

Online Marketing Opportunities and Challenges for Restaurants

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Abstract: This paper aims to identify the opportunities and challenges that the restaurant industry in Malaysia could face in terms of application of online marketing, especially in the utilisation of web 2.0 applications. A mixed method approach was used with a qualitative study to analyse restaurant online activities through social media and online reviews while a quantitative study was used to collect information from customers regarding dining experiences and online behaviour. Qualitative findings suggest a high level of activities from restaurant management in utilising social media and website as marketing channels but no activity in online review. Quantitative findings suggest otherwise with customers being more likely to use online review sites to talk about their dining experience in terms of setting expectation and giving recommendation. Based on the findings, restaurant management should look to maximise utilisation of online application not only for promotion but also to build customers' trust and confidence in the brand as highlighted in this study's opportunities and challenges for restaurant management. The application of the social feedback cycle mode on the foodservice industry in Malaysia and the usage of a mixed-method approach has successfully linked restaurant customers' experience of their online activities to restaurants' online applications.

Keywords: Online marketing, e-WOM, social media, online review, casual-dining restaurants, Malaysia

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Introduction

A study conducted by the National Restaurant Association (2011) indicates that 82% of casual-dining restaurant operators in US have a website to promote their restaurants. According to the same association, 59% of US adults have used Internet to visit the website of restaurants. Besides, customers are also using other Internet applications to find information about a restaurant. This has led restaurant marketers to use other channels such as social media and online review sites. Restaurant operators need to pay attention to the latter development.

Advancements in technology have changed the way businesses are being marketed. Marketers are not the only party responsible for spreading information on a restaurant's offerings but consumers can too. This has been made possible through word-of-mouth marketing and various studies have mentioned about the effectiveness. Sweeney *et al.* (2008; 2012) have discussed the power of message transmission from both positive and negative

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messages, Lang (2011) on the relationship between e-WOM(word-of-mouth) and customer satisfaction and Mazzarol *et al.* (2007) on the triggers of WOM. WOM can spread faster through electronic media using e-WOM and this opens up possibilities to market the product through new media (Freeman & Chapman, 2008; Sashi, 2012; Milano, Baggio & Piattelli, 2011). However, limited resources are available when it comes to a model that is specifically designed for the hospitality industry – especially the foodservice industry.

This study contributes several originality aspects to academic research. It will attempt to link the spread of WOM in society with customers' dining experience and their online activity. It will be one of the first studies to focus on the application of a combination of web 2.0 applications, social media and online review sites, which are the two most popular applications among restaurant customers. It will also be the first study to be conducted in the foodservice industry, specifically casual-dining restaurants in the Klang Valley which has the highest number of Internet users across Malaysia.

Aims and Objectives

This study aims to identify the opportunities and challenges that the restaurant industry in Malaysia could possibly face in terms of application of online marketing, especially in the utilisation of web 2.0 applications. It is currently in trend for service organisations, especially those in the hospitality and tourism sector to utilise web 2.0 applications as marketing tools to reach customers. However, there are a limited number of studies which have identified the effectiveness and usefulness to adopt the current trend for the organisation. This exploratory study attempts to seek information from two perspectives: (i) restaurants' existing online marketing initiatives, and (ii) the perception of restaurant customers in utilising restaurants' online marketing. This is to be answered through the following research questions:

Question 1: What is the extent of the role of restaurant customers in disseminating information related to restaurant decision making through online application. To address this question, it is important to study online behaviour of restaurant customers with regard to their online activity by analysing existing restaurants' online marketing applications.

Question 2: To what extent does the effect of customer experience of the restaurant affect their decision making. To address this, customer experience of the restaurant is measured through a combination of tangible and intangible aspects which form the service marketing mix.

Question 3: What is the degree of involvement of restaurant marketers in utilising web 2.0 applications as an online marketing tool to reach customers. This will be done through an analysis of existing web 2.0 applications of the restaurants through the Internet.

Literature Review

Previous studies on the spread of WOM have listed it as one of the most effective methods to transfer information from producers to customers by creating an effective message which would endure in the customers' mind causing the product to be preferred by customers.

