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Managing online reputation: the role of social media

Abstract

Although researchers have demonstrated that corporate communication has a direct impact on corporate reputation, we know little about the link between firms' social media communication strategies and the formation of firms' reputations in the online environment. This paper aims to contribute to this body of knowledge by studying the impact of social media communication strategies on firms' reputations. The setting for our study is the hotel industry. Given the novelty of the research question and the emerging nature of the theoretical framework, we engage in theory building through multiple case studies. The results offer insights into the challenges of developing online communication strategies that affect corporate reputation.

Keywords: Corporate reputation, corporate communication, social media, customer engagement.

Introduction

The relationship between communication strategies and corporate reputation is a subject of substantial interest to organisational and management scholars. Previous research has focused primarily on how corporate communication can support or affect corporate reputation, enabling stakeholders to know and appreciate the firm's activities (Bunting and Lipski, 2000; Gotsi and Wilson, 2001; Markwick and Fill, 1997; Wiedmann and Prauschke, 2006, Fombrun and Rindova, 1998). Other scholars have examined corporate communication in the context of long-term relationships with their stakeholders and how these relationships shape the corporate reputation (Argenti and Barnes, 2009).

Emerging research suggests that the rapid technological revolution established by the advent of the Internet has changed methods and channels of communication by creating new dynamics and interactions between firms and the public. In this context, Internet and social media are considered valuable reputation-building tools (Bunting and Lipski, 2000; Jones et al., 2009; Wiedmann and Prauschke, 2006; Forman and Argenti, 2005). Whereas previous research has demonstrated unambiguously that corporate communication has a direct impact on corporate reputation, there are few studies concerning the link between firms' social media communication strategies and firms' reputations in the online environment. This paper aims to contribute to this body of knowledge by studying the impact social media communication strategies have in shaping firm reputation. To address this topic, we select one context in which social media is widely used: the hospitality sector. Given the novelty of the research

question and the emerging nature of the theoretical framework, we engage in theory building through multiple case studies. By combining as many data sources as possible, we add richness and depth to our research findings (Miles and Huberman, 1994). We begin with a quantitative analysis of a hotel's Facebook profile to understand the level of its utilisation. Consequently, a coding procedure is used to analyse the textual data included in Facebook profiles and to pinpoint the main topics and arguments related to corporate reputations in the online environment.

This research allows us to understand what factors influence the formation of corporate reputations in the online environment. Specifically, the paper contributes to extending existing theories on the evolution of corporate reputation and clearly identifies social media both as an inhibiting and a driving factor. Our results suggest that firms that have different levels of reputation (high, medium, low) present different strategies in their communication activities.

The paper is organised as follows. First, it provides a brief review of the literature concerning corporate reputation and corporate communication. Second, we explain the methodology applied in the paper and describe the results. Finally, we present concluding remarks and some implication for managerial practice.

Corporate reputation – Background

The concept of organisational reputation plays a central role in an increasing number of studies in the management literature (Barnett et al., 2006; Chun ,2005; Rindova et al., 2005; Fombrun and Van Riel, 1997). A definition that summarises and aggregates different perspectives in this field is the following: “a collective representation of a firm's past action and results that describes the firm's ability to deliver valued outcomes to multiple stakeholders. It gauges a firm's relative standing both internally with employees and externally with its stakeholders, in both its competitive and institutional environments” (Fombrun and Van Riel, 1997, p.10). The above definition of corporate reputation suggests that a firm's reputation is an overall evaluation produced by its stakeholders and based on the stakeholders' direct experience. The corporate reputation that a firm has with its stakeholders must be regarded as a dynamic construct that influences and is influenced by different factors, such as the following: product and service quality, relationship with stakeholders, financial performance, social and environmental responsibility (Fombrun and Van Riel, 1997; Fombrun, 1998; Fombrun et al., 1999; Greyser, 1999). In other words, corporate reputation is formed over time as a function of complex interrelationships and exchanges between and

among stakeholders and the organisation in different contexts (Fombrun and Van Riel, 1997; Mahon and Wartick, 2003).

