Social Media Utilisation and Business Performance of Hotels in Lebanon: Exploring the Moderating Effects of Hotel Classification

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ABSTRACT

Several studies on social media from a users' perspective have been conducted. However, less attention has been paid to the effect of social media on organization performance, particularly among hotels. The aim of the study is to investigate the effect of social media on hotels' business performance as well as assessing the moderating effect of the hotel classification. In this study, a structural equation modelling method has been used for data analysis. The survey data was gathered from a sample of 146 hotels in Lebanon. Data analysis results demonstrate a positive and significant relationship between social media characteristics (visibility and association but not editability) on hotel business performance. The findings present valuable implications for hotel managers to direct their social media strategy and to capitalize on the possible benefits of social media to increase the business performance of hotels. In addition, the findings could also provide useful insights into other business sectors that have the intention to invest in social media.

KEYWORDS

Business Performance, Hospitality Management, Hotel Classification, Social Media Utilisation, Tourism

INTRODUCTION

Social media is transforming the way we communicate, collaborate, share and consume (Aral, Dellarocas, & Godes, 2013). Social media is defined as a "set of online tools that support social interaction between users, facilitating the creation and sharing of knowledge, and transforming monologue (company to the customer) into dialogue" (Hansen, Shneiderman, & Smith, 2011, p. 12). It contains various Internet-based applications built on the ideological and technological basis of Web 2.0 (Kaplan & Haenlein, 2010). These applications appeared as "game changer" tools, locating the

DOI: 10.4018/JGIM.2020070104

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customer at the heart of the organization. Platforms such as “Facebook, Twitter, YouTube, Instagram, Pinterest and Flickr” have millions of users (Luo, Zhang, & Duan, 2013).

Moreover, social media has transformed how organizations relate to the market, generating new opportunities and challenges (Kaplan & Haenlein, 2010). Social media is considered a useful tool for an organization’s business goals and better business performance (Rapp, Beitelspacher, Grewal, & Hughes, 2013). Many organizations are utilizing social media to improve their business brand image and brand awareness (Nisar & Whitehead, 2016). On the other hand, the hotel industry is one of the industries that has been affected by the emergence of social media. The use of social media platforms has become increasingly relevant as part of the tourism experience because it has transformed the way that travel and tourism information is disseminated and shared (Munar & Jacobsen, 2014).

Social Media and the Hotel Industry

The specifications of social media possess various unique implications for hotels, including customers, staff, and management. According to Sigala (2011), social media provides multiple benefits for hotels; these include improving brand image, e-word-of-mouth, customer knowledge and receiving valuable feedback about hotel services. Social media provides visibility, pervasiveness, and searchability. Praise or complaints from customers in social media can spread quickly, and a positive or negative review can have a disproportionate effect on business (Schaupp & Bélanger, 2014).

Hotels involvement in social media has considered cost-effectiveness in terms of interaction and engagement with potential clients (Lim, 2010). Therefore, involvement in social media platforms provides hotels with immediate access to active users without the necessity of adding any further hardware or software (Seth, 2012). The reason is that social media sites enable users to engage in different ways. It is no surprise that numerous hotels have joined the social network space (Seth, 2012). For hotels, online consumer reviews play a primary role in consumers’ decisions today when selecting a hotel. This is particularly true according to Garrido-Moreno and Lockett (2016) who found that hotels have realized the importance of responding to customer reviews since, currently, online reputation is crucial. Consequently, the authors revealed that hotel managers individually respond to customers’ complaints and employ customer feedback as a rule to improve their services. According to Seth (2012), hotels that engage with their customers through social media can get their customers to stay and spend more, have increased repeat clientele, and get more referrals from their clients. In the same line, Garrido-Morreno and Lockett (2016) found that social media platforms help hotels to better approach their customers, improve their image and give them a touch of modernity as well as gain customer knowledge and gather good feedback to evolve new products and personalize services.

In addition, customer engagement with hotels through social media is considered an important reason to enhance hotel business performance (Garrido-Moreno & Lockett, 2016; Harrigan, Evers, Miles, & Daly, 2017). It was found that social media can positively affect small organizations’ performance in other sectors (Cesaroni & Consoli, 2015). (Siamagka, Christodoulides, Michaelidou, & Valvi, 2015) found that, within organizations, social media utilisation has the possibility of generating capabilities that could translate into helpful resources, which transform results in competitive advantages and better performance. Recent empirical evidence conducted in other sectors is in line with the above studies showing the benefits of social media. The study of Parveen, Jaafar, and Ainin (2016) found that the use of social media platforms has an influence on the business performance of the organizations, particularly regarding enhancing information accessibility, reducing marketing costs and improving relationships with customers and support services. Similarly, Odoom, Anning-Dorson, and Acheampong (2017) found that social media utilisation has a substantial positive and significant impact on organizational performance benefits. Odoom et al. (2017) stated that performance benefits could be obtained based on the following: increases in sales transactions, increases in the number of customers, and improved brand visibility.

