

## **The Role of Social Media for Travel Agencies of South Caucasus**

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### **Abstract**

The significance of Social Media as a Marketing and Feedback tool in South Caucasus is increasing nowadays in almost all types of business, including Tourism. This paper outlines the Social Media experience of the leading travel agencies of the South Caucasus region and reveals, among other things, that the social red most commonly used by them is Facebook. It also analyses the expectations the travel agencies have when they use Social Media channels and the Social Media platforms that they use most frequently. We based our analysis on the travel agencies that according to Socialbakers had the best online activity, but in the future it would be interesting to research about those agencies that don't have a high online position and thus to obtain survey results of major number of travel companies.

**Keywords:** Social Networks; Social Media; Travel Agencies; Caucasus Region.

### **INTRODUCTION**

In the real online world, the usage of marketing techniques in companies of all types of sectors involves a tool which is called Social Media. The Traditional Media (TV, radio, print publications, billboards) is still being used nowadays by companies, but its ability for delivering the marketing message to the target audience and its financial profitability are becoming more uncertain for the companies, thus making necessary to look for alternative tools which will be more affordable and efficient when talking about target consumers.

Having a company website is no longer the only important tool for bringing a company online. The continuous growth of social networks' users number makes Social Media a powerful and increasingly important resource for 2.0 communications, both for private and public companies (Martínez *et al.*, 2013).

Therefore, it comes as no surprise that travel industry companies with the importance that they have for carrying out an effective marketing activity, consider the Social Media as a greatest tool for communication with their target audience. Each company normally has its own reasons and goals for using social networks. Ones try to get more sales by posting information about their travel packages, others use this resource as a feedback tool with their clients or as a way of bringing their company more visible in the Internet. Sometimes the reason of making an active use of social networks is to obtain all these results together.

A vast majority of the American and European travel agencies are actively integrating social networks into their marketing strategy. Different Spanish companies (e.g. Viajes Iberia, Viajes Marsans, Nautalia and others) publish on their websites a direct link to their accounts in social channels as Twitter, Youtube, Instagram, etc.

Our study's subject are the travel agencies of the South Caucasus region, more specifically the travel agencies operating in Armenia, Azerbaijan and Georgia. The reasons why we chose these countries are the following:

- 1) As a result of the breakup of the Soviet Union, the important political changes in the 90-s and the consequent start of the economic growth from the end of the 90-s, the touristic industry of this region is currently growing in leaps and bounds, thus making interesting the analysis of the tools that travel agencies of these countries are using for their brand positioning.
- 2) The computer literacy of the South Caucasus population of the region is quite recent. Though Internet has begun to spread there in the latest 90-s, it is now that this tool is being adopted by almost all households, establishments and public organizations of these countries. As a consequence, the number of social networks' users of this region is being increased exceeding expectations.
- 3) According to previous studies about South Caucasian companies' presence in social networks, there is a certain resistance of the companies for discovering the world of Social Media (Gogoa, 2013). We find it interesting to analyze the case of the travel agencies nowadays by identifying the main Marketing channels they use mostly and why.

The main objective of our research is to establish the main reasons why the Caucasian travel agencies use the social media for their marketing strategy and the social media tool they prefer for their social media activity. The article begins with a short overview of the tourism sector in Caucasian region, outlines the internet use evolution in this region and the importance of social media for travel sector and reveals the main results of the survey applied to 16 agencies.

## **TOURISM SECTOR IN SOUTH CAUCASUS**

As we have already mentioned, the tourism industry of South Caucasian countries is successfully penetrating into international market. During the Soviet Union each one of these countries represented an important tourist attraction, but mostly at internal level (that is to say, for Soviet countries). The capitalism, globalization and international relations improvement (factors that didn't exist during the Soviet Union government) fomented the tourism development in these countries, as well as the launch of numerous private travel agencies. Therefore, this is a relatively new phenomenon both for local private business and government as it has to issue specific laws and take pertinent actions for promoting the tourist activity.

Nowadays Armenia, Azerbaijan and Georgia have a big number of travel agencies operating both for national and international destinations.

## **SOCIAL MEDIA AND TRAVEL AGENCIES**

Though there is a wide variety of information that Internet users try to get when they go to social networks, tourism is one of the most commonly inquired topics in the Internet. Since the social networking has become so popular, the travel agencies that ignore this tool are risking to lose an important opportunity of engaging customers.