Better-regarded companies appear to strengthen their reputations by offering better quality and more innovative products and services (Fombrun and Van Riel, 1997; Rindova et al., 2005). A firm's corporate reputation depends on their corporate social responsibility (Aula, 2011; Awang and Jusoff, 2009; Fombrun and Van Riel, 1997). The social and environmental responsibility dimension captures customers' beliefs that the company has a positive role in society and towards the environment in general. These types of companies are generally expected to offer greater job security and better relative pay and have good labour relations, better health benefits, retirement benefits, employee stock ownership, and profit sharing (Fombrun, 1998). Increasingly, the favourable treatment of employees is also expected to manifest itself in heightened corporate reputation. The above-mentioned definitions of corporate reputation suggest the following:

- Reputation is an intangible asset, and it is very important for achieving business goals and competitive advantages (Mahon and Wartick, 2003; Fombrun and Van Riel 1997; Teece et al. 1997; Argenti and Druckenmiller, 2004; Balmer and Greyser, 2003);
- Reputation is the collective perception held by all relevant stakeholders, and it is developed through a complex interchange between an organisation and its stakeholders (Fombrun and Van Riel, 1997; Chun, 2005; Barnett et al., 2006; Dowling, 2008);
- Reputation is the result of past actions and stakeholders' direct experience, which influence the future expectation on the company (Fombrun and Van Riel, 1997; Markwick and Fill, 1997; Caruana and Chircop, 2000; Mahon and Wartick, 2003).

The relationship between corporate reputation and corporate communication

A firm can use its communication to mould the interpretations and perceptions of stakeholders (Rindova and Fombrun, 1999). Corporate communication can affect corporate reputation because a firm, through their chosen messages, enables stakeholders to appreciate the firm's operations, and it positively loads the perception of the firm's activities, which can lead to an overall positive evaluation of the company (Bunting and Lipski, 2000; Wiedmann and Prauschke, 2006). In our review of the management literature, we see three different conceptualisations of corporate communication: Primary Communication (the various communication effects of product and service performance, firm policies and employee

behaviour), Secondary Communication (the formal communications of the organisation, which make use of traditional communication channels that include advertising, public relations and sponsorship), Tertiary Communication (word of mouth, media interpretation and competitor communication) (Balmer and Gray, 1999). All types of communication (Primary, Secondary and Tertiary) influence a firm's reputation. Consequently, methods and channels of corporate communication should be defined in the broadest sense because stakeholders and the general public are influenced in many different ways (Gray and Balmer, 1998).

Before widespread use of the Internet, corporate reputation was shaped by unidirectional communications that firms disseminated to stakeholders who had limited possibilities to interact and react to these messages (Argenti and Barnes, 2009). The growing use of interactive social media gives stakeholders the ability to communicate with one another, to disseminate their own messages about a firm, and finally, to threaten firms' reputations. However, corporate reputations can easily be damaged. With the advent of Web 2.0, a negative message about an organisation could easily and rapidly spread to a great amount of people all over the world (Argenti and Barnes, 2009). Therefore, corporate reputations have become very fragile, as some features of Web 2.0 can generate mistrust and uncertainty (Jarvenpaa et al., 2000), including the lack of face-to-face interaction between suppliers and consumers, the lack of nonverbal cues, and the ambiguity about the real identity of counterpart. Due to the lack of direct contact with firms, consumers build online relationships with firms that have a favourable reputation. In this way, consumers can understand, elaborate and preserve several pieces of information about the firm that they will use to reduce perceived risks when they decide to buy. Corporate reputation allows for the creation of fiduciary links between consumers and firms and can be considered a "substitute for information" and an important mechanism for reducing uncertainty in virtual spaces (Kotha et al. 2001).

