

**THE EFFECT OF SOCIAL MEDIA USE ON BUILDING
BRAND EQUITY AMONG THREE STAR HOTELS IN
NAIROBI COUNTY, KENYA**

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FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF
THE DEGREE OF MASTER OF SCIENCE IN MARKETING,
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DECLARATION

I declare that this project is my original work and has never been submitted for a degree in any university or college for examination or for any academic purpose save for the cited and acknowledged parts herein.

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This research has been submitted for examination with my approval as the university supervisor.

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DEDICATION

For the support, belief and encouragement given throughout this course; I would like to thank my husband Johnstone Gachuhi, parents Mr. & Mrs Nyairo, siblings and friends.

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I am thankful to God for the gift of life, health and spirit to pursue this course.

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ABSTRACT

There is no doubt that social media has taken the world by storm. While posing a threat to traditional marketing methods, it has also introduced a world of endless opportunities for brands. This study sought to investigate the effect of social media use on building brand equity with reference to three star hotels in Nairobi. To achieve this, primary data was collected using semi-structured questionnaires. The questionnaires were administered online through social media sites and email. Data was analyzed using descriptive statistics and presented in form of tables, pie charts and graphs. All participants had sufficient and regular experience with social media sites and were asked to discuss their experience in using social media to build the brand equity of their respective hotels. The findings demonstrated that the use of social media to build brand equity is in fact beneficial to the three star hotels in Nairobi County. According to the respondents, it increases brand awareness, improves brand image and brand loyalty, pointing to brand salience, fostering judgments and feelings and brand resonance respectively as per the brand resonance pyramid. Nonetheless, the use of social media may also affect all these aspects of a brand negatively leading to negative brand equity. This research only focused on the views of the marketing management and their equivalent. The researcher recommends a similar study to be conducted particularly with a view on the consumers of hotel services in Kenya. The researcher further recommends theoretical and empirical investigation into the use of social media with regards to the greater marketing field across industries.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

There is no doubt that social media has taken the world by storm. While posing a threat to traditional marketing methods, it has also introduced a world of endless opportunities for brands. Conversations concerning social media have moved from just between friends to boardrooms. Organizations are no longer in control of their brand identity (Lisa, 2015). Social media sites are used to chat, exchange ideas and opinions as well as to talk about everything and anything. Invariably, users offer opinions on products bought and their experiences with other users. Negative experiences shared can spread across sites such as Twitter and Facebook which boast of users in the millions. This affects a brand greatly. Further to this, the global nature of social media exposes brands to a worldwide audience. Organizations are now paying attention to social media platforms their main interest being how best to leverage and achieve strong, memorable brands.

American Marketing Association (AMA) posits that brand is a term or name, sign, symbol, or design that identifies and distinguishes one product or service from another (<https://www.ama.org/resources/Pages/Dictionary.aspx?dLetter=B>). Therefore whenever a name, term, symbol, or logo for a new product or service is formed, it's a brand. A set of brand assets and liabilities connected to a brand, that is, its name, sign, symbol and/or other features adding to or taking away from the value provided by the product, can be termed as brand equity (Aaker and Joachimsthaler, 2009). In addition, brand equity encompasses all the attitudes, thoughts, feelings, understanding, image and experience associated with the brand in a consumer's mind (Keller, 2009). The most important roles

of brand equity are to attract new customers to a firm, to remind customers about the firm's offering(s) and that it bears a promise about the offering(s) it identifies (Feldwick, 1996). This can then influence the consumer's decision making process and subsequent choice of a brand.

This study was guided by social penetration theory, the social exchange theory and the customer based brand equity model. Social penetration theory explores formation of human relationships (Altman and Taylor 1973). Communication exchanges between individuals and groups and the subsequent relationships formed are explored using a cost benefit framework (Homans 1958). The Customer Based Brand Equity model provides a useful measure of assessing brand building as well as marketing research initiatives (Keller, 2001).

To increase their brand presence, hotels in Kenya have increasingly turned to social media spaces like Instagram, Google+, Facebook, Twitter, Pinterest, and Tripadvisor. Social media platforms have made it possible for travelers to distinguish and select the experiences that meet their travel needs. Most people travelling to Kenya will read reviews first before booking with a hotel. Many hotels have realized this hence have dedicated resources to attend social media activities and interactions on full time. The quality and promptness on customer issues can either make or break the brand of a company or a hotel. Social media provides a low-cost and high-impact marketing strategy when it comes to increasing customer engagement and satisfaction for hotels.

1.1.1 Social media

The term social media describes internet enabled channels allowing for interaction and instantaneous access to users with both specific and general audiences interested in user-generated content (Carr and Hayes, 2015). The inherent interactive nature of social media tools makes them social (Chatora, 2012). Social media are linked to “web 2.0” which refers to the period when interactive websites emerged (2004 to date); as opposed to “web1.0” which describes the state of the web prior to 2004 (Nwabueze et al, 2012). Good examples of these interactive websites include but are not limited to web-based communities, social networking sites, blogs and micro-blogs (Allen et al, 2011).

There are different types of social media marketing tools according to (Kaplan and Heinlein, 2010). They are collaborative projects, content communities, social networking sites, blogs and micro blogs, virtual game worlds and virtual social worlds. These tools allow for blogging, image-sharing, both real time and asynchronous video sharing, wall-postings, email, direct messaging, music-sharing, crowdsourcing and voice over internet protocol. Moreover, social media are conveniently accessible through personal computers, smart phones, tablets and other gadgets (Rita, 2009). Further to this, social media facilitates openness, conversation, participation, and connectedness among users. Therefore the people are both information producers and consumers.

1.1.2 Brand Equity

Aaker (1992) posits that brand equity is linked to a brand’s name and symbol. It constitutes brand awareness, image, loyalty and perceived quality and is ascertained by the brand knowledge in consumer’s minds. A consumer’s attitude, images, feelings, perceptions, and experiences point to brand knowledge. Undoubtedly, a brand’s worth is

that within the consumer's mind (Keller, 2009). Aaker's and Keller's views on brand equity are the two most popular. Keller's model views Customer Based Brand Equity from a consumer's perspective whereas Aaker's model focuses on a more behavioral view. In addition, the definition from Keller may show that marketers are in control of the brand. However the dynamic nature of the media environment especially with the advent of social media, renders this view challenged (Harris & Rae, 2010).

Brand equity can influence marketing communication efficacy through influencing consumers to favor the brand when exposed to adverts and other communications. Additionally, the ability to remember the communication increases (Rashid, 2014). Therefore, brand equity plays a crucial part in advertising as well (Keller, 2009).

1.1.3 Hotel Industry

According to Kamau and Waudu (2012), owing to the coming of Arab traders and railway line construction workers in large numbers, the hospitality industry in Kenya was started. Rapid growth in their numbers increased demand for catering and hospitality services hence the need for trained personnel. The first catering unit, Grand Hotel of Mombasa was built. Hospitality training was also started at Kenya Utalii College.

The Kenya Hotels and Restaurants Regulations Act (1988) provides a blueprint for hotel classification. More particularly, the Hotels and Restaurants Authority published in the Legal Notice No. 30 of February 16, (2001) of the Hotels and Restaurants Act the guidelines to hotel classification. Star- rating is the yardstick whereby the name for each star Hotel is 1- star (Tourist hotel), 2- star (Standard hotel), 3- star (Comfort hotel), 4- star (first class hotel) and 5-star (luxury hotel). The Ministry of Hotel and Tourism of

Kenya is mandated to give this classification- rate. The most luxurious hotels in Nairobi City County are 5-star hotels, providing round the clock full-service meal and drinks, 24 hour reception and room service, multilingual staff, spacious reception hall, personalized greeting for each guest with fresh flowers, mini bar amongst other services. In case of 4-star Hotels, reception open for 18 hours, no ironing service, no shoe polish service, no personal care products in flacons, there is no service of internet PC in the room and no personalized greetings (http://en.wikipedia.org/wiki/hotel_rating). Hospitality service economy in Kenya is one of the major sectors generating more income and job opportunities in the country.