Marketers connect the effectiveness of WOM through the classic purchase funnel (Evans, 2012) which describes the relationship from the moment the product information is being transmitted to create awareness which in turn will be the consideration and subsequently lead

to product purchase. As there is less possible opportunity for the other party to interrupt the overall process, information can be directly transmitted from producers to consumers.

On the other hand, customers themselves can spread product information through WOM marketing. In the past, people could transmit the information only within a limited range; there was also a communication barrier which prevented people of different age groups or communities to receive messages from others making the spread of WOM a slow process.

The scene is pretty much changed following the introduction of Internet technology to the public. The advancement in communication devices also helps the Internet to spread quickly. It also shifts the scene on how people spread information from one another or the spread of WOM.

The phenomenon of classic WOM has found a new form - an electronic word-of-mouth or online word-of-mouth (often abbreviated to e-WOM). Several studies tie e-WOM with viral marketing (Ferguson, 2008), manipulation of e-WOM matters in society (Steffes & Burgee, 2009), and the realisation that e-WOM can reach more than the people involved in the conversation (Schlosser, 2005).

Studies highlight that the Internet can be classified into two major categories: Web 1.0 and Web 2.0. These two differ in terms of interactivity between the users. Conceptual studies by Constantinides & Fountain (2008) and Constantinides, Romero & Boria (2008) highlight the major differences and open up the possibility for the business to expand through direct selling using social media.

There are studies which have moved towards analysing various web 2.0 applications towards service organisations such as the study by Gil-Or (2010) who focuses on the application of Facebook social media sites or those by Williams, van der Wiele, van Iwaarden & Eldridge (2010) and Guillet & Law (2010) whose studies focus on the application of online review sites or websites which adopt a combination of web 1.0 and web 2.0 applications.

Bringing web 2.0 applications to the restaurant industry is not without challenges. Constantinides *et al.* (2008) argue that marketers can influence the consumers' decision making process by engaging with Web 2.0 in active (gather outside information and use the information to make corrective action and necessary improvements to enhance consumers' experience) and passive ways (influence the customer itself or to make the customer a co-producer of the product through web applications).

Although it is important for an organisation to engage in online marketing through various web 2.0 applications, Gil-Or (2010) theorises that an organisation should enter social media as the user, the same way consumers do, and by utilising the interactions which are the same as those of the consumers. There is a significant relationship between social media contributions such as Facebook to the number of visits to the website of a hospitality organisation (Milano *et al.*, 2011) as well as the importance of converting social media users into fans of the brand (Freeman & Chapman, 2008).

Meanwhile, online reviews such as TripAdvisor encourages users to review services that they have experienced for the benefit of other users who are considering their own possible purchases (Harris & Rae, 2009). The National Restaurant Association (2011) reported that 35% of US adults have used online reviews to research a restaurant they had not yet visited. Therefore, there is a significant importance for restaurant management on utilising online review as part of their marketing strategy. A survey conducted by Forrester mentioned that 79% of 2,100 travellers indicated that a management response to a negative review reassures them (Craig, 2011).

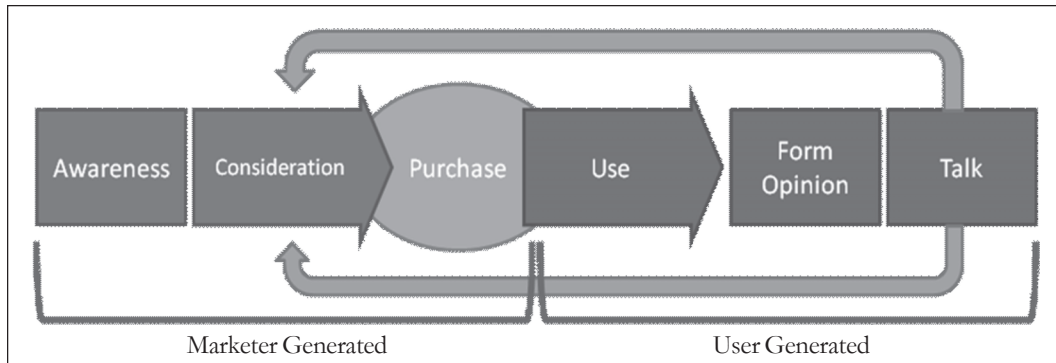


Figure 1. Social feedback cycle (Evans, 2012)