The arrival of social media has brought many new opportunities to the way an organisation communicates (Aula, 2011; Bunting and Lipski, 2000). Social media allow an active relationship between firms and customers (Hennig-Thurau et al., 2010) and cooperation and dialog with stakeholders (Argenti and Barnes, 2009). Social media are considered alternative channels in which firms have to play a pro-active role. These alternative channels can be considered a new source of information both for customers and firms, but they can also increase the complexity of the relationship (Vanbruggen et al., 2010). Moreover, social media allows customers to express their ideas and thoughts and, in this way, can also enhance

customer engagement, which is defined as the behavioural manifestation from a customer toward a firm – one that goes beyond purchase behaviour (van Doorn et al., 2010). It is important for a firm to understand the strategies, practices, policies and procedures of corporate communication because in this networked environment, corporate reputation can be enhanced or permanently damaged (Bunting and Lipski, 2000; Jones et al., 2009). Corporate reputation on the social web is built by the collaboration between firms and Internet users (Weber, 2009). The increasing use of social media determines that corporate reputation is influenced not by what firms do or say but also by how internet users perceive their actions (Bunting and Lipski, 2000).

Methodology

The research design was a qualitative, multiple-case study (Eisenhardt, 1989). Case studies are a preferred research strategy for examining complex social phenomena because they allow researchers to develop a holistic understanding of real-life events (Yin, 1984).

Research setting

The research setting was the use of social media in a tourism context. This setting offered several advantages. First, tourism and hospitality represent an interesting application domain to study the relationship between corporate reputation and corporate communication because the advent of Web 2.0 has forced the sector to rethink the way in which it organises its business (Buhalis and Law, 2008). The rapid growth of Web 2.0 applications provides new tools to communicate and share tourism information, generating an enormous amount of User Generated Content (UGC) on hotels, travel destinations, and travel services (Xiang and Gretzel, 2010). Second, the tourism and hospitality industries sell intangibles and perishable and heterogeneous goods that cannot be evaluated before their consumption (Litvin et al., 2008). Social media have increased the speed of information retrieval and sending (e.g., reactions to bad word-of-mouth information) and have facilitated the measurement of corporate reputation.

We focus our analysis on one example of social media, Facebook, and on its uses in the context of the hospitality sector in the Italian tourist destination of Sardinia.

Data sources and data analysis

We collected our data from several sources: 1) archival data, including governmental and business publications; 2) data shared on social media sites; (3) secondary sources, such as newspaper articles, hotel web sites, and informal observations.

Data collection occurred in three phases. In January 2011, we constructed a data set containing information about the names and the geographical locations of Sardinia's hotels using a yearbook¹ released by the Sardinia regional government. The data set contains 926 hotels subdivided into 5 categories according to the star rating attributed to each accommodation.

In the second phase (March 2011), we conducted a web search to verify which hotels in our data have an account on Facebook. We found that 255 hotels had a profile on Facebook, and they belong to three-, four- and five-star rated categories. Then, we added this information to our database.

In the final stage of analysis, we integrated the findings from the preceding stages to understand how corporate communication influenced corporate reputation. In particular, we explored the Facebook contents from both a qualitative perspective (i.e., what did the hotels communicate to customers, how did the customers react to these messages) and a quantitative perspective (i.e., how often did the customers react to hotel messages). From a quantitative perspective, we measured the number and frequency of posts and comments. Content transcripts were also coded (Miles and Huberman, 1994). We used standard cross-case analysis techniques (Eisenhardt, 1989) to look for patterns, and we revisited the data often using charts and tables to facilitate comparisons between cases (Miles and Huberman, 1994). The content transcripts amounted to over 150 single-spaced pages.

Sample selection

From our database, we decided to select the first 15 hotels that assessed the highest level of Facebook reputation during the first three months of 2011 (from January to March) (Table 1). Reputation levels were obtained by combining the following scores: the number of fans, average likes per post and average responses per post (Table 1). "Average responses per post" is the proportion of users who participated in a specific hotel conversation by contributing comments. It measures the activity of the community and the utilisation of social media or, in other words, expresses the active participation of users. It is calculated by the amount of comments over the total amount of content published on the hotel's Facebook page.

¹"Annuario degli hotel e dei camping", 2011"- Regione Autonoma della Sardegna.

