively, suppliers are able to receive feedback and study consumer behavior too. Most importantly, marketers are able to promote their product and increase brand awareness in the process. This kind of impact would be difficult to obtain with traditional marketing.

A lot of multinational corporations have finally recognized the potential in social media for advertising. A CMO survey by the American Marketing Association reported that businesses have started to allocate budget for social media marketing. Statistics show that they spend 6% of marketing budget on average, and expected to increase to 10% by next year and 18% after 5 years (Neti, 2010). Therefore it is probably the time for city tourism to upgrade their marketing by joining social media.

Tourism is an ‘information-intensive industry’, whereas social media is information-abundant and therefore both are relevant with each other (Gretzel et al., 2000). When planning a trip, tourists often rely on the internet to search information about destinations as well as bookings. Social media works as one of information source for them. For example, tripadvisor.com is an online community platform designated for tourism where consumers can put review of travel site publicly. Destination marketers cannot count on use users’ review in social media alone as a correct measurement tool. However, they can use them as marketing and promotional tool along with advertisement.
Neti (2010), determine several characteristics of social media that both benefit and concern by marketers (Neti, 2010):

1. **Size**
   Whether it was only from Facebook or Twitter, the size of social media users is massive and distributed across the globe. Companies will be able to conduct effective communication to more customers inexpensively. It is beneficial for companies to do market research, improve product, as well as marketing.

2. **Transparency**
   Since the fundamental bases of SNS are goodwill and trust, the nature of social media is fool proof thus there is no room for cheating (Neti, 2010). Although it increases companies’ credibility and trust, companies are forced to maintain their authenticity that may be difficult at times. They also need to be careful when expressing opinion for it will be taken seriously and may hurt large number of people. It is advised to hire experts or train employees before engaging in social media.

3. **Help Website Traffic and Traditional Marketing**
   People prefer to open SNS rather than Website. However it can still retain visitors with the help of social media as a catalyst. Companies can insert link of their website on their page and encourage visitors to open it. It is advised to keep updates in social media short but appealing at the same time while encourage visitors to check official website for detailed information.

   Traditional marketing such as print, media or TV advertisement can also be benefited through social media. The objectives of traditional marketing and social media are recognized differently by consumers. Traditional marketing is perceived as a direct and controlled communication, whereas social media communication is perceived as an objective opinion and free from marketing motives (Mangold & Faulds, 2009). As a way to combine both objectives, marketers can still make use of social media for marketing purpose by carefully making interaction with consumer in a more objective manner (Weinberg & Pehlivan, 2011). It is suggested that creativity is essential to create interesting content in order to engage discussion with consumers (Drury, 2007). Companies can also engage discussions in social media with public figures or media outlets whose opinion is considered objective and widely accepted by the public.

4. **Branding of Product**
   Discussion in social media increase brand consciousness within consumers. It encourages them to search for more information about the brand. Therefore it is advised to engage a more holistic preparation before integrating with social media. Companies have to make sure that their positive image is correctly portrayed and maintained.
2.4 Social Media Branding

For consumers, social media can help them reveal the true identity of a brand. A favorable brand is one that consumers can relate, it is similar to corporate citizenship strategy (Engeseth, 2005). The aims in social media branding has to serve companies internally as well as externally (Yan, 2011). Yan (2011) concludes nine goals of social media branding than can be summarized into (Yan, 2011):

1. **Build a sense of membership with consumers**
2. **Encourage acceptance of brand value**
3. **Encourage consumers to engage in communication and promotion.**

With these goals, companies hope to strategically achieve competitive advantage, differentiation from other brand, brand awareness, brand communication, as well as brand evaluation.

Similar to marketing, it is important for social media branding to maintain transparency and interaction in order to fulfil the goals. Social media branding should also maintain proprietary brand assets, by setting rules of how far branding will be implemented (Aaker, 1991). In cities, for example, it is important to acknowledge how far they have been represented in social media. Branding of several destinations might already exist, especially with the invention of geographical-tagging. Lastly, companies have to consider type of measurements in social media branding. Similar to marketing, it is important for evaluation (Yan, 2011).