1.1.4 Three Star Hotels in Nairobi County

Nairobi city has 68 hotels falling under the classification of three star-hotels (see Appendix 2). Some of the hotels include 67 Airport Hotel, Jacaranda Hotel, Biblica Guest House, Bush House and Camp amongst many others. Three star hotels offer comfort amenities with affordable rates and discounts. The comfort offers include food and beverage, spas and fitness centers and so on. Nairobi 3 star hotels are suitable fo both business and leisure tourists. According to a report carried out in 2015 by Jovago, Kenya is in the Top 10 Most Online Searched destinations globally. The report further revealed that Diani led in searches for 3 star hotels by tourists followed closely by Nairobi, which was the county of focus for this research (<http://www.jovago.com/en-gb/hospitality-report-kenya>).

1.2 Research Problem

Many organizations, including hotels can now communicate with their customers directly thanks to the use of social media as a marketing tool (Rana, 2011). The fact that consumers can now post their opinions instantaneously and to a worldwide audience leaves organizations more vulnerable than in the past (Qualman, 2009). Customers now have access to social media sites round the clock and directly contact individuals and organizations because of social media technologies.

Hotels and travel agencies that are good at using social media are able to have effective social media interventions. Given the tendency of most people to use social media to share their holiday experiences and customer service experience during their trip, customers also help hotels and booking agencies by advertising on their behalf. Jovago (an online hotel booking site) carried out report focusing on the Kenyan hospitality industry in 2015 which revealed that Kenya is in the Top 10 Most Online Searched destinations globally. The report further stated that the hotel industry in Kenya is attracting a high number of arrivals due to online accessibility. Three star hotels featured as the most searched hotels category in Kenya while Nairobi followed Diani closely in searches for three star hotels by tourists. (<http://www.jovago.com/en-gb/hospitality-report-kenya>). This study focused on three star hotels in Nairobi County.

Several international and local studies have been done on the effects of social media use on building brand equity. The International studies include: A study done by Melissa (2015) on the impact of social media marketing on brand equity toward the purchase intention of Starbucks Indonesia. Alhadid and Abu-Rumman (2014) also did a study on the impact of social media marketing on brand equity on Mobile Service Providers in

Jordan. Rana (2011) did a study on the impact of social-media use on brand equity of magazine brands a qualitative study of Vogue Turkey. Research findings from these studies indicate that social media marketing has significant impact towards building brand equity. In addition, online communities, interaction, and sharing of content were found to have significant impact on brand equity. The findings also show that the use of social media impacts brand equity in four major ways; social media opens a new direct communication channel, it increases organization brand's presence, facilitates customers involvement and finally social media helps organization and manage concrete relationships with its customers.

Local studies include a study done by Owino, Et al (2016) on the influence of social media on brand equity in Kenyan banking industry as well a study done by Mwangi (2014) on the influence of social media marketing on brand equity at Safaricom Limited in Kenya. Miseda (2012) also addressed the effect of social media in brand communication. The findings of these studies indicate that social media has statistically significant positive influence on brand equity of organizations studied. The above studies delved into the impact of social media on building brand equity in various industries and jurisdictions. However, they outline a gap in the study of the effect of social media use on building brand equity in the Kenyan hotel industry, particularly three star hotels in Nairobi City County. Based on the above, this study undertook to answer the question what is the effect of social media use on building brand equity in three star hotels?

1.3 Research Objectives

The objectives of this study were to:

- i. Determine the social media sites used by three star hotels in Nairobi
- ii. Investigate the effect of social media use on building brand equity in three star hotels in Nairobi City County

1.4 Value of the Study

The findings from this study will be useful in application of theory; more specifically the application of social penetration theory and social exchange theory on the effect of social media use on building brand equity will be appreciated. Further, the academicians and business researchers will borrow from the findings of this research to support literary citations as well as develop themes for further research.

This study is also significant to the management of hotels. It will help to determine the most popular types of social media sites used by three star hotels in Nairobi county and effect of social media on building brand equity. They will also appreciate the positive and negative effects associated with social media use in building brand equity.

Policy makers such as the Ministry of Tourism and its divisions will gain insights on how to capitalize on social media platforms for promoting and reviving the tourism industry in Kenya. The regulators can also appreciate the cyber security issues faced by hotels and other organizations that have adopted social media as part of their business operations.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter contains the theoretical foundation of the study. It also looks at the effect of social media in building brand equity while exploring self-concept and brand engagement, intention of purchase and lastly, the literature summary.

2.2 Theoretical foundation

The study is guided by the social penetration theory, social exchange theory and the Customer Based Brand Equity model.

2.2.1 Social penetration theory

Social penetration theory states that human beings form close relationships through self-disclosure and through several stages; the orientation stage where a person only discloses safe information, appealing to norms and social acceptance. Second to this is the exploratory affective stage where a person is only comfortable enough to express personal thoughts and opinions on general issues. Casual friendships are formed at this level. The affective stage follows where a person is more relaxed and engages in confidential discourses. Intimacy is achieved at this stage. The stable stage marks steady relationships. Individuals can share personal information emotion predictability is high. Depenetration stage is the last stage. The relationship begins to disintegrate and the benefits derived are less than the cost of maintaining it hence withdrawal of disclosure and subsequent. (Altman and Taylor, 1987). This process is likened to peeling off the onion layers.

Relationships over social media tend to exhibit a similar process. For instance, an individual, depending on how comfortable he or she is will set privacy settings of their Facebook profile as either open to the general public or to close friends only (McCarthy, 2009). The ultimate show of intimacy is when people send private chats and form closed groups on social media. The same can be said of the relationship between a brand and consumers. First the brand presents itself to potential customers on social media through advertising. The consumers then follow the brand to get to know more about it and its offers. Initially they will be seen to only view the brand's contents but with time, as the brand resonates with their needs, they will tend to indulge more.

2.2.2 Social exchange theory

Social exchange theory is borrowed from psychology. The theory posits that individuals are more willing to engage in rewarding behaviors or actions and neglect those that have high cost implications. Individuals will tend to communicate one to another based on reciprocal actions from the other people (Emerson 1976). Seeing that all social media rely on information provided by users, an understanding of the interactions and motives of users is imperative.

According to Homans (1958), three propositions summarize the system; Success proposition which states that an action will most likely be repeated if a person is rewarded for behaving in a certain way; the stimulus proposition which holds that the more often an action from the past has been rewarded, the more probable it is that an individual will respond. The third proposition is deprivation–satiation which claims that the more often in the recent past a person has been rewarded, the less satisfied he or she

becomes with any additional unit of that reward. Satisfaction is achieved in the social exchange process when individuals attain fair value for their expenditures (Burns, 1973).

2.2.3 Consumer Based Brand Equity model

The Consumer Based Brand Equity model is customer-based. Understanding the needs and wants of consumers and creating offerings to satisfy them are imperative. The model's emphasis is on brand-added value. It proposes that the value of a brand is in the minds of the consumers resulting from their experiences. The six dimensions of brand equity include brand salience, brand performance, brand imagery, consumer judgments, consumer feelings and brand resonance. Brand equity is said to be highest when brand resonance is achieved (Keller, 2002).

Therefore, to build a strong brand, marketers must ensure value-adding experiences of their offerings and/or their accompanying marketing communications to customers.

Figure 2.1: The brand equity pyramid



Source: <http://businessjargons.com/brand-resonance.html>

2.3 Effect of Social media use in building Brand Equity

2.3.1 Motivations for brands engaging in Social Media

The social media environment is dynamic. Marketers are increasingly paying attention to building communities of customers who can advance the agenda of their brands on social media (Cova, 1997). The advent of the 'web 2.0' in particular of Social Media contributed to this shift. In the search for trustworthy information about brands, consumers surf the internet and tend to trust more the opinions and experiences of fellow consumers in comparison to a company's position. Consequently, brand communities are of critical significance to brands; in this case hotel brands.

For various reasons, users will become members of a community through "following" or "liking" the social media page of a brand. The main reasons for joining brand communities include to access information, to share opinions and knowledge with other users and to build relationships (Mathwick et al, 2008). The aforementioned make up some of the reasons that motivate user involvement in a brand's social media agenda. Shang et al (2006) affirmed that customers are mainly involved in a brand's activities to get more information about it. Bickart and Schindler (2001) held that this engagement may have an impact on purchase behavior of customers, which essentially is what drives brands to strive for customers' attention and participation on Social Media.