Traditional marketing tools present a one-sided and not a very interactive channel, while the Social Media resources are being used among other reasons to improve the feedback between companies and customers, offer more personalized services or organize competitions or giveaways (Gogoa, 2013).

A study carried out by Deloitte and Facebook shows the engagement of travel agencies and consumers with social networks. According to a survey commissioned by Facebook in which 10.500 social media users have participated, the vast majority of these users consider that the information they get through social networks helps them being more confident when it comes to choosing a travel package.

In the annual Skifties Social Media Awards for Travel Brands, companies as Turkish Airlines, Airbnb, Azamara Club Cruises, G Adventures, Four Seasons hotels and Resorts, Beautiful Destinations and Matador Network are among the winners of 2015. All these companies were recognized for having turned their social media interactions into business objectives. The social media resources as Facebook, Twitter, Instagram, YouTube, LinkedIn, Pinterest, are still considered as key platforms.

## **SOCIAL MEDIA IN SOUTH CAUCASUS**

Although the penetration of the Internet in South Caucasus has been increasing since more than 10 years, in that respect this region is still less developed than, for example, Central Europe. It is also important to point out that the greater part of digitally literate population lives basically in the capitals of these countries.

In 2000 a one-year program called Internet Community Development in the Caucasus (Armenia, Azerbaijan, Georgia) was launched by the US government aiming to promote the use of the Internet as a community organizing tool for Caucasian professionals. This program helped in training the workers of different business sectors in the subject of creating web content such as newsletters, interactive websites and chats.

In 2015 Caucasus Research Resource Centers carried out a survey of adult population in Georgia with the purpose of identifying who and why uses the Internet in this country. The majority (75%) showed to use social networks more frequently than other online resources.

The same result was shown in Azerbaijan by the 2014 annual survey of Caucasus Barometer (CB), that is to say, the use of social networks is the most popular activity in the Internet.

Meanwhile, in Armenia the number of social networks users is almost equal to the total number of Internet users of this country (according to official information for 2015 by Information Centre of the Noravank Foundation).

However, despite the strong presence of social networks in this region, not all local enterprises see the utility of this tool for the business. According to numerous studies in this field, the majority of South Caucasian enterprises have profiles in social networks just because “it’s popular” to use them, but in fact their accounts in social networks don’t have any activity or upgrades, but those who do, not always know how to manage properly and efficiently these resources (Gogo, 2013). For many companies having a profile in a social network has the same purpose as having a website, that is to say, its aim is to bring the company online and not to interact with the target public.

Our study’s purpose is to prove:

- 1) If the travel agencies in South Caucasus use more frequently Social Media rather than traditional marketing tools.
- 2) If the main reason why these agencies use Social Media is for generating more sales.
- 3) If the Social Media channel which is most frequently chosen by South Caucasian travel agencies is the social network Facebook.