2.5 Effectiveness of Social Media Marketing

Measuring effectiveness and return of investment of social media marketing is not an easy task, since it involves not only financial, but non-financial input such as influence and interaction with consumers. From various literatures, Pradiptarini (2011) concludes that the way consumers transfer influence into purchasing decision is the important goal of social media marketing. She also wrapped up conditions that contribute to an effective social media marketing (Pradiptarini, 2011):
1. **Quality of Content**

   Marketers should put thorough preparation before posting an update on company’s social media. It has to contain message that consumers can associate with their goal (Drury, 2008). Content of social media update should emphasize on the quality of social media content does not carry out emphasizing on quantity of content. However, Michaelidou (2011) argued otherwise. She researched how companies measure effectiveness of social media marketing and suggested most of them rely positively on number of users joining their group, number of comments, number of customers attracted via SNS, and lastly number of friend requests (Michaelidou, 2011). Blanchard (2011) explained his reason that an account with millions of followers or friends does not necessarily mean all of them is active. It is possible that some percentages of them are passive users or inactive in social media (Blanchard, 2011).

   Research conducted by Advertising Age suggests that the number of brand mentions does not necessarily indicate effectiveness, especially when brand name is too generic (Creamer, 2011). Pradiptarini (2011) also suggests the correct approach of maximizing content quality is by frequently engaging conversation with customers. Research conducted by Twitter reveal that companies who have positive financial performance regularly engage personal communication with their followers via Twitter (Pradiptarini, 2011).

2. **Trust and Long-term Relationship**

   After the introduction of social media, marketers began to change strategy and put effort in making sustainable relationship with customers. They realize that traditional marketing strategy such as excessive inducement of advertisement was not as effective (Rust, 2010). Companies can allocate more funds in research and development to create products that really help to solve customers’ problems. Satisfied customers are likely to continue using the product and suggest their families or friends to do the same or word of mouth.

   Trust and long-term relationship also achieved through influence that is accumulated by consistent connection with customers. It is important to understand that popularity and reach does not necessarily imply influence. Instead, influence is about authority, presence, and trusts that turn actions within a community into something better (Creamer, 2011).
3. **Involvement**

   One of the causes of unsuccessful social media marketing is the lack of commitment from the company (Vaynerchuk, 2011). They have to show seriousness by not only involving marketing team, but also company as a whole, including executives. In order to extend long-term relationship, company should support social media marketing by developing interaction not only with online communities, but also offline community. For example, executives can share their expertise by volunteering as guest speakers. While generating more followers, they can promote social media account to strengthen offline connection.

4. **Integration with other marketing Platform**

   Marketers worried that engaging in social media would decrease traffic in companies’ website. Therefore, it is important to diversify features of each online platform. For example, Walgreens uses Facebook only for short updates and official website for detailed promotions (Neff, 2010). Moreover, social media can put web links and work as a catalyst to increase web traffic and prevent it from losing its purpose as company’s marketing tool (Rooney, 2011).

   Brand recognition and customers relationship will increase by combining social media with other marketing tools (Rooney, 2011). Traditional marketing can also increase activities in social media. In 2008, Starbucks advertised its free coffee promotion on one of TV’s most popular comedy program. Starbucks’ brand mentions in Twitter rose as soon as the program started which subsequently increase online brand exposure of Starbucks (Hoffman & Fodor, 2010).
Chapter III: Destination Branding

3.1 City Marketing

Kotler & Levy (1969) have successfully broadened the understanding about marketing that it is not always about making profit. Braun, (2008) explained that by observing political campaigns, and promotion of charity organizations, they discovered that strategies of non-profit and public organization are similar to marketing in business (Braun, 2008). On the other hand, city government can be categorized as public organization.

The understanding about city marketing has been developed ever since it was firstly introduced. Gold and Ward (1994) define marketing of places as an approach to transfer selected images of a location to a targeted audience using publicity and promotion (Gold & Ward, 1994). The marketing of city or place can be systematically developed from the general principle of marketing practice of goods and services (Kotler et al 1999). Such concept has already been adopted as early as 18th century shortly after the emigration from Europe to the now-known as United States. In the early development, place marketing simply aimed to attract investors to develop industrial activities, and stimulate capital and workforce growth (Moilanen & Rainisto, 2009). Only from 1990s until present, marketing objectives of cities has changed as the knowledge developed. Marketing strategy for cities has become more ‘niche’ or segmented due to different geographical and social conditions of cities.

Although cities’ marketing strategy has become more segmented, the application of city marketing should share a broad interpretation due to the increasing number people involved in city marketing activities. The application of city marketing developed to be more similar with corporate marketing rather than product marketing, since corporation also holds responsibilities to manage shareholders and various target markets. Misinterpretation of city marketing that leads to misunderstanding can happen in the level of decision makers and stakeholders. This will create barrier for cities to develop its marketing policies, like in the case of Birmingham and Rotterdam. Broader interpretation will create positive cooperation between public and private stakeholders as well as decision-makers. It enables city marketers to organize more marketing activities that expressed different views of various stakeholders. For example, in the city of Göteborg, manage stakeholders on three different levels: City marketing board, business unit, and projects (Braun, 2008).