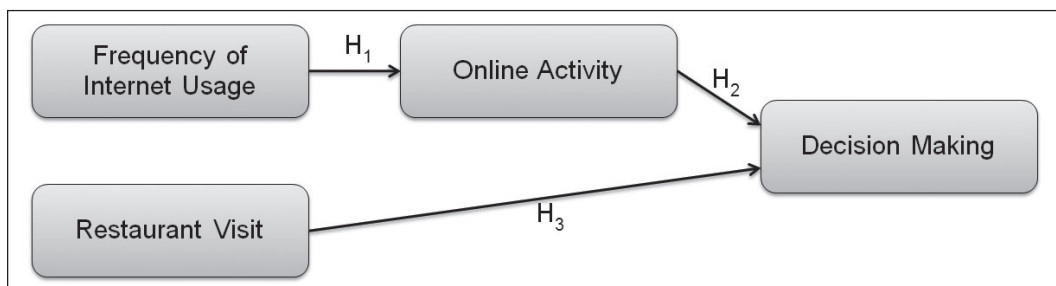


Figure 2. Framework of the study

The social feedback cycle model suggested by Evans (2012) will constitute the basis of this study to analyse the effect between customer dining experiences which influence the spread of e-WOM through the analysis of popular online applications for casual-dining restaurants in Malaysia.

Three hypotheses have been developed based on the framework to address the second research question. First, the number of visits to an online application is determined by different events (pre-experience, during experience, and post-experience). To make use of the Internet for different occasions, the frequency of usage has to be intensified as web 2.0 application runs on real-time basis and the user will only get constant updates of information when connected to the Internet. In light of the above discussion, the following hypothesis is proposed.

H1: Frequency of Internet usage of restaurant customers will have a positive significant effect on online activity of the restaurants

The role of social media has enabled the customers to participate in making strategic choices with the sellers and co-create value with them (Sashi, 2012). In other words, only customers who have strong emotional bonds (becoming fans) will have attachment to the brand. The implication is that when customers turn into fans, they will connect and interact with others which in turn will increase mutual satisfaction and advocacy. Based on the above discussion, the following hypothesis is proposed.

H2: Online activity of the restaurant will have a positive significant effect on customer decision-making

Meal experience can be justified through the quality of products and the intangible aspects such as service (Longart, 2010). The product of the restaurant (food and drink) is a crucial factor to ensure customers have positive word of mouth regarding their meal experience. Lang (2011) defines satisfaction components to include friendliness of front-line staff and interaction, cleanliness and tidiness of store, outcome of service encounter, and price. Based on the characteristics of e-WOM which is more powerful than word of mouth, Evans (2012), through the social feedback cycle, explained the link between customer experience (through the usage of the products and/or services) which in turn will result in an opinion and spread as talk to influence other customers' consideration towards the products and/or services. These forms of feedback will be realised through various web 2.0 applications. In light of the above discussion, the following hypothesis is proposed.

H3: Restaurant visit of the customers will have a positive significant effect on customer decision making

Methodology

A mixed-method approach was used in this study which will take the approach of multiple applications within each stage of study in which qualitative and quantitative approaches will be outlined in each part of the methodology, type of inquiry, data collection, and analysis or inferences (Tashakkori & Teddlie, 1998). The strategy that will be engaged in this study is by concurrent triangulation strategy, by which the data collection procedure of quantitative and qualitative studies will be executed concurrently. The results of each study will then be used to determine if there is convergence, differences, or some combinations (Creswell, 2009).

Qualitative Methodology

The qualitative approach of this study will analyse the current online marketing applications currently used by the restaurant industry in Malaysia. A qualitative approach is preferred to study the phenomenon as the data available in the form of words, images, and sound as well as the data that is currently available will be used to analyse the experiences and views of the subjects (Veal, 2011).

