

## MARKETING APPLICATION OF SOCIAL NETWORKS IN TOURISM

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### Abstract

Tourism is the most powerful initiator of activities in Croatia and one of the strongest in the world. Despite the worldwide crises, the number of tourists is increasing every year and the competition among tourism entrepreneurs is getting tougher. There is a constant struggle for every guestroom among destinations and hotels. Though quality offer used to be crucial, now the situation has changed. Marketing activities took over. The most important rule of marketing is information placement (in this case, the tourist offer). Therefore, traditional advertising models that have prevailed so far, cease to be important. Internet and social networks took the leading role which brought the revolution in marketing activities.

Tourism is certainly one of the economic activities where the use of social networks has greatest success potential. Sharing photos, status, location and tips is interesting and fun, and entertainment and leisure is one of the main reasons for being on Facebook, Twitter, Instagram, Pinterest and other platforms. Through this interesting contents on social networks tourism subjects or destinations can increase visibility and define destination brands, attract new guests who will then with one click attract new potential guests and thus increase the revenue. The purpose of this study is to point out the extremely low level of knowledge and application of Internet and social networks for promotion and placement of tourism and catering companies and destinations in Croatia.

**JEL Classification:** L83, M15, M31

**Keywords:** tourism, marketing, social networks, promotion, marketing research

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## 1. INTRODUCTION

Tourism is the most powerful initiator of activities in Croatia and one of the strongest in the world, and amounts to 10% of world's gross domestic product. Words tourist and tourism have been domesticated in Croatian language long time ago and are well-known. Both words come from the English word *tour* which initially had meaning only for the round trip. The first derivative of the word tour - tourist - was first used two centuries ago in the pejorative sense. Even Adam Smith had the opinion that the ideals of culture significantly eroded by placing a priority on fun and pleasure. That could justify the use of the term tourist, which has marked the persons who briefly visited cultural sites, while spending most of the time for pleasure. Although the concept of tourist and tourism is in use for more than 200 years, scientists have not yet come to the generally accepted definition.

Tourism is a significant initiator of other branches of the economy because tourists are consumers of other goods and services. The tourism industry operates with thirty other industries, such as culture, sports, agriculture, etc. Tourism is the most powerful initiator of activities and with financial sector and telecommunications, makes the backbone of Croatian economy. Tourism can help solve world problems, such as reducing the gap between rich and poor countries, with contributing in revenue, development and education. In Europe, 95% of hotels and restaurants are those with nine or fewer employees. The technological progress of our time is a key factor for the modern world tourism. Internet, as one of the most significant technological phenomena of our time, provides a completely new competitive opportunities. This makes the idea of this paper.

## 2. SOCIAL NETWORKS

Social networks are certainly one of the easiest forms of promotion and marketing that can reach specific target audience. When using social networks, the results of invested time, effort and money are visible at any moment. Social networks allow restaurant facilities feedback from their guests. Each remotely good quality restaurant wants to know the right opinion (praise and criticism) of their guests about the services they received and the impressions and experiences they gained. That is one of the important things through which we obtain information: whether the guest will re-visit and what kind of service was he provided with? What kind of opinion about the object will he share with his family and friends?

Feedback obtained on social networks is far more realistic than the one gained when asking the guests directly or asking them to write it in the guestbook. Many feel uncomfortable when they have to share a bad experience while still in the restaurant, and therefore, most of them just smile and say: "Oh, it was all right," while they hardly wait to share on a social network on the way home how they ate in your restaurant and the food was undercooked, waiter unfriendly, drink warm... Therefore, it is necessary to constantly monitor what is being said about your offer, and improve service based on that criticism.

Social networks are a real revolution in the tourism industry, it is no longer enough to accommodate guests in the hotel and give them a brochure with information about the location. It takes a lot more now, which is, in a way, good because all have an equal opportunity to be among the first. Today, only diligent succeed, there is no room at the top for slackers in the world of social networking. Many local and tourist organizations neglect to use social networks. Individuals even claim that social networks affect poorly on tourism industry due to the fact that tourists can see and learn everything from customs to localities only on the internet, so there is no reason to travel.