3.2 City Branding

In the general marketing notion, there has been debate regarding its correlation to branding. American Marketing Association define ‘brand’ like what Kotler (1993) has described: “a name, term, sign, symbol, or design or combination of them which is intended to identify the goods and services of one seller or group of sellers and to
differentiate them from those of competitors” (Kotler, 1991). Keller (1993) explained ‘brand’ as “an equity in a form of image as a result of marketing effect of a company” (Keller, 1993). Similar to the context of general marketing, city branding also associated with city image. Braun (2008) believes that although the term city branding was just recently introduced, the idea to promote a certain image to city has been the core objective of city marketing (Braun, 2008). Nevertheless, it can be concluded that branding is part of marketing.

There are criticisms regarding applicability of branding for cities and city’s distinctive target groups. With growing competitiveness between city marketers, city should be able to achieve competitive advantage and define its distinctiveness through city branding and promote their positive image that favors each target groups (Turok, 2009; Braun 2012). For example, from marketing research, the city of Göteborg is famous for its relax and friendly environment (Braun, 2008). From marketing research, they have analyzed several targeted consumers, such as families with children who came mostly on holiday season and interested in attractions, or elders who came during spring or autumn and interested in parks or theatres (Braun, 2008). The city of Göteborg can conduct branding according to each consumer’s interest.

Many cities have made effort on city branding, like making city logo and slogan. However, they failed to incorporate a holistic marketing strategy, when making logo that portrays city’s multidimensional characters. Seisdesos (2006) mentioned that in reality, these logos failed to: grasp originality and clear marketing communication, connect with city’s economic strategy, and manage stakeholders and policymakers. It is no surprise that many city governments still felt reluctant about the idea of generating city brand (Seisdesos, 2006).

3.4 Destination Branding

The global economy phenomena, such as the European Union, have opened borders between countries and increase activities in tourism industry. Accordingly, competitiveness between countries or cities as tourist destinations increase, and each of them is trying to promote their own image (Baker & Cameron, 2008). Therefore, cities felt the need to create destination marketing organization (DMO) to create positive destination brand image, successfully communicate destination marketing to tourists, and manage marketing activities despite its many challenges.

Similar with corporate branding, philosophy of destination branding discuss about establishing image for a destination. Research regarding destination branding by Kavaratzis (2004) discussed possible connections with corporate branding and its implementation in cities (Kavaratzis, 2004). As a more specific study of city branding, destination branding focuses on the creation and communication of destination image for tourism purpose. Although the focus has been narrowed, destination branding still carries city’s characteristic as multidimensional entities (Florek, 2005). Various entities that are related to destination branding such as historical buildings, arts, and cultures generate many problems. Some of many challenges that DMO faces has to do with managing stakeholder in the case of overlapping interests, and conduct marketing strategy to various target markets (Baker & Cameron, 2008).
DMO can make use of internet more than just by creating a website and online advertising. Social media as the second generation of internet can also be utilized. Morgan and Pritchard (2004) developed five stages in building destination brand, from market investigation to brand evaluation (Morgan & Pritchard, 2004). Social media can be used in all of its stages with lower costs compare to traditional marketing, and help DMO create a more effective branding strategy. Many destinations have realized the potential of social media for marketing tool, as 50% of DMO in the European Travel Commission already have a Facebook account (Stankov, 2010; Gretzel, 2006).

Marketing policy of DMO should be adjusted with the introduction of social media. Their strategy has to be flexible for marketers to experiment with it. Many DMO failed to make use of social media to establish closer engagement with targeted consumers because policy confined them to do casual conversation (Hays, Page, & Bukhalis, 2012). They argue that ‘humanizing’ their brand by casual engagement in social media lower their authority (Thevenot, 2007).

Many DMO still have not committed with social media engagement. Most of them delegate only one employee, often trainee, to handle social media. Although they have acknowledged it as marketing tool, many DMO felt unnecessary to employ qualified people for their social media activities. The reason is because different destination has different size and costs allocation (Hays, Page, & Bukhalis, 2012). Capital cities like Amsterdam can have bigger marketing budget compare to smaller cities due to higher flow of outgoing and ingoing tourists, therefore it is understandable that they show seriousness in social media engagement.