Casual dining restaurants for this study will be selected based on the categories defined by Mealey (2012): offering moderately-priced entrée or main course, offering table service, and using non-disposable cutlery and dinnerware. Purposive sampling technique will be engaged to select the restaurants in the study to identify the level of involvement of restaurant marketers in online marketing activities. Qualitative sampling for the study will be sourced from entries (written text) submitted by online users for each restaurant page, since the inception of the page on the respective source up to the month of July 2012.

Three casual-dining restaurants were selected for the study. Each had a different business model to reflect different business characteristics. Two of them belonged to an international brand with one having several branches throughout Malaysia while the other has only a single restaurant. This will be termed as Restaurant A and C respectively for the rest of the discussion

in this study. Both restaurants have utilised online applications in their marketing efforts. One is a local brand and is looking to expand into chain business. However, this restaurant has yet to utilise online applications as part of its marketing initiatives. This restaurant will be termed as Restaurant B.

Online marketing application in this study is defined as the web 2.0 application in which restaurant marketers can be involved in the creation, modification, and deletion of the content; based on the model, it has been suggested that social media and online reviews be included. The main sample will be the social media pages and the online review pages of the restaurants where the quantitative survey is being handed out.

Content analysis and semiotics will be the two techniques used in the data analysis for the qualitative part of the study as recommended by Brotherton (2008). Content analysis seeks to arrange the data gathered through classification as well as similarity in type and content. Semiotics will look into characteristics of the data in detail, such as analysing the content of the review and post on social media and thus can reveal the level of involvement of restaurant marketers and/or restaurant operators in online marketing activities in these web 2.0 applications.

Quantitative Methodology

The quantitative part of the study took the approach of verifying restaurant customers' decision making from two different aspects; frequency of Internet usage and restaurant visit. The questionnaire was designed to address the constructs specified in the framework of the study, namely frequency of Internet usage, online activity, restaurant visit, and decision making.

Non-probabilistic sampling technique which is convenience sampling was employed to survey restaurant customers when they came to dine in the restaurant. The survey was conducted in the month of July 2012 during a pre-arranged day with the restaurant, during lunch hour only. A total of 5 restaurants were selected (each representing 3 restaurants under the same survey for qualitative study). A total of 155 questionnaires was collected with 139 usable questionnaires, giving a response rate of 89.6%. Data was then processed using statistical software SPSS and multiple regression analyses to determine the acceptance or rejection of the hypotheses.

Findings

Qualitative Findings

In order to analyse the content of the review site, the study grouped each review based on the type and then the common theme of the content. There were four review types to be considered: suggestion, experience, praise, and complaint. To match with the measurement of the dining experience from the restaurant visit as measured in the quantitative study, the same measurement was adopted for the content analysis. In this instance, the study grouped the content of the review according to the theme around the 7Ps of service marketing (Kotler & Keller, 2012), namely: product, price, place, promotion, physical evidence, personnel, and process. Each of the review content was analysed and separated based on the review type and category. The categorical classification divided the theme of the comment into positive and negative comments.

From the breakdown of reviews based on the rating the poster gave, Restaurant A had the majority of 'very good' rating and 'excellent rating'. As for Restaurant C, the majority of reviewers gave an 'average' rating followed by 'very good' rating. The combined rating of both restaurants gave a majority result of 'very good' rating among the reviewers. More than one-tenth of the reviewers gave a 'poor' rating or lower.

The demographic findings of the reviewers in the online review sites revealed that most of them live in the Klang Valley area (64.2%) and are aged less than 35 years (55.5%). The majority of the reviewers joined the site in the last 4 years (71%) while almost 10% of the reviewers had been members of the site since 2006 or earlier. This finding suggests that restaurant customers are more aware of this application and are motivated to leave reviews on the Internet as it is more accessible to the public.

The next step was to determine the number of positive and negative items left by reviewers by analysing each review. It should be noted that within one review, there might be both positive and negative related comments from a customer regarding his/her dining experience. These positive and negative items were further broken down according to the type based on service marketing mix.

