CUSTOMER ENGAGEMENT IN SOCIAL MEDIA AND TOURISM BRAND PERFORMANCE IMPLICATIONS

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ABSTRACT

The growing popularity of social media (SM) is seen as an avenue for businesses to build relationships with customer. Tourism firms have increasingly adopted customer engagement (CE) strategies in SM to achieve superior firm performance. The investigations on CE in SM have been widely conducted, however little is known about its effect on tourism brand performance outcomes, particularly in Malaysia. This study aims to provide empirically tested nomological framework that places CE in social media as consequences of social interaction, surveillance and attraction, and as an antecedent of tourism brand image and brand loyalty. Data are collected through survey questionnaire from 350 airline and hotel customers who utilizes social media in Malaysia. Structural equation modeling is applied to analyse the data. Results shown that effective CE in social media enhances brand image and loyalty. Surveillance had the greatest positive influence on CE, followed by social interaction and attraction. The theoretical implications include both a conceptual foundation and empirical-based evaluation of CE through a gamified brand platform. From a pragmatic perspective, this research may aid practitioners in developing more effective CE strategies such as more attractive contents, continuous promotions or rewards, sharing valuable information, and intensity of interactivity to enhance brand performance.

Keywords: *Customer engagement, Social media, Brand loyalty, Brand image, Brand performance*

1. Introduction

Brands are highly valuable assets for firms and important to sustain competitive advantage in the market. Customer engagement (CE) has been a domain of research interests with the rise of social media (SM). The increasing attention given by travelers on SM have encouraged tourism service providers to engage customers through various SM platforms. For example, TripAdvisor-branded sites comprise the largest travel community in the world, with more than 390 million unique monthly visitors and have reached more than 500 million reviews and opinions for 7 million accommodations, restaurants, and attractions worldwide (TripAdvisor, 2017).

In today's dynamic marketing environment, firms engage with their customers via free SM delivery platforms such as microblogging (e.g., Twitter), content-sharing communities (e.g., YouTube and Instagram), and social networking sites (e.g., Facebook and LinkedIn). Motivational factors that influence CE in social media from previous studies include content type, media type, and posting time (Cvikij and Michahelles, 2013); information gratification, fun and entertainment, social interaction value, and co-creation value (De Vries and Carlson, 2014); organisational factors (Wang and Hyun, 2017); practical benefits, social benefits, economic benefits, social enhancement, and entertainment (Gummerus, Veronica, Weman and Pihlström, 2012).

Arora and Predmore (2014) acknowledged four distinct advantages of SM to the firms in the aspect of cost effective in acquiring customer, loyalty, innovativeness and create strategic value. CE has been used as a key new metric for measuring brand performance (Bowden, 2009). According to Trivedi and Vadher (2010), brand performance can be understood as the value perception by customers. This study will emphasize on consumer-based brand performance measures. The brand performance metrics

comprising brand loyalty (Kaplan and Norton, 1992; Munoz and Kumar, 2004; Keller and Lehmann, 2003) and brand image (Keller and Lehmann, 2003) which have been widely used in past research studies. De Vries and Carlson (2014) found that positive brand performance outcomes are measured by brand loyalty and brand image in the context of CE with Facebook brand pages.

Despite great attention given by firms to drive SM presence, but the impact of SM on creating desirable brand performance outcomes still remain ambiguous. Furthermore, there is a paucity of literature addressing how effective the Malaysian tourism brands in engaging customers and enhance their relationships with brands to achieve positive brand performance outcomes. Hence, the primary objectives of this study are; 1) to investigate the effect of social interaction, information sharing and surveillance on CE and 2) to analyse the influence of CE on brand image and brand loyalty.