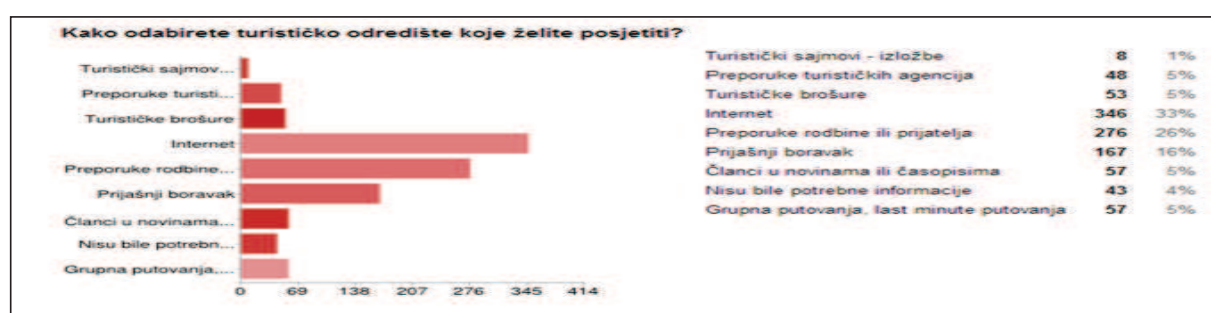
Social networks provide the opportunity for those worthy to become what they want. People create digital identities on the social networks – a certain image of themselves and their activities and lifestyle is sent to the public. The individual is in the center of attention on social networks. Everyone wants to stand out from the masses and present themselves in their finest. The number of likes and retweets is "crucial".

### **3. SURVEY ON THE USE OF INTERNET AND SOCIAL NETWORKS IN CROATIA**

A survey has been conducted to research the attitudes and opinions on the use and application of social networking in tourism. Research sample was made at random. The survey was conducted via Facebook and email. The duration of the survey was limited to two weeks. The survey included 537 respondents, of which 268 males and 269 females, so the percentage of both sexes was equal. The average age of the respondents who participated in the survey was 25-34 years old, and that is also the largest percentage (47%). 49% of respondents have a high school education, 33% university, 16% of higher education and 8% are low-qualified. The majority selected that they choose the tourist destination they want to visit over the internet - 33%, and a smaller number of respondents take recommendations

from relatives or friends - 26%. Travel fairs, agency recommendations, articles in newspapers and magazines, and last-minute offers take an insignificant percentage by which service users get informed.

**Picture 1:** Response summary to survey questionnaire on choosing a tourist destination



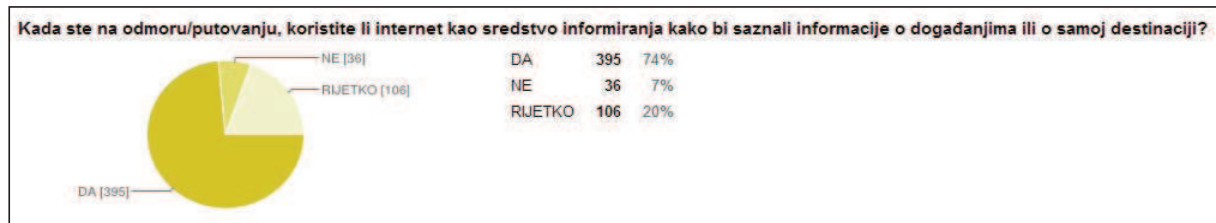
Source: Front page screenshot <https://docs.google.com/forms/d/1p0nBKdgbIbYaibje3ASRLdrAcsuIEPcHpuFojUodQIw/viewanalytics> (13.10.2013.)

How do you choose a tourist destination that you want to visit?