“Average likes per post” is calculated by the amount of “likes” over the total amount of content published on the hotel’s Facebook page. The rating “Average likes per post” measures the hotel’s reputation because it expresses the emotional appeal of stakeholders with respect to a hotel. The emotional appeal is focused on the stakeholders’ feelings, admiration and trust in a firm (Fombrun et al., 1999). The hotels selected are classified from the highest to the lowest in terms of level of reputation (Table 1). The collection of data continued gathering from content on Facebook pages in both hotel and fan posts.

Table 1. Hotel sampling

Star rating	Hotel	Fans	Average likes/post	Average responses/post	Level of reputation
<i>4-star</i>	<i>Hotel-1</i>	12743	5,53	1,06	High
<i>4-star</i>	<i>Hotel-2</i>	5424	2,46	1,63	High
<i>4-star</i>	<i>Hotel-3</i>	3175	12,55	4,06	High
<i>4-star</i>	<i>Hotel-4</i>	1583	2,6	1,50	High
<i>4-star</i>	<i>Hotel-5</i>	1189	3,11	0,66	High
<i>4-star</i>	<i>Hotel-6</i>	906	2	0,33	Medium
<i>4-star</i>	<i>Hotel-7</i>	687	2,43	0,48	Medium
<i>4-star</i>	<i>Hotel-8</i>	484	9,2	0	Medium
<i>4-star</i>	<i>Hotel-9</i>	476	7,75	2,75	Medium
<i>4-star</i>	<i>Hotel-10</i>	302	2,4	0,50	Low
<i>4-star</i>	<i>Hotel-11</i>	269	3	0	Low
<i>5-star</i>	<i>Hotel-12</i>	182	6	1,66	Low
<i>4-star</i>	<i>Hotel-13</i>	158	2,22	0,16	Low
<i>5-star</i>	<i>Hotel-14</i>	137	6	0	Low
<i>4-star</i>	<i>Hotel-15</i>	17	2,66	0,33	Low

Findings

To test the differences between high-reputation and low-reputation hotels with respect to their ability to use corporate communication, we matched the level of reputation with the types of communication used by the hotels. It became clear after the many iterations of our data analysis that the different levels of online reputation depend on the development of six complementary forms of communications: Primary Communication, Secondary Communication, Tertiary Communication, Informal communication, Communication Reservation and Customer Engagement (see figure 1, Table 2).

Figure 1-Communication Strategies and Corporate Communication

Table 2-Online corporate communication

Categories of communication	Authors	Characteristics	Examples
Primary Communication	Balmer and Gray, 1999; Gray and Balmer, 1998	- General information about the hotels and their services.	A hotel informs their customers: <i>“We are pleased today to inaugurate the 2011 season”</i> .
Secondary Communication	Balmer and Gray, 1999; Gray and	- Advertising of different services	A hotel states: <i>“Hotel organises a</i>

	Balmer, 1998	offered at the accommodation (e.g., diving courses, kids club, wellness centres, bus services).	<i>bus service from 1st September to 4th September: Departure from the Hotel at 9:00”.</i>
Tertiary Communication	Balmer and Gray, 1999; Gray and Balmer, 1998; Hennig-Thurau, 2003, 2004	<ul style="list-style-type: none"> - Recommendations and advice from other fans; - Spontaneous information interchanged among hotel fans. 	<p>A fan asserts: <i>“After reading all the positive reviews on your hotel, we hope to come in September”.</i></p>
Informal Communication	-	<ul style="list-style-type: none"> - Active dialogue between hotels and their customers and fans (e.g., information about services, preferences about services, spontaneous dialogue). 	<p>A typical online conversation in which a fan asks for some information from the hotel: <i>“Could you give me advice on the beaches? Can I move easily from one to another? Do I have to pay for sun beds?”.</i></p>
Communication Reservation	-	<ul style="list-style-type: none"> - Communication directed at 	<p>A hotel informs their fans about a special</p>