2. Literature Review And Hypotheses Development

2.1 Uses and gratifications theory

The uses and gratifications theory (U&G) assumes that the media provides several gratifications for the audience that motivates it to consume some media product (Katz, Blumler and Gurevitch, 1974). For example, the capacity of the media product to provide information, provide useful subjects of conversation, entertain, help to escape from reality, support the search of personal identity, and other aspects can be important factors to infuse the audience to consume a specific media product (Burton, 2010). The expectations and gratifications obtained influence individual's behavior of media consumption which in its turn satisfies sought gratifications. As such, the context of this paper focuses on the motives in the form of sought gratifications that could influence customers' engagement on SM pages. The U&G theory has been applied in many SM studies (Perez, Mafe and Blas, 2014; Whiting and Williams, 2013). The conceptual framework for this study is developed by applying the U&G theory as it would assist to examine the motivations that induce customers to engage with the tourism brand pages on SM. By examining U&G theory, this study identified three motivations – information sharing, surveillance, and attraction that have been used by several scholars (Harrigan, Evers, Miles, and Daly, 2017; Perez et al., 2014; Whiting and Williams, 2013) and which can be analysed to see whether they influence CE in SM. Furthermore, we have based on the analysis of the past literature which have drawn the relationship between CE and brand performance outcomes of brand image and brand loyalty, to develop more comprehensive CE framework.

2.2 Social Interaction

Social interaction refers to the motive that pushes us to communicate and interact with others (Whiting and Williams, 2013). SM provide users with interaction platform to meet like-minded others, interact, and communicate with them about specific products or brands (Muntinga, Moorman and Smit, 2011). According to Hollebeek, Glynn and Brodie (2014), social interaction between a customer and an organisation, as well as between customers themselves, is essential for effective CE to strengthen the emotional, psychological or physical investment a customer has in the brand, as well as the organisation. In view that the objective of brand posts is to motivate customers or brand fans to react, such as by liking and/or commenting, and it may lead to more favourable outcomes towards brand image and brand loyalty. For example, Booking.com or TripAdvisor, actively engaged customers through soliciting reviews, transparency or social influence. Hence, the following hypothesis will be tested in this respect:

H₁: Social interaction has a positive influence on CE in social media.

2.3 Surveillance

Surveillance is defined as “a motive of using media to seek out information or to self-educate” (Whiting and Williams, 2013). Surveillance relates to keeping up with current happenings and getting an understanding of issues. High quality information obtained by customers made them feel that their interactions are worthwhile (Gummerus et al., 2012). Humphreys and Wilken (2014) assert that as information is available via SM, it creates new opportunities for surveillance and engagement. A customer who need to acquire product information or reduce perceived risks may engage in a brand discussion forum (Brodie, Ilic, Juric and Hollebeek, 2013). Consumers tend to have positive attitudes toward informative advertisement on SM (Taylor, Lewin, and Strutton, 2011) due to

its transparency and dynamic characteristic. Therefore, to explore the relationship between surveillance and CE, the following hypothesis will be examined:

H₂: Surveillance has a positive influence on CE in social media.

2.4 Attraction

The attraction in SM pages refers to the richness of a brand post's formal features (De Vries, Gensler and LeeFlang, 2012). The attractiveness of the SM pages involves the extent to which a brand post stimulates the different senses (Steuer, 1992). Usually SM attracts viewers through dynamic animations, colors, or pictures (Cho, 1999). According to Fortin and Dholakia (2005), the more attractive the appearance of the SM websites, the more effective at enhancing attitudes toward a website. Continuous attention given by customers towards a brand may lead to higher levels of engagement (Scholer and Higgins, 2009). Therefore, to test this relationship the following hypothesis is formed:

H₃: Attraction has a positive influence on CE in social media.

2.5 Customer Engagement

CE is defined as “customers’ behavioral manifestation toward a brand or firm, beyond purchase, resulting from motivational drivers” (Van Doorn, Lemon, Mittal, Nass, Pick, Pirner and Verhoef, 2010). CE reflects the intensity of an individual’s participation in and connection with an organisation’s offerings or organisational activities, which either the customer or the organisation initiates (Vivek, Beatty and Morgan, 2012). Hollebeek (2011) conceptualise CE as a process of cognitive, emotional and behavioural. According to So, Sparks and King (2014), CE on brands are divided into five dimensions – identification, enthusiasm, attention, absorption, and interaction. Bowden (2009) believed CE involving the concept of involvement (behavioural) and commitment (cognitive and affective). Cvijikj and Michahelles (2013) measured CE through actions such as page views, click-through rates, and other measures depending on the SM platform. Gummerus et al. (2012) found CE on SM as a combination of frequency of brand community visits, news reading, content liking, commenting, frequency of playing games, and money spent on internet gaming websites. However, CE on SM was not solely measured through specific actions but also through customers’ perception of engagement. For example, along with the commonly used parameters such as “liking”, “sharing”, and “commenting” on brand pages (De Vries et al. 2012). De Vries and Carlson (2014) studied customers’ perception of engagement and their beliefs on whether they are integrated, active, and participating on SM brand pages.