- Travel or tourism fairs – 1%
- Travel agency recommendations – 5%
- Tourism brochures – 5%
- Internet – 33%
- Recommendations from relatives or friends – 26%
- Previous stay – 16%
- Articles in newspapers and magazines – 5%
- No information was required – 4%
- Group travel, last minute travel – 5%

On a scale of 1 to 5 in order of importance for keeping users on the website and potentially make them choose the hotel/apartment, primarily is a display of prices followed by photographs (showing the hotel/apartment). Links to the social networks in Croatia are lagging behind compared to global trends, as can be seen from the results. When traveling, in 74% cases tourists use Internet as an information source to find out about events in a specific destination or the destination itself.

**Picture 2:** Response summary to the survey questionnaire on using the Internet as a means of informing on holiday

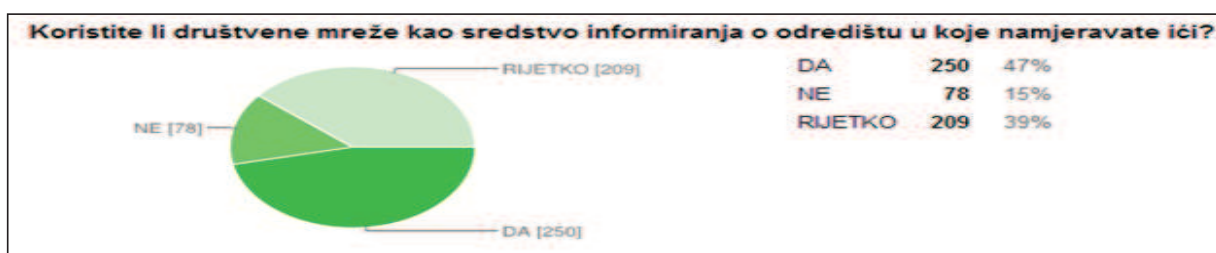


Source: Front page screenshot <https://docs.google.com/forms/d/1p0nBKdgbIbYaibje3ASRLdrAcsuIEPcHpuFojUodQIw/viewanalytics> (13.10.2013.)

When on vacation/holiday, do you use Internet as an information source to find out about events in a specific destination or the destination itself?

- Yes – 74%
- No – 7%
- Rarely – 20%

**Picture 3:** Response summary of the survey questionnaire on using social networks as a means of informing about a potential holiday destination



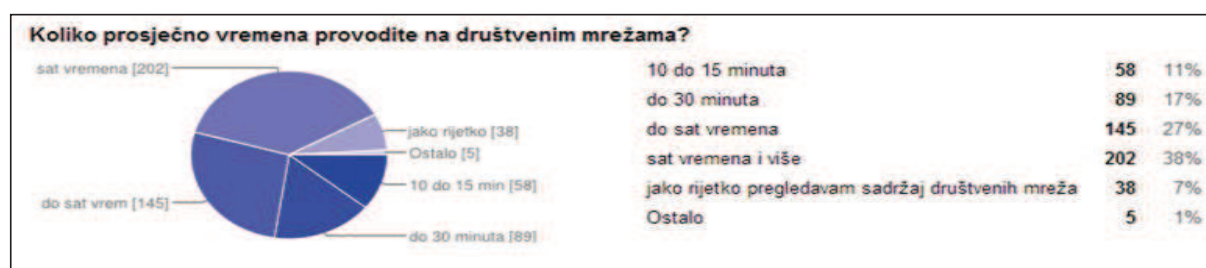
Source: Front page screenshot, <https://docs.google.com/forms/d/1p0nBKdgbIbYaibje3ASRLdrAcsuIEPcHpuFojUodQIw/viewanalytics> (13.10.2013.)

Do you use social networks as an information source for a potential holiday destination?

- Yes – 47%
- No – 15%
- Rarely – 39%

Social networks are used in 47% of cases as a means of informing about the destination in which tourist tends to go. The importance of the site on which a potential holiday is searched is very important. Time that users spend on social networks is mainly an hour or more a day.