The results revealed that the reviews contained 159 positive and 85 negative items, with the negative comments constituting more than half of the positive items. This brings to the realisation that while the number of complaints (when the reviews are being broken down based on the review type) might account for only a little above 15% of overall review numbers, one-third of the review contained negative items. This finding also supports the fact that out of the little number of complaints, reviewers who would recommend the restaurant stands at a low rate - 57% on average for Restaurant A and 37% for Restaurant C.

Of the positive items being mentioned, the majority mention the product followed by comments on price. Of the negative items mentioned, the majority falls under product and process (Table 1).

The content analysis of restaurant pages on the social media platform also took the same approach as that of an online review site. Two main types of posts were analysed; post created by owner of the page and post created by visitors. For the former, posts were classified into several categories such as product highlight or promotion, uploading of activity photos, status update, sharing a link, and having a contest/game/trivia. For the latter, user posts were classified into four as user review in online review sites. Questions/queries from users regarding the restaurant were also classified.

On average, both Restaurant A and Restaurant C had only less than 10 entry posts each month on their respective restaurant Facebook page with the majority of entry posts being about product/promotion highlight (averaging 66% of overall entry posts). This product/promotion highlight refers to material which contains a description of the restaurant's product or promotion, perhaps accompanied by photo, price, contact number, and other elements. The second most popular entry is to share activity photos which appears to be the major activity from Restaurant C but not for Restaurant A. The third most popular activity (second for Restaurant A) is status updates. Status updates differ from product/promotion highlight as status updates may not mention anything about product and promotion, but may merely be a greeting or place where the restaurant marketer and/or restaurant operator can gather an opinion from the public about any idea. For Restaurant A, this activity accounted for up to 16% while it was only a mere 7% for Restaurant C.

Table 1. Positive and negative item breakdown from online reviews

Positive item	Restaurant A	Restaurant C	Negative Item	Restaurant A	Restaurant C
Product			Product		
Good food	32	1	Food quality	6	2
Food portion	21		Unhealthy	4	
Food quality	6		Inedible	3	
Food variety	5	7	Others	4	1
Food taste	4				
Others	14				
Price			Price		
Value for money	7	2	Expensive	5	5
Reasonable	5		Overpriced	3	
Others	3		Not worth		3
Promotion			Promotion		
Kids promotion	5		N/A		
Place			Place		
Convenient location	3		N/A		
Others	3				
Process			Process		
Fast delivery	2		Long wait	9	
Concept		4	No reservation	5	
Others	3		Concept		2
			Others	4	
Personnel			Personnel		
Friendly	9		Rude staff	3	
Good service	7		Slow service	6	
			Others	5	
Physical evidence			Physical evidence		
Ambiance	8	2	Crowded	8	
Others	6		Noisy	5	
			Others	1	

The activities of a majority of Facebook users on restaurant pages constituted queries or requests for more information which accounted for 44% of the total posts. The number of posters who voiced complaints is significantly higher compared to the number of reviews of the same nature on an online review site, of around 15% combined. The majority of Facebook users also used restaurant pages to share their dining experience or give general comments on the restaurant. These comments are, however, very different from the experience of posters posted in online review sites. Comments left at Facebook pages tend to be short in nature and may/may not contain customers' experience whilst dining in the restaurant.

The popular positive items being mentioned are related to 'product' and 'place'. In terms of negative items, 'personnel' was mentioned most frequently by Facebook users in the case of Restaurant A while for Restaurant C, it was 'product' and 'process.' When the content was analysed, for Facebook users, 'rude staff' constituted the majority of negative items for

Restaurant A and 'food quality' and 'response towards phone calls' as the negative items for Restaurant C.

For query-related items, 'product query' and 'promotion query' were two of the items frequently asked by Facebook users, accounting for more than 80% of the overall queries. In the product-related queries, 37.5% of the queries were related to whether the food served at both restaurants was halal. The halal issue is pretty sensitive in Muslim countries such as Malaysia as all restaurants in the study served alcoholic beverages but only used halal-certified products for food preparation. In relation to the promotion-related query, Restaurant C had more queries in comparison to Restaurant A which was also reflected in the number of product/promotion highlights of Restaurant C.