Accordingly, Muniz & O'Guinn (2001) maintain that the benefits consumers receive from their involvement in a brand's Social Media activities drives to their participation hence the application of social exchange theory. By participating in brand communities they consumers have a stronger voice as opposed to individually. Additionally, brand communities can be a robust source of information for customers. Lastly, they facilitate

interaction and provide ample social advantages to its members. Social advantages could be in form of an enhanced personal image to the customers. The emphasis here is the fact that motivations for social media brand engagement vary from user to user.

2.3.2 Self-concept and brand engagement

Self-concept is built around the feelings and thoughts of a person in referring to himself as an object (Rosenberg, 1979; Sirgy, 1982). It comprises of actual self, ideal self and social self. A person's perception of himself/herself is referred to as actual self whereas how one would like to consider himself/herself is known as ideal self. How an individual presents himself/herself to others is referred to as social self. Social self-image is based how willing people are to share information concerning themselves. Depending on the nature of the information shared, it can be termed as ideal. Therefore social self-image holds that an individual tends to reveal facts about himself or herself whereas ideal self-image ascribes to the fact that a person may reveal certain information and withhold some or provide untrue information so as to achieve a certain impression. The need of people to manage other people's impressions or opinions of them is essentially where Ideal social self-image derives from (Markopoulou, 2012).

Goffman (1959) opines that people want to take charge of how others view them socially hence self-presentation. Self-presentation is a term used to describe an individual's attempt to control the impressions made by others about him or her (Leary and Kowalski, 1990). To achieve certain goals including to obtain positive feelings as sympathy, to create a pleasant image or a positive attitude towards them, improve relationships, self-presentation must be taken into account. Additionally, among the main reasons influencing users to create personal profiles on web spaces is the desire to express

themselves (Schau & Gilly, 2003). A look at individuals' or brands' profile on Facebook evidences self-presentation. The users are provided with a platform for social interaction, posting personal information using technologies such as uploading photos and videos for others to see. Consequently, users will tend to disseminate information that matches the impression they intend to create (Kaplan & Haenlein, 2010).

In the case of hotel brands, this research took into account the assumption that their customers' desire to make a certain impression will affect their willingness to attend to their brand efforts. Therefore a high equity hotel brand is more likely to attract individuals with ideal social self-image when compared to a low equity hotel brand. To be noted however, is the fact that this may not necessarily lead to real purchase intent by customers. Conversely, there is also a possibility that the people engaging in a brand's social media agenda are less interested in controlling the impressions they make socially the brand equity value notwithstanding (Lin, 2011).

2.3.3 Brand engagement in Social Media Sites and Purchase Intent

The interaction between firms and consumers has experienced significant changes with the advent of social media. Both can communicate directly to each other. Social Media has also availed consumer insights such as their demographic profile, tastes, preference and purchase behavior as evidenced in this research. The brand equity of a product or service influences brand preferences and the purchase intentions of consumers as confirmed by Cobb-Walgren et al (1995). This research attempted to investigate whether their findings apply to Social Media activities keeping in account self-presentation as discussed above.

Empirical evidences have proven that social media involvement by brands spurs favorable consumer's responses according to Mc Millan et al (2003). Consumer involvement may be used to predict purchase behavior; the more the involvement of a brand (in this case hotel brands) the higher the likelihood of purchase intent (Fortin and Dholakia, 2005). The views of Bickart and Schindler (2001) views seemed to be in line with the thought that consumer's preference or purchase intentions depend on how involved brands are on social media. Accordingly, ideas and opinions concerning brands as shared on social media may be a form of Word Of Mouth. (Bickart and Schindler, 2001; Hennig-Thurau et al, 2004). This is a very important aspect considering it affects consumers buying behavior (Buttle, 1998). Inference can then be made that hotel brand involvement in Social Media will have a positive effect on the purchase intention of its followers. Therefore, it can further be implied that brand engagement in social Media is imperative when it comes to brand equity and intent to purchase (Markopoulou, 2012).

2.4 Summary of Literature

The theories covered herein attempt to give this research a theoretical foundation. They have illuminated on how relationships are formed on social media among users as well as with brands. Brands with strong brand equity tend to attract and retain customers more than those with less brand equity. Intent to purchase is also higher in the former. To this end, other researchers have concluded that indeed that social media positively impacts brand equity. But can these conclusions be applied in the hospitality industry, specifically among three star hotels in Nairobi County? The answer to this question is hoped to be found through this research.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter outlines the research methodology that was used in this study. It covers research design, target population, data collection techniques and gives the conclusion to the data analysis and data presentation methods used in the study.

3.2 Research Design

This study used a descriptive cross-sectional research design. It attempted to describe subjects through creating a profile in line with the research objectives through the collection of data and tabulation of the frequencies on research variables (Cooper and Schindler, 2006).

This design was most appropriate as it facilitated measurements of items such as frequency of posting content as well as the preferences of social media pages by the respondents (Kothari and Garg, 2014). Such items were crucial in understanding the effect of social media on building brand equity among three star hotels in Nairobi City County. Further to this, the constraints of budget and time imposed the need of a cross-sectional approach.

3.3 Population of the Study

Cooper and Schindler (2006) define target population as the entire group of individuals which researchers are interested in generalizing the conclusions. The population was 68 three star hotels in Nairobi City County (listed as per appendix 2). According to a report carried out by Jovago, three star hotels are the most searched hotels category in Kenya. The report further states that Nairobi follows Diani closely in searches for three star

hotels by tourists hence the population focus of this research. Hotel properties in this classification offer food services, view, room variations such as size and additional amenities, entertainment, spas and fitness centers as well as ease of access and location.

3.4 Data Collection

Primary data was collected for purposes of this research. The data was collected using semi-structured questionnaires. Questionnaires were used because they allowed the respondents to give their responses in a free environment. They were also convenient in reaching respondents who are not easily approachable as well as widely distributed. The respondents also had time to give well thought out answers. In addition, the cost implications were fairly managed using this method as the respondents were stationed in various parts of Nairobi. The questionnaire was administered through email and social media pages where applicable. It was divided into three sections; section one covered demographic profile of the respondents, section two focused on determining the type of social media sites used by three star hotels in Nairobi and section three covered the effect of social media use on building brand equity in three star hotels in Nairobi. The researcher conducted a pilot test to identify areas that required improvement before sending out the questionnaires.

The respondents were the marketing managers or their equivalent (digital marketing managers, social media strategists, social media managers etc) of the 68 three star hotels in Nairobi (See Appendix 2). Since the population of this study was relatively small, a census was conducted everyone in the population was included as opposed to a fraction of them (Baffour et al, 2013).

3.5 Data Analysis

Data analysis is the process of bringing order, structure and meaning to the mass of information collected (Lind et al., 2005). Data analysis involved editing of the completed data from the questionnaires to check for completeness and consistency, checking for errors and omissions and then coding. Data analysis was coded to Excel Program to analyze the data and output presented in form of tables, pie charts and bar graphs. Googleforms was instrumental in this process as well. Qualitative and quantitative data were used. The qualitative data was analyzed using content analysis. This research also yielded quantitative data from the questionnaire and was analyzed using descriptive statistics. The quantitative data was presented in tables, pie charts and graphs.

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.1 Introduction

Data analysis was guided by the research objectives presented in chapter one. The report contains tables and figures showing demographic profile of the respondents, the most popularly used social media sites as well as discourses focusing on effect of social media on building the brand equity of three star hotels in Nairobi City County.

4.1.1 Response rate

The questionnaires received were cleaned, edited and coded. Out of the 68 hotels, 8 had inactive social media pages whereas 2 neither had active websites nor social media pages. The remaining 58 were contacted. Out of the 58 questionnaires sent, 30 were sent back having been satisfactorily filled. This accounts for 51% which was adequate and sufficient to facilitate data analysis considering the fact that the respondents took long to respond hence more time was needed to follow up yet time was limited.