2.6 Brand Image

Brand image is defined as “perceptions about a brand as reflected by the brand associations held in consumer memory” (Keller, 1993). CE influenced firm’s brand image in the context of virtual interactive media (Blasco-Arcas, Hernandez-Ortega and Jimenez-Martinez, 2016). Woisetschlager, Hartleb and Blut, (2008) found that customer participation positively influenced brand image of the community sponsor. In SM, consumers have the flexibility to create their own brand stories and post them in various formats which can be either positive or negative, leads to favoring or damaging a brand’s image (Gensler, Völckner, Liu-Thompkins and Wiertz, 2013). The following hypothesis will be examined:

H₄: CE is directly and positively correlated to the brand image.

2.7 Brand Loyalty

CE plays a significant role in enhancing brand loyalty (Kam, King, Sparks and Wang, 2016; Hollebeek, 2011). In the context of tourism brands, CE has been found positively influenced behavioural intention of loyalty (Harrigan et al., 2017). De Vries and Carlson (2014) reported that CE had influenced brand performance outcomes of CE behaviours directed at the brand page and brand loyalty. They further assert that co-creation value, social value, usage intensity and brand strength influenced CE with brand pages. Kam, King and Sparks (2014) found that CE to exert a positive significant influence on behavioral intention of loyalty for both hotel and airline customers. Khan, Rahman and Fatma (2016) investigated the online CE effect on brand loyalty, and concluded that

online engagement experience has positively influenced customer loyalty toward the brand. Therefore, to explore the relationship between CE and brand loyalty, the following hypothesis will be examined:
H₅: CE is directly and positively correlated to the brand loyalty.

3. Research Methodology

3.1 Sampling and Measurement

The population for this study was airline and hotel customers who had traveled domestically or internationally in the past 6 months and residing in the state of Selangor and Federal Territory of Kuala Lumpur, Malaysia. Non-probability convenience sampling method was used to select the sample of 350 respondents who presence at 10 selected hotels in Selangor and Kuala Lumpur. A pilot study was conducted on 100 respondents to ensure respondent's comprehension of the questionnaires. Items to measure the constructs were rated on a 6-point Likert scale, which ranged from 1 = strongly disagree to 6 = strongly agree.

3.2 Validity and Reliability Assessment

The pilot study comprises the Exploratory Factor Analysis (EFA) to eliminate variables with factor loading < 0.3. According to Pallant (2007), the Bartlett's Test of Sphericity value should be significant at $p < 0.05$ and Kaiser-Meyer-Olkin (KMO) value should be 0.6 or above. In examining EFA using Maximum Likelihood extraction and Promax rotation, it has yielded six dimensions with KMO score of 0.875, Bartlett's Test $p = 0.000$ ($p < 0.05$). The factor loading for all the 27 proposed items is above 0.3. The Cronbach's Alpha value of the constructs ranged from 0.715 to 0.921, and exceeded the threshold level of 0.7. High level of internal consistency (Pallant, 2007) in the data and all constructs were valid and reliable for further inferential analyses. The results is shown in Table 1.

4. Results

4.1 Demographic Profile of the Respondents

The total respondents for this study is 350, comprising 182 female respondents (52%) and 168 male respondents (48%). Majority respondents of 45% belongs to age category between 21 and 39, followed by 30% between 40-59. As for the income category, majority respondents of 44% falls between RM3000 and RM6000, followed by 31% between RM6000 and RM10000. Majority of respondents come from high educated category which are bachelor degree (48%) and post-graduate (15%).

4.2 Model Compatibility Testing

Structural equation modeling (SEM) is applied to measure the proposed research model and test the hypotheses. Overall, the research model has achieved a good fit. The *chi-Square* value was 706.844. The ratio of χ^2/df was 2.237. Incremental fit values were greater than 0.9, with IFI of 0.923, CFI of 0.923 and TLI of 0.914. As for the absolute index, RMSEA of 0.060 which was lower than the threshold level of 0.8.