**Picture 4:** Response summary to the survey questionnaire on average time spent on social networks

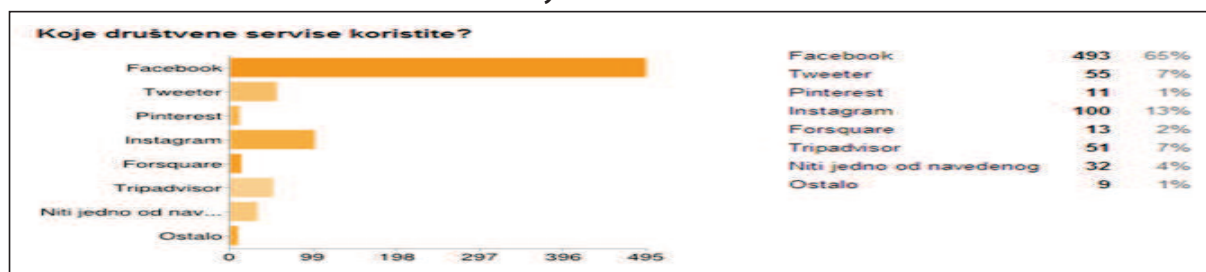


Source: Front page screenshot, <https://docs.google.com/forms/d/1p0nBKdgbIbYaibje3ASRLdrAcuIEPcHpuFojUodQIw/viewanalytics> (13.10.2013.)

What is the average time you spend using social networks?

- 10 to 15 minutes – 11%
- up to 30 minutes – 17%
- up to 1 hour – 27%
- 1 hour and more – 38%
- I very rarely browse the content of social networks – 7%
- Other 1%

**Picture 5:** What social networks do you use.



Source: Front page screenshot, <https://docs.google.com/forms/d/1p0nBKdgbIbYaibje3ASRLdrAcuIEPcHpuFojUodQIw/viewanalytics> (13.10.2013.)

Facebook is used by 65% of all respondents, followed by Instagram with sizable 13%. Other social networks and services have a very low rate of interaction. 43% of respondents sought information about the chosen destination on social networks.



**Picture 6:** Response summary to survey questionnaire on using social networks during the holiday



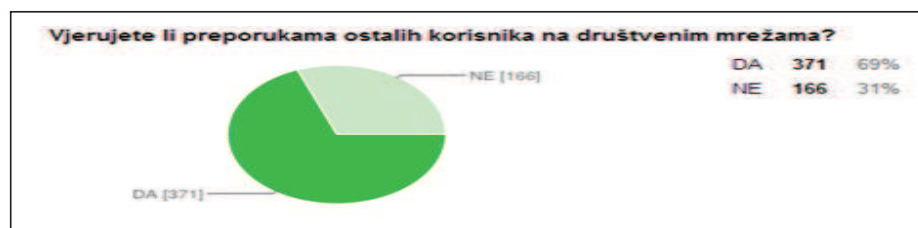
Source: Front page screenshot, <https://docs.google.com/forms/d/1p0nBKdgbIbYaibje3ASRLdrAcsuIEPcHpuFojUodQIw/viewanalytics> (13.10.2013.)

Do you share holiday pictures, videos, or your location via social networks?

- Yes – 54%
- No – 15%
- Rarely – 31%

Over 50% of respondents share pictures and location via social networks, while 31% do it rarely.

**Picture 7:** Response summary to the survey questionnaire on authenticity of information shared by other users



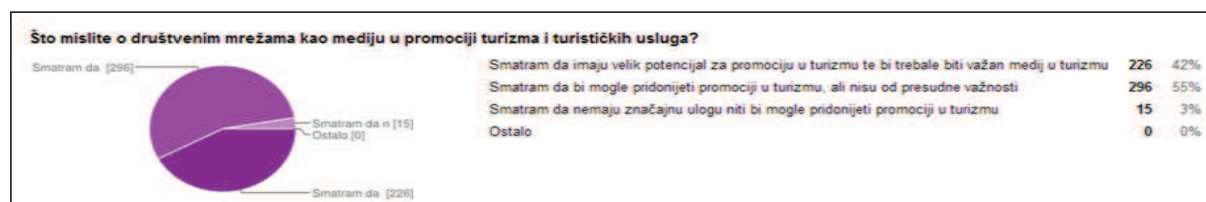
Source: Front page screenshot, <https://docs.google.com/forms/d/1p0nBKdgbIbYaibje3ASRLdrAcsuIEPcHpuFojUodQIw/viewanalytics> (13.10.2013.)