Despite the increasing role played by social media in reforming the structure of the hotel industry, it remains not clear whether and how hotels can capture the economic value brought by their greater

visibility on social media (Neirotti, Raguseo, & Paolucci, 2016). The sustainability of social media is questioned since the actual buying over the visiting rate of social media is relatively small compared to the high number of visits (Lee & Choi, 2014). What drives social media characteristics and how and to what extent social media impact hotel performance may be dissimilar for different kinds of hotels. Researchers argue that hotel classifications are relative factors that play a significant moderating role in consumer behaviour (Pelsmacker et al., 2018; Phillips et al., 2017). However, recent literature has not shed light on the moderating effect of hotel classification on the effect of social media utilization on hotel business performance.

Also, limited research has been conducted, from an organizational perspective, examining the effect of social media use on hotel performance (Hajli & Featherman, 2017; Garrido-Moreno, García-Morales, Lockett, & King, 2018). Several authors suggest that there is a need for additional insight into how hotels can leverage social media to effectively improve their business performance (Garrido-Moreno et al., 2018; Tajvidi & Karami, 2017).

In this paper, we provide a contribution to bridging the gap by exploring the relationship between hotels' social media and the business performance in terms of increase booking rates and sales for a sample of 146 Lebanese hotels. We also conducted this analysis with the aim of assessing the moderating effect of hotel classification between their social media characteristics and business performance.

This paper contributes to the current literature in the hospitality sector by advancing our understanding of the effect of social media use on the business performance of hotels as well as the role of moderating effect for the hotel classification. The findings would benefit hotels' ability to assess their current social media utilisation and to determine the key drivers of hotels' social media that need more attention and enhancement. Effectively utilizing social media will result in attracting more international tourists and increasing hotels' booking rates as well as revenues. The findings enrich the literature and present valuable implications for hotel managers to direct their social media strategy to increase the business performance of hotels.

The rest of the paper is organized as follows. In the next section, we discuss the theoretical foundations and relevant literature used to develop the research model and our research hypotheses. Then, we describe the methodology, data analysis and discussion of the results. We close the paper with implications for research and practice, limitations and suggestions for future research.

THEORETICAL FOUNDATION

Most of the previous studies have concentrated on social media use from individuals' perspectives (Hajli, 2013; Hashim, Nor, & Janor, 2017; Sheikh, Islam, Rana, Hameed, & Saeed, 2017; Shin, 2013). However, less attention has been paid to social media regarding organizations' performance (Odoom et al., 2017; Schaupp & Bélanger, 2016). Moreover, in the hotel sector, a small number of studies have considered the effect of social media use on hotel performance (Garrido-Moreno et al., 2018; Garrido-Moreno & Lockett, 2016; Tajvidi & Karami, 2017). Organizations have different usage processes compared to consumers, and therefore, their usage may be impacted by other factors, and this is worth studying. Thus, the literature on social media has been viewed from an organizational perspective. Theories on the organizational level, such as technology organization environment (TOE) theory (Tornatzky & Fleischer, 1990) and resource-based view (RBV) theory (Barney, 1991) have been reviewed.

Resource-Based View (RBV)

RBV theory has been widely used in management research, as it provides a valuable tool for researchers to explore how social media relates to organizational performance. Barney (1991) stated that gaining a competitive advantage for the organization depends on the implementation of the organization's productive resources. According to RBV theory, organizational resources and capabilities that are

“valuable, rare, inimitable and distinctive” are considered crucial sources of competitive advantage and better performance (Barney, 1991). In the tourism and hospitality industry, Gannon, Roper, and Doherty (2015) stated that resources are the central drivers of the resource-based view. These various resources consist of physical resources, human resources and organizational resources. Physical resources include “building exteriors and interiors, geographic location, facilities, and finances”, human resources are composed of “staff and managerial skills”, and organizational resources include “culture, business processes and strategies, information technology, and knowledge sharing” (Gannon et al., 2015). According to Fraj, Matute, and Melero (2015), these several kinds of resources add to value creation strategies for travel-related organizations.

On the other hand, Trainor, Andzulis, Rapp, and Agnihotri (2014) defined capabilities as the ability of an organization to take advantage of its available resources and assets. Therefore, social media provides the opportunity to increase benefits from an organization’s IT resources and networking capabilities (Trainor et al., 2014). Regarding the hotel industry, knowledge obtained by hotels’ networking activities can encourage organizational performance (Tajvidi & Karami, 2017). Online social media sites are playing a significant role in facilitating the sharing of information between organizations and consumers (Sigala & Chalkiti, 2012). Tajvidi and Karami (2017) stated that information shared through social media is very influential in promoting the decision-making behaviour of customers in travel-related organizations.

