ANALYSIS OF VIRTUAL COMMUNITIES IN TOURISM

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Abstract
Internet has changed the way companies interact with customers. Customers have become the active part of the communication with business. Virtual communities are the most popular implication of the usage of Internet into business world. The article presents the nature of virtual communities and how they are functioning in the hospitality industry. The web site of hotel Dobruzda-Dobrich has been analyzed regarding its Internet presence. Internet marketing strategy for improving its internet presence is presented in the paper.

Key words: *virtual communities, e-business, navigation, design.*

JEL Classification: *L83*

I. INTRODUCTION

In today's world the cyberspace and the internet play a major role in the business. The virtual communities are one of the implications of the usage of internet into the business world. There are many definitions of this term. Fernback and Thompson (1995) as cited in Lu, Zhao & Wangb (2010), point out the "social relationships" as a key point of the virtual communities: *"social relationships forged in the cyberspace through repeated contact within a specified boundary of place e.g., a conference or chat line that is symbolically delineated by topic of interest",* whereas Rheingold (1993) as cited in Zhao & Wangb (2010), emphasize on the technological aspect: *"social aggregations that emerge from the Net, when enough people carry on those public discussion long enough, with sufficient human feeling, to form webs of personal relationships in cyberspace".* Different authors and researchers have different views on the term depending on the perspective and the point of view from which they define it. The term virtual communities or also called online communities can be seen from a multi-disciplinary, sociology, technology, business, economic and e-commerce perspective (Wang, Yu, and Fesenmaier, (2002) as cited in Gupta & Kim (2004)). The e-commerce experts consider *"any chat or bulletin as the basis for an online community. For them the important issue is what draws people to and holds them in a Web site, so that they will buy goods and services"* (Sumeet Gupta, Hee-Woong Kim, 2004). The virtual communities can enhance trust among the members thereby reducing risk and encouraging them for greater e-commerce participation. Also the online communities can provide repeated points of contact and increase the stickiness of a website (Business Week –Harris Poll, (1997) as cited in Sumeet Gupta, Hee-Woong Kim, (2004)). That is why the online communities can be used as a marketing tool in the e-business and more particularly in the e-commerce.

II. CHARACTERISTICS OF VIRTUAL COMMUNITIES

Four main characteristics of the virtual communities can be outlined (Yaobin Lu, Ling Zhao, Bin Wang; 2010): (1) it exists in the cyberspace; (2) it uses information technologies (3); it is used for communication and interaction around common interests, and most of its contents are user generated; (4) it allows the formation of social relationships.

The information systems experts at National University of Singapore Sumeet Gupta and Hee-Woong Kim have summarized the general components of the virtual communities based on a relevant literature review of the different definitions of the term in their study "Virtual Community: Concepts, Implications, and Future Research Directions", (2004): Community, meaning the group of people in the virtual community; location – the virtual community is seen as a place or spot where people build up relationships, share ideas, thoughts and concepts, exchange information and experience; bonding – meaning the commitment and engagement to the community; shared objective/purpose – explaining why people have become part of the community.

The scholars have created many classifications of the different types of virtual communities. One of the most widely-spread and popular is the one invented by Armstrong and Hagel (1996) as cited in Yaobin Lu, Ling Zhao & Bin Wangb (2009): (1) interest communities – in which people who share a common interest or expertise on a specific topic gather together to communicate with each other; (2) relationship communities – in which people

with similar experiences come together and form meaningful personal relationship; (3) fantasy communities which usually refer to online games and in which people come together to get fantastic experiences; and (4) transaction communities that focus on transaction needs and where people can get trading information.

Hagel and Armstrong (1996, 1997) as cited in Lee Moh Shan, Juliana Sutanto, Atreyi Kankanhalli, Bernard C. Y. Tan (2009) highlight the two main aspects of the virtual communities which make them "profitable business model" – "unique capabilities of the digital medium where the virtual community is located in" and "the virtual community model itself". According to them the latter is what makes the virtual communities unique and different than the other online web sites. The online communities are aimed to create a sense for belonging and membership that unites people and that is used as a push factor for a repeated visit.

The virtual communities are widely used as a business model nowadays. Sumeet Gupta & Hee-Woong Kim (2004) have summarized the main implications of the virtual communities in the business world: "as tools for developing relationship development, building store image and loyalty among members". Lee Moh Shan, Juliana Sutanto, Atreyi Kankanhalli, Bernard C. Y. Tan (2009) have further researched the interactions of the online communities and the business emphasizing specifically on the the e-commerce industry. They have come up with the potential business benefits from using the virtual communities model: (1) increase purchasing attention, (2) access to customer opinions; (3) greater ability to meet customer's demands (4) additional sources of revenue (5) lower customer service costs.