Customer
Engagement

-

- helping clients who are in the booking process and aimed to provide information about promotional activities;
offer:
“Offer exclusively reserved for our fans on Facebook: 1-week stay with breakfast & dinner, Bougainvillea Room only € 480 per person! Just join the initiative, and when
- Communicatio
n aimed to promote cultural events, concerts, and celebrations occurring in the city or in the area where the hotel is located.
m a k i n g t h e reservation, tell us that you are our fan (valid from 30.04 to 20.05.11)”.
A hotel promotes a cultural event:
“On October 7, save the date for the great opera Madame Butterfly at Cagliari”.
- Communicatio
n initiatives aimed to collect fan opinions about new services or new products (compliments, suggestions
A hotel asks their fans:
“Any thoughts on not having the usual small fridge [...]”.
A hotel invites their fans:
“Brunch at Cagliari on Sunday, 27

- and ideas); *November includes specialties like artichokes, the angle of chocolate and much more”.*
- Communication aimed to promote events organised in the hotel (e.g., book presentations, concerts, dinner parties).

Corporate Communication and Corporate Reputation in an online environment

Despite the fact that all of the hotels analysed utilised different types of communication, our analysis revealed distinct ways in which high-, medium- and low-reputation hotels utilised corporate communication.

By examining the distinctive contents shared on Facebook by hotels and comparing them to our conceptual categories of communication (Primary, Secondary, Tertiary Communication, Informal Communication, Communication Reservation and Customer Engagement), we were able to identify the major differences between them.

First, the results lend support to the notion that high-reputation hotels do not use social media to share general information about the hotel or its products or services. For these hotels, only 4, 57 % of them were coded under the Primary Communication theme (see Table 3). At the same time, high-reputation hotels also show low utilisation of Secondary Communication (0, 58 %) (Table 3). In contrast, these hotels have a superior ability compared to others in using Informal Communication (23 %) (Table 3). A comment deserving mention is from one of the high-reputation hotels: *“These days, the sea is great!”* Similar considerations are evident in an observation from the customer engagement theme. In this case, Customer Engagement is widely utilised (Table 3) by a disproportionate value of high-reputation hotels (11, 95 %) versus low-reputation ones (3, 16 %) (see Table 3). Examples of evidence provided by high-reputation hotels include statements such as the following: *“Any thoughts on not having the*

usual small fridge?” Finally, high-reputation hotels have developed the ability to perform their commercial activities through social media. For these hotels, 23, 80 % of content was coded under the Communication Reservation theme (23, 80 %) (see Table 3).

Table 3-Relationship between corporate communication and corporate reputation in an online environment

Hotel Reputation	Primary Communication (frequency)	Secondary Communication (frequency)	Tertiary Communication (frequency)	Informal Communication (frequency)	Communication Reservation (frequency)	Customer Engagement (frequency)	Total Online Corporate Communication
High	4,57 %	0,58 %	39,40 %	20,30 %	23,80	11,95 %	100% (1366)
Medium	10 %	0,66 %	63,30 %	0	17,33 %	8,66 %	100 % (150)
Low	2,5 %	11,70 %	29,90 %	5,19 %	38,70%	3,16 %	100% (154)

The evidence regarding medium-reputation hotels, summarised in Tables 3 and 4, demonstrated a higher level of Tertiary Communication, with a disproportionate value from medium-reputation hotels (63, 30 %) versus low-reputation ones (29, 90 %) (see Table 3). A comment supporting this statement is from a medium-reputation hotel: *“After reading all the positive reviews on your hotel, we hope to come in September.”*

These hotels also showed a high level of Primary Communication (10 %) compared to high-reputation hotels (4, 5 %) and low-reputation hotels (2, 5 %). A good example is offered by this quotation from the medium level: *“In July, we closed for maintenance operations on thermal baths.”* Regarding Secondary Communication, the same considerations expressed in the case of high-reputation hotels are valid for the medium ones (Table 3). In addition, medium-reputation hotels are not able to practice Informal Communication (0 %). At the same time, these hotels also show a scarce utilisation of Customer Engagement

communication (8, 66 %) (see Table 3).

