



**EXPLORING DIGITAL MARKETING TRENDS &
OPPORTUNITIES IN THE HOSPITALITY INDUSTRY**

BY

MS. PRATHANA PAWA

**AN INDEPENDENT STUDY SUBMITTED IN PARTIAL
FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE
OF THE MASTER OF BUSINESS ADMINISTRATION
(GLOBAL ENTREPRENEURSHIP)**

**INTERNATIONAL MASTER IN BUSINESS ADMINISTRATION
FACULTY OF COMMERCE AND ACCOUNTANCY
THAMMASAT UNIVERSITY**

ACADEMIC YEAR 2017

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INDEPENDENT STUDY

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ENTITLED

EXPLORING DIGITAL MARKETING TRENDS & OPPORTUNITIES IN THE
HOSPITALITY INDUSTRY

was approved as partial fulfillment of the requirements for
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Chairman



(Suthikorn Kingkaew, Ph.D.)

Member and Advisor



(Surapit Promsit, Ph.D.)

Dean



(Associate Professor Pipop Udorn, Ph.D.)

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Independent Study Advisor	Surapit Promsit, Ph.D.
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ABSTRACT

The purpose of this business research to study the current trends in the Digital Marketing Industry (focusing on the hospitality sector) and explore opportunities of launching a business and service to match this demand. This study starts off by looking at the overall online marketing trends and dives deeper in studying current trend & demand and existing Online Marketing / Social Media Marketing business in the Thailand Market. Apart from secondary research, in depth interviews were conducted with Digital Marketing Company owners, stakeholders with businesses in the hospitality industry and marketing professionals in the hospitality industry. These in depth interviews helped with understanding the current demands of the market, current trends and what to expect in the coming years. Service offerings for Online Marketing companies were also discussed to be able to understand the different and similar offerings each companies provides, and also to identify which services offerings are in demand and should be provided.

Keywords: Digital Marketing, Online Marketing, Social Media, Marketing, Agency, Hospitality

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I would like to express my deepest gratitude to my family for being my strength of pillar and always believing in me throughout this journey. It hasn't been easy doing a part time MBA over 2 years while working a full time job. In these past 2 years I have experienced the most changes in my working career as I have changed two jobs over the course of my MBA program. It has not been an easy ride but I am proud of the decisions I have made and content with where I am today.

I would like to thank my friends and relatives for always listening to my ever changing ideas and giving me valuable feedback and insights. Another person I would like to thank is Ajarn Edward Rubesch. When I initially started my courses at IMBA, I had expressed to Ajarn Ed that my biggest passion is food – and every single business I think of always somehow related to food. While I thought I was limiting myself to one industry, Ajarn Ed always pushed me to pursue my passions. After months and months of non-materializing ideas, one day it struck me to explore opportunities where I would be providing a product or service to the Food & Beverage Industry, whereas previously I was looking for opportunities in the Food & Beverage industry.

I also have to thank IMBA for the Business Trip to the US, it was eye opening experience and gave me an opportunity to interact and learn from many different types of entrepreneurs and businesses.

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Ms. Prathana Pawa

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CHAPTER 1

INTRODUCTION

1.1 Industry Overview

The decision to do a business research in exploring opportunities in the Digital Marketing in Thailand's Hospitality Industry was a result and a combination of a wide exploration phase of the Food & Beverage sector – both businesses in Food & Beverage (i.e restaurants, hotels, bars) and businesses supplier services / products to the Hospitality Industry. As an individual with a very strong passion for all things food related, a lot of exploring, brainstorming and researching was done to find a potential business opportunity directly related to the Food & Beverage industry.