### 3.5 Effectiveness of Place Branding

Braun, Eshuis and Klijn (2014), conducted research regarding the effectiveness of place brand communication. They differentiate communication strategies into (Braun, Eshuis and Klijn, 2014):

1. **Traditional Place Brand Strategy**
   Similar to the general marketing practice, traditional promotion mix is included in place brand strategy. It includes making of logos and slogans, public relations, media, print advertisements, etc. However, the research shows no correlation between traditional marketing
strategies to place brand image. This argument is similar with the ones from Hays, Page, & Bukhalis (2012) and supported by Warnaby and Medway’s research (2004). They concluded that limited budget in city branding might be one of the reason for cities to not interested in applying many place brand strategy. Instead, they focus on investment in physical brand strategy (Warnaby & Medway, 2004). The current economic conditions also force countries to cut funding and push DMO to conduct destination marketing more effectively. British DMO, for example, lost 34% of its funding in 2010 (Johnson, 2011).

2. Word of Mouth Strategy

Word of mouth has positive impact to the effectiveness of place brand communication along with physical strategy (Braun, Eshuis & Klijn, 2014). The ever increasing social media activities also work as supporting factors for this finding. Word of mouth can be utilized maximally with the help of social media. The research shows that 90% of respondents had experienced with employing social media for place marketing.

3. Physical Place Brand Strategy.

The physical condition of cities is the main subject of place brand communication. Even without proper marketing strategy, physical investment in city architecture will add value to place brand (Kavaratzis, 2004, 2008). Word of mouth strategy works together with physical place brand strategy to achieve effective place brand communication (Braun, Eshuis & Klijn, 2014). Without the physical place brand strategy such as architectures, historical buildings or infrastructures, there is no subject of word of mouth.

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Source: Seisdesos, 2006

Seisdesos (2006) concludes how city are represented in place branding according to traditional Kotler’s 4P (price, product, promotion, and place). As multidimensional entities, city brand is not limited to physical place. Other city product such as culture, attraction, events, as well as financial activities can be included as physical place brand.
Chapter IV: Effectiveness of Social Media in Destination Branding

4.1 Current State of Social Media activities in Destination Branding

The way social media have been influencing how people market products also have potential to change DMO organizational structure away from traditional marketing. As a more effective tools compare to traditional word of mouth, social media took information transfer of travel product to wider audience and closer to targeted market. By monitoring social media sites, marketers can evaluate consumer behavior as well as marketing feedback.

The focus of destination branding is mainly communicating destination branding message to potential outside tourists. In the implementation of social media, marketers has successfully deliver message to targeted consumers. Research conducted by Sevin (2013) shows that subject of social media marketing is mostly information for outside visitors related to upcoming or ongoing events. Perhaps, the reason for it is the ‘real-time’ characteristic of social media information.

There are two purposes of social media for DMO. First, social media works as a mass media communication tool for place branding. Second, social media works as a tool for closer engagement with tourists. The first purpose has been successfully done, however DMO failed at realizing the second purpose. Another research conducted by Sevin (2013) about twitter usage of DMO, indicates that 64% of their ‘tweets’ did not encourage discussion and it mostly ‘mentioned’ partner organizations. France claimed that they gained connection with travel journalists by solely rely on Twitter (Sevin, 2013). Although it is beneficial for strategic business-to-business engagement, DMO should also engage communication with people. The reason why destination marketer still hesitant and still put small effort on social media marketing is because they realized social media users are mainly young people and older generation are still unfamiliar with it. Since city has various target markets, using social media might not be suitable for destinations for older tourist or family. However, the number of social media users aged 45 and above are increasing from time to time. Therefore, the possibility for DMO to seriously engage in social media in the future will increase (Sevin, 2013).