In terms of management response, Restaurant A had a response rate of 54% while for Restaurant C, it was 76.9%. Both Restaurant A and Restaurant C had shortcomings in addressing complaints, with a response rate of 22% and 50% for Restaurant A and Restaurant C respectively compared to the response rate of dealing with Facebook users' queries which were 60% and 84% for Restaurant A and Restaurant C respectively.

Quantitative Findings

The majority of respondents in the study were female, aged between 20-29 years old, of Malaysian citizenship. In terms of educational background, more than half had undergraduate degree (above 65%) and earning between RM2,500 to RM7,499 per month (79%). The demographic characteristics of the survey are in agreement with the characteristics of Internet users in Malaysia as described by Malaysian Communication and Multimedia Commission in 2008 (Clarestalwj, 2010). As the normality test findings suggested skewed data for 'Internet frequency', it was removed from the analysis. The first hypothesis was thus rejected and was not analysed further.

Exploratory factor analysis was performed against four constructs as shown in Table 2 'online activity', 'restaurant visit', 'online decision making', and 'restaurant visit decision making.' The findings hinted at a split in 'restaurant visit' – of having separate tangible and intangible components. Also, for 'online activity', 'TripAdvisor' and 'Facebook' were in the same construct suggesting a higher preference of these two applications among others.

This was confirmed by the results of correlation analysis (Table 3). Also, the analysis found the relationship between 'online decision making' to be related to 'online activity' and 'restaurant visit decision making' to 'restaurant visit' constructs. Hence, two separate multiple regression analysis were performed to test each hypothesis.

To test the second hypothesis, multiple regression analysis was carried out with the Online Decision Making (DM1) as a dependent variable and Online Activity 1 (OA1) and Online Activity 2 (OA2) as independent variables. Independent variables explained 36.9% of the variance in Online Decision Making (Table 4). Analysis of T-values indicated that the value was beyond the recommended cut-off value. Therefore, both Online Activity 1 and Online Activity 2 had significant positive effects on restaurant customers' online decision making. The second hypothesis of the study was accepted.

Multiple regression analysis to test the third hypothesis was carried out with restaurant visit decision making (DM2) as the dependent variable and Intangible and Tangible aspects of restaurant visit as independent variables (Table 5). The independent variables explained 46.10% of the variance in Visit Decision Making (DM2). As T-values for both Tangible and Intangible

Table 2. Exploratory factor analysis

Variables and Items	Eigenvalue	Factor loadings	% Variance	Cum. %	Cronbach alpha
Online decision making	1.191	1.629	10.861	10.861	0.6049
Recommend		0.777			
Expect		0.771			
Visit decision making	1.326	1.674	11.158	22.019	0.5647
Revisit		0.701			
Review		0.683			
Recommend		0.605			
Online Activity 1	1.048	1.604	10.695	32.714	0.6772
Facebook		0.847			
TripAdvisor		0.780			
Online Activity 2	1.007	1.347	8.977	41.691	0.4979
Most Wanted		0.898			
Open Rice		0.617			
Tangible	3.380	2.026	13.508	55.199	0.6852
Décor		0.831			
Food variety		0.684			
Food quality		0.593			
Ambiance		0.558			
Intangible	2.165	1.837	12.246	67.445	0.6811
Process		0.819			
Attentiveness		0.807			

Notes:

KMO (Kaiser-Meyer-Olkin test of sampling adequacy) → 0.703

Bartlett's test of sphericity → 444.738; $p < 0.001$

Overall alpha coefficient = 0.7347

Table 3. Correlation analysis

Means, Standard Deviations, and Correlations of the Study Variables						
Variables	1	2	3	4	5	6
DM1 [^]	1.00					
DM 2 [^]	0.192*	1.00				
Tangible	0.212	0.396**	1.00			
Intangible	0.105	0.346**	0.307**	1.00		
OA1#	0.330**	0.138	0.218**	-0.008	1.00	
OA2#	0.253**	0.099	0.018	-0.018	0.289**	1.00
Means	3.046	3.676	4.082	3.723	3.233	1.665
S.D.	0.997	0.747	0.580	0.814	1.077	0.665

Notes:[^] DM1 represents Online Decision Making; [^] DM2 represents Visit Decision Making

OA1 represents Online Activity 1; #OA2 represents Online Activity 2

** Correlation is significant at the 0.01 level; * Correlation is significant at the 0.05 level

Composite scores were calculated by averaging items representing that measure. Responses ranged from 1 to 5. Higher scores indicated favourable responses. All correlations were significant at the 0.01 level.