Social Media and Business Performance

Social media is considered an innovation of technological advancement (Hashim et al., 2017). Social media, as a communication channel, helps organizations to achieve various organizational objectives, such as marketing and advertising, public relations, improving brand image, customer relationships and human resources management (Tajvidi & Karami, 2017). Prior studies have explored the organizational use of social media; however, a small number of studies have investigated its effect on organizational performance. For example, Parveen, Jaafar, and Ainin (2016) revealed that the utilisation of social media has a positive influence on organizations’ performance, particularly on “cost reduction, improved customer relations and services, and enhanced information accessibility”. Odoom et al. (2017) examined the determinants of “social media utilisation and performance benefits” among organizations. The study found that social media utilisation significantly affected organizations’ accrued performance benefits. Odoom et al. (2017) stated that performance benefits could be obtained based on the following: increased sales transactions, increased the number of customers and improved brand visibility. Hotels need to merge social media platforms so that they can be a part of their online business strategies. However, Tajvidi and Karami (2017) found that utilizing social media improves hotels’ marketing capabilities, particularly brand image and innovation capabilities, which later turn into an increase in performance. Recently, Garrido-Moreno et al. (2018) found that there is a strong pathway between social media use and hotel performance in terms of profitability, sales and customer retention. In the current study, the data will be collected from the hotels. Therefore, measuring business performance will mainly focus on the indicators that fit with hotels’ business performance. Garrido-Moreno and Lockett (2016) stated that a hotel’s business performance could be measured based on two dimensions: the effect on booking generation and effect on sales revenue. This also corresponds with Azizan and Said (2015) study; the authors used the same two dimensions to measure the online business performance of hotels.

There is no doubt that social media utilisation promotes several benefits for organizations (Schaupp & Bélanger, 2014). However, as mentioned earlier, in the hotel sector, a small number of studies have considered the effect of social media use on hotel performance (Garrido-Moreno et al., 2018; Tajvidi & Karami, 2017), even though social media use variables and measurement scales were too general and, in some cases, were vague. For instance, Tajvidi and Karami (2017) measured social media use based on the use of platforms such as Facebook, Twitter, Instagram, and YouTube. Similarly, Garrido-Moreno et al. (2018) measured social networking use based on the

frequency/extent of use and strategic importance of these platforms. Using these scales may help to identify the most used platforms and their relationships towards performance. However, social media platforms have various features and might differ from one to another. Therefore, understanding the social media platform functions and how the organizations could implement these functionalities to improve their business (Kaplan & Haenlein, 2010; Kietzmann, Hermkens, McCarthy, & Silvestre, 2011) will help in identifying a common set of scales that measure the actual usage and the business benefits of social media.

In doing so, this study seeks to fill a gap by adopting the social media characteristics of “visibility, editability, and association” proposed by Treem and Leonardi (2013). These characteristics can help us to understand how hotels are effectively utilizing social media to enhance their business performance.

Visibility is defined as “the ability of social media websites that make users’ behaviours, knowledge, preferences, and communication network connections that were once invisible (or very hard to see) visible to others” (Treem & Leonardi, 2013, p. 150). The availability of other traditional communication technologies can provide some amounts of visibility but not to the degree of social media platforms, which enable more actions to be made transparently visible to various audiences. For example, posting a status or even updating a status on a social networking website can be visible and accessible to every member of the page (Leonardi, Huysman, & Steinfield, 2013). Editability refers to “the ability to modify or revise a communicative act or content they have already communicated” (Treem & Leonardi, 2012, p. 159). Editability can also refer to “the ability of an individual to modify or revise content they have already communicated, it enables for more purposeful communication that may aid with message fidelity and comprehension” (Wagner, Vollmar, & Wagner, 2014, p. 37). Associations are defined as “established connections between individuals, between individuals and content, or between an actor and a presentation” (Treem & Leonardi, 2013, p. 162).

In addition, this study also deployed the honeycomb framework proposed by Kietzmann et al. (2011), which shows the effect of social media functionalities on business capabilities to support the explanation and measurement of social media characteristics. Kietzmann et al. (2011) identified seven functional areas “identity, conversations, sharing, presence, relationships, reputation, and groups” to analyse the influence of social media by distinguishing between these seven functional areas and their effects and implications on business capabilities for organizations. The authors suggested several recommendations for how organizations can build strategies for monitoring, understanding, and responding to various social media activities.

HYPOTHESIS DEVELOPMENT

Social media allows organizations to reach international customers with better efficiency compared to the traditional way of integrating user-generated content into products or services provided. Previous studies have found that the visibility provided by social media sites can enhance “the communication and business relationships with customers, boost traffic to organization websites, create new business opportunities, and assist in product and brand development” (Huang & Benyoucef, 2013, p. 247). In addition, Treem and Leonardi (2013) pinpointed some features that are provided through the visibility in social networking sites, such as updating posts and statuses, that turn an activity into connections, enabling users to share their comments and express their thoughts (e.g., the “like” button) on content. These features and the above literature show the link between the visibility achieved by social media use and the level of e-commerce usage for organizations.

In addition, Parveen et al. (2016) found that social media utilisation creates brand visibility for organizations. Taneja and Toombs (2014) found that organizations utilize social media platforms to support their business through electronic forms to make their products/services visible and accessible to potential customers. Odoom et al. (2017) found that the utilisation of social media has a positive and significant effect on the performance benefits gained by organizations. In the hotel industry, Neirotti et al. (2016) found that hotels’ online visibility has a positive impact on their revenue growth.

In testing whether the visibility afforded by social media affects hotels' business performance, hypothesis 1 was developed:

Hypothesis 1: Hotels' visibility through social media has a positive effect on hotels' business performance.

