# Chapter 10 Entrepreneurship and Innovation in Tourism E-Businesses: Their Relationships With Their Audiences

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### **ABSTRACT**

The emergence of social networks has revolutionized the way people communicate and share information. Consequently, it becomes important to analyze the role of these models of collaboration and innovation through social networks in the strategic vision of the responsibility of marketing and communication in tourism industries, mainly the role of Facebook in e-business actions. This chapter presents a qualitative and exploratory analysis of the individuals in the virtual context of the social media, their behaviors, reactions, and attitudes, to perceive which social factors can enhance the appearance of competitive advantages for the organizations. There was a predilection for companies with a greater international connection at the level of clients and also at the level of the operation because there was a predominance of companies related to the tourism sector of Madeira.

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# INTRODUCTION

In the new century, advances in technology have brought tremendous changes to consumers, markets, and marketing. These new technologies allow connection and interaction between individuals. The tourism sector is one of the most affected by this new reality, as indicated by data from different studies on Internet users and tourism (Devis, 2010). Many companies have not yet integrated the new technologies into their processes, even when they assume they will depend on them, prefer to continue operating as usual, with a high opportunity cost compared to competitors (Correia et al., 2014).

The emergence of social networks has represented a before and after in communications through the Internet. Thanks to the many possibilities they offer, they have become one of the preferred ways to keep in touch (Martínez-Valerio, 2012). An effective use of social media can represent a source of competitive advantages for organizations that are difficult to imitate due to the architecture of connection to the company, playing a strategic role in the differentiation or cost, to the detriment of a purely face-to-face role.

Social media has become intrinsically involved in the business. Companies need to understand that they no longer own exclusive consumer relationships with their products / services, so the survival of organizations will depend on their ability to socialize and interact with the audience.

This socialization through social networks not only consists of providing content, but also comments and opinions on different topics, which can be read and re-commented by others (Martínez, Bernal & Mellinas, 2012). We are therefore in contact with people, companies, organizations and brands, which are transformed into content contributors, affecting the way in which others see them, which gives rise to what is known as "online reputation" (Hernández, 2009).

Several studies (Murphy, Moscardo, Benckendorff, 2007, Litvin et al., 2008, Fotis, Buhalis, Rossides, 2012, Leung, Law, Van-Hoof, Buhalis, 2013) show that content generated by users through social media tend to be perceived as more reliable information than content offered by other more institutional sources such as official websites.

Consequently, it seemed opportune and interesting to explore the phenomenon of virtual socialization (especially on Facebook), which is still a little studied area and which requires an innovative theoretical approach under the heading of marketing and communication, two elements present in all organizations and whose functioning is important for the proper development of these entities.

In a more transparent and dynamic world, where consumers rely more on other consumers for advice and recommendations on products and services, and increasingly through social networks (Leung et al., 2013), it is important to know how and why the ecosystem of social networks (especially Facebook) has influence on organizations (Sánchez, 2010), how companies can plan their strategic integration, how they can identify new opportunities or how they assess technological innovations, and how they obtain new business models from their use. Besides being necessary to know how to manage the consequent changes, or how to exploit the investments in the social network and ensure the proper return and what will be the appropriate behavior of the employees to work within a wider and dynamic community.

This "new" philosophy of approach to the public, of interactivity and personalization, is reborn expanded in its reach through the partner platforms, which despite being a marketing aspect that in recent years has deserved prominence, was always confined to a limited audience. Social media now allows destinations and companies to interact at any time and directly with their different audiences at a relatively low cost (Kaplan, Haenlein, 2010).

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