## **RESEARCH DESIGN**

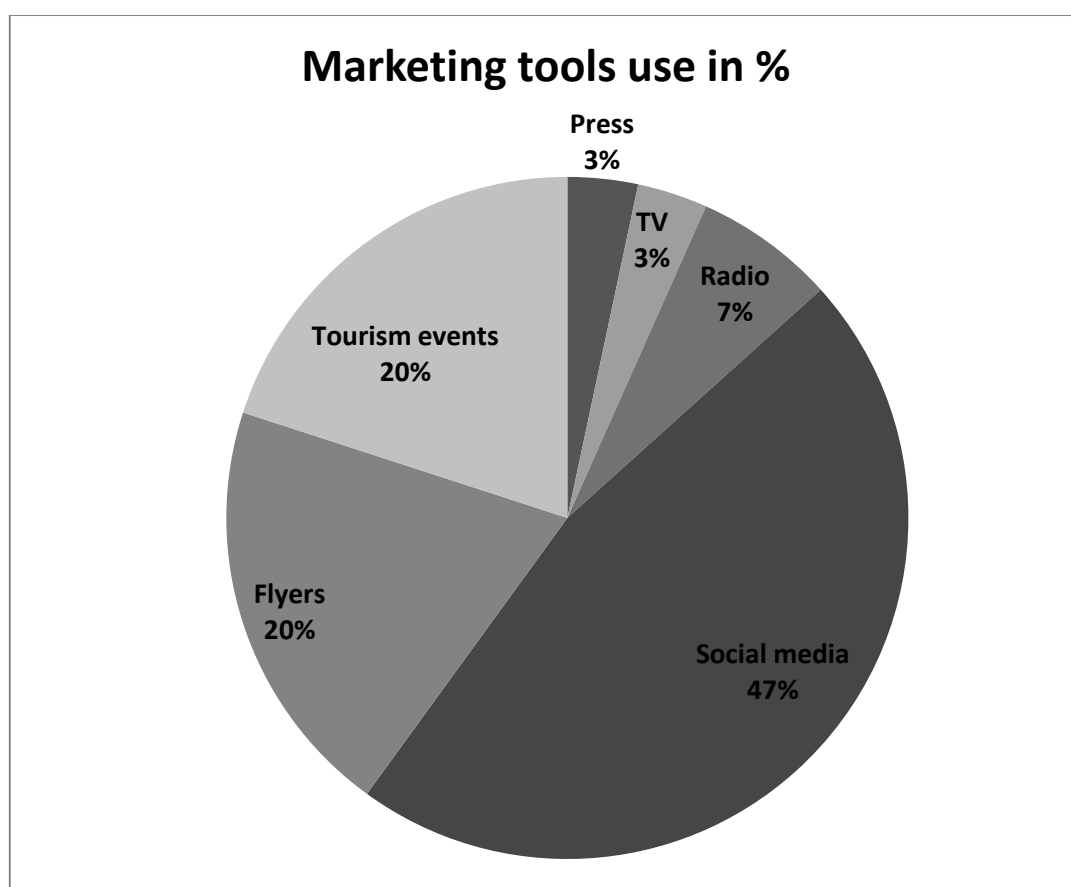
The present study was conducted with 27 travel agencies of South Caucasus countries which accepted to participate in this research. The criteria of choosing these agencies consisted in their Internet activity analyzed by Socialbakers tool.

As a data collection instrument we designed a questionnaire with 42 evaluated with a Likert scale representing the companies’ preference for traditional marketing or Social

Media channels, the frequency with which they use Social Media tools and which social network they use most frequently.

**RESULTS**

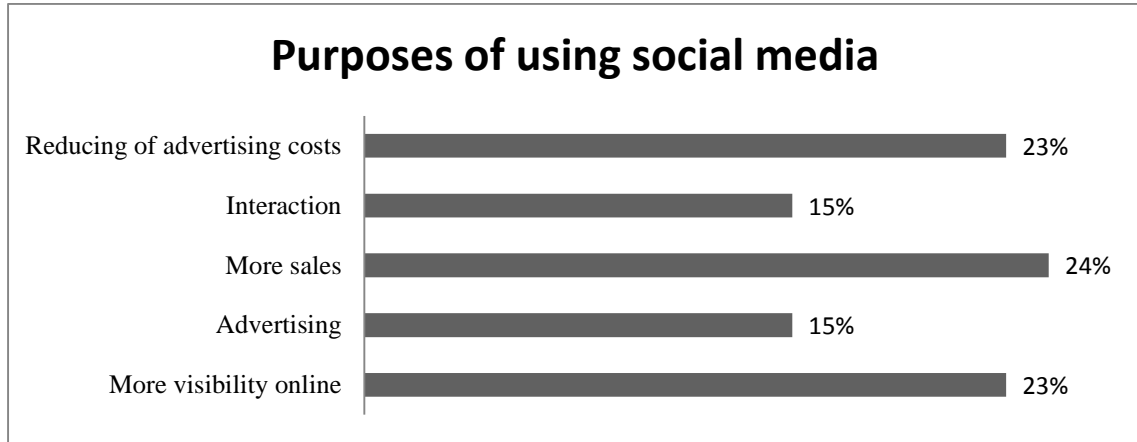
In order to identify which marketing tools are more popular for South Caucasus travel agencies we enquired them about the frequency of using following platforms: press, TV, radio, Social Media, flyers, tourism exhibitions. The Figure 1 shows the results obtained.



**Figure 1.** Marketing tools use.

As we can see, although many of the agencies are still using traditional media for their marketing strategy, the majority of them (47%) base their marketing activity on Social Media.

