Mastering Social Media for the Future of Hospitality & Tourism: A Glocalized Approach

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CONSULTING GROUP

Introduction



Social Media Impact

Social media has transformed how hospitality and tourism businesses interact with guests, enabling them to <u>reach a wider audience</u> and providing platforms for <u>guests to share feedback</u> and experiences.

Glocalized Approach

The evolving landscape of <u>guest expectations</u> and <u>technological advancements</u> have made it crucial for businesses to adopt a 'glocalized' approach to social media strategies, catering to guests' needs in different regions and languages.

2

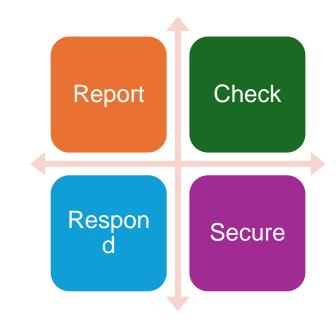
Despite the advantages, social media poses various challenges for business owners. The 24/7 nature of their operations means companies must constantly be on their guard for negative reviews and customer feedback. This can have an immediate and potentially damaging effect on a business's reputation.

Social media challenges and solutions for hospitality businesses

Platform	Negative Impact	Potential Results	Ways of Avoiding
Facebook	Negative reviews, comments or posts by customers, fake news or misinformation, hacked accounts	Decreased customer trust, loss of business, damaged reputation	Check channels regularly, respond promptly and professionally to negative feedback, report harmful/fake content, and secure the account with strong passwords and two-factor authentication.
Twitter	Negative tweets or mentions, customer complaints or feedback, trolling or harassment	Negative publicity, damage to brand reputation, decreased customer trust and loyalty	Managing a business's Twitter presence involves monitoring and responding to negative tweets, tracking mentions and keywords, and reporting/blocking abusive accounts.
Instagram	Negative comments or reviews, fake followers or engagement, influencer fraud	Decreased credibility, loss of potential customers, decreased ROI	Check comments and direct messages, respond to negative feedback in a timely manner, report any suspicious accounts or activity, carefully vet influencers and monitor their content and engagement.
YouTube	Negative comments or reviews, inappropriate or harmful content, copyright infringement	Damage to brand image, decreased visibility and engagement, potential legal issues	Moderate comments, flag inappropriate content, report copyright infringement, monitor channel analytics for negative trends/feedback, and share high-quality content to counter negativity.
LinkedIn	Negative posts or comments, unprofessional behavior by employees, data breaches or	Decreased credibility, damage to professional reputation, potential legal or financial	Monitor employee activity, establish clear guidelines/policies, provide social media training, and secure accounts/data with strong passwords and

The daily jobs

Social Media in the Hospitality Industry -Top 5 Challenges & Solutions for Hospitality Businesses by Marks Smetanin, CHM Inc.



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Key Social Media Trends



AI-Powered Solutions and Generative AI

Al-powered solutions and generative Al are transforming the hospitality and tourism sectors, providing new and innovative ways to improve customer experience, streamline operations, and increase revenue.

Big Data and Data Utilization

Big data and data utilization are driving the growth of the hospitality and tourism sectors, enabling businesses to gain insights into customer behavior, preferences, and trends.

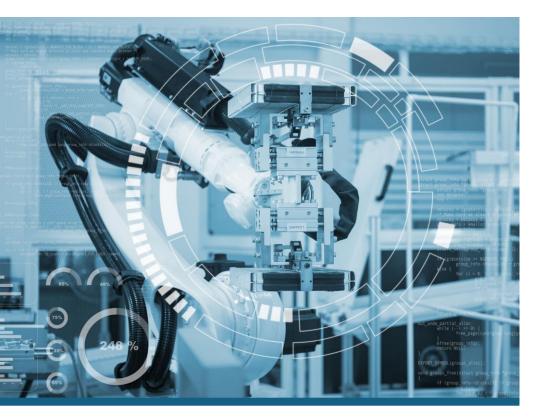
Cybersecurity

Cybersecurity is a critical issue in the hospitality and tourism sectors, as businesses need to protect sensitive customer data, financial information, and intellectual property.

Experiential Travel and Local Authenticity

The rise of experiential travel and local authenticity is transforming the hospitality and tourism sectors, as travelers seek new and unique experiences that reflect the local culture and environment.

Al-Powered Solutions & Generative Al



Personalized Recommendations

Al is providing personalized recommendations to guests, based on their preferences and past behavior. This is revolutionizing the guest experience and improving guest satisfaction.

Automation

Al is automating various processes in the hospitality and tourism sectors, from check-in to room service. This is reducing the workload on staff and improving efficiency.

Generative Al

Generative AI is enabling customized content creation, from personalized offers to automated content generation. This is improving the guest experience and reducing the workload on staff.

Balancing AI and Human Touch

Businesses in the hospitality and tourism sectors need to balance AI adoption with the Vietnamese preference for human touch, especially with affluent and elderly guests. This is crucial for maintaining guest satisfaction and building customer loyalty.



Big Data, Data Utilization & Cybersecurity

Data Collection and Analysis

Collecting and analyzing guest data is crucial for businesses in the hospitality and tourism sectors to create targeted campaigns and improve customer experiences.

Data Utilization and Privacy

Utilizing guest data responsibly and prioritizing data privacy are important considerations for businesses in the hospitality and tourism sectors to protect sensitive information.

Cybersecurity Threats

Cybersecurity threats are prevalent in Southeast Asia and can have significant impacts on businesses. Prioritizing cybersecurity is crucial to protect sensitive information and prevent data breaches.