4.2 Demographic Information

4.2.1 Gender

Respondents were requested to state their gender. 14 respondents were male whereas 16 were female indicating a relative gender balance as per table 4.1 below.

Table 4.1: Gender

Gender	Respondents	Percentage
Male	14	53
Female	16	47

Source: Author (2016)

As per the table 4.2 below, 47% of the respondents were between 18 and 27 years whereas those between the ages of 28-37 years accounted for 27%. This could be a good reflection of the fact that the people in charge of the social media agenda in Nairobi County's three star hotels are mostly youthful. Respondents aged between 38-47 years accounted for 23 percent. Only 1 respondent indicated to be above 48 years.

Table 4.2: Age

Age Bracket	Frequency	Percentage
18-27 Years	14	47
28-37 Years	8	27
38-47 Years	7	23
Above 48 Years	1	3
TOTAL	30	100

Source: Author (2016)

The respondents were also asked to indicate their positions, work experience in their respective hotels and their level of education as per table 4.3. 50% of the respondents held the position of Marketing Managers or digital marketing managers, 23% were marketing executives and 17% indicated to be in the top management. The remaining 10% of the respondents were front office personnel. This confirms that social media is a critical component in the marketing of the hotels.

Table 4.3: Respondents' Positions

Position	Frequency	Percentage
Top Management	5	17
Marketing Managers/Digital	15	50
Marketing managers		
Marketing Executives	7	23
Front office personnel	3	10
Total	30	100

Source: Author (2016)

Table 4.4: Work Experience

Work Experience	Frequency	Percentage
0-3 Years	22	73
4-7 Years	7	24
8-11 Years	-	
12-15 Years	-	
Above 16 Years	1	3
Total	30	100

Source: Author (2016)

Table 4.4 above shows that 73% of the respondents have worked for a period not exceeding 3 years whereas 24% have work experience of between 4 and 7 years at their respective hotels. Only one respondent had worked for more than 16 years. None was recorded to have worked between 8 and 15 years. This could indicate a possible high employee turnover rate among the 3 star hotels in Nairobi City County.

Table 4.5: Education level

Qualification	Frequency	Percentage
Diploma	7	23
Degree	13	44
Masters	4	10
Professional Qualification	3	13
Other	3	10
Total	30	100

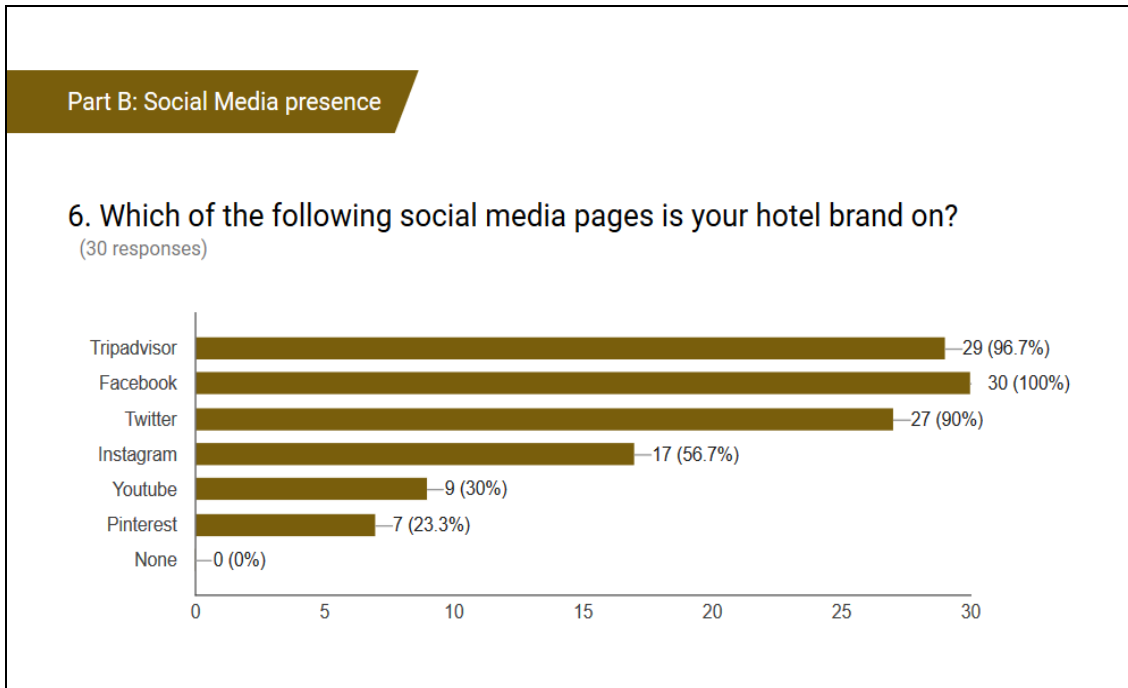
Source: Author (2016)

According table 4.5 above, 44% of the respondents reported to have a degree compared to 23% and 10% who possessed a diploma and masters respectively.

4.3 Social Media Presence

The respondents were requested to state the social media pages that their hotel brands were on as well as specify four of those selected, that they were most active on.

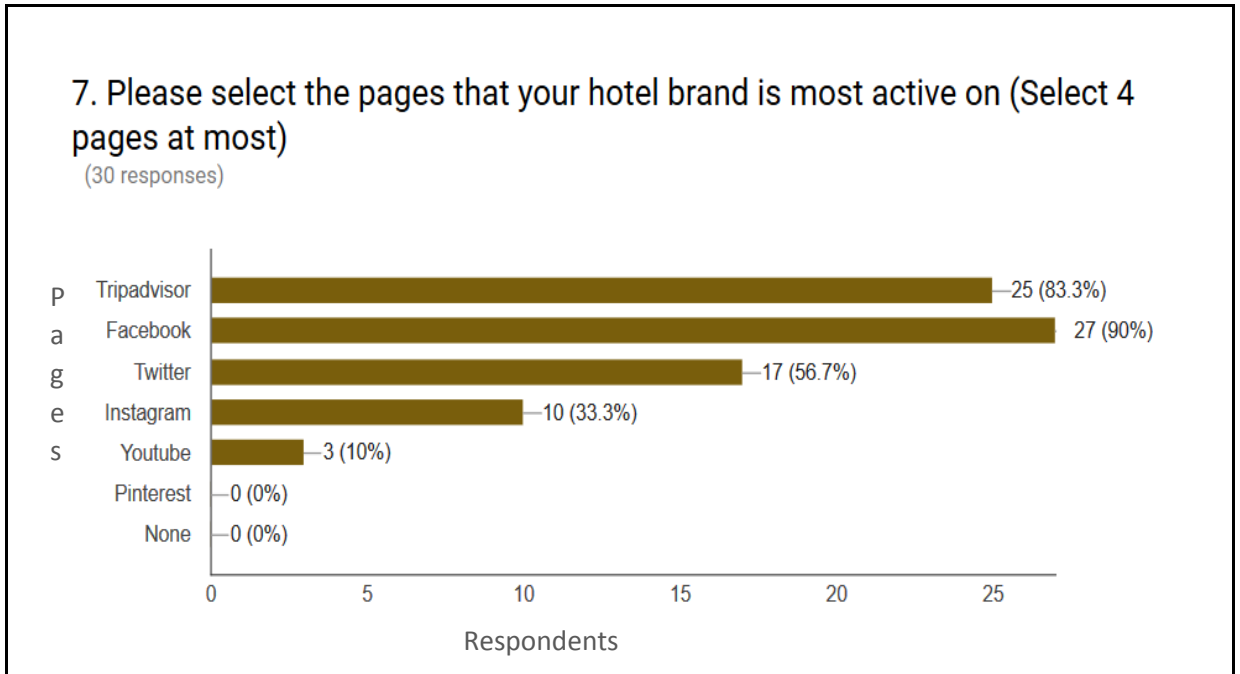
Figure 4.1: Social Media Presence



As per figure 4.1 above, all thirty hotel brands indicated to be on Facebook, 29 on Tripadvisor, 27 on twitter and 17 on Instagram. Only 9 reported to be on Youtube and 7 Pinterest. This not only confirmed that the hotel brands had social media presence in more than one page but also the pages preferred.