Beside Twitter, Facebook is a more effective social networking sites for DMO according to study conducted by Hays, Page, and Buhalis (2013). Although it is a more complex model compare to twitter, Facebook has features that effectively help marketers. For example, it has features to deliver DMO posts directly to targeted consumers based on their online history. This feature is similar with Google Advertisement. Facebook can also provide data regarding activities of users that have interests on their page. However, all of them require additional costs. Response from Facebook users is reportedly higher and more interactive than Twitter, making it more favorable for DMO that has multiple target market (Hays, 2013).
4.2 Propositions

In this research, the main research question is:

*What are the necessary conditions for the effective use of social media platforms in destination branding?*

To answer research question, three propositions are made from literature review on chapter two about social media marketing and branding, as well as chapter three about destination branding. In the case of social media marketing, Pradiptarini’s (2011) explanation of conditions that contributes to effective social media marketing is one of the main assumptions for the propositions. However, trust and long term-relationship condition is not included, since it is similar with good content quality condition. In the case of destination branding, all parts of the theory from Braun, Eshuis and Klijn’s (2014) for an effective place brand communication is another assumption for the propositions. All of the strategies are included, especially the word of mouth strategy which connects destination branding with social media. From the literature review, three propositions of necessary conditions for social media activities in destination branding are constructed:

1. **Good quality of social media content is a necessary conditions for an effective use of social media platforms in destination branding**
2. **Involvement from the whole DMO is a necessary conditions for an effective use of social media platforms in destination branding**
3. **Integration with other marketing activities is a necessary conditions for an effective use of social media platforms in destination branding**
1. **Good quality of social media content is a necessary conditions for an effective use of social media platforms in destination branding**

One of important factors for a good quality of social media content in destination branding is interaction. It helps DMO realized the goal of social media branding, that is for consumers to accept destination brand value (Yan, 2011). Pradiptarini (2011) mentioned that companies with positive financial report actively conduct personal interaction with consumers in social media (Pradiptarini, 2011). However, as one of the purpose of social media marketing, interaction with consumers has been unsuccessfully conducted (Sevin, 2013). The model of Twitter for example, is based on following and followers relationship that encourage mass-media purpose more than interaction purpose. The ‘real-time’ characteristic of social media also made consumers to demand fast and constant response from DMO. Together with involvement, DMO will likely to influence users to finally make purchasing decision to travel-related product, and develop trust as well as long-term relationship.

Destination branding as multidimensional entities requires DMO to have broad marketing strategy. It should be able to accommodate various stakeholders and policymakers interests, so that they are more willing to involve in online as well as offline DMO activities and resulted in involvement from the whole DMO. This would be easier for DMO since destination branding has already specified its strategy as tourism related. For example, a high-rank politician can engage discussion about green policy campaign, as a tourist-friendly policy, on twitter or seminars. A broad strategy can strengthen stakeholder’s involvement and enable more marketing activities integration.

In order to deliver a good quality of social media content, the subject of information has to first be of a good quality. In the case of Destination branding, the subject is physical place brand. Integration with physical place brand would increase effective use social media platforms in destination branding. According to Seisdesos (2006), physical place brand is not limited to historical buildings or architectures, but also culture, events, attraction, etc. (Seisdesos, 2006). In fact, most of DMO’s social media updates are mostly about upcoming or ongoing events (Sevin, 2013).

2. **Involvement from the whole DMO is a necessary conditions for an effective use of social media platforms in destination branding**

In the case of cost-effectiveness, most DMO agree that social media branding generates lower costs, however on the implementation, they have only been successful in using SNS for mass media advertisement and not yet for interaction. Meanwhile, huge size of social media users is a great subject for branding and marketing influence. In the case of destination branding, involvement from DMO as a whole is one of the key to create influence and contributes to trust and long-term relationship (Pradiptarini, 2011). Therefore, one of the goals of DMO has been to encourage shareholders involvement in various marketing and branding activities. Their
involvement will be an example for the whole DMO employees to do the same. A successful involvement, together with transparency, not only encourage interaction with consumers, but also establish a sense of membership as the goal of social media branding (Yan, 2011).

However, many Stakeholders are still hesitant to allow DMO to engage interaction in social media. One of the reason is that they worried authority will decrease as a consequence from interaction. The users of social media that is dominated by young people also did not support their broad target market. Moreover, transparency and fast information transfer as the characteristic of social media require them to be extra careful. In order to avoid mistakes and bad press of destination marketing, it is advised that DMO consulted with experts beforehand.

3. **Integration with other marketing activities is a necessary conditions for an effective use of social media platforms in destination branding**

Social media has changed behavior of consumers and develop integration marketing communication (IMC) in companies, unexceptionally in the case of destination branding. Braun, Eshuis and Klijn (2014) mentioned traditional place branding as one of important place brand communication strategy (Braun, Eshuis & Klijn, 2014). Although social media and traditional place brand can be included to IMC, the objective of traditional place brand is recognized as directed and controlled communication, while social media is perceived as objective and free from marketing motives. In order to balance between the two, IMC could create successful destination branding strategy while keep conversation at an objective level. For example, DMO together with public figures in social media can discuss travel-related topic that brings positive image of destination brand.