This business research topic was a result and linkage between the Hospitality industry and also one of the biggest trends in the world, which is Online Marketing. (which covers the more commonly known Social Media Marketing)

Marketing through online platforms, namely social media has been one of the most talked about trends in the past couple of years. Traditional media was predominantly the marketing approach that companies opted for in the past, but with the rise of Social Media marketing, companies are steering away from main stream traditional marketing tools which are often more expensive and unable to reach a wider target market. The social media marketing approach can appeal to small startups, SMEs and corporates alike, as traditional media are often too expensive for smaller and newer companies. Companies are now engaging in platforms such as Facebook, Twitter, YouTube, LinkedIn and Instagram.

Of course the second side of the equation is the B2C impact of Social Media on the Food & Beverage industry. According to research done by TrackMaven, in the

Thai Market, the hospitality sector is seeing its highest social media growth - with the highest follower growth as compared to other B2C sectors. (other B2C sectors are telco & cable, consumers' products, retailers, entertainment, apparel, insurance, restaurants and automakers). The follower growth rate is around 53% although the engagement level is middle-of-the-pack as compared to other B2C industries. Also interesting enough, restaurants have the third highest engagement ratio, down from automakers and insurance sectors. (Track Maven, 2016 Social Media Impact Report: B2C Industry Edition, n.d)

Thus lies the research question, "Is there an opportunity to launch a Digital Marketing Company catering to the Hospitality Industry given the current trends?"

1.1.1 Digital Marketing

Digital Marketing is the practice of using digital channels and online/offline platforms to promote marketing activities. Online marketing and social media marketing are both subsets of Digital Marketing. Digital marketing includes email marketing, social media marketing, search engine optimization, search engine marketing, influencer marketing, campaign marketing, video marketing, content marketing. 10 years ago people did not spend half as much time online as they do that, what this means for marketers is that they need to put more effort online marketing whereas offline marketing was the only focused channel.

1.1.2 Types of Social Media:

Social media is a collective of all forms of online communication channels, sharing of ideas and information on different online platforms. Social media has a lot of versatility in usage as it allows people to keep in touch, connect, share experiences/ideas and build a community. In the past couple of years, Social Media has become a medium for businesses to market themselves, reach out to consumers and vice versa. The different types of social media are as follows:

Facebook:

Facebook was founded in February 2004 and it serves as a medium for connecting people from all around the world. It also enables companies to market themselves and advertise their businesses. Facebook now has more than 1.8 million active users. (Maina, 2017)

Twitter:

Twitter was founded in March 2006 and allows users to interact with people all around the world. And it also allows businesses and professionals to interact with one another, ask questions, answer questions, advertise and quickly spread latest news by simply retweeting. Twitter limits each post to only 140 characters, and forces messages to be succinct and makes it very easy for users to spread content by simply retweeting. (Maina, 2017)

Google+:

Google+ was launched in December 2011 and now boasts 500 million users. Google+ adds a lot of value in terms of SEO and is commonly used amongst small businesses. (Maina, 2017)

LinkedIn:

LinkedIn was founded in December 2002 and crafted its niche in being a social media site for professional networking. LinkedIn allows professionals to connect, allows companies to connect with potential employees and for employees to connect with future employers, for users to connect across industries or same industries and so on. It currently has around 400 million users. (Maina, 2017)

Pinterest:

Pinterest was launched in March 2010, and is a digital platform that allows users to pin content on bulletin boards. Pinterest now has around 120 million users, with more than half of their users being women. (Maina, 2017)

Instagram:

Instagram stands out as a visual social media platform and was launched in October 2010. It has 400 million users and is now owned by Facebook. (Maina, 2017)

Youtube:

Youtube is a video based social media website and was founded in February 2005. It was later acquired by Google and is the 2nd most popular search engine after Google. (Maina, 2017)

1.2 Social Media Industry and Trends

Social Media Marketing is one of the most talked about trends in the past couple of years. Companies are steering away from main stream traditional marketing and opting for Social Media Marketing which is often less expensive and appeals to a wider target market. SMM approach appeals to start ups, SMEs and corporates alike, as traditional media are often too expensive for smaller and newer companies. Companies are now engaging in platforms such as Facebook, Twitter, YouTube, LinkedIn and Instagram.