The results, displayed in Tables 3 and 4, support the notion that low-reputation hotels use social media to share information aimed at helping clients in the booking process or promoting special offers and discounts. For these hotels, 38, 70 % of comments were coded under the Communication Reservation theme. A comment supporting this statement is from one of the low-reputation hotels: *“We would like to book two rooms for 3 to 5 adults, each one with a little five-year-old girl, for the weekend. Is there availability? On the site, dates are indicated with green colour, but it does not allow me to book.”* These hotels also showed a high level of Secondary Communication (11, 70 %) compared to high- (0, 58 %) and medium-reputation hotels (0, 66 %). Examples of evidence provided by low-reputation hotels include statements such as the following: *“Hotel organises a bus service from 1st September to 4th September: Departure from the Hotel at 9:00.”* Conversely, Customer Engagement communication is scarcely exploited by these hotels (3, 16 %).

Table 4. Example Quotation

Hotels Reputation	Primary communication Example Quotation	Secondary communication Example Quotation	Tertiary communication Example Quotation	Informal communication Example Quotation	Communication reservation Example Quotation	Customer Engagement Example Quotation
High	A hotel informs its fans: <i>“Chia Laguna Resort candidate is 2011’s best Italian resort”.</i>	A hotel informs its fans: <i>“The resort’s cuisine is always new! Come to Chia for the fragrant specialties</i>	A fan states: <i>“After reading all the positive reviews on your hotel, we hope to come in September,</i>	A fan asks a hotel: <i>“How are you? Do you remember me? A hug!”.</i>	A hotel responds to a customer’s question on the reservation process: <i>“Thank you Sandra! To book or request</i>	A hotel asks to their fans for suggestions: <i>“The Chef asks: What would</i>

of 'Panino ' 'Giusto'".

further you like information, to taste please send in the us an email next at [...], or brunch?" you can . visit our website and call us toll-free".

Medium A hotel A hotel A fan - informs its informs its states: fans: fans: "This year, "Just a few "The I days until school of recommend the re- apnea of ed the hotel opening of Olbia to my our hotel!! organised a parents". We are course that ready for a is available summer to anyone season that who wants will make to have a our guests' diving stays as experience pleasant as " possible".

A hotel A hotel informs its informs fans: their fans about a social event: "This afternoon at the Hotel Gabbian o Azzurro there will be a n inaugura l cocktail "On our for the Facebook Figari page, we Film Festival" "BOOK . NOW!" to book your

*holiday at
Hotel
Gabbiano
Azzurro
directly
from
Facebook!"*

Low	<p>Hotel promotion: <i>"Located in the prestigious park of Cala Capra and in the bay, a pristine corner of Sardinia is just 4 km from Palau and 40 km from Olbia, one of the most beautiful places on the Island".</i></p>	<p>Hotel promotion: <i>"Hotel Speraesole is the ideal place to celebrate the most important day of your life".</i></p>	<p>A fan suggests: <i>"I would recommend it to anyone"</i></p>	<p>A fan asks a hotel: <i>"Where is this hotel?"</i></p>	<p>A hotel responds to a fan's question about the reservation process: <i>"For more information, phone [...] or email [...]".</i></p>	<p>A hotel informs their fans about a social event: <i>"Music and Taste, an evening with a typical menu [...] Truly incredible evening and a full immersion in music and Sardinian culinary</i></p>
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Discussion and Conclusion

Our objective in this study was to understand the relationship between a firm's reputation and the use of corporate communication in a social media context. We studied the impact of these new communication tools on firms' reputations by analysing the different communication strategies deployed by hotels in an online environment.

Our study adds a different voice to the debate on the relationship between corporate communication and corporate reputation (Bunting and Lipski, 2000; Wiedmann and Prauschke, 2006; Argenti and Barnes, 2009; Jones et al., 2009) by providing the recognition that with the advent of social media, firms may now use different online forms of communications that allow them to shape and manage their corporate reputation.