Traditional place branding activities of cities such as print advertisement or, public relation, logos and slogans, etc. are considered ineffective to place branding communication (Braun, Eshuis & Klijn, 2014). Many DMO thought that the size of their city make them prefer not risk spending high and long-term budget to develop destination brand such as logos or slogan. However, this does not necessary mean that traditional place brand is unnecessary for destination branding. There are many cases that traditional place brand works perfectly and even boost social media activities.

Social media is recognized as the better approach for word of mouth, or e-WOM. It strengthens traditional word of mouth by rectify its shortcomings. Together with physical place brand, traditional as well as electronic word of mouth create positive impact to an effective place branding communication. Physical place brand includes historical buildings, architectures, events, cultures, and other assets that have tourism potential (Seisdesos, 2006; Braun, Eshuis & Klijn, 2014).

Besides offline place branding, DMO can also make use of online platform such as other social media and websites. It is advised to diversify functions between these platforms to avoid confusion and ineffectiveness. For example, they can post short updates on social media about upcoming events and put detailed information on
websites. DMO can maintain good quality of social media updates direct and informative at the same time by inserting website links. By doing so, a good quality of social media content is not only achieved, web traffic would increase as well.

In order to achieve good integration with other marketing platform, DMO should first guarantee a flexible marketing policy. It is essential to enabled various IMC experimentation. Without support from policymakers, integration with other marketing platform will be difficult for DMO and an effective use of social media platform 'to' destination branding will impossible.
Chapter V: Conclusions

5.1 Conclusion

Social media has changed the way people communicate unlike the way it was before. People can input, share, and give feedback freely with others who shares similar interests worldwide. Recently, many of them have joined the trends of sharing travel-related contents in social media. It is not only beneficial for other users from information sharing, but also for travel sites. Social media platforms are a great tool to promote city tourism both directly and indirectly. However, there has been little evidence and studies for its effectiveness to city branding. Therefore, this research aimed to investigate necessary conditions for the effective use of social media platforms in city branding. It includes good quality of social media content, involvement from the whole DMO, and integration with other marketing activities.

For a good quality of social media content, personal interaction with consumers is essential. The main goal of DMO is to influence users to finally make purchasing decision to travel-related product, and this is achieved by interaction. Good quality content should also have broad marketing strategy that accommodates various stakeholders and policymakers interests. Physical place brand as the subject of social media branding has to first be of a good quality as well.

In the case of cost-effectiveness, most DMO agree that social media branding generates lower costs. However, on the implementation, they have only been successful in using SNS for mass media advertisement and not yet for interaction. Meanwhile, involvement from DMO as a whole is one of the key to create influence and contributes to trust and long-term relationship (Pradiptarini, 2011). Their involvement will be an example for the whole DMO employees to do the same. Many Stakeholders are still hesitant to allow DMO to engage interaction in social media. They worried their authority will decrease while consumer gain more power over government. The users of social media are also still dominated by young people, and would be difficult since DMO has various target markets.

Integration with other marketing activities is also a necessary condition for an effective use of social media in destination branding. Integration can be varied from online marketing platforms such as other social media or websites, traditional place branding, as well as physical place branding. In order to achieve good integration with other marketing platform, DMO should first guarantee a flexible marketing policy to enable various integration experiments.
5.3 Limitations and Recommendations

This bachelor thesis is solely based on literature research. Therefore, it is suggested that further studies are needed to test the propositions and should be more empirical-based with quantitative analysis to establish hypothesis that is more accurate. Moreover, data from this research explained social media limited to only twitter and Facebook. It is understandable since they are the most common social media platforms of destination, thus a lot of literatures mentioned or focus only on Facebook and Twitter. However, since there are many other social networking sites, perhaps it is better to know cases and characteristics of other Platforms. For example, since Facebook is banned in China, the country has other SNS that is widely used.

Social media marketing and branding are explored more in this research rather than destination branding. This is because the topic of destination branding is already more specified. However, it is advised in further studies to keep balance between the two topics for a more objective result. The basic theory of effectiveness derived from each social media as well as branding are based on one literature each. It is recommended to research more theory of effectiveness for deeper understanding. Lastly, some sources in this thesis are not based on literature. Data from recent literatures are mostly obtained from the previous year and might have changed significantly due to the fast development in social media. Therefore, it is advised to have latest qualitative data directly in the next research.
Reference