Do you trust the recommendations of other users on the social networks?

- Yes – 69%
- No – 31%

When talking about authenticity of recommendations of other users, 69% of respondents trust other users and their suggestions.

**Picture 8:** Response summary of the survey questionnaire on social networks as a media for promoting tourism and travel services



Source: Front page screenshot, , <https://docs.google.com/forms/d/1p0nBKdgbIbYaibje3ASRLdrAcslIEPcHpuFojUodQIw/viewanalytics> (13.10.2013.)

What do you think of social networks as a media for promoting tourism and travel services?

- I think they have great potential for the promotion of tourism and should be an important media in tourism – 42%
- I think that they might contribute to the promotion of tourism, but are not crucial – 55%
- I think that they do not have an important role nor could contribute to the promotion of tourism – 3%
- Other – 0%

55% of respondents think that social networks can contribute to the promotion of tourism, but that it is not essential. 42% think that social networks have great potential for promotion, and only 3% of respondents think that they do not have an important role, nor could contribute to the promotion of tourism.

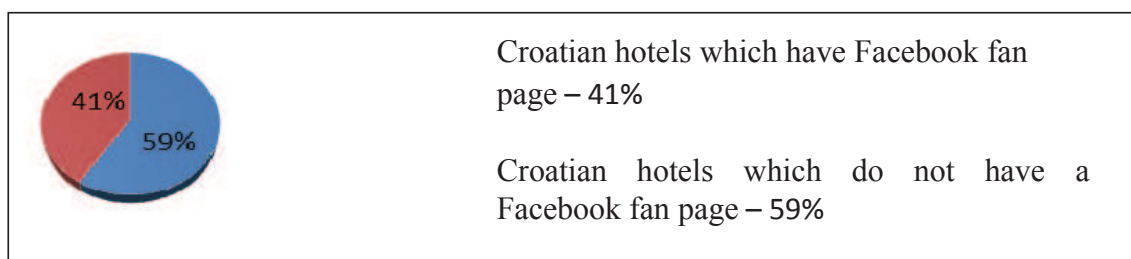
#### 4. ANALYSIS OF FACEBOOK PAGE USE IN CASE OF CROATIAN HOTELS

The data (number of hotel units in the Republic of Croatia and their categorization) of the Ministry of Tourism from January 2013, downloaded from their website, was used for this analysis. According to that statistics, there is a total of 648 hotels in Croatia and one new hotel opened in July 2013, hotel Bevanda 5\* (in Šibenik-Knin County). Facebook page analysis of hotels in Croatia that have a fan page has been made on 09/01/2013. According to those results, 59% of all hotels in Croatia, 381 hotel to be exact, have a fan page on Facebook. Initially, that were not bad results, but when looked at the number of likes on a single page, devastating results appear.



The method of proof analysis of Croatian hotel fan pages shows that managers of Croatian hotels do not have any specific strategy or plan for their ultimate goal, that is how to achieve it by using social networking as a marketing tool that should serve the purpose of increasing sales. It was found that the largest percentage of those who do not use resources of social networks adequately do not actually know what they are doing wrong. Lack of awareness of tourism organizations and operators on the importance of social networks is one of the main causes of the current situation.

**Picture 9:** Display of hotels with Facebook fan page



Source: Prepared by author, (12.09.2013.)

To show the number of likes by counties (adding up the number of likes of all hotels in the county), the display would look like this. From the graph above it is visible that the city of Zagreb is leading with the number of 59,019 likes, which is not an enviable result compared to foreign hotels that individually have that many likes. Požega-Slavonia County and Virovitica County do not have any hotel with Facebook fan page so they are located on the last place in the graph.