According to research done by TrackMaven, the hospitality sector is seeing its highest social media growth - with the highest follower growth as compared to other B2C sectors. (other B2C sectors are telco & cable, consumer products, retailers, entertainment, apparel, insurance, restaurants and automakers). Also interesting enough, restaurants have the third highest engagement ratio, down from automakers and insurance sectors. It's becoming increasingly hard to achieve results purely from organic social traffic. This year Facebook changed its algorithm which caused less traffic to be sent to content sites. Rather, the social media platform prioritizes posts shared by friends and families, rather than those from publishers and brands. Companies will continue to increase the amount spent on social media - it is forecasted that by 2017, marketers will

spend up to US\$35.98 billion on social advertising. (Track Maven, 2016 Social Media Impact Report: B2C Industry Edition, n.d) With such a strong trend in digital marketing, all companies and brands now have to incorporate social media strategies into their business plans.

1.3 Thailand Overview

1.3.1 Digital Trends of Thailand 2017

A snapshot of Thailand's key digital statistical indicators are as follows. Total population in Thailand is 68.22 Mil, number of Internet users is 46 Million, active social media users are 46 million, mobile subscriptions are 90.94 million and lastly number of active mobile social users 42 million. Since year 2016, Internet users have increase by 8 mil people (or 21%), active social media users have increase by 21%, mobile subscriptions have increase by 10%, and active mobile social users have increased by 24%. Average duality use of the internet via PC or Table is at approx. 8 hours and 49 mins. Average daily use of the internet via mobile phone is 4 hours and 14 mins. Average daily use of social media via any devise is 2H and 48 mins, and average daily television viewing time is 2 hours and 26 mins. (We Are Social, Global Statshot Digital In Q3 2017, n.d)

As for internet usage, there are around 46 million total number of active internet users, with 67% of Thailand's total population as internet users, 44.85 million are active mobile internet users which makes up for 66% of the entire population. 85% of the entire population uses the interview every day. There has been a 42% from 2016 in terms of laptops and desktops usage but an increase of 47% in mobile phones usage. (We Are Social, Global Statshot Digital In Q3 2017, n.d)

46 million people are active social media users. That's 67% of the population. 42 mil access social media via mobile, with 62% of the populations are mobile social media users. Facebook with the most active social media platform with 65% of populations, closely followed by YouTube (social networks) at 64, then in order of Line, FB Messenger , Instagram, Google, Twitter, LinkedIn, WeChat, Pinterest, WhatsApp and tumbler. (We Are Social, Global Statshot Digital in Q3 2017, n.d)

According to research conducted by Isentia, Thailand has 18 daily and biweekly national newspapers, over 400 magazines, 520 commercial and 7,000 community radio stations, 6 national free-to-air and 125 digital satellite and IPTV television channels. With the rise of social media and it's influencer, a lot of reader and viewers have become fragmented across traditional and digital medias. With such a vast change and the different options available in the media landscape, companies have become more aware of the important of digital platforms. (Understanding Thailand's media industry, n.d)

1.3.2 Thailand's Media Industry

Thailand's media industry is vast and stronger growing, with a strong base of traditional media and large shift to digital platforms.

1.3.2.1 Traditional Media

According to research conducted by Isentia, Thailand has 18 daily and biweekly national newspapers, over 400 magazines, 520 commercial and 7,000 community radio stations, 6 national free-to-air and 125 digital satellite and IPTV television channels. With the rise of social media and it's influencer, a lot of reader and viewers have become fragmented across traditional and digital medias. With such a vast change and the different options available in the media landscape, companies have become more aware of the important of digital platforms. (Understanding Thailand's media industry, n.d)

Print media has disadvantages in terms of limitations of reaching consumers and other those that are in the distribution zone of printed media or in the vicinity have access to traditional print media. While social media and online platforms on the other hand lends it hand in support existing, new and potential customers anywhere.