Table 4. Multiple regression analysis to test H2

Multiple regression analysis results			
Multiple R= 0.369 F= 10.701	R ² = 0.136	Adjusted R ² = 0.123 p<0.01	Standard Error= 0.93446
Dependent variable	Online Decision Making (DM1)		
Independent variables	Online Activity 1 (OA1) Online Activity 2 (OA2)		
Independent variables	Beta	T-value	Significance
Online Activity 1	0.281 ^a	3.369	0.00 ^b
Online Activity 2	0.172 ^a	2.061	0.05 ^b

Notes: ^a Standardised coefficient; ^b p<0.001

Homoscedasticity: confirmed by the analysis of partial regression plots.

Multicollinearity: each condition is below 30 and at least two variance proportions are less than 0.50.

Multicollinearity statistics:

Dimensions Index	Condition		Variance Proportion	
	Constant	OA1	OA2	
1	1.000	0.01	0.01	0.01
2	6.272	0.06	0.30	0.91
3	7.623	0.94	0.69	0.07

Table 5. Multiple regression analysis to test H3

Multiple regression analysis results			
Multiple R= 0.461 F= 18.312	R ² = 0.212	Adjusted R ² = 0.201 p<0.001	Standard error= 0.66830
Dependent variable:	Decision Making 2 (DM2)		
Independent variables:	Tangible Intangible		
Independent variables	Beta	T-value	Significance
Tangible	0.320 ^a	4.002	0.00 ^b
Intangible	0.247	3.091	0.05

Notes: ^a Standardised coefficient; ^b p<0.001

Homoscedasticity : confirmed by the analysis of partial regression plots.

Multicollinearity : each condition is below 30 and at least two variance proportions are less than 0.50.

Multicollinearity statistics:

Dimensions Index	Condition		Variance proportion	
	Constant	Tangible	Intangible	
1	1.000	0.00	0.00	0.00
2	10.357	0.10	0.11	0.99
3	17.306	0.90	0.89	0.00

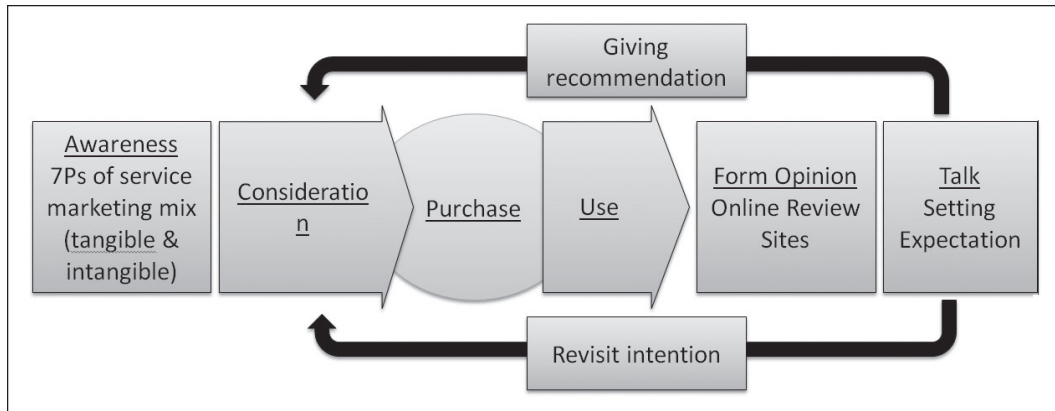


Figure 3. Online social feedback cycle

were above the cut-off value, hypotheses H3 was accepted which means that the experience that customers have whilst dining in the restaurant has a positive significant effect on decision making in terms of online activity, revisit intention, and giving recommendations.