The rapid growth of social media has offered a great possibility to turn e-commerce from a "product-oriented environment" into "social and customer-centred one" (Wigand, Benjamin, & Birkland, 2008, p. 2). This corresponds to what was illustrated by Stephen and Toubia (2009) who stated that, in the e-commerce environment, social media had shifted market power from organizations to customers. By providing users with the time to create and shape content, editability enables more useful communication that may assist with message devotion and comprehension. By allowing customers to comment via social media, hotels can hear what the customers want, and they are able to meet their needs. By finding out what the customers truly desire and by fulfilling their needs, an increase in customer confidence and trust towards the organization and the generation of repeat customers is achieved at the same time (Zhou, Zhang, & Zimmermann, 2013).

Kietzmann et al. (2011) asserted that editability through social media was represented by sharing and conversation functionalities, and they have a strong impact on overall organizations activities in social media. In the same vein, Parveen et al. (2016) found that developing business relationships with current and potential customers via social media platforms has a positive influence on the overall utilisation of social media by organizations. For instance, social media is utilized to receive reviews from customers on the current products/services or on new/future products/services. Other studies have asserted that communicating with customers through social media leads to improving organizational performance (Garrido-Moreno & Lockett, 2016; Parveen et al., 2016). In testing whether the editability afforded by social media influences hotels' business performance, hypothesis 2 was developed:

Hypothesis 2: The editability afforded through social media has a positive effect on hotels' business performance.

The social web has altered the way customers and organizations interact and communicate. Taneja and Toombs (2014) found that social media helps small businesses to develop their business brand by engaging them in an interactive relationship with their competitors, community and the broader environment. Huang and Benyoucef (2013) found that engaging with the community through social media will help organizations to boost traffic on their websites by offering valuable information to update customers on their existing or new products, interacting with them and answering their queries as well as sharing offers or providing exclusive discounts to loyal followers. The ability to shape a new association between people and content through social media has a great influence on the social capital development of an organization (Treem & Leonardi, 2013).

Building a connection with prospective customers can increase the customer base and brand loyalty as well as the reputation of organizations (Kietzmann et al., 2011). Organizations must use social media on a regular basis, remaining active and sharing the newest content on the social media page, which will attract more visitors to their websites. Garrido-Moreno and Lockett (2016) stated that the main advantages of building an association in social media for hotels are improving image and customer proximity. Similarly, Schaupp and Bélanger (2014) found that social media use presented several advantages when used to develop relationships with customers. In testing whether the association afforded by social media influences hotels' business performance, hypothesis 3 was developed:

Hypothesis 3: The association afforded through social media use has a positive effect on hotels' business performance.

Moderation Effects in the Relationship Between Social Media Characteristics and Hotel Business Performance

Hotel classification is the key variable through which hotels can distinguish their customer services (Silva, 2015). According to Neirotti et al. (2016), hotel classification plays a vital role in customer's decision because customers give more attention to the star rating of hotels as it's one of the important attributes of their selection process. Researchers argue that hotel classifications are relative factors that play a significant moderating role in consumer behaviour (Pelsmacker et al., 2018; Phillips et al., 2017). With regard to social media, previous studies indicate that a hotel reputation (well-known brand) has a direct influence on the perceived credibility online (Xu, 2014). The quality of service available through the hotel website is generally unobservable to consumers before they consume it. Therefore, consumers make inferences using signals such as a brand name (Schlosser et al., 2006). The utilisation of social media strategies may differ for different types of hotels. According to Pelsmacker et al. (2018), the effect of social media strategies appears to be stronger for higher star-rating hotels (4 - 5 stars). The effect concentrated on room occupancy or indirectly through their effect on the number of reviews posted, or both. Taneja and Toombs (2014) stated that being visible in social media is not as easy as it may appear. It is difficult for hotels with limited resources in terms of a skilled team to remain involved in social media networking on a continuous basis and to increase their visibility. In summary, being a social media user may not be enough to achieve high visibility for the hotel. In-depth understanding and advanced use of the features of social media sites such as search engine optimisation may be required to attain high visibility. These considerations suggest that hotel classification may moderate the relationship between social media and business performance. In other words, hotel classification may affect a hotels' performance to appropriate the economic value brought by social media. In this study, we concentrate on the quality of the customer service (star-rating) and resources available for social media (Neirotti et al., 2016) because they are the main dimensions through which hotels can differentiate their services.

Hypothesis 4a: Hotel classification has a positive effect on the relation between social media visibility and hotels' business performance.

Hypothesis 4b: Hotel classification has a positive effect on the relation between social media editability and hotels' business performance.

Hypothesis 4c: Hotel classification has a positive effect on the relation between social media association and hotels' business performance.

After reviewing the literature, a conceptual model has been developed to examine the relationships between the variables of this research, namely, social media characteristics (visibility, editability, association) and hotels' business performance and the moderation effect of hotel classification (see Figure 1).