With the merging data that shows evident change in consumer behavior of becoming more and more dependent on not just the internet and computers, but more so on mobile phones, applications another electronics – it is hard to ignore the impact that online and digital media when it comes to one's decision making.

1.3.2.2 Digital Media / Online Marketing

According to statistics provided by the DAAT (Digital Advertising Association of Thailand), there are 30 million Facebook subscribers, 26.2 million Youtube subscribers, 3.5 million Twitter subordinates and 1.7 million subscribers on Instagram. (Vichienwanitchkul, 2015) Online Marketing is a great way to push products and service offerings across online platforms (social media, news forums, websites, web boards) and to a large base of internet users. Companies can use social media to attract traffic to website (Instagram, Facebook, YouTube, twitter accounts) and also to create awareness about their product/service. By year 2020, the Social media marketing industry is projected to grow annually at 26.2 percent rate. The Digital Agency Association (Thailand) has forecast that ad spending on digital media will likely reach more than Bt10 billion in the coming year. (Vichienwanitchkul, 2015)

CHAPTER 2

MARKET OVERVIEW

Having confirmed that Online marketing is the biggest trend and has high demand across all industries, the focus also lies on which industry to penetrate in offering these services. With the evidence of the ever growing Hospitality industry and the trends of online marketing – this research aims to focus on the trends and opportunities of online marketing in the Hospitality sector as a defined niche.

2.1 Market Niche

The hospitality industry is comprised of many sectors, not just hotels which is the general connotation. In fact, the hospitality industry includes segments such as hotels, F&B companies, restaurants, bars, travel and tourism businesses.

2.1.1 Hospitality Industry

The Hospitality Industry globally is the fastest growing industry. According to the World Travel and Tourism Council, “The hospitality industry is growing at 4.3 percent per year versus 3.0 percent for the total global economy. (What is the Hospitality Industry, n.d) Hotels and other accommodations (ranging from 4 star hotels to bed and breakfasts) make up for most of the Hospitality Industry.

Thailand’s hospitality sector experienced increased tourist arrivals reaching 29.9 million in 2015 and generated a record \$42.5 billion, a 18 percent increase from 2014. Growth in the country’s tourism sector is expected to continue, with the Tourism Authority of Thailand has set a 2017 target of 36 million international tourist arrivals with estimated revenues reaching \$55 billion, 9.8 percent increase from 2016.” (Thailand Food Service – Hotel Restaurant Institution 2016, 2016)

There has been an increased penetration and usage of technology. People are using their smartphones or tables to look up menus, read reviews, ordering delivery/take out or to make bookings. With more and more consumers preferring to go online for information, businesses have no choice but to have an online presence as well. Social media provides companies with many branding advantages such as Exposure, Engagement, Advocacy and Increased awareness/sentiments. Visual content is another key element to reach online consumers, it's not only more likely to be viewed but it's also more than likely to be shared across all social media channels. (Digital Marketing Trends for The Hospitality Industry In 2017, n.d)

With information readily available online and with consumer behavior changing to making more purchases of goods and services online, the hospitality industry has benefited. The number of hotels bookings made online have increased by 50% since 2010. With information readily available for consumers to research about products and services they want to buy (i.e which hotel to stay at, hotel ratings, restaurants, bar and more).

A subset of the hospitality sector is the Restaurant industry. "According the the Office of National Economic and Social Development Board -Thailand's restaurant sector continues to grow due to increased spending. Increasing urbanization, high disposable income, and increased trends towards eating out. Other trends include: expansion of online sales channels and online marketing, using technology in the restaurants to increase sales and customer relationship management. The increase in the daily minimum wage has effect on more net income". (Thailand Food Service - Hotel Restaurant Institution 2016, 2016)

There has been high growth in the number of hotels, restaurants and other outlets in the Thai Market. There are approximately 100,000 restaurants in Thailand and

more than 6,000 hotels and resorts. (Thailand Food Service – Hotel Restaurant Institution 2016, 2016)

