

Social Media Channel Segmentation of Tourists

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Abstract

Segmentation can be regarded as one of the cornerstones of marketing. In online marketing importance of social media has been growing. In this study these two marketing aspects are combined by segmenting tourists according to social media channels they use. Social media users are segmented to nine segments using two-step cluster analysis. Also a segment of social media nonusers is found. These ten segments differ from each other in what social media services they use as well as their online information and buying behaviour and some socio-demographic factors. However, the method presented here is not very effective from practitioner's point-of-view.

Keywords: Social media; segmentation; information search; e-marketing

1 Introduction

Social media is currently very popular topic in marketing. There are dozens of examples how social media marketing campaigns have increased revenues and customer loyalty. The success is at least partly based on knowing the customers. Consumer-generated media “describes a variety of new and emerging sources of online information that are created, initiated, circulated and used by consumers intent on educating each other about products, brands, services, personalities and issues” (Blackshaw & Nazzaro, 2004, pp.2). Social media plays an important role in online travel information search (Xiang & Gretzel, 2010).

Segmentation is a means to get detailed information on customers by dividing them into homogenous groups. Segmentation of consumers can be seen as starting point for every marketing campaign and it has been one of the central concepts of marketing for several decades. However, segmentation studies in the context of social media are almost nonexistent. This study aims to contribute to the aforementioned research gap by segmenting online users according to the social media services they use.

2 Background of the study

In segmentation of online users main focus has been on information search and buying behaviour. Both a priori and a posteriori segmentation have been used. Bonn, Furr and Susskind (1999) segmented pleasure travellers to two segments: Internet user and Internet nonuser. They found among other things that age, education and amount of money spend during travelling differentiate Internet users from Internet nonusers. Correa, Hinsley and de Zúñiga(2010) studied the relationship between users' personality and use of social media. They reported in their study among other things that gender and age are significant factors in explaining engagement in social media.

Fodness and Murray (1997) refer to several other authors when stating that understanding the information search behaviour of leisure tourists is recognized as vital to both tourism scholars and practitioners. Xiang and Gretzel (2010) emphasize the increasingly important role of social media as information sources for travellers.

Some research that has been conducted in travel and tourism literature of social media users can be found. Bronner and de Hoog (2011) examined vacationers posting information described as eWOM (electronic word of mouth). Compared to traditional word of mouth marketing, online word of mouth marketing is more influential due to its speed, convenience, one-to-many reach and its absence of face-to-face human pressure (Sun et al. 2006). Consumer reviews are very important for tourism companies as they influence for example the number of bookings in a hotel (Ye et al., 2009). Understanding who writes reviews can help companies target correct customer groups with correct marketing message.

Based on the literature review this study has four research questions. Research questions are formulated as follows:

- 1) What kind of social media user and non-user segments can be found among online tourists?
- 2) How segments differ regarding their online buying behaviour?
- 3) What segments are most important for spreading electronic word of mouth?
- 4) What kind of differences there are between segments in socio-demographic profiles?

3 Data and Methods

An online questionnaire was used to collect data for this study. A banner with a link to the questionnaire was posted on a rural tourism website www.lomarengas.fi. Data for this study was collected 8.3.-1.7.2011. The questionnaire was in Finnish. Altogether 1515 usable responses were collected during the study period. The survey questions were designed based on earlier literature. First, users were presented with 13 different social media services and were asked to tick the services they had used during the past week before answering the questionnaire. Aim was to find out the services respondents actively used. Measured services were chosen based on their popularity in Finland and their relevance for tourism marketing.

To measure online buying behaviour of travel products respondents were asked to indicate which online tourism products they had purchased during the past 12 months (Jani et al. 2011). To measure how users spread electronic word of mouth they were asked to state how often on average they write online reviews of the products and services they buy. In the last section of the questionnaire questions about respondents' age, gender, marital status and education level were presented.

Data analysis is done in three parts. First, a priori segmentation is used to divide users into two groups: social media users and non-users. If respondent had not used any social media service during the past week he or she was categorized as non-user. Then twostep cluster analysis using PASW Statistics 18 software was conducted on social media users. This approach was chosen because data was categorical, meaning that K-means segmentation typically used in tourism segmentation could not be used. Because of large number of respondents results of hierarchical cluster analysis were hard to interpret. Twostep cluster analysis can be used to find segments when variables used are categorical, it automatically selects number of clusters and it also allows researcher to analyze large data files. In third part differences in socio-demographic factors and online use behaviour between segments are compared using cross tabulations Chi-square tests and ANOVA.

4 Results

4.1 Sample profile and social media services

Female respondents (71.4%) were slightly overrepresented in the sample when compared to gender of users estimated by marketing manager of the banner website. It is unknown whether females plan the holidays more than men and thus visit the site more often or are they more interested in responding to questionnaires than males. Mean and median age among respondents was 39 years. 25 percent of respondents were under 28 year old.

4.1 Social media user segments

Twostep cluster analysis was conducted with respondents that had used at least one social media service during the past week before answering the questionnaire. Altogether 1331 respondents were included in this part of analysis. Twostep cluster analysis produced a nine cluster solution. Results of the cluster analysis are presented in Table 1. Second life was not included as it had no users among respondents. 184 respondents had not used any social media services.