METHODOLOGY

This study aims to examine the social media effect on hotels' business performance. A part of this study uses the descriptive approach, as it includes obtaining demographic data, and part of it uses the explanatory approach to investigate the effect of relationships between variables. Additionally, this study has a quantitative approach; this method is referred to as a "research approach that mainly relies upon quantification or measurement in data collection and statistical analysis to draw conclusions or test a hypothesis" (Romeu, 2006, p. 297). The survey questionnaire is a well-known method for data collection in social science research (Cooper & Schindler, 2011). Therefore, the data gathered by implementing the instrument relied upon predetermined questions.

Figure 1. Conceptual model

Sample and Procedure

The sampling frame refers “to a representation of the elements of the target population” (Malhotra & Peterson, 2006, p. 364). As an important aspect of the quantitative study, the sampling frame is “a list of sampling subjects forming a target population from which a sample will be drawn” (Churchill & Iacobucci, 2005, p.283). In this study, 416 hotels in Lebanon are considered the total population. This number was obtained from the hotels registered in the ministry of tourism (Lebanon Knowledge Development Gateway, 2012). The model was empirically tested through data collected from hotels in Lebanon, and the unit of observation consisted of general managers and directors of sales and marketing; they were selected because they are knowledgeable about and representative of the beliefs, values, and ideas embraced by their organizations.

In the current study, a pilot test was conducted to ensure the reliability of the items. The researcher distributed 35 questionnaires to hotels that were randomly selected from the target population. There were 30 respondents. This number is enough for the pilot study (Cooper & Schindler, 2003), and the number is appropriate and suits the minimum sample needed for a reliability test (Cronbach’s alpha). A “stratified random sampling” method was conducted, and the population was represented by “multiple strata” built on hotels distributed among the four main Lebanese governorates. The selected method of delivery was a “combination of the self-administered and online survey” to ensure that a large geographic area was covered in the survey. Combining the responses of both the self-administered (134) and online survey (12), 146 usable responses, with a response rate of (50.1%), was the basis for analysis. Table 1 summarizes the demographic profile of the respondents for this study

Measures

It is essential to check the items used to determine if they have sufficient reliability and validity before sending the questionnaire to the respondents. Therefore, a Cronbach’s alpha test is used to estimate the reliability of the constructs; an acceptable reliability coefficient is 0.7 and higher. To ensure construct validity, we established the measurement items based on a comprehensive review of the existing literature as well as expert feedback. Thus, the study used scales and items to measure the constructs like the scales adapted from previous social media studies (Fox & McEwan, 2017;

Table 1. Demographic profile of respondents

Participant profile (n=146)		
Position	Frequency	Percentage (%)
General manager/owner	65	44.5
Director of sales and marketing manager	81	55.5
Total	146	100
Hotel profile		
Number of rooms	Frequency	Percentage (%)
Below 100	110	75.3
100 to 150	9	6.2
150 to 200	13	8.9
Over 200	14	9.6
Total	146	100
Hotel classification	Frequency	Percentage (%)
2 stars	1	0.7
3stars	23	15.7
4 stars	74	50.7
5 stars	48	32.9
Total	146	100

Huang & Benyoucef, 2013; Parveen et al., 2016; Treem & Leonardi, 2013). In the current study, four constructs were measured using a set of items, and every construct contains at least four to five items; 5-point Likert scales ranging from 1 (strongly disagree) to 5 (strongly agree) were utilized to measure all the items. In addition, some minor modifications have been made to the original items based on the comments, discussions, and feedback obtained from the “pre-test and pilot test” to make the items appropriate to the context of this study. For instance, some difficult and complex terms were removed and replaced with simpler terms without changing or distorting the original meaning of those items.

Data Analysis

This research uses the “partial least squares structural equation modelling PLS-SEM” to analyse the collected data. Several reasons led to the selection of the PLS-SEM approach. It is usually used to increase the explained variance of the “endogenous latent constructs”, which is also known as the “dependent variables”. PLS-SEM is “a latent variable modelling technique that incorporates multiple dependent constructs and explicitly recognises measurement error” (Hair, Hult, Ringle, & Sarstedt, 2016). The algorithm of “PLS-SEM” enables every indicator to differ in how much “it contributes to the composite score of the latent variable so that indicators with weaker relationships to related indicators and to the latent construct are given lower weightings” (Chin, Marcolin, & Newsted, 2003, p.197). PLS-SEM has a keen ability to model latent constructs under nonnormality situations and with restrictive minimum requirements based on sample size and residual distribution (Chin et al., 2003). Additionally, Hair et al. (2016) stated that PLS-SEM is suitable for explaining complex and composite relationships in a structural model.

EMPIRICAL ANALYSIS AND RESULTS

The research model was tested using partial least squares (PLS), and SmartPLS 3.0 was used for the evaluation of the measurement and structural model; these two-stage approaches were adopted by Hair, Hult, Ringle, and Sarstedt (2013).

Assessing the Result of the Measurement Model

Following the procedure recommended by Hair et al. (2013), to evaluate the measurement model, we examined the following: composite reliability to assess internal consistency and individual indicator reliability (outer loading) and average variance extracted (AVE) to assess convergent validity. A Fornell-Larcker criterion and cross-loadings were used to assess discriminant validity (Fornell & Larcker, 1981; Hair et al., 2013). Internal consistency was evaluated using the outer loadings and Cronbach's alpha. Hair et al. (2013) suggested that the recommended cut-off parameter for factor loading analysis is 0.5 in exploratory research. In this study, we found that the outer loadings for all the constructs' indicators exceeded the suggested value of 0.5. The calculation of Cronbach's alpha showed that all the constructs have high levels of internal consistency reliability, greater than 0.7.