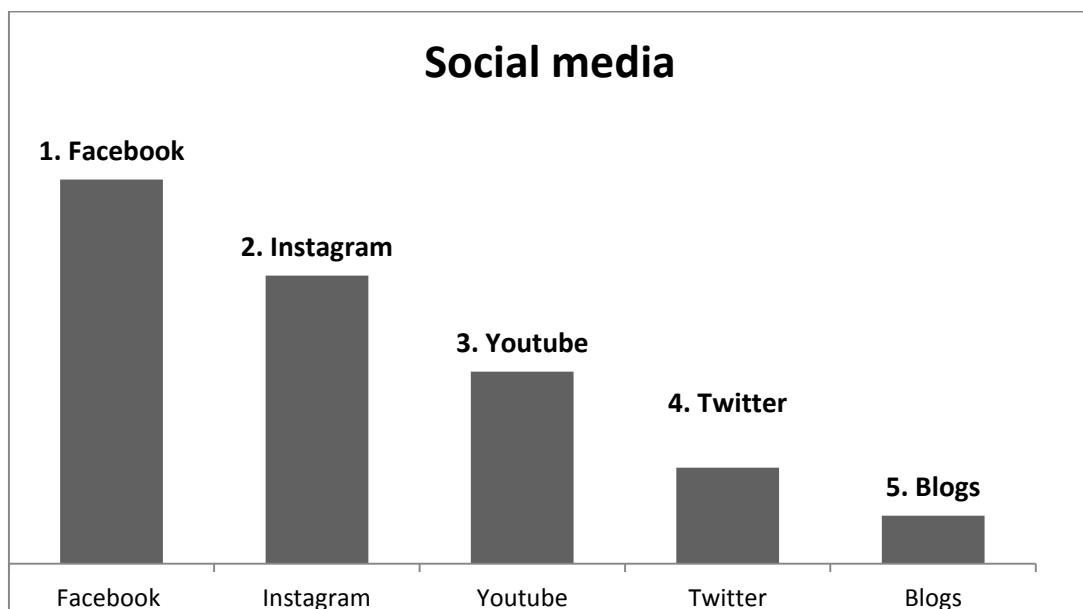
In terms of the purposes of using Social Media the companies showed following results (Figure 2).



**Figure 2.** Purposes of using social media.

Generating more sales is the main reason of using Social Media for travel agencies in South Caucasus along with economizing marketing costs. Also Social Media is considered by these companies as an important tool for web optimization.

The Figure 3 shows the ranking of different Social Media platforms according to the frequency of updating their contents by interviewed travel agencies. Facebook stands first in line followed by Instagram and Youtube. Blogging appears to be the less important platform for the companies even though blogs are among the most widely used social platforms.



**Figure 3.** Social Media.

## **CONCLUSIONS AND FURTHER RESEARCH**

Society nowadays is changing its lifestyle and communication habits. Online communication has become a way of getting any kind of information with minimum time and financial resources. At the same time, Social Media is becoming an integral part of any online user experience, thus being increasingly exploited by companies. Having a Web site is still being one of the easiest ways of offering information about any organization, but Social Media is definitely the most efficient and fast resource for interacting with target public.

The economic development of South Caucasus fostered the digital literacy of the population of Armenia, Azerbaijan and Georgia. The companies of this region are getting more involved into social networks in response to growing societal demands. As Tourism is one of the sectors that are actively developing in South Caucasus, travel agencies are implementing modern and efficient Marketing tools in order to conquer the market and be more attractive for potential clients.

Social Media is the Marketing tool which is most used nowadays by South Caucasian travel agencies. Despite of the concept that internet users have about social networks as a purely feedback tool, it turns out that the majority of South Caucasian travel agencies use Social Media mostly to generate more sales and reduce advertising costs since the traditional marketing media (TV, press, radio, etc.) is still being affordable for only certain types of enterprises.

On the other hand, the most popular social platform for these travel agencies is Facebook as it is also the preferred social network of South Caucasian Internet users.

Regarding the future research, due to the financial interest social networks represent for South Caucasian travel agencies, we consider interesting to identify the tools and methods they use to measure the ROI of their Social Media campaigns. Another line for further research could be the comparing analysis of Social Media tools of South Caucasian and European countries.

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