Nearly all the respondents claimed their brands to have been most active on Facebook with Tripadvisor following closely. Slightly more than half of the respondents confirmed that their hotel brands were active on Twitter. 10 hotel brands were active on Instagram whereas only 3 confirmed activity on Youtube. This is as shown in the following figure 4.2.

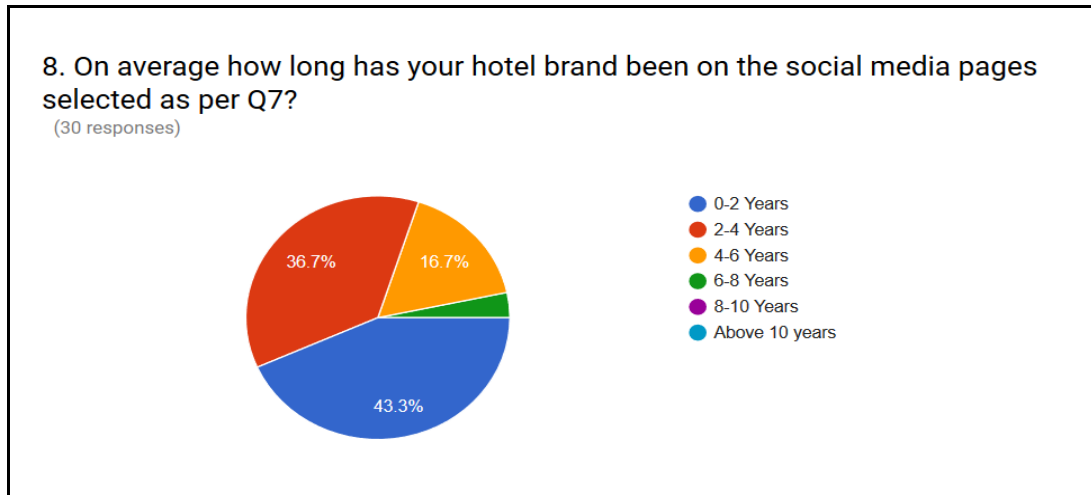
Figure 4.2: Most Active Social Media Pages



As evidenced on figure 4.3 below, none of the hotel brands were confirmed to have been on social media for more than 8 years. Majority had their pages operational for less than

2 years. Only one respondent confirmed that the hotel brand had been on social media for a period between 6-8 years.

Figure 4.3: Number of years on social Media



4.4 The effect of social media on the hotels' brand equity

This section's main aim was to address the second objective, which was to determine the effect that social media has on the brand equity of three star hotels in Nairobi City County. A series of statements were presented against which the respondents were meant to pick the extent to which they agree with. This was followed by open ended questions that allowed for detailed answers.

The first part focused on frequency of posting content, reasons for being on social media as well as critical social media analytics metrics and their impact on the hotels' brands.

Table 4.6: Frequency of Posting Content

Frequency of Posting	Respondents	Percentage
Once	7	23
Twice	6	20
Thrice	6	20
More than thrice	11	37
Total	30	100

Source: Author (2016)

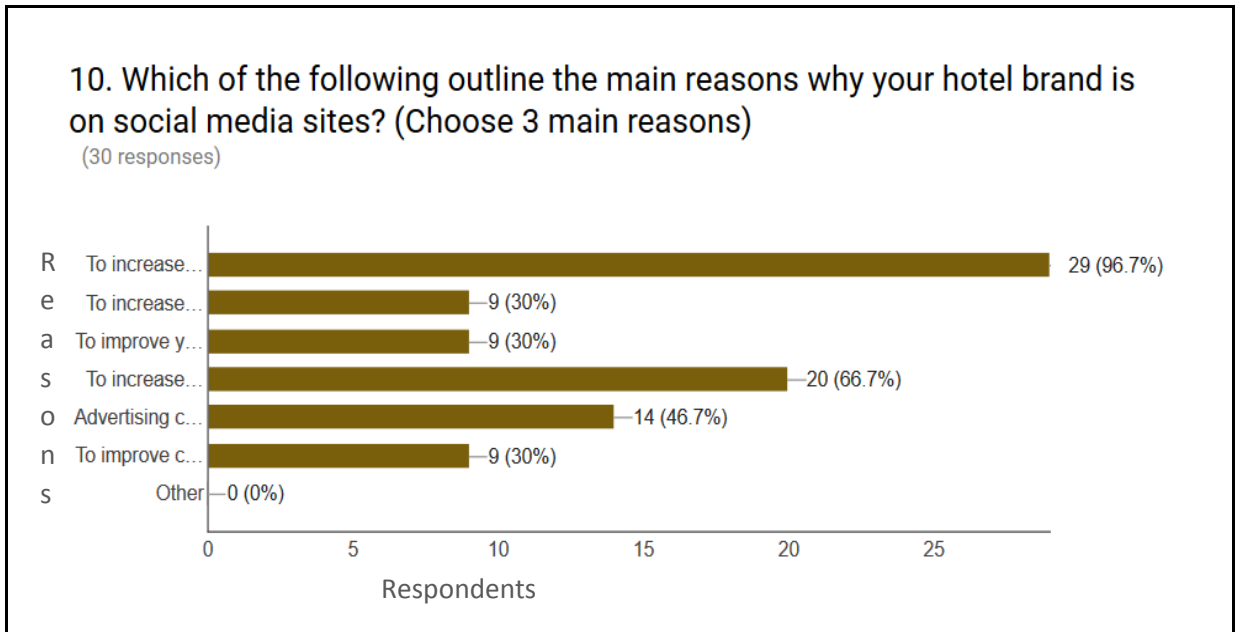
According to the findings as per 4.6, 17 hotels brands reported to have been posting content at least thrice a day whereas the remaining 13 posted at least once a day. This indicates an active social media presence by the hotel brands.

The respondents were asked to pick out three main reasons as to why their brands were on social media sites from a list of 6 as shown on table 4.7. This was a good indicator of the social media objectives for the hotel brands. The three major reasons as indicated on table 4.7 and figure 4.4 were to increase brand awareness, increase sales and advertising cost efficiency. Increasing brand loyalty, improving brand image and customer experience were also picked out as reasons for being on social media, but by significantly less than half of the respondents.

Table 4.7: Reasons for being on social media

Reasons	Respondents (Out of 30)
To increase brand awareness	29
To increase brand Loyalty	9
To improve your brand image	9
To increase sales	20
Advertising cost efficiency	14
To improve customer experience	9

