

Travel And Tourism Companies See Potential In Social Networking In Latin America

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The popularity of social media networks in Latin America is a fact that nobody can deny. Therefore, it is crucial for travel and tourism businesses to identify efficient ways to communicate with social media networks to make money and boost returns on investment.

According to a recent research study published by comScore Media Metrix, Latin America saw a total of 114.5 million people visit social networking sites in June 2011, comprising 96% of the online audience in the region. Not surprisingly, social networks have the second highest reach after search/navigation engines in the region.

This presents enormous opportunities and threats for travel and tourism businesses investing in the region. Travel and tourism businesses that provide honest and up-to-date content are most likely to succeed in the long run.

Facebook in the lead

According to comScore Media Metrix, with more than 91 million visitors in June 2011, Facebook is the most popular social networking site in Latin America. Windows Live Profile comes in next, followed by Orkut and Twitter.com. In Latin America, Facebook enjoys strong penetration rates in Chile, Argentina, Colombia, Peru and Venezuela. Despite having the largest social networking audience in Latin America, totalling 43.9 million visitors in June 2011, Brazil's top social networking site is not Facebook but rather Orkut, mainly because of language barriers. Facebook has however been experiencing strong growth since it introduced a Portuguese version of its website back in 2010 and social media users in Brazil have started migrating from Orkut.

Women are highly engaged in social networking

Although the number of male and female visitors accessing social networking sites is almost the same, females account for a larger share of minutes spent online, at 53.6%, against 46.4% for men, according to comScore Media Metrix. In Brazil, the difference is even higher, with females accounting for up to 59% of the share of minutes. Therefore, those travel and tourism businesses that primarily target women when developing social networking sites are the most likely to enjoy strong engagement rates.

Overall, women are already key decision makers when it comes to travel planning. In Brazil, for example, women account for the bulk of purchases in CVC stores, a leading travel retailer in Brazil.

Embracing social networks

As social networks increasingly turn into powerful marketing tools, they are creating numerous opportunities for travel and tourism businesses to develop this form of communication. Not surprisingly, the leading travel and tourism businesses are becoming socially oriented and using Facebook to advertise their services or special deals. At the same time, such sites offer an opportunity for smaller businesses to reach their customers without a national advertising budget.

In Latin America, all the leading airlines, including GOL, TAM and LAN, have invested in social media advertising, creating Facebook profiles which allow travellers to obtain information and gain access to special offers.

Meanwhile, in 2010, Accor introduced a blog, <http://aproveitesuaviagem.com.br/>, which contains information on popular destinations in Brazil and abroad. The main objective of the blog is for it to function as a kind of online concierge. An interactive map helps users to find the best Accor hotel by taking into consideration their travel plans. The blog is integrated into Twitter.

The Brazilian tourism board also created a successful YouTube channel back in 2010 to distribute videos about the country's most important tourist destinations and attractions, as well as displaying testimonials from people talking about the country. The site can be found at: http://www.youtube.com/watch?v=_1b7eAoD3Ok.

Social networking is, however, not only used to promote or sell travel and tourism products/services but also to manage crisis situations and/or complaints. Sernatur, the travel and tourism board in Chile, was quick to realise this when the country was hit by a number of recent tragedies: an earthquake and tsunami devastated parts of the southern coastline in 2010; an incident trapped 33 miners in the Atacama Desert in the same year; and, most recently, a volcano eruption disrupted flights in 2011. Twitter is an example of one social media site used by Sernatur to communicate to the world about these events. All messages posted are mainly descriptive to keep social media followers informed about unfolding developments, such as the intensity of the earthquake, number of victims and action taken by government authorities.

High interactivity

As social networking gains increased penetration in Latin America and more consumers have access to the internet, even when away from home, new opportunities for the development of Web 2.0 content are being created.

The ability of mobile phone applications to track, plan, receive travel alerts, post reviews and keep travellers online is making some travellers increasingly reliant on their mobile devices. Apple and Google are among those companies driving innovation in this domain. Therefore, airlines, hotels and travel retailers are all investing in business and leisure travellers mobile development.

The future is now

Growth expectations for social networks in Latin America are high in the short and medium term. The number of internet users is forecast to reach 313 million people by 2015, according to Euromonitor International, representing a CAGR increase of 8% over 2010-2015.

Venezuela is set to achieve the highest growth in Internet users during 2010-2015, at 62%, followed by Mexico and Colombia. In absolute terms, Brazil is likely to lead future growth, mainly because of its size, with an additional 37 million internet users by 2015.

Higher numbers of internet users mean greater interactivity in social media sites in future. Therefore, travel and tourism companies need to have strategies in place to be able to quickly respond to all types of "tweets", Facebook posts or online comments.

Facebook logoAnalyst Insight by Lisandra Minussi

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