2.2 Digital Advertising Spending in Thailand

The total spending on digital advertising in Thailand in 2016 was 9.5 million Baht and it is forecasted to increase by 24% in 2017. (Thailand Digital Advertising Spend 2016-2017, 2017). The different advertising disciplines that online marketing agencies spend on are Search (SEO/SEM), Display banners, Online Videos, YouTube Ads, Facebook Ads, Instagram Ads, Twitters Ads, LINE, Instant messaging, Social Influencers (Page influencer, blogger, seeding), Native Ads, and Creative (online video production, web banners production). According to research conducted by TNS, Retail Shops/Stores and Food Outlets & Restaurants accounted for 515 MB in ad spending in the Thai Market. (Thailand Digital Advertising Spend 2016-2017, 2017).

It was mentioned earlier that Hospitality was the niche market chosen and with a total spending of 515 MB on just digital advertising, that gives a good idea of how big the market for Digital Marketing really is. Digital Advertising makes up for only 1 type of service provided by Digital Marketing agencies. Other service offers will be discussed in the next section under Services offered by Digital Marketing companies.

Print media became a disadvantage as there is the limitation to reach to the consumers in the large area. The social media and online platform will support businesses in reaching existing, potential and new customers.

2.3 Services Offered by Digital Marketing Agencies

EDM

EDMs are Electronic Direct Mail, where marketing content is sent out to an email database to current or potential customers.

Pay Per Click (PPC) Advertising

Under nonpaid advertising falls Pay Per Click or PPC advertising, which focuses on targeted keyword searches. This helps with allowing users to see companies/businesses at the top of their search on google. It's a good way to build brand awareness although it may not result in any conversions, as do other forms of advertising. (Jordan, 2016)

Influencer Marketing

Influencer Marketing is another way to boost brand awareness by using existing influencers in the industry to help promote your brand, help in expanding your networking in the industry as well as building valuable partnerships. (Jordan, 2016)

Search Engine Optimisation (SEO)

“SEO is a type of marketing which main goal is to get you to rank higher up in Google searches.” (Jordan, 2016)

Social Media Marketing

Social media marketing is beneficial especially for B2C companies in connecting with customers socially – on Facebook, twitter, Instagram and so on. (Jordan, 2016)

Content Marketing

“Content marketing is a method of digital marketing that uses good content that your customers want to read to encourage new sales and leads online. It can be content anywhere – from YouTube to podcasts, tweets to infographs – but most often it’s blog content on your website, driving new traffic through search engines like SEO.” (Jordan, 2016)

Photography / Videography Services

Photography and Videography services are used to contribute for advertising purposes for content on social media platforms. (product photography, food photography, restaurant photography, promotional photography and so on)

Website Development

Customer built websites according to client’s needs. This includes choosing a domain, designing the look of the website, layout and more.

Graphic Design

Graphic Design services are offered to help design images, infographics, logos, ads and other content needed for marketing purposes.

2.4 Opportunities

As organic social marketing has become more and more difficult day by day, most leading businesses have turn to use paid social advertising. Facebook, Twitters, or Instagram ads have become a norm for brands to be seen on social mediums. This campaign will target each of the prospective customers. In the beginning only online marketing strategies will be used to reach out to target customers, but offline marketing strategies will be a future consideration as the investment is much higher for traditional marketing channels such as magazine advertisement. As for online

marketing, a Facebook page, Instagram Page and website will be created for Brand awareness, brand building, branding and brand recognition. To help promote and build on branding and in order to reach out to target customer segments, online advertisement will be used to promote Instagram and Facebook page. The advertisements will be used to communicate that my social media agency specializes in the hospitality sector and highlighting what services we offer.



CHAPTER 3

RESEARCH METHODOLOGY

3.1 Research Strategy

This Chapter will include the research methodology and process undertaken for this business research. Under Research Methodology, the research strategy, research techniques approach, type of analysis and the research limitations of this project will be discussed.