Figure 4.4: Reasons for being on social media

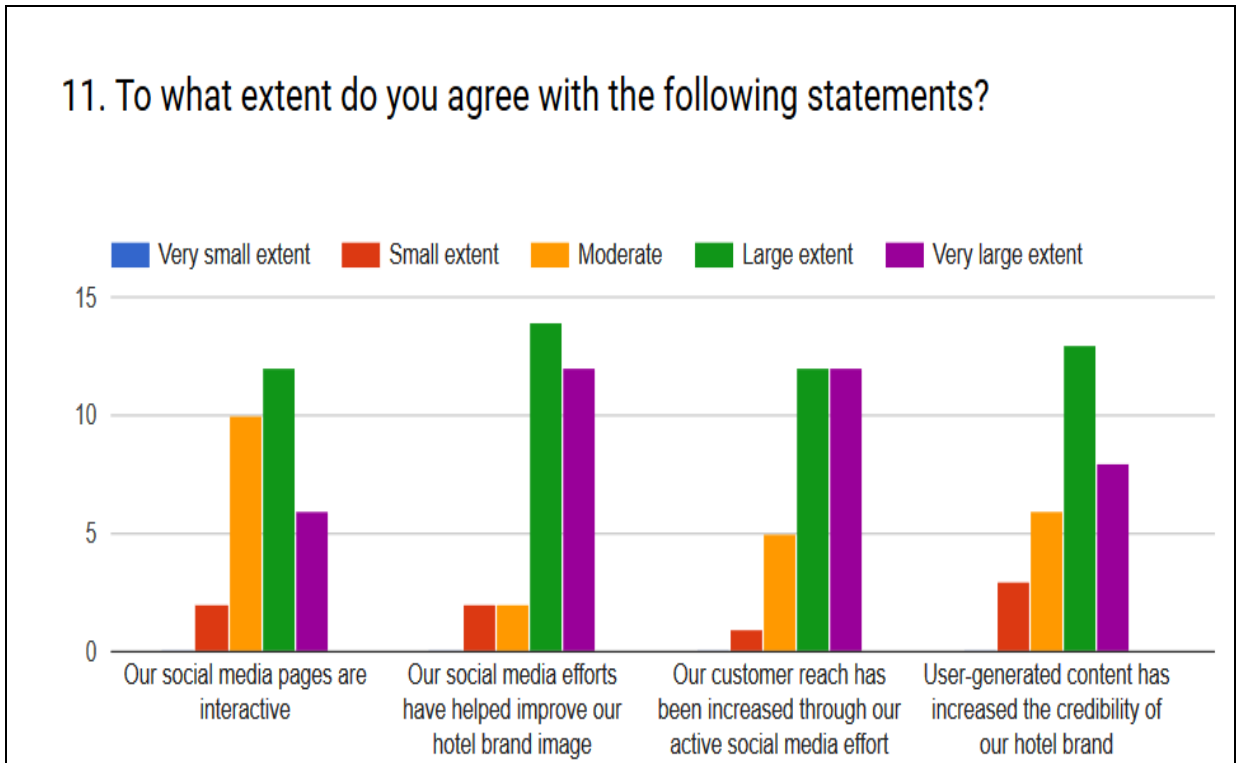


The statements shown as per figure 4.5 below were presented to the respondents requiring them to indicate the extent to which they agree with them. The statements were meant to gauge the extent to which social media activities engaged in by the hotel brands have affected their brand equity. For purposes of this analysis the respondents who agreed to a large extent were put together with the respondents who agreed to a very large extent.

18 out of 30 respondents indicated that their social media pages were active to a slightly above average extent. 26 respondents, who formed the majority agreed to a significantly more than average extent that indeed their social media efforts had improved their hotel brand image and that they also respond promptly to inquiries. 70% of the respondents agreed to a significantly average extent that user-generated content had improved their hotel brand credibility. 24 respondents opined that their active social media efforts have to a significant extent increased their customer reach. However, when asked if they agreed that their sales have improved through active social media campaigns, they only agreed to

an extent slightly above average. Further to this, 21 of the respondents pointed to a large extent the fact that their social media content is engaging and of value to their customers. Page reviews were accorded relatively average importance by the respondents in determining conversion.

Figure 4.5: Summary of level of social media activity by the hotel brands



Continuation of Figure 4.5

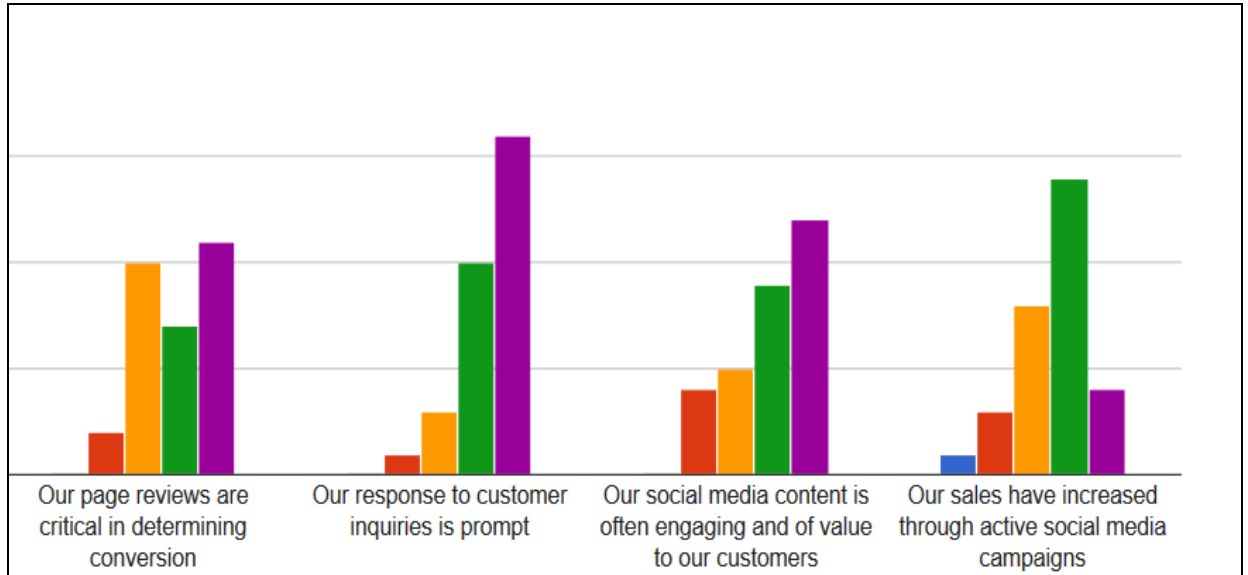


Table 4.8: Contributors to hotels' brand equity on social media

	Least Contributor	Less than Average Contributor	Average Contributor	More than Average Contributor	Most significant contributor
Page Reviews	-	-	8	9	13
Customer Engagement	-	-	8	13	9
Star rating	1	2	8	9	10
User generated content	-	-	9	18	3
Response to enquiries	-	-	5	8	17

As a follow up to the extent of social media activity, the respondents were asked to confirm the main contributors to the equity of their hotel brands on social media (See table 4.8). The respondents who indicated more than average contributor and most significant contributor were put together once more. Responding to enquiries stood out as

the most significant contributor to the brand equity of the hotels. This was followed by customer engagement and page reviews. User generated content was also confirmed by 21 respondents to be a more than average contributor to the brand equity of the hotels. Star rating as a contributor was accorded slightly above average by 19 respondents while only 10% scored it as less than average a contributor.

Finally, the respondents were asked to state the benefits their hotel brands enjoyed by having a social media presence. In addition, they were asked to make recommendations for social media use to enhance hotel brand equity to other hotels. They were also asked to state the negative side as well as propose solutions to overcome them. These questions were open-ended and were analyzed using content analysis. The respondents were restricted to a minimum of 100 words. Common words were then extrapolated and summarized in the tables that follow.

Table 4.9 below summarizes the benefits of social media presence by the hotel brands as expressed by the respondents. The ability to reach a wider audience and effectively communication were popularly mentioned as benefits by the respondents. They also agreed to the fact that social media offered a cost effective advertising option for their hotel brands. In addition, social media was confirmed to increase brand awareness, generate sales leads and increase brand loyalty. Accessibility and user-friendliness, sales leads generation, were also cited as benefits of social media use to enhance hotel brand equity. Other benefits mentioned included the platform's suitability in effectively complementing other marketing tools, enhancing brand image and improving customer service.

Table 4.9: Summary of benefits of social media on brand equity

Benefits	Number of times mentioned (Out of 30)	Description
Wider audience reach	14	-Provides access to not only a local but also a global audience
Effective communication tool	14	-Allows for information sharing -Faster communication -Interactive in nature
Cost effective advertising	11	-Relatively affordable -Facilitates targeted advertising
Increases brand awareness	10	More people now know about
Generates sales leads	9	-Through enquiries -Analytics provide information on potential customers
Increases brand loyalty	6	-Customers who have had a good experience will vouch for the hotel and this gives it mileage -Fans of the hotel participate in conversations and even post content like photos and videos of the hotel
Accessible and easy to use	5	-One only needs to connect to the internet -User friendliness for both the hotel administration and the customers - Facilitates self- administered advertising and targeting
Complements other marketing tools	3	-Linking social media to the website adds to the website content and leads users to the website for more information about the hotel
Source of customer insights	4	-Readily available information on the audience demographics, likes and dislikes
Enhances brand image	2	-Consistently posting creative written, audio and visual content
Improves customer service	3	Customers do not have to come to the hotel premise for inquiries and booking hence facilitates prompt service

Table 4.10 below summarizes the recommendations as given by the respondents to hotels that are not yet on social media maximizing its use to enhance the equity of their brands. It was a shared feeling that hotel brands that are not making use of social media platforms to enhance their brand equity are losing out. Creating a social media plan was among the recommendations and this was mentioned the most which could be an indicator of its importance in enhancing brand equity. The respondents strongly advised that professionalism should be strictly adhered to. Regular update of relevant, customer-focused and engaging content should also be observed. Further to this, the respondents advised against exclusive use of social media as a marketing tool. Instead, it should be used to complement other marketing tools. They also were of the view that relevant social media pages should be identified focused on as opposed to spreading thin on all available social media networks. Maximizing on the readily available analytics to improve on services was also recommended along with regular benchmarking to see how competitors and other industry players are leveraging on social media to enhance the equity of their brands.