The virtual community is phenomenon that is applied in almost every area and studying discipline nowadays. Many companies have taken advantage of its core attributes to create a sense for belonging, and to increase the stickiness/addiction to a certain website/community and have adopted it as a business model, using it as a marketing tool.

III. MARKETING AUDIT OF HOTEL DOBRUDJA-DOBRICH

General information about the company – hotel Dobrudzha

The report will be analyzing the case of hotel Dobrudja. Hotel Dobrudzha is a business hotel located in the central part of Dobrich. The lodging facility has 35 twin deluxe rooms and one VIP suite. The other facilities that are available in the hotel are: restaurant, free parking lot, SPA and fitness center, conference hall, souvenir shops and art gallery.

Analysis of the factors affecting the company's presence on Internet

This part of the papert performs an analysis of the online presence of Hotel Dobrudzha. Hotel Dobrudzha is presented on internet via its own website and the company's Facebook page. The following analysis will be using a group factors that are proved to affect the virtual presence of a company. The factors were identified based on a relevant literature review on the topic of virtual communities and their role in the e-commerce.

Analysis of the hotel website:

Design of the website: the website has a simple colour theme, using only two main colours – black and grey, which keeps it simple and stylish, appealing to the target market (business travellers); very good colour contrast which makes the website readable; the website possess a masthead display that shows different pictures of the hotel; the font size is 12 and the spacing is 1.5 which makes the content of the website visible and easy to read.

Navigation: The website does not possess a sitemap. The sitemaps are very important because they offer the visitors an alternative way of navigating in the website which is quicker. The different sections do not have a link to the homepage. That makes some of the visitors feel lost and insecure when they are going through the different sections of the website. The website does not possess an internal search engine which would definitely increase the level of navigation.

Content: The amount of information available on the website is enough and in digestible quantity. The content of the website covers all the main points that a potential guest of the hotel could be interested in. The text is well written, concise and grammatically correct which makes a good impression. The content is available in Bulgarian and in English language. The information published on the website is up-to-date which would avoid the occurrence of many misunderstandings. The website does not have a section with corporate information like annual reports.

Interactivity: The interactivity is usually divided into two categories: single user interactivity and multi-user interactivity. Single user interactivity: it is about catching the users' attention by displaying the information in the website in a way that would prolong the time users spend on the website. The website of hotel Dobrudzha offers photographs of each division of the hotel including: lobby area, restaurant, rooms, sport and SPA facilities, and convention rooms. The users can go through the pictures by using the image slide show. The image slide show enables the visitors to flip though the pictures easily and smoothly. In addition to that the website has a masthead display at the top, which shows constantly various pictures of the hotel. That helps the potential customers get a

better idea of the hotel. The website also presents the visitors with the opportunity to watch a video clip of the hotel. However the video material is with a low quality, it is very short, presents just a basic overview of the hotel, it is with Bulgarian audio only. A big downside of the internet site is the lack of virtual tour option. (See section "Plan for Improving the Online Presence of Hotel Dobrudzha", Virtual Tour)

Multi-user interactivity: it is about giving the visitors the opportunity to interact among each other by using various ways. The multi-user interactivity includes: integration of forums, blogs, chat rooms, discussions, polls and others in the website. However it is not present on the website of hotel Doburdja.

Personalization: It is the process of collecting and storing information about the visitors, analyzing the information, and then delivering the right information to each visitor. The most common technique of personalization is enabling the customers to create their personal profile in the website and to log in every time when they visit the website. The website of hotel Dobrudja has not adopted any personalization technique.

Maintenance of the website: The website is updated regularly providing the newest offers and packages. However the most recent date of editing is not posted on the website. The website provides a copyright date. The website does not provide information about the company which has made the web design.

Analysis of the Facebook page of hotel Dobrudzha

Type of page: A company can set up a Facebook Fan Page or alternatively to create a community page. Hotel Dobrudzha has created and maintains a Fan Page. This option provides the hotel with a great control over the layout, membership and activity of the Facebook page.

Content: It includes several components: information about the company; photos; and videos.