Table 1: CFA Results for the Measurement Model

Construct	Item	Statement	Factor Loading	Cronbach's Alpha
Social Interaction	V1	Opportunity to know new people	.816	.921
	V2	Easy to share information with others	.890	
	V3	Easily connect with friends/others	.891	
	V4	Often participate in activities of the tourism site	.838	
	V5	Conversation or opinion exchange with others	.757	
Surveillance	C1	Provide good information on services	.577	.854
	C2	Help me to learn interesting things	.750	
	C3	Keep up-to-date with the latest information	.757	
	C4	Offered customised information search	.816	
	C5	Provide information on latest promotions	.682	
Attraction	S1	Content of the tourism site is useful	.713	.834
	S2	Tourism site is interesting	.800	
	S3	Tourism site attract my attention	.815	
	S4	Pay a lot of attention to anything about this tourism site.	.676	
Customer Engagement	M1	Often browse tourism brands on social media (Facebook or Twitter or Google+)	.738	.897
	M2	Often like (for facebook), favorite (for twitter), or +1 (for google+) posts on my preferred tourism brands on social media	.763	
	M3	Often write comments (for facebook or google+) or leave a reply (for twitter) on my preferred tourism brand page on social media	.855	
	M4	Often share posts (for facebook or google+) or retweet a tweet (for twitter) on my preferred tourism page on social media	.896	
	M5	Overall, actively engage in social media	.567	
Brand Image	I1	Trust my preferred tourism brands	.814	.713
	I2	Brand image corresponds to my self-image in many respects	.522	
	I3	My preferred tourism brand is superior	.842	
	I4	My preferred tourism brand have good image	.509	
Brand Loyalty	L1	Remain loyal to my preferred tourism brands	.765	.863
	L2	Regularly support my preferred tourism brands in social media	.785	
	L3	Continue to support my preferred tourism brands in social media	.794	
	L4	Say positive things about my preferred tourism brands in social media	.785	

4.3 Model Causality Testing

The regression weights and probability value which indicates its significance is shown in Table 2 and final structural model is shown in Figure 1. The findings concluded that social interaction had significant positive effect (0.249) on CE and H₁ is accepted. H₂ is accepted and surveillance has significant effect on CE (0.407). The regression coefficient of the relationship between attraction and CE is also significant (0.197) and H₃ is accepted. CE had direct positive effect on brand image (0.214) and brand loyalty (0.423). H₄ and H₅ is accepted as well.

Fig. 1: Final Structural Model

Table 2: Regression Weights and the Probability Value which Indicates its Significance

Paths			Estimate	S.E.	C.R.	P	Result
CE	<--	Social Interaction	.249	.049	5.098	***	Supported
CE	<--	Surveillance	.407	.083	4.880	***	Supported
CE	<--	Attraction	.197	.096	2.045	.041	Supported
Brand Image	<--	CE	.214	.045	4.735	***	Supported
Brand Loyalty	<--	CE	.423	.051	8.285	***	Supported

5. Discussion

In the theoretical contributions, we propose a new CE framework that reflects the interrelationships between motives - information sharing, surveillance and attraction from U&G theory, and brand performance outcomes in the context of brand image and brand loyalty. This study provides a catalyst for future inquiry, which is required to validate the proposed CE conceptualization and measurement instrument.

As for the managerial contributions, this study has provided valuable insight to the practitioners in planning and implementing more effective CE strategies on SM to achieve better brand performance. The findings revealed that the coefficient value of attraction construct is weak. With that, tourism firms should create more attractive sites, better content and valuable information with is supported with evidence of the services, such as pictures or videos, to improve engagement with customers. Our model also posits that engagement behaviours could be enhance with the use of different SM approaches such as induce customers through continuous promotions or rewards, intensity of interactivity and participation. It is also suggested that SM campaigns should emphasize more on the benefits, values and advantages based on different segment of SM users. Furthermore, customers should be given opportunities to suggest their ideas for new services or service improvement of the tourism firms. Shared-value could be created and enhanced which will increase brand image and brand loyalty.

6. Conclusion

Replications of this study in other contexts such as other countries and other industries are recommended to examine the generalizability of the findings and verify the model. Future research could also investigate the influence of CE in SM on other consumer-based brand performance measurement or even financial performance of the firms.

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