Table 4.10: Recommendations for social media use to enhance hotel brand equity

Recommendations	Number of times mentioned (Out of 30)	Description
Create a social media plan	18	<ul style="list-style-type: none"> -Set clear social media objectives -Come up with relevant strategy and creative ways to achieve them -Target relevant audience -Create an advertising budget -Evaluate the plan -Review the plan whenever necessary
Maintain professionalism	7	<ul style="list-style-type: none"> -Hire professionals -Use of professional language and tone -Be consistent with brand values -Respond promptly to enquiries and complaints -Being tactful when handling negative user generated content -Disseminate information in a timely manner -Aim to develop meaningful relationship with audience
Regular update of relevant, customer-focused and engaging content.	5	<ul style="list-style-type: none"> -Avoid leaving pages unattended by scheduling regular content updates -Focus on content that will interest your hotel brand's audience -The content should be such that it allows for audience participation
Use social media to complement other marketing tools	3	<ul style="list-style-type: none"> -Use of social media as the only marketing tool may not be enough. -Inform your target audience of your presence on social media pages using other marketing tools too.
Focus on the most suitable social media platforms	3	Avoid spreading thin on all the social media platforms available.
Maximize on the readily available analytics to improve on services	2	-Social media analytics are a great source of customer insights
Social media benchmarking	2	<ul style="list-style-type: none"> -Find out how your competitors and other relevant industry are utilizing their social media spaces and engaging their followers -Information on competitors, now readily available through social media.

The respondents were asked to state whether there were any negatives to using social media to enhance brand equity. In addition, they were requested to state the solutions to these negatives. The table 4.11 summarizes their responses. The respondents observed that the reputation of a hotel can be compromised particularly in the presence of negative user-related content hence negative publicity. As a solution to this, development of an online crisis management process for adequate preparation, prompt and professional tone in response, undertaking corrective action and apologizing where necessary were fronted. Secondly, the respondents opined that control is limited when using social media to enhance brand equity since followers are free to post their comments on these platforms. To deal with the above, the respondents proposed deleting unwarranted user-generated content and limiting access to the back end of the pages to page administrators only. Substantial time is required when using social media to enhance brand equity. To manage this, the respondents proposed focusing efforts on relevant social media networks only as well as using an editorial calendar to map out and schedule content. Thirdly, social media presence exposes hotel brands to cybercrime. Regularly checking and updating privacy settings was suggested as a solution to reduce this. Other negatives to using social media to enhance brand equity were identified as other pages being viewed as less professional than others, the challenge in determining the return on investment and the fact that competitors can now easily access information. The respondents only identified these three as negatives but did not provide ways to solve them.

Table 4.11: Negatives and suggested solutions for using social media to enhance hotel brand equity summarized

Negatives	Solutions
Negative publicity	Develop an online crisis management process for adequate preparation Prompt and professional tone in response Take corrective action and where necessary apologize
Control is limited	-Delete unwarranted user-generated content -Limit access to the back end of the pages to page administrators only
Time consuming	-Focus only on relevant social media pages -Making use of editorial calendar to schedule content in advance
Vulnerability to cyber criminals	-Regular updates of privacy settings
Presence on some pages may be seen as less professional	-
Challenge in determining Return on Investment	-
Avalis information to competitors which may at times be used to one's disadvantage	-

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter summarizes the major findings of the study, conclusions, limitations of the study and recommendations for further research. The general objective of the study was to investigate the effect of social media use on building brand equity with reference to three star hotels in Nairobi.

Specific objectives of the studies were to determine the type of social media sites used and to investigate the effect of social media use on building brand equity among three star hotels in Nairobi City County.

5.2 Summary of Findings

According to the research findings, at least 90% of the hotel brands had active presence in at least 3 social media sites. In fact 77% of the respondents posted content at least twice daily, confirming that indeed their hotel brands were active on social media. Additionally, 80% of the hotel brands claimed to have been on social media for a period not exceeding 4years which was a good indicator of experience. The most popular social media site was Facebook followed by Tripadvisor and Twitter. Instagram proved to be more popular than Pinterest and Youtube. This could be an indication of the next social media site to watch for hotel brands.

Increasing brand awareness, to increase sales and advertising cost efficiency were stated as three main reasons for being on social media by the respondents. Less than half of the respondents confirmed to be on social media to improve brand image, increase brand

loyalty and improve customer service. These reasons pointed to the main social media objectives of the hotel brands. Less than half of the respondents were on social media to improve brand image yet 26 out of the 30 respondents reported their hotel brand image to have improved owing to their social media efforts. Further to this, 24 respondents opined that their active social media efforts have to a significant extent increased their customer reach hence increased brand awareness. 70% of the respondents agreed to a significantly average extent that user-generated content had improved their hotel brand credibility which points to brand loyalty. However, when asked if they agreed that their sales have improved through active social media campaigns, they only agreed to an extent slightly above average.

Responding to enquiries stood out as the most significant contributor to the brand equity of the hotel brands on social media. This was followed by customer engagement and page reviews. User generated content was also confirmed by 21 respondents to be a significant contributor to the brand equity of the hotels. Star rating as a contributor was accorded slightly above average by 19 respondents while only 10% scored it as less than average a contributor.

As per the findings of this study, the use of social media to enhance brand equity was confirmed to be benefit to the hotel brands (refer to table 9). First, social media exposes the brands to a global audience hence a wider reach. It is an effective communication tool as well as provides a cost effective advertising means to the hotel brands. Social media is accessible and easy to use unlike traditional media and is a good source of sales leads. The respondents also confirmed that indeed social media increases brand awareness, improves brand image and brand loyalty. Finally, it is a good source of customer insights,

complements well with other marketing tools and is instrumental in improving customer service.

The respondents also made recommendations for effective use of social media to enhance brand equity. Having a social media plan stood out as the most mentioned recommendation, signifying that it is a crucial point of consideration. Maintaining professionalism through hiring professionals and interaction with customers both on social media and off social media was encouraged. Regular update of relevant, customer-focused and engaging content and using social media to complement other marketing tools were also recommended. In addition, the respondents vouched for focusing on the most suitable social media platforms, maximizing on the readily available analytics to improve on services and social media benchmarking with relevant industry players.

This research also confirmed that just as there are benefits to using social media to enhance brand equity, there are negatives (refer to table 11). The respondents showed most concern for the fact that negative comments, can degrade your brand image resulting to negative publicity. Secondly, the respondents claimed that with social media control is limited. It allows for anyone to post both productive and brand maligning content. Further to this, social media presence is time consuming whereas presence on some of the sites can be viewed to be less professional which could impact the brand image. The respondents also reported a challenge in determining return on investment of social media. The fact that social media information is public implies that even competitors have access to information concerning the hotel brands and may be used at times to their disadvantage.

5.3 Conclusion

Having started with a general discussion of how people are increasingly using social media to chat and exchange opinions about brands and the impact that this has on brands, this study focused on the effect of social media use on building brand equity among three star hotels in Nairobi City County.

The study shows that the use of social media to build brand equity is in fact beneficial to the three star hotels in Nairobi City County. According to the respondents, it increases brand awareness, improves brand image and brand loyalty, pointing to brand salience, fostering judgments and feelings and brand resonance respectively as per the brand resonance pyramid (refer to figure 2.1). Nonetheless, the use of social media may also affect all these aspects of a brand negatively leading to negative brand equity.