Information: The information section of the Facebook page covers only the basic points that a customer might look for. The page provides information about the location of the hotel, link to the official website of the hotel, and some basic contact information. However this section can contain some information about the hotel itself and its characteristics such as: number of rooms, types of rooms, leisure facilities available etc.

Photos: The Facebook photo gallery presents the hotel fully and entirely. It covers all the hotel departments: the rooms, the reception and the lobby area, the restaurant, the shopping center; the bars, the sauna and the fitness, and the exterior. However the pictures are not professional and with average quality.

Videos: Video section is not available on the Facebook page of hotel Dobrudzha.

Other facilities: The group of other facilities includes applications such as event, discussion, and explore pages. However the Facebook Fan page of hotel Dobrudzha has not used any of these applications.

They are important and bring value to the hotel fan page. (See section "Plan for Improving the Online Presence of Hotel Dobrudzha", Improvement of the Facebook page applications)

Booking application: This application is specific for the hotel Facebook pages. It facilitates the fans of the page in the reservation process by providing them with the option to book a room directly via the Facebook page.

Level of activity of the founder: The level of activity of the founder (hotel Dobrudzha) is very low. The Facebook page is not maintained and updated at all. The last updating has been on January 20, 2010.

Level of activity of the fans: The level of activity of the fans is very low. It is a result from the low level of activity of the founder. The hotel Facebook page has only two active fans.

IV. CONCLUSIONS

This part of the paper presents recommendations and plan for improving the online presence of hotel Dobrudzha. The plan is based on the analysis performed in the previous section of the report.

Improvement of the website navigation: The internet site of hotel Dobrudzha lacks a site map. The sitemaps make the navigation much easier and in this way save the users' time. Furthermore the sitemap is important for the search engines because it improves their visibility. The sitemaps inform the search engines about the changes on the website. The changes are indexed faster than if the website did not possess a sitemap.

The pages of the website should have links that lead to the homepage. That would improve the navigation of the website and enable the users to move in the website much easier. The website could possess an internal search engine. Even though the website of hotel Dobrudzha is comparatively small, the internal search engine would facilitate the site visitors.

Virtual tour: A virtual tour presenting the interior should be available on website of the hotel. The virtual tours allow the potential customers to immerse in the hotel and see it in details before they make a decision for booking. It is a better option than the video because it puts the people in control of what they are viewing and makes them the active side. Furthermore the virtual tours are proved to have a lasting impression.

Improvement of the multi-user interactivity: The website of hotel Dobrudzha should possess a forum or blog. The multi-user interactivity is very important for the online marketing and it has great impact on the potential customers' decision making process for booking. The future guests of the hotel are prone to rely more on the reviews and the comments about the hotel that are made by the current guests of the hotel. The key point here is that the hotel website would emphasize on the advantages of the property and would try to conceal the

disadvantages, whereas the people that have already had an experience in the hotel would leave more objective feedback and would not skip pointing out the drawbacks of the hotel.

Improvement of the website personalization: the website of hotel Dobrudzha should offer the website visitors the option to create their own virtual profile and to log in every time when they visit the website. Integration of a website personalization technique would help the hotel to gather important information about its marketing strategy. Moreover the hotel can provide more relevant information to the returning guests. For example when a guest is logged in, the hotel can keep track of his/her behavior and the reservation details he/she is looking for, such as: a type of room, type of board, additional services etc. Next time when the same guest logs in, the website can automatically present the booking details and the previous requests to the guest.

Increasing the level of the activity of the Facebook fan page: The hotel Facebook Fan page should be updated regularly. The newest offers, promotions and packages should be posted on the Facebook wall, so the page fans can be aware of them. The increased level of activity of the founder will lead to an increased level of the activity of the currents fans and this would result in increasing the number of the Facebook page fans because if the current fans of the page find it interesting and useful they would recommend it to their friends.

Improvement of the Facebook page applications: The Facebook page of the hotel should introduce applications such as events, discussions and explore pages. They would bring more value to Fan page of the hotel. The events section is going to inform the fans of the page about all the future events to happen in the hotel and in hence promote the hotel; the discussion pages would make the fans be more active, express they views and opinions on the hotel and its performance so the hotel can use this information for improving the guest satisfaction, the explore page is important in terms of the experience of the guests in the destination, it provides the fans of the page with information about the tourist spots that are recommendable, this would increase the overall level of satisfaction of the guests during their stay.

Improvement of the information section: The information section of the Facebook page should be expanded. Some information about the types of rooms, the number of rooms, the facilities and the services offered by the hotel should be included.

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