

Final Project 1

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The Impact of Social Media on Customer Satisfaction in Eastern Saudi Arabia's Horeca Sector

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1. Chapter 1: Introduction

1.1. Research Background

The rapid expansion of digital technologies has reshaped the way businesses communicate and interact with their customers. Among these technologies, social media has emerged as a powerful platform that enables organizations to share information, promote services, and engage directly with consumers. In the hospitality industry, social media plays an increasingly important role in influencing customer perceptions and experiences. As competition intensifies, businesses are paying greater attention to the use of social media as a tool for enhancing customer satisfaction and strengthening their market presence.

Eastern Saudi Arabia, which includes major urban centers such as Dammam, Al Khobar, and Dhahran, has experienced considerable growth in hospitality and tourism-related activities. At the same time, the widespread adoption of social media platforms has changed the way customers search for information, evaluate service providers, and share their experiences. Hotels, restaurants, cafés, and catering businesses are increasingly utilizing social media channels to connect with customers and promote their offerings, making these platforms an important element of the customer experience.

According to Kaplan and Haenlein (2010), social media provides businesses with new opportunities to communicate and engage with customers through digital platforms. Furthermore, Mangold and Faulds (2009) emphasized that social media has become an essential component of modern marketing communication, enabling organizations to influence customer attitudes and behaviors. Previous studies have also shown that customer engagement, online reviews, and responsiveness on social

media can significantly affect customer satisfaction and loyalty (Kim & Ko, 2012; Hudson et al., 2015). In addition, positive interactions through social media can enhance customers' perceptions of service quality and contribute to more satisfying service experiences.

Although social media has become an essential component of business operations within the hospitality industry, its influence on customer satisfaction in Eastern Saudi Arabia's Horeca sector has not been sufficiently explored. Differences in customer expectations, cultural preferences, and patterns of social media usage may affect how consumers evaluate hospitality services in this region. Consequently, further investigation is needed to gain a clearer understanding of this relationship.

A deeper examination of this topic can provide useful knowledge for hospitality businesses seeking to improve customer experiences and strengthen their relationships with consumers. The findings may also support managers and marketing professionals in designing more effective social media initiatives that contribute to higher levels of customer satisfaction.

Therefore, this study aims to examine the influence of social media on customer satisfaction in Eastern Saudi Arabia's Horeca sector. The findings seek to generate insights that can support the development of effective customer engagement practices and enhance service performance within the hospitality industry.

1.2. Research Problem

The growing use of social media has transformed the way hospitality businesses communicate with customers and promote their services. Despite the increasing reliance on social media platforms within the Horeca sector, its effect on customer satisfaction in Eastern Saudi Arabia remains unclear. Although previous studies have examined social media's role in customer engagement and service experiences, few studies have focused on how social media influences customer satisfaction within the hospitality industry in this region.

1.2.1. Theoretical Gaps

While social media has received considerable attention in marketing and hospitality research, there remains a lack of comprehensive understanding regarding its role in shaping customer satisfaction within the Horeca sector of Eastern Saudi Arabia. The region's evolving hospitality market and growing use of social media platforms suggest the need for additional theoretical insights into this area.

1.2.2. Practical Gaps

Despite the widespread use of social media among hospitality businesses in Saudi Arabia, there is limited empirical evidence regarding its influence on customer satisfaction within Eastern Saudi Arabia's Horeca sector. Much of the existing research has been carried out in other industries or geographical locations, which may not accurately reflect the experiences and expectations of customers in this region.

Therefore, the research question of this study is how does social media influence customer satisfaction in Eastern Saudi Arabia's Horeca sector?

1.3. Research Significance

This study holds significance at both the theoretical and empirical levels. It expands current knowledge regarding the influence of social media on customer satisfaction in Eastern Saudi Arabia's Horeca sector and provides useful insights that can support hospitality businesses in improving customer engagement, service quality, and digital communication practices.

1.3.1. Theoretical Level

At the theoretical level, previous research has examined social media and customer satisfaction across a range of industries and geographical settings. However, the hospitality sector in Eastern Saudi Arabia has received relatively limited scholarly attention. By investigating the connection between social media and customer satisfaction within the Horeca sector, this study contributes to the existing body of knowledge and offers further insight into customer experiences in a digitally connected hospitality environment.

1.3.2. Practical Level

From a practical perspective, the study offers information that can assist hotels, restaurants, cafés, and catering businesses in evaluating the effectiveness of their social media activities. By understanding how customers perceive and interact with digital content, organizations may be better positioned to enhance their online presence, increase customer satisfaction, and adapt their communication approaches to changing customer expectations.

References

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