Towards building strong brand equity the study recommends a social media plan that fits into overall marketing objectives is necessary. Anticipating crisis resulting from negative publicity should also be part of the plan. In addition, hiring a professional team and maintaining professionalism on and off social media will go a long way in establishing a strong brand. Securing the social media pages through regular update of privacy settings should also be considered as a measure to curb cybercrime. The social media pages should never be left unattended as this reflects negatively on the brand. Further to this, hotel brands should aim at establishing long lasting relationships with consumers on social media; consumers will become loyal to a brand they perceive as having high brand equity and willingly participate in its social media activities which may lead to actual purchase (Markopoulou, 2012)

5.4 Implications for Policy, Theory and Practice

This study makes a contribution to policy in that the Policy makers such as the Ministry of Tourism and its divisions will gain insights on how to capitalize on social media sites for promoting and reviving the tourism industry in Kenya. The regulators can also appreciate the cyber security issues faced by hotels and other organizations that have adopted social media as part of their business operations.

The findings from the study will particularly be useful in application of theory in the social media use on building brand equity. Application of social penetration theory and social exchange theory on the effect of social media use on building brand equity will be appreciated. Academicians and business researchers will borrow from the findings of this research to support literary citations as well as develop themes for further research.

This study is also significant to the management of hotels. They will appreciate the most popular types of social media sites used by three star hotels in Nairobi City County. They will also appreciate the positive and negative effects associated with social media use in building brand equity.

5.5 Limitations of the study

Although the research was conducted successfully and the research objectives met, there were some limitations. First, there were co-operation problems. The respondents required a lot of follow up using alternate methods such as telephone calls which was time consuming and costly. Secondly, access to information was not very easy as there was fear by the respondents that the information could be shared with competitors. This study was also limited in that it focused on the marketing management (or their equivalent) of

the 3 star hotels in Nairobi County. Therefore generalization of the findings of this study should be made with caution.

5.6 Recommendations for Further Research

The study sought to investigate the effect of social media on building brand equity among three star hotels in Nairobi City County. This research only focused on the views of the marketing management and their equivalent. The researcher recommends a similar study to be conducted particularly with a view on the consumers of hotel services in Kenya. The researcher also recommends further theoretical and empirical investigation aimed at better understanding social media use in the greater field of marketing across industries.

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APPENDICES

APPENDIX 1: INTRODUCTION LETTER

THE EFFECT OF SOCIAL MEDIA USE ON BUILDING BRAND EQUITY AMONG THREE STAR HOTELS IN NAIROBI COUNTY, KENYA

Dear Sir/Madam,

RE: REQUEST FOR RESEARCH DATA

I am a student at the University of Nairobi pursuing Master of Science in Marketing. In order to fulfill the requirements of my studies I am expected to carry out a research in my area of specialization.

This is to kindly request you to fill in this questionnaire to enable me carry out the above mentioned research. Any information provided will be used solely for academic purposes and will be treated with all the confidentiality it deserves.

Your co-operation will be highly appreciated.

Yours sincerely,

Christine Nyanduko Nyairo

APPENDIX II: QUESTIONNAIRE

Part A; Demographic Information Kindly tick the appropriate answer

Q1 Gender: Male () Female ()

Q2 Age Bracket

(A) 18 – 27 () (B) 28 – 37 () (C) 38 – 47 ()

(D) 48 -57 () (E) Above 58

Q3 Please state your position.....

Q4 How long have you been working in this hotel?

(A) 0 – 3 () (B) 4 – 7 () (C) 8 – 11 ()

(D) 12-15() (E) Above 16

Q5 Please state your educational qualification

(A)Diploma () (B) Degree () (C)Masters () (D) Professional qualification ()

Part B; Social Media presence

Kindly tick the appropriate answer

Q6 Which of the following social media pages is your hotel brand on?

- a) Tripadvisor
- b) Facebook
- c) Twitter
- d) Instagram
- e) Youtube
- f) Pinterest
- g) None

Q7 Please select 3 of the following pages that your hotel brand is most active on

- a) Tripadvisor
- b) Facebook
- c) Twitter
- d) Instagram
- e) Youtube
- f) Pinterest
- g) None

Q8 How long has your hotel brand been on the social media pages selected as per Q7?

Part B: The effect of social media use on building brand equity

Q9 Typically, how often do you post content on your social media pages?

Q10 Which of the following outline the main reasons why your hotel brand is on social media sites? (Choose the best 3 reasons)

- a) To increase brand awareness
- b) To increase brand Loyalty
- c) To improve your brand image
- d) To increase sales
- e) Advertising cost efficiency
- f) To improve customer experience

Q11 To what extent do you agree with the following statements?

	Very small extent	Small extent	Moderate	Large extent	Very large extent
Our social media pages are interactive					
Our social media efforts have helped improve our hotel brand					
Our customer reach has been increased through our active social media effort					
User-generated content has increased the credibility of					
Our page reviews are critical in determining					
Our response to customer inquiries is prompt					
Our social media content is often engaging and of value to our customers					

Q12 On a scale of 1-5 (Where 1-least contributor and 5- Most significant contributor)

Please rate the following in terms of their contribution to your hotel brand equity

	Least Contributor	Less than Average Contributor	Average Contributor	More than Average Contributor	Most significant Contributor
Page Reviews					
Customer engagement					
Star rating					
Content					
Response to inquiries					

Q13 In your opinion what are the benefits of using social media to enhance brand equity?

Q14 How would you advise hotels that wish to use social media to enhance their brand equity?

Q15 Do you think there are negatives to using social media to enhance brand equity? Describe some of these negativities.

Q16 In your opinion, how can they (refer to Q15 above) can be dealt with?

THANK YOU FOR YOUR TIME

APPENDIX III: LIST OF 3 STAR HOTELS

1. Meridian Hotel
2. Sarova Panafric-sarova hotels
3. 67 Airport Hotel
4. Nairobi Airport Hotel-sent chat for referral to relevant person
5. The Monarch Hotel
6. Sentrim 680 Hotel
7. Norfolk Towers Serviced Apts.
8. Boma Inn
9. Hotel Riverview
10. Kahama Hotel
11. Chester Hotel and Suites
12. Kenya Comfort Hotel Suites
13. Capital Inn Suites
14. Oakwood Hotel
15. Marble Arc Hotel
16. Eron Hotel
17. Decasa Hotel
18. Sunrise Hotel
19. Town Lodge Upper Hill Nairobi
20. Paris Hotel
21. Mvuli Suites
22. Emeli Hotel
23. Kivi Milimani Hotel
24. Reata Serviced Apartments
25. Hadassah Hotel
26. Kima Hotel
27. Nairobi Transit Hotel
28. Acacia Gardens Homestay
29. Hennesis Hotel
30. Silver Springs Hotel
31. West Breeze Hotel
32. Nairobi Upperhill Hotel
33. Biblica Guest House
34. The Strand Hotel
35. Pride Inn Hotel Westlands
36. Meltonia Luxury Suites
37. Bartians Peak Serviced Apartments
38. Hotel Emerald
39. Fahari Guest House
40. Diamond Plaza Apartments

41. Fedha Residences
42. Ngong Hills Hotel
43. Jacaranda Nairobi Hotel
44. Nelson's Court Serviced Apts.
45. O'Sinkirri Hotel
46. Fourth Parklands Guest House
and Conference
47. The Zehneria Portico
48. Trpical Towers Apartment
49. Tune Hotel Nairobi
50. Westend Hotel
51. Pride Inn Hotel Raphta
52. Comfort Gardens
53. Smothers Garden
54. The Luke Hotel
55. Qaribu Inn
56. Hotel Troy Nairobi
57. Park Place Hotel
58. Longview Suites
59. Bush House and Camp
60. Margarita House
61. Sportsview Hotel Kasarani
62. Ololo Safari Lodge
63. Karen Inn and Suites
64. Hope Gardens Guest House
65. Osoita Lodge
66. Purdy Arms
67. Rainbow Ruiru Resort Hotel
68. Royal Orchid Hotel

(Source: <http://www.hotels.com/de1634171/hotels-nairobi-kenya/>)