Convergent validity was assessed based on three criteria: (i) factor loading analysis, (ii) composite reliability (CR) analysis and (iii) average variance extracted analysis, with the recommended cut-off parameters of 0.5, 0.7, and 0.5, respectively (Fornell & Larcker, 1981; Hair et al., 2013). The calculation of the Cronbach's alpha and the composite reliability revealed satisfactory reliability at the construct level, using the standard threshold criteria of 0.7 for Cronbach's alpha and 0.7 for composite reliability (Fornell & Larcker, 1981; Hair et al., 2013). The calculation of composite reliability, Cronbach's alpha and average variance extracted are presented in Table 2. All constructs

Table 2. Calculation of composite reliability, Cronbach's Alpha and average variance extracted

Constructs	Composite Reliability	Cronbach's Alpha	AVE
Visibility	0.818	0.845	0.529
Editability	0.876	0.839	0.608
Association	0.884	0.877	0.605
Hotel classification	0.882	0.763	0.461
Hotels' Business Performance	0.897	0.877	0.524

have high levels of internal consistency reliability and composite reliability above 0.7. Additionally, the calculated average variance extracted values were well above the minimum required level of 0.50. All the tests support the convergent validity of the scales. Discriminant validity was assessed based on two approaches: cross-loadings and a Fornell-Larcker criterion (Hair et al., 2013). The results showed that all the indicators' outer loadings on each of the relevant constructs are higher than all their cross-loadings. The results of the cross-loadings criterion, the correlations for the constructs and the AVE values indicate discriminant validity among all the constructs. Based on the Fornell-Larcker criterion, the test results show that all the AVEs were higher than the squared inter-construct correlations, which indicates satisfactory discriminant validity among all the reflective constructs. In summary, the tests of the measurement model show substantial evidence that the constructs demonstrate a proper measurement.

Assessing the Result of the Structural Model

The structural model was assessed to examine the model's predictive capabilities and the relationships between the constructs. According to Hair et al. (2013), structural model assessment procedures include five steps that have been tested. These steps are as follow: Step one, assessing a structural model for collinearity issues. Step two, assessing the significance and relevance of the structural model relationships. Step three, assessing the level of R^2 . Step four, assessing the effect sizes f^2 . Step five, assessing the predictive relevance Q^2 and the q^2 effect sizes.

The significance of the t-values associated with each path was tested using the bootstrap procedure of the SmartPLS 3.0 software, with 146 cases and 5000 re-samples. According to Hair et al. (2013), the generally used critical values for two-tailed tests are 1.65 (significant level= 10%), 1.96 (significant level = 5%), and 2.57 (significant level = 1%). Due to the exploratory nature of this study, the hypotheses were supported based on a significance level of 10% (1.65) (Hair et al., 2013). Table 3 shows the hypothesis testing and the significance of the path coefficients, and it illustrates

Table 3. Hypothesis testing – Significance of path coefficients

Hypotheses	Relationship	Beta	Confidence Interval		Std Error	t-Value	p-Value	Decision
			2.50%	97.5%				
H1	Visibility -> Hotels' Business Performance	0.250	0.070	0.413	0.086	2.894***	0.004	Significant
H2	Editability -> Hotels' Business Performance	0.001	-0.217	0.218	0.103	0.285	0.991	Not significant
H3	Association -> Hotels' Business Performance	0.311	0.087	0.489	0.106	2.805***	0.004	Significant
H4a	Hotel classification-> visibility and Hotels' Business Performance	0.232	0.091	0.326	0.098	1.735*	0.006	Significant
H4b	Hotel classification-> Editability and Hotels' Business Performance	-0.083	-0.266	0.120	0.098	0.622	0.534	Not significant
H4c	Hotel classification-> Association and Hotels' Business Performance	0.027	-0.280	0.303	0.154	0.337	0.736	Not significant

*** Represents $p < 0.001$ (2.57), ** Represents $p < 0.05$ (1.96), * Represents $p < 0.10$ (1.69)

that 3 out of 6 hypotheses (H1, H3, H4a) were found to be statistically significant utilizing a two-tailed test, and 3 hypotheses (H2, H4b, H4c) were found to be not supported.

The R square value (R^2) "coefficient of determination" is usually used to assess the structural model. Hair et al. (2013) referred to the R^2 value as "a measure of the model's predictive accuracy and calculated as the squared correlation between a specific endogenous construct's actual and predictive values". The R-square test results of hotels' business performance (0.605) show a moderate power of the independent variables on the dependent variables. According to Hair et al. (2013), in studies that focus on marketing issues, R^2 values of 0.75, 0.50, and 0.20 for an endogenous latent variable can be considered a rough rule of thumb and are respectively described as substantial, moderate or weak.