Two types of market research methods will be used in conduct this research, primary and secondary information. Primary will through telephone interviews and in depth face to face interviews. Secondly research will come from reports found on websites, research conducted by organizations, blogs written about the social media industry and from talks made by industry forefronts.

The research conducted will also be targeted at two different samples. First group will be existing Digital Marketing / Social Media agencies within Thailand and the second group will be Traditional Media business supplying to the Hospitality sector. This is done to clearly understand the current competitors/offerings in the market and current demand that exists in the market as well.

This chapter includes the research strategies used to conduct the research for this study. Research limitation and findings of the project are also mentions. The main method used in collecting data for this research was through Secondary Research as presented in the first 2 chapters, and primary research which is to be discussed in the next section.

3.2 Primary Research

3.2.1 Interview Discussion Guide

As a nature of the in-depth interview, the questions will be open-ended. That is, it is conversational and dynamic. The questions largely depend on the responses from the interviewees. However, in order to ensure the standardization of each interview, the discussion guide is developed to cover all the points to be asked.

Set 1: Questions for Digital Marketing Companies

What prompted you to start this business? Why did you start it?

How many employees do you have?

What services does your company provide?

What are the current trends in the market?

What do you see as future trends?

Do you run the show or also outsource employees to help?

How do you price yourself? How is it compared to your competitors?

Set 2: Questions for professionals using the services of Digital Marketing Companies

Do you currently work with any Digital Marketing agencies?

If so, do you work with agencies that specialize in a particular industry?

If so, what services do you seek from them?

What services do you want agencies to offer?

What are current agencies lacking?

Would you be able to share which Digital Marketing Company you have used in the past and currently use?

Set 3: Questions for professionals working in /supply products or services to the hospitality industry

What is your current profession?

What products /services do you currently supply to the hospitality industry?

What are the latest trends you see in the market?

Are your customers in the Hospitality industry requesting for a product or service from you?

What are the pros/cons of working with clients in the hospitality industry?

What are your inputs on the online marketing industry in Thailand?

Do you currently offer any online marketing services to your clients?

How have you seen the shift in the marketing industry from offline to online industry?

3.2.2 In-depth Interview with Industry Professional

This first in depth interview was done with the owner of Premier Print & Products. A leading company supplying premiums and gifts to the hospitality industry and also the holding company of a Magazine in Thailand. The owner has 30 odd years of experience and a huge network in the hotels industry in Thailand. With the owner having more than 30 odd years' experience and network and having run the company for 20 years and the magazine for 7 years. Previously they offered services of Print Media and offer additional services of EDM, but now they have also shifted their focus to online marketing services. The owner shared that in the past 2 years, enquiries regarding Social Media Marketing has increased by double and more than half of the hotels he's currently working with have mentioned they need help with online marketing.

I questioned the owner for his reasons to expand his service offerings and his simple answer was that it was because of the demand of his customers. If his customers are demanding something, and he doesn't offer it then they're going to get it from somewhere else. Another important thing to realize is that some of the capabilities for expanding their services were already used in house anyways, but the question was of how to commercialize and market those in house services to end customers. This would allow customers to not only engage in traditional media but also online media – which they wouldn't have had exposure on earlier.

Although Premier Print does not have expertise in Online Marketing and is not a Digital Marketing Company, it was able to offer some of the same services as Digital Marketing agencies. Some of the services are EDMs, social media management, graphic design, photography/videography services and content writing. By using their in house staff who were already performing these activities for Premier Print's magazine, Premier Print were able to utilize the same resources and offer services directly to their customers. The owner also mentioned that he is certain that the trend of online marketing is here and the demand for it will only increase day by day. Businesses that ignore this trend, will definitely be in trouble in the next few years.

3.2.3 In-depth Interview with Owner of Digital Marketing Agency

E-Media is one of few digital marketing agencies in Thailand that markets itself as specialized on the hospitality business. They provide services such as social media marketing (hotels, restaurants, spas and attractions), video content & photography, web design / web development, influencer marketing, marketing for restaurants and so on.