Table 1. Nine social media user segments

Segment/ Service	Facebook- ers (N=177)	Blog users (N=118)	Enthusiasts (N=152)	Wiki users (N=120)	Suomi24 users (N=114)	Map users (N=125)	Actives (N=205)	Youtube users (N=183)	Youtube and Map users (N=137)
Facebook	177 (100%)	50 (50.8%)	130 (85.5%)	51 (42.5%)	48 (42.1%)	44 (35.2%)	205 (100%)	127 (69.4%)	63 (46.0%)
Twitter		5 (4.2%)	36 (23.7%)		2(1.8%)				
LinkedIn	5 (2.8%)		45 (29.6%)		1 (0.9%)	1 (0.8%)			1 (0.7%)
Youtube		54 (45.8%)	130 (85.5%)	15 (12.5%)			205 (100%)	183 (100%)	137 (100%)
TripAdvisor			41 (27.0%)		1 (0.9%)	2 (1.6%)			
Irc-gallery			50 (32.9%)						
MySpace		2 (1.7%)	12 (7.9%)	3 (2.5%)			6 (2.9%)		
Flickr		2 (1.7%)	22 (14.5%)			1 (0.8%)			1 (0.7%)
Google Maps		39 (33.1%)	95 (62.5%)	43 (35.8%)	28 (24.6%)	125 (100.0 %)	110 (53.7%)		137 (100%)
Suomi24		47 (39.8%)	48 (31.6%)	38 (31.7%)	114 (100.0%)		77 (37.6%)	45 (24.6%)	50 (36.5%)
Wikis		33 (28.0%)	89 (58.6%)	119 (99.2%)			205 (100.0%)		40 (29.2%)
Blogs		118 (100 %)	58 (38.2%)				69 (33.7%)		

4.2 Segments and online behaviour

Segments and their online buying behaviour were compared using Chi-square tests. There were no statistical significances between segments in buying package tours, car rental or none of the options presented in this study. However, segments differ in how they purchase accommodation ($\chi^2=31.72$, $p<0.001$), airline tickets ($\chi^2=54.59$, $p<0.001$) and attraction-admission tickets ($\chi^2=37.54$, $p<0.001$).

“Wiki users” had most often purchased accommodation services online (57.5%). Also more than half of “Youtube and Map users” and “Enthusiasts” had purchased accommodation services online. Segments “Nonusers” and “Youtube users” had fewest respondents that had purchased accommodation services online. “Nonusers” had also fewest that had purchased airline tickets (19.6%). Half of the “Enthusiasts” had purchased airline tickets online, more than in any other segment. “Enthusiasts” has also most respondents that had purchased attraction-admission tickets (25.7%). Only 5.3 percent of “Suomi24 users” had purchased attraction-admission tickets online.

There are statistical differences between segments in how often they write reviews online ($\chi^2=67.5$, $p<0.001$). “Enthusiasts” write reviews more frequently than other segments. Also “Actives”, “Facebookers” and “Blog users” are among the most active reviewers. Only some members of “Nonusers” write reviews as 85 percent does not write reviews at all. “Wiki users” are also among segments that seldom writes reviews.

Differences between segments in gender ($\chi^2=26.4$, $p=0.002$) and age ($F=36.0$, $p<0.001$) are statistically significant. There are most males in “Enthusiasts” and “Youtube and Map users” whereas “Blog users” have most females. “Enthusiasts” are also the youngest whereas “Nonusers” and “Wiki users” have the highest average age.

5 Conclusions

In this study users of a rural tourism website were segmented into nine social media user segments and one segment that do not use social media. The segments are “Facebookers”, “Blog users”, “Enthusiasts”, “Wiki users”, “Suomi24 users”, “Map users”, “Actives”, “Youtube users” and “Youtube and Map users”. Segments differ from each other in what social media services they use.

Some of the differences between segments are interesting. “Wiki users” had purchased accommodation online more frequently than other segments. Also more than half of “Enthusiasts”, “Blog users”, “Youtube and Map users” and “Actives” had purchased accommodation online.

This kind of study has not been done before and the reason can be found from the results. Results are difficult to use for practitioners. There are almost as many segments as there are different social media channels measured and there are only some differences between segments regarding external variables such as socio-demographics, purchasing behaviour and writing reviews. Major difference is the behaviour of heavy users, or “Enthusiasts” in this study, compared to other segments. This is congruent with the results from earlier studies.

Better results could be obtained if focused only on most used channels, i.e. Facebook, Youtube, blogs, Suomi24, Wikis and Google Maps. However, the problem is that it is unknown how many users use these for travel planning purposes. More interesting would be to know who are the people who use these different channels for travel planning and why. Only 43 users stated that they had used TripAdvisor, suggesting that it is not very important social media channel compared

to other. However, users use TripAdvisor mostly when they are planning or reviewing holidays, an activity that most people do not do on weekly basis.

It is interesting to note that respondents who do not use social media actively purchase travel products and services less frequently than members of other segments. The reasons for this would be very interesting topic for further research. It could be hypothesised that, based on the results of this study, advertising in social media channels increases possibility to purchase products online. It is also possible that people that use social media services are more adept at purchasing products online or that they trust online stores more than people who do not use social media.

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