Social media can be considered a key element of a company's communication mix. A well-crafted online strategy, combining the right mix of social media tools, can contribute to a positive reputation. Previous literature asserted that the formation of corporate reputation is influenced by different drivers, such as the quality of products offered, the relationship with stakeholders, advertising and promotional campaigns, economic performance and customer satisfaction (Davies et al. 2003; Fombrun, 1998; Rindova et al. 2005; Roberts and Dowling 2002). We found that in the online environment, corporate reputation is influenced by six different types of communication.

Previous research recognised corporate communication as a three-part process (Primary, Secondary, Tertiary Communication) (Balmer and Gray, 1999) in which the role of Primary Communication and Secondary is to present a positive image of a firm for a strong reputation and to shape the perception for the firm's stakeholders. In line with this idea, our findings support the notion that Primary and Secondary Communication in the online environment is related to all messages emitted by managers and employees and through a firm's product and advertising. Our results are consistent with past studies on both Tertiary Communication and User Generated Content (UGC) (Balmer and Gray, 1999; Hennig-Thurau and Walsh, 2004; Litvin et al., 2008). What is interesting, however, is the effects Tertiary Communication has in contributing to the development of corporate reputation and trust. We found that Tertiary Communication contributes to influencing a fan's initial perception of firms due to information disseminated in the online environment.

Our work extends the research on multichannel distribution (Neslin et al. 2006; Vanbruggen et al. 2010; Hughes, 2006). We contribute to this stream of research by showing that social media are a channel by which the firm provides information, delivers services and responds to customers' requests. Because of social media, firms are able to establish and maintain more direct relationships with their customers and manage their corporate reputation. Indeed, stakeholders can influence corporate reputation when they are involved in a relationship with a firm.

Previous research established that engaged customers can contribute to the long-term reputation of a firm because these customers may create and disseminate information related to the firm that can be used by other constituents creating a reputation for the firm (van Doorn et al., 2010; Bijmolt et al., 2010; Verhoef et al., 2010). Our study complements these earlier studies by contributing toward a better understanding of firms' communication strategies that are directed at addressing and involving customers in all of a firm's activities. Our study demonstrates that some initiatives arranged by firms through social media express an interest from the firm in creating a community among customers. Social media networks can be very beneficial for firms because they can assist in creating a community among customers concerning their services. Participation in a community means that participants fall into part of the group, and it determines the reinforcement of the relationships between hotels and their fans. This strong relationship is able to strengthen a hotel's online reputation. Highly engaged customers can be a crucial source of knowledge, helping firms in a variety of activities, ranging from ideas for designing and developing new products to suggestions for modifying existing logos. Customers who perceive the company to have a good reputation would be expected to be more willing to engage in positive word-of-mouth behaviour than those customers who do not perceive that the company has a good reputation. This means that companies with very good reputations will stimulate positive word of mouth, while companies with very poor reputations may stimulate negative word of mouth.

The findings in this study also highlight a number of significant implications, not only for academics but also for professionals and managers. We assert that the growth in Internet use and the use of bi-directional communication among stakeholders provides firms with new tactical options for building and protecting their corporate reputation online. To be successful in online corporate reputation management, firms should take into consideration and monitor the impact of third-party communication. Successful online corporate reputation management requires integration of the corporate communication functions. Communication function integration is also required for improved coordination. Corporate communication managers

must work in a synergic way inside of the firm to understand and govern the communications provided through social media.

In our study, we have only analysed content shared on one social media website. In practice, firms also share information on Twitter, Youtube, Flickr and Foursquare. YouTube, Flickr and Trivago have also gained substantial popularity among travellers. The abovementioned social media websites assist consumers in posting and sharing their travel-related comments, opinions, and personal experiences, which then serve as information for others. Future research can extend the analysis to other social media tools.

In addition, a quantitative analysis on the correlation between the different variables detected in our research is needed to validate our result.

In conclusion, we should recognise the important limitations of this study. Clearly, the size of our sample means that we can only provide preliminary results. We should extend our research to other tourist destinations to foster our results.

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