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photography, web design / web development, influencer marketing, marketing for restaurants and so on. I had the chance of conducting an in-depth interview with the owner of E-Media, Mr. Daniel Villota. He explained to me that prior to starting a Digital Marketing company, his interest was in e-marketing for restaurants and restaurants reservations which is called E-Table Asia. Due to the fact that he was trying to enter the restaurants reservation industry too early and was way ahead before the trend caught on, he was rejected by many restaurants and his businesses of table reservation never took off.

But through that experimentation and talks, restaurants mentioned to him that they were in need of help for managing their social media / creating a website / making online menus and so on. This is what sparked his idea to start up E-Media – which is an Online Marketing company specializing in the hospitality industry. He is a self-taught Digital Marketing professional and now has one branch in Phuket and one branch in Chiang Mai. His plan is to develop a base in those 2 big cities before making his way for Bangkok.

His pricing structure starts as little as 30,000 Baht per month depending on what the client wants. His passion for restaurants and the service industry brought him down this path and he is now dedication to helping restaurants/businesses to enhance their online presence, increase brand awareness and most importantly drive sales.

Daniel also added that the Online Marketing Trend is not a fad and is a trend that will stay for years to come, only the evolution of it will be a difference. He expects the industry to double in the next few years, making it very attractive for entrepreneurs to invest in such companies as well.

3.2.4 In-depth Interview Hotel Marketing Professional

I also conducted an interview with Khun A (Name changed for confidentiality purposes), who is the Marketing Communication Manager at the Grand Hyatt Erawan. During her 10-year career in Marketing Communications, she mentioned that she has noticed a rapid change of media evolution and the shift in marketing budgets which otherwise only allocated to traditional media to online marketing. From concentrating solely on traditional media which includes magazines, newspapers, radio and television to online marketing which includes website creation and development, creating and managing social media accounts of the hotel including restaurants in the hotels, engaging in buying Ads on social media platforms and influencer / blogger engagement. Khun A also mentioned that with traditional media being the norm in the past, a lot of money is spent on online marketing. Namely marketing for F&B outlets in the hotel and also the hotel itself. Currently she uses her Digital Marketing agency for Social Media Marketing, content creation, website management, photography & videography for promotional content and EDMs for promotions and updates. Khun A says that when choosing which Digital Marketing agencies to work with, a few things have to be considered. She mentioned the portfolio of the company, client list (specialization if any), types of services offered, strengths, weakness and pricing.

3.2.5 In-depth Interview with Restaurant Owner

The last in-depth interview was conducted with the owner of a restaurant & bar called Indulge on Sukhumvit 21. This was to learn about the needs and demand of a restaurant owner in terms of Online Marketing and their perspective on it. During our interview, the owner mentioned to me that a year ago she did not think to use a Digital Marketing Agency and thought of managing her social media marketing in-house. But with the lack of a marketing staff, it was difficult for a restaurant manager to also run this aspect of the business. What the owner quickly discovered was that they had a very weak online presence, so there was not a lot of awareness amongst the online

community regarding their restaurant. In order to change this, the owner sought out a Digital Marketing company to help her out with content for her Facebook / Instagram page, photography and videography services for photos and videos on social media and website, graphic design services for a new logo. After 3 months, she claimed that there was a significant change as more people were engaging with her content and posts on social media. She also said that generally most people will refuse to engage in agencies for help until they really need to, which was the case with her.

3.3 Research Limitations

Social Media trends change significantly every year, but from the researches cited earlier it can be assumed that the trend of Social Media is growing year by year. Social Media is the new platform of medias that have been created and developed in last few years, sometimes it is quite difficult to get the information and statistic figures about the tourism industry generated and lead by social medias.