**Picture 10:** Display of the number of Facebook likes by county

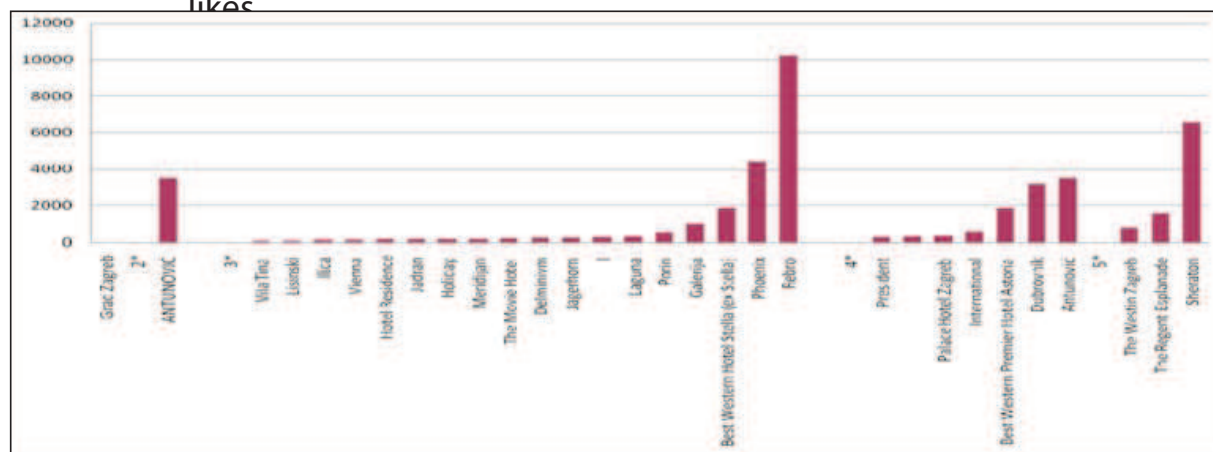


Source: Prepared by author, (12.09.2013.)

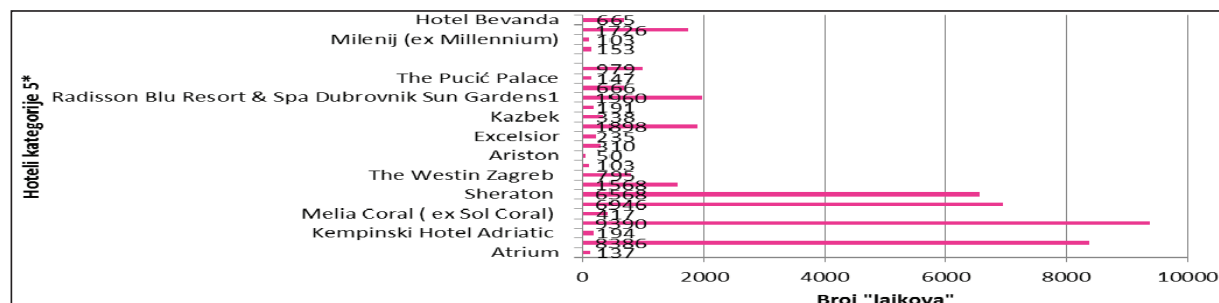
**Picture 11:** Display of the number of Facebook likes by county

County	Number of likes	Number of hotels	Average number of likes
Istarska	27097	101	268
Primorsko-goranska	41990	106	396
Ličko-senjska	473	17	28
Zadarska	8160	39	209
Šibensko-Kninska	33830	62	546
Splitsko-dalmatinska	36029	130	277
Dubrovačko-neretvanska	12976	80	162
Bjelovarsko-bilogorska	218	5	44
Brodsko-posavska	1679	7	240
Grad Zagreb	59019	52	1135
Karlovačka	4722	12	393
Koprivničko-križevačka	853	6	142
Krapinsko-zagorska	18480	8	2310
Međimurska	16788	5	3358
Osječko-baranjska	9168	17	539
Požeško-slavonska	0	1	0
Sisačko-moslavačka	661	3	220
Varaždinska	1481	8	185
Virovitičko-podravska	629	3	210
Vukovarsko-srijemska	1664	9	185
Zagrebačka	2114	8	264

Source: Prepared by author, (12.09.2013.)