DISCUSSION OF THE STUDY FINDINGS

This study examines the effect of hotels' social media characteristics on hotels' business performance in Lebanon. This is different from most of the studies available in the literature, which concentrated on social media innovation from a user's perspective but not from the perspective of organizations, particularly among hotels. Using social media as an example of recent technological innovations, our study fills the theoretical gap by proposing a social media model and examining it through a data set from 146 hotels. Showing significant effects of social media characteristics, the model provides a theoretical advancement from the organizations' perspective for social media literature.

The findings show that hypothesis H1 is significant, and the p-value of H1 is 0.004 (refer to Table 3). This result is consistent with prior studies, for instance, Kietzmann et al. (2011) found that the visibility of an organization, which is represented by the social media presence and functional relationships, has a positive impact on the business performance of the organizations. The visibility provided by social media sites "can strengthen business relationships with customers, increase traffic to company websites, identify new business opportunities, and support product and brand development" (Huang & Benyoucef, 2013, p. 247). Similarly, Odoom et al. (2017) found that the utilisation of social media has a positive and significant effect on the performance benefits gained by organizations. In the hospitality industry, Neirotti et al. (2016) found that hotels' online visibility has a positive impact on their revenue growth.

The hypothesis H2 is not significant, as the p-value of H2 is 0.991 (refer to Table 3). The study results show that editability does not significantly affect hotels' business performance. This result is unexpected, as we would expect hotels to exploit the editability features provided by social media sites to communicate effectively with potential customers. The result is inconsistent with some prior studies, which have suggested that the editability afforded by social media does indeed affect the business performance of organizations. For instance, Zhang, Lu, Gupta, and Zhao (2014) found that the technological features that exist in social media platforms lead to a boost in customer involvement. In the same vein, Odoom et al. (2017) stated that interaction with customers through social media has a positive effect on the business performance of the organizations. Other studies have asserted that communicating with customers through social media leads to improved organizational performance (Garrido-Moreno et al., 2016; Parveen et al., 2016).

On the other hand, the possible reason that editability did not significantly affect the hotels' business performance is that the hotels may use software to reply quickly but not to the extent of achieving quality customer satisfaction. Excessive use of social media can cause hotels to forget their core business (Garrido-Moreno & Lockett, 2016). Editability might improve the social media utilisation of hotels but might not necessarily affect the business performance of hotels; this is supported by Parveen et al. (2016), as they found that developing customer relations through social media platforms has a positive effect on the overall utilisation of social media by organizations.

Hypothesis H3 is significant, as the p-value of H3 is 0.004 (refer to Table 3). The study findings confirm that association has a positive and significant effect on the business performance of hotels. This result seems to be consistent with that of prior studies; Garrido-Moreno and Lockett (2016) stated that the main advantages of building an association in social media for hotels are improving image and customer proximity. Similarly, Schaupp and Bélanger (2014) found that social media offered several advantages when it was used to develop relationships with customers. Kietzmann et al. (2011) stated that establishing a connection with potential customers can increase the customer base and improve brand loyalty and the reputation of organizations.

Hypothesis H4a is significant, as the p-value of H4a is 0.006 (refer to Table 3). In hypothesis H4a, we contended that the relationship between social media visibility and hotels' business performance is positively moderated by hotel classification, particularly for a higher star rating. The results confirmed that hotel classification has an influence on the social media utilization to achieve greater visibility for hotels and this may turn into more profitability. This result seems to be consistent with

prior studies, Neirotti et al. (2016) found that that greater visibility online has a positive impact on revenue for hotels with a higher star rating. Similarly, Pelsmacker et al. (2018) found that the effect of social media marketing strategies seems to be stronger for higher-star hotels. This effect may be their direct on room occupancy or indirectly through their effect on the number of reviews posted, or both.

The hypothesis H4b is not significant, as the p-value of H4b is 0.534 (refer to Table 3). The study results show that hotel classification does not significantly affect the relationship between social media editability and hotels' business performance. This result is unexpected, as we would expect that editability features provided by social media sites to communicate effectively with potential customers may be different for different kinds of hotels. Pelsmacker et al. (2018), stated that many components digital marketing plan through social media that provides for tracking and monitoring online reviews, and prompt response to customer comments have a significant impact on hotel performance. This is especially true for chain hotels and higher star-rating hotels than for independent or lower-tier hotels. In the same vein, Cantallops and Salvi (2014) found that compared with an independent or lower-tier hotel, a higher star-rating hotel may attenuate the influence of comments and reviews, because the consumer already has stable beliefs about it.

The hypothesis H4c is not significant, as the p-value of H4c is 0.736 (refer to Table 3). The study results show that hotel classification does not significantly affect the relationship between social media association and hotels' business performance. The main advantages of building association through social media for hotels are an online presence, customer service, improving the brand image as well as long-lasting reputations via the reviews posted on social media. However, given the viral power of social media, this can even damage the brand image of hotels and leading to an undesired effect (Neirotti et al., 2016). Therefore, if the utilisation of social media features not managed effectively may represent a threat more than a missed opportunity for hotels. Hotels need to be clear with their social media strategies and they need to invest for resources such as assign expert team/staff to update posts regularly, create marketing e-posters and respond to customer comments promptly. These resources may vary from higher star-rating hotels to low or independent hotels. In Hypothesis H4c, we postulated that the hotel classification has a positive effect on the relation between social media association and hotels' business performance, and hotels with higher resources will be using social media for building brand image more effectively. In the paper, we are not able to confirm this relationship due to the insignificant result.

