



Article Title

The perceived effectiveness of social couponing campaigns for hotels in Italy

Citation

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Abstract

The purpose of this paper is to analyze the effectiveness of social couponing campaigns for hotels. In particular, the perceived effectiveness related to four specific objectives is explored (acquiring and retaining new customers, building brand awareness, balancing seasonality and stimulating demand among existing customers).

Methods

A questionnaire-based survey was conducted that involved 108 hotels, each of which has run at least one social couponing campaign through Groupon in Italy. The importance-performance approach was applied to [analyze](#) the data.

Results

Overall, the perceived effectiveness of social couponing for hotels is quite low. Social couponing is useful to increase brand awareness but does not encourage customer behavioral loyalty. Larger hotels can successfully use this marketing tool to balance demand seasonality.

Conclusion

The findings of this study indicate that the average perceived effectiveness of social couponing is quite low, but it has a significant variability depending on the specific marketing objective the hotel intends to achieve. Although social couponing seems ineffective in retaining customers, it may successfully assist the hotel in enhancing brand awareness. On this point, this study suggests that some hotel managers may have overlooked the social component of social couponing; i.e. they think that the effectiveness of social couponing depends only on its ability to improve the economic result in the short term. In contrast, coupon users, even if unprofitable in the short-term, should be perceived as brand ambassadors of the hotel.