**Picture 12:** Hotels in the City of Zagreb by the number of Facebook fan page likes

Source: Prepared by author, (12.09.2013.)

**Picture 13:** 5\* hotels by the number of Facebook fan page likes

Source: Prepared by author, (12.09.2013.)

If the Croatian hotels with 5\* were separated from the others, the assumption is made that these are hotels that have a service and management at the highest level, and will also have the highest number of likes. However, the previous graph number 8 shows that this assumption is not correct. Only some of the hotels that are listed in 5\* rank have a constant interaction with customers. The hotel which is first by the number of likes and thus interaction quality is Spa & Golfer Hotel Sveti Martin na Muri in Međimurje County, and belongs to a 4\* hotel rank. On 09/01/2013 The Spa & Golfer Hotel had 16,161 likes. Facebook fan page was founded on 18th May 2010. The hotel was opened in 2009, and from the first publications it is visible that the Facebook fan page was made because of the Croatian Miss and Mister contest. They have very good current interaction and almost daily publications.

The Hotel Mediteran in Rabac is the hotel with the lowest number of likes. Fan page was founded on 23rd March 2011. They have a total of four publication on the site. The first release is on the date of original site, and contains information in two sentences about the environment and beautiful beaches that surround the hotel. The second one, from March 1st of the following year, contains information of the site on which accommodation can be booked. The third publication, from 9th May the same year contains a picture of Rabac and has two likes. The last notification, from 29th June 2013 re-releases the page "Adria24" where accommodation can be booked. The number of photos on their fan page page is only two. Profile picture shows blurry photo of the hotel. It can be concluded that it would be better that this hotel does not have a Facebook fan page, rather than using it the wrong way.

## 5. CONCLUSION

What is the expense of using social networks, which are now more popular than any other social media? The answer is simple. Social networks are free! Everyone is on social networks, around 80% of the population uses social networks. Of course, to increase the business, a variety of paid promotions can be used, which are far more cheaper and more accessible to everyone than other media. Social networks are certainly one of the easiest forms of promotion and marketing that can reach specific target audience. For example: if the target group are business people from London, through a couple of clicks the promotion is directed at them in a simplest way possible, while your precious time is not spent on teenagers from London. This is a gigantic advantage over traditional types of media. If a facility/destination is advertised, for example, on a national television, the expenses would be huge, and the question which primarily sets would be: "Will our target group even see this advertisement? Perhaps all the other groups will, except the businessman. "

When using social networks the results of invested time, effort and money can be seen at any time. Each of our activity is recorded, and from the statistical data the whole range of useful information can be made, while almost no television will send a report on viewership or target groups. The research we have conducted on the use of social networks has shown that the majority of respondents has a user account on a social network, visits them at least once a day for an hour or more. With the invention of smart phones, people have the possibility to use social networks at any time. Those few hours are slowly turning into a 24-hour online access. These users are all potential guests. Tourists are on social networks now! One of the very customary opinions is that social networks are used mostly by teenagers, a group that has no income, therefore, no financial means to pay for holiday. In other words, this consumers are not real. This is absolutely wrong notion. Perhaps this statement was accurate at the beginning of social networks, but those students which have been using Facebook for five or six years are no longer students and most of them became economically independent.

In this survey, the highest percentage use of social networks have the people aged 25-34, which means that, in the not too distant future, the numerical group of older, even retirees will equalize with a number of teenagers. The conclusion that emerges from this research on Facebook profiles of Croatian hotels is that, although the figure of 59% is solid, most subjects do not use them properly. This means that they do not have any specific strategy or plan for their ultimate goal, that is how

to achieve it by using social networking. It can be said that this area is dominated by ignorance! By this approach, positive results can not be achieved: the interest of tourists, an increase of overnight stays, multiple reviews and, ultimately, strengthening the brand recognition. It was found that the largest percentage of those who do not use resources of social networks adequately do not actually know what they are doing wrong. Lack of awareness of tourism organizations and operators on the importance of social networks is one of the main causes of the current situation.

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