As in the case of the social feedback cycle which is reflected in a diagram, the result for quantitative study could also be presented in the following diagram.

Discussion

Low involvement was found from restaurant management in managing restaurant-related online activities for casual-dining restaurants in Malaysia. The restaurant management shows higher activities online through restaurant website and social media. However, the quantitative finding of the study reveals that for restaurant customers, dining experience at the restaurant influences their decision to post a review rather than to check on updates through media where restaurant management is actively involved.

The difference in perspectives results in an unsynchronised usage of restaurant-related online activities. The opportunities and challenges that are discussed in the discussion section are meant to be a practical solution for restaurant marketers to modify the way they manage the online application. The study shows that from the customer perspectives, the restaurant website is starting to lose its appeal as a source of information. Rather than reviving it, restaurant marketers should move towards advertising through social media because the majority of customers want to use social media as the channel to communicate with restaurant management.

Management response also appears to be fairly low. Restaurant marketers are interested in attending to only certain types of posts which is totally the opposite of what is being recommended by Craig (2011) on not being too focused on responding to good reviews and comments but rather to address negative comments and reviews which are seeking apology or clarification. Also, the restaurant management has not made use of the response ability of online review sites such as TripAdvisor; this is a huge opportunity to explore.

Based on the findings of each of the constructs of the study, the following opportunities and challenges are proposed for restaurant management to optimise the usage of Internet application to enhance their marketing strategy.

In terms of opportunities, restaurant management can look forward and take reviews as constructive feedback. However, they also need to respond accordingly. Considering the

impact on managing the negative review, it is a good opportunity for restaurant operators to also get involved in responding to the reviews at online review sites. Williams *et al.* (2010) state that TripAdvisor is one of the online review sites which allows for full web 2.0 interactions for restaurant marketers to use.

The second opportunity is to synergise the applications. Each application is different in terms of features offered and the usage. Restaurant management can take control of few applications. As 45% of people who use the Internet, use search engines to find information about the restaurant, the search engine should show the lists of link under the control of the restaurant management. The third opportunity is to dedicate applications for different usage. Restaurant marketers can encourage customers to select the appropriate channel by indicating clearly to the customers the usage of each application. This could include giving the link on the website, social media, and online review.

The restaurant management also face several challenges. For the casual-dining restaurant's customers, restaurant websites are no longer the only place on the Internet to get information about the restaurant. The challenge for restaurant marketers is to make the website attractive again. Researchers such as Williams *et al.* (2010) state that websites must be embedded with other application such as reviews in order to be attractive for the customers to get information from the single source.

The second challenge is to respond accordingly to the reviews on online review sites. Negative reviews can take several forms. According to Craig (2011), restaurant marketers are encouraged to respond to the negative reviews which seek an apology or clarification. From the results of the quantitative study, it is recommended that restaurant marketers look into featuring aspects which customers are attracted to visit such as unique food (product), ambiance (physical evidence), and service ins their promotions – both online and offline.

Lastly, the challenge is to turn social media supporters into customers. Maintaining good relations with existing customers online will transform these customers from having a mere transactional loyalty into emotional loyalty. When these customers have loyalty which is attached emotionally, they are more likely to recommend the brand to others. As mentioned in the social feedback cycle (Evans, 2012), the recommendation from one user will generate consideration towards other users who are reading the recommendation. It is basically just one step away for the marketers to turn consideration into actual purchase.

Conclusion

The study is not without limitations. The data for analysis came from a small number of establishments and selected number of online applications. For a mixed method approach, having a larger sample will require extra effort and expertise to manage the qualitative data. In utilising concurrent triangulation strategy, managing discrepancies of quantitative and qualitative datasets will need extra care which would be a shortcoming of this technique if it is not managed well (Creswell 2009). The study focused on a limited number of business models. In terms of online applications used in the study, it was restricted to social media and online reviews. If a similar study is undertaken elsewhere, researchers need to modify accordingly.

Overall, this study is the first to successfully prove the social feedback theory whereby customers are also becoming marketers in spreading information about a business. Through the Internet, the spread of information is more rapid due to the characteristics of e-WOM and the hemophilic nature of the message.

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