Lack of formal research done and lack of statistics on how Online Marketing / Social Media has affected the hospitality industry. Assumptions of demand in the Social Media Industry are made from articles published, blogs published and from in depth interviews with stake holders who are either offering those services at the moment or work closely with customers who have expressed those demands.

Social media is the new communicating tool in digitalization then there is not much literature review researching about it that could use some information as the reference of study. Even there are some articles or reviews talking about the social media but there are not much deep details or information that could be real source of research or study. Most of literature reviews are found from international research, but not from national research in Thailand.

The trend of social media is sensitive and able to change all the time. Majority of segments who use the social media are from the generation Y (Aging from 1987 to year 1997) that is quite sensitive that this group of people are easy to change following to the uncontrolled external factors in digital globalization.



CHAPTER 4

RESULTS AND DISCUSSION

4.1 Conclusion

There were a lot of important finds that came out of this research. At the beginning of the research, there was a research question that this study set out to answer. “Is there an opportunity to launch a Digital Marketing Company catering to the Hospitality Industry given the current trends? After research about the current trends of Digital Marketing in the world and specifically Thailand and current trends of the Hospitality industry globally and locally in Thailand and studying existing Digital Marketing companies in Thailand, it is safe to say that there are definitely viable opportunities to explore in what seems to be a very lucrative market.

To summarize, with the ever growing users on Social Media channels, businesses cannot afford to have an online presence to be able to build awareness and interact with their currently and potential customers. With this, the need for Digital Marketing for businesses has increase rapidly.

Secondly, many businesses do not have professional Digital Marketing employees to be able to handle all aspects of their Social Media Marketing. A digital marketing staff may be able to create content, create ads on Facebook and Instagram, but may not be able to design logos, take beautiful picture and videos and such. This is where there will be a continuous need to use agencies to help out with such aspects.

Thirdly, the Hospitality industry makes for a very attractive industry and it's one of the largest industries in Thailand. With the tourism industry growing every year and 9% from 2016, there are more needs for accommodations such as hotels / resorts to be built to to encompass this demand. The change in Thai's lifestyles,

spending habits and eating habits have fueled the growth in the restaurant and F&B sector, resulting in high number of restaurants, bars and other F&B outlets.

Fourthly, industry specialization in any business reflects and showcases one's ability to understand the industry, cater to the customers' demands, offer products & services useful for the industry and enables one to leverage off of business relations/networks. From my research, with one Digital Marketing company claiming to only serve the hospitality industry is a chance for competitors to enter the market and specialize in the Hospitality Industry as well.

4.2 Recommendations

Having conducted both primary and secondary research for this study with the findings concluded above. First and foremost, I only encountered one Digital Marketing Company in Thailand that claimed to specialized in the Hospitality sector, and given there might be a few more that did not have a strong SEO so their businesses did not show up on google. All the other companies were services multiple sectors. In my opinion from the research and in depth interviews that I have conducted, Digital marketing agencies that are casting their net out wide to get business from different clients in different industries are getting shorter business but in the long run customers are looking agencies who really understand their industries and thus are specialists. Without many agencies claiming to be Hospitality specialists allows for an opportunity to develop a niche in this industry. The key is to be real specialists and not just as a claim. And from the in-depth interviews with the Industry professionals, I learned that referrals have a lot of weight in the service industry. And especially, networking and relationship building is very important. The year on year expansion of the hospitality industry will continue to bring in lucrative business for digital marketing agency's that are able to tap into this opportunity and really position themselves as true specialists of the industry.

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BIOGRAPHY

Name	Ms. Prathana Pawa
Date of Birth	September 12, 1990
Educational Attainment	2012: Bachelor of Business Administration in International Business (International Program) Mahidol University
Work Position	Senior Account Manager Zanroo
Work Experiences	2017 - Present: Senior Account Manager Zanroo, Internet Based Group Thailand. 2016 - 2017: Executive Recruiter Argyll Scott Thailand 2013-2016: Assistant Division Head Monroe Consulting Group