RESEARCH IMPLICATIONS

This study offers several practical implications; it provides an understanding for owners and managers of hotels, enabling them to exploit or capitalize on the possible benefits of social media. This study demonstrated the vital role of hotels' social media characteristics regarding visibility, editability and association that affect the business performance of the hotels. A social media presence requires careful consideration of how to utilize it effectively. This must be done intentionally. Hotel management should devote considerable attention to social media characteristics and to be clear with their social media strategies. They must set a digital marketing plan that delivers for online hotel presence, tracking and monitoring customer reviews and prompt response to customer comments. In addition, investing in the resources needed to manage social media effectively will increase the economic value brought by social media features. Taneja and Toombs (2014) stated that being visible in social media is not as easy as it may appear. It is difficult for hotels that possess inadequate resources regarding skilled staff and Internet technology to be engaged in social media networking on a continuous basis and increase their visibility.

Social media provides hotels with the capability to merge ratings and reviews into hotels' pages. By building a social experience for customers and taking advantage of the exceptional components of social media from a technical, application and strategic perspective, hoteliers can create a brand

and product followers or supporters. In turn, this can make an online experience for customers more interactive and more effective, with the hope of increased booking rates and sales revenues.

LIMITATIONS AND FUTURE RESEARCH

The first limitation is that the current study only examined social media drivers in organizations at a specific point in time, and in fact, the use of a “cross-sectional survey design” does not enable the interpretation of causal inferences between constructs. The second limitation is the generalizability of the proposed model. The data were obtained from a single geographic area, Lebanon, which could hinder the generalizability of the findings to other countries. It would be difficult to confirm the degree to which the results of this study would be generalizable to other countries without additional examination. Also, the data were collected from the hotels’ sector. Therefore, the generalization of the findings to other business sectors should consider each sector individually. Therefore, it would be worthwhile for similar future studies to extend this research to cover organizations from other industries and different countries.

CONCLUSION

To sum up, this study has addressed a significant gap in the field of social media utilisation at the organizational level. Using respondents representing 146 hotels in Lebanon, this study has empirically examined hotels’ social media characteristics (visibility, editability, association) and their effect on hotels’ business performance. Also, this paper examined the moderating effect of hotel classification on the relation between social media characteristics and hotels’ business performance. It is believed that the proposed model is more appropriate to examine social media utilisation from an organizational perspective, particularly among hotels. Also, the model provides adequate measurement scales that measure the actual utilisation of social media and its benefits among hotels. The study findings are beneficial because they offer needed guidance for hotels hoping to increase their business performance (booking generation and sales revenue) by utilizing social media. The findings could also provide useful insights into other business sectors that have the intention to invest in social media.

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APPENDIX

Table 4. The variables and measurement scales

Variables	Items		References
Social Media Characteristics: Visibility	V1	Information Relevancy: We use social media to provide relevant information about our hotel's services	Adopted from (Huang & Benyoucef, 2013; Kietzmann et al., 2011)
	V2	Information Update: We use social media regularly to update product information and social content	
	V3	Paid: Our management encourages us to pay for social media ads (ex: Facebook ads) to achieve wider visibility	
	V4	Presence: Our presence on social media helps us to provide universal and quick access to the hotel's website	
Editability	E1	Improving Information Quality: Social media is used to offer accurate and complete information about the services offered	Adapted from (Fox & McEwan, 2017; Huang & Benyoucef, 2013; Kietzmann et al., 2011)
	E2	Information Sharing: Social media is used to motivate customers to share content and give their opinions	
	E3	Transparency: Social media is used to build transparency in terms of customer responses and services	
	E4	Conversation: Social media use increases our hotel customers' trust via direct conversations	
Association	A1	Relationships: Social media use increases our hotel's engagement with the community	Adopted from (Kietzmann et al., 2011; Parveen et al., 2016)
	A2	Social media use increases our customer base	
	A3	Groups: Social media use helps our hotel to target advertisements more accurately	
	A4	Reputation: Social media use increases our hotel's brand image	
Hotels' Business Performance: Booking Generation Sales Revenue	Hbp1	Social media utilisation increases our hotel booking rate	Adapted from (Azizan & Said, 2015; Parveen et al., 2016; Scaupp & Bélanger, 2016)
	Hbp2	Social media utilisation contributes to increasing the revenue	
	Hbp3	Social media utilisation leads to repeated web purchases	
	Hbp4	Social media utilisation generates new customers	
	Hbp5	Social media activities increase sales	
	Hbp6	Social media utilisation widens the sales area	
Hotel Classification	Hc1	Hotel technological resources are enough to achieve a greater online presence	Neirotti et al. (2016)
	Hc2	Hotel staff are expert in using social media platforms to promote the hotel	
	Hc3	Hotel management can invest in social media marketing	
	Hc4	Quality of customer service (star-rating)	

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