Labor Shortage & Role Streamlining



- Streamlining roles and processes
 amidst labor shortages
- Leveraging social media for recruitment, training, and employee management
- Glocalization: Empowering Vietnamese staff as brand advocates on social media

Rise of Experiential Travel & Local Authenticity

- Travelers seeking authentic and personalized
 experiences
- Showcasing local culture, traditions, and unique offerings on social media
- Glocalization: Collaborating with local guides to create and share authentic content



The Double-Edged Sword of Social Media: Case Studies

- The Coffee House: Success through social media but challenges with operational scalability
- United Breaks Guitars: Power of social media to expose poor customer service, but limited longterm impact

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The power of Social Media 1

- UNITED BREAKS GUITAR CASE
- <u>https://www.youtube.com/watch?v=5YGc4</u>
 <u>zOqozo</u>

- In 2008, Dave Carroll's \$3,500 Taylor guitar was severely damaged by United Airlines baggage handlers.
- Despite seeking compensation, the airline refused to take responsibility. To express his dissatisfaction, Carroll wrote and produced the song 'United Breaks Guitars,' accompanied by a humorous music video.
- The video quickly went viral, reaching over 1 million views within days and turning the incident into a public relations nightmare for United Airlines.

Lessons learned

- **1. The Power of Social Media**: Social media has empowered consumers to voice their frustrations and hold companies accountable. A single viral post can swiftly damage a brand's reputation.
- 2. **Speed of Response Matters**: In the age of social media, companies must respond quickly and appropriately to customer issues to prevent them from escalating into more significant crises.
- **3. Temporary PR Crises vs. Long-Term Change**: Social media can create short-term PR crises, but it doesn't always lead to lasting organizational changes.
- **4. Customer Service as a Priority**: The incident underscores the importance of prioritizing customer service. Businesses that fail to address customer concerns risk losing customers and damaging their brand on a larger scale through social media's ripple effects.
- **5. Brand Transparency and Accountability**: Customers today expect transparency and accountability from the brands they interact with.

The power of Social Media 2

• The Coffee House's success was largely driven by its effective use of social media to engage with customers. Its cafes were designed to be visually appealing, making them ideal for Instagram-worthy photos. Customers frequently shared images of their visits, contributing to the brand's organic growth. The café also engaged with its audience by responding to posts, creating a sense of community.

• On Facebook, The Coffee House ran promotions, contests, and interactive posts encouraging customer participation. The brand understood that building a personal connection with customers was key to loyalty, and social media became the primary platform for maintaining this connection.

2023

152

WHAT HAPPENED!

OPERATIONAL CHALLENGES

 In 2024, The Coffee House closed its stores in Cần Thơ and announced plans to close all locations in Đà Nẵng. Some branches in Hà Nội and Hồ Chí Minh City also quietly exited the market. These closures were part of a strategy to reduce costs and focus on more profitable locations.

• The Vietnamese F&B industry is highly competitive, with local and international players vying for market share. Rising operational costs, stagnant customer numbers, and increased competition made sustaining its rapid growth challenging for The Coffee House. The brand has focused on optimizing operational efficiency and profitability rather than expanding further https://cafef.vn/chuyen-gi-dang-xay-ra-voi-chuoi-the-coffee-house-188240808190133551.chn

LESSONS LEARNED

• Leverage Social Media for Growth: The Coffee House's early success demonstrates how effective social media strategies can drive customer engagement, build brand loyalty, and support rapid expansion. Businesses can achieve widespread recognition without a large marketing budget by focusing on visual storytelling, user-generated content, and community engagement.

• Adaptability is Key: The recent store closures underscore the importance of adapting to changing market conditions. While social media can help attract customers, businesses must also focus on operational efficiency, cost management, and scalability. Balancing growth with sustainability is essential for long-term success.

• **Customer-Centric Approach**: Even as The Coffee House faced operational challenges, its focus on customer engagement through its app and loyalty programs helped it retain a strong customer base. Building meaningful customer relationships is critical for maintaining loyalty, even during difficult times.

• **The Importance of Community**: The Coffee House's success was built on its ability to create a sense of community, both online and offline. Businesses in the hospitality industry should focus on creating spaces where customers feel connected to the brand and each other, as this fosters loyalty and positive word-of-mouth.

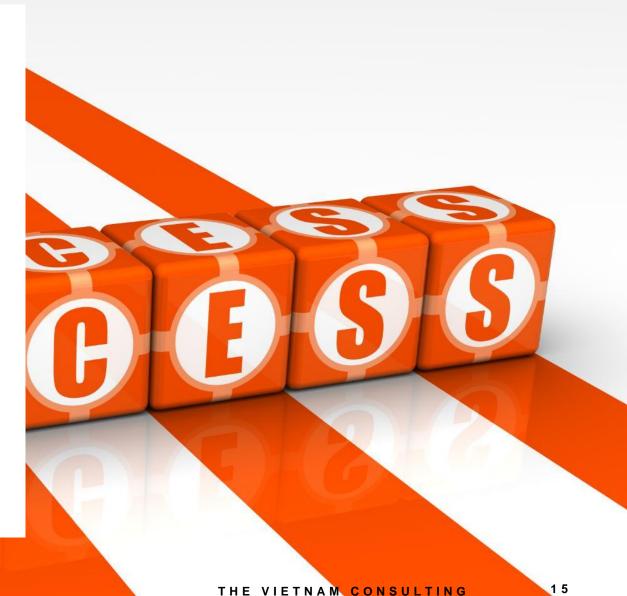
Key Takeaways

- Social media as a catalyst for growth but not a guarantee
- Need for sustainable business strategies and operational excellence
- Prioritizing customer-centricity and building meaningful relationships
- Transparency and accountability in the digital age



Conclusion

- Social media's immense potential in hospitality and tourism
- The need for a balanced, "glocalized" approach
- Combining social media skills with solid • business fundamentals
- Creating exceptional guest experiences and fostering sustainable growth



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