

USING SOCIAL MEDIA TO GENERATE CUSTOMER LOYALTY



An explorative study on how restaurants in Copenhagen utilise their social media platforms to generate a loyal customer base during the corona pandemic

MASTER'S THESIS

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ABSTRACT

The COVID-19 pandemic has seriously affected the hospitality industry in Copenhagen and restaurants have been struggling during this crisis. Pre-coronavirus business models, built around attracting customers from across Denmark or the world, have become inadequate under the existing conditions. Instead, restaurants have become dependent on local customers, thus, customer retention and loyalty play an even more important role than before for restaurants to successfully operate. Social media platforms serve as primary channels for restaurants to connect with customers, therefore this exploratory study aims to understand how restaurants in Copenhagen can utilise their social media platforms to generate customer loyalty that can help them through this crisis.

To explore how restaurants can utilise their social media platforms to build customer loyalty, in-depth interviews with ten Copenhagen restaurants were conducted and existing literature was reviewed. Thematic analysis was used to understand and analyse the complex meanings of the collected data.

The findings of the study facilitate a better understanding of how restaurants can utilise their social media platforms to generate customer loyalty. Through the critical analysis process, it was found that the restaurants in this study have engaged in a wide variety of loyalty enhancing communication activities on their social media platforms which has helped them in this crisis situation. However, it was also understood that a more comprehensive and strategic approach to social media communications would benefit the restaurants and could strengthen their loyal customer bases. Based on the presented literature and data from the interviews, this research contributes to the development of a more comprehensive social media communications approach for customer loyalty generation that small hospitality enterprises can benefit from.

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1 INTRODUCTION

1.1 BACKGROUND AND RELEVANCE

In 2020, a worldwide pandemic has started due to the novel coronavirus (COVID-19) outbreak. The virus has been very contagious and due to its novelty, no cure or vaccine has been available in 2020. This made physical and social distancing the only viable solution to control the spread of the virus, sending the whole world, including Denmark, into lockdown in spring 2020 followed by several other lockdowns later in 2020 continuing into 2021. Although vaccines became available early 2021, there are still many uncertainties regarding the pandemic and it is expected that business and social life will not return to normal for years (Tan, 2020). In Denmark a variety of restrictions have been imposed since March 2020. In the first lockdown between March and May 2020 everything had to close down, including restaurants. The nation's borders remained closed and tourism has been restricted throughout all of 2020. After re-opening in May 2020, different restrictions were imposed across every industry. Restaurants were allowed to be open with strict restrictions such as limited opening hours and number of guests. During the conduction of this research, a second lockdown was imposed in December 2020, which is currently still in place in March 2021.

The COVID-19 pandemic has caused a serious crisis within many industries, however, the tourism and hospitality industries have been the most significantly impacted (Visit Denmark, 2021). They are the industries that were the first to be affected by restrictions and closures, and there are many indications that they will also be the last to return to normal (Dansk Erhverv, 2021), which is not expected to be before 2023 even by the most optimistic forecasts (Visit Denmark, 2021). Within Denmark, the capital region is impacted heaviest by the crisis as international tourism in Copenhagen had a decrease of 88% in 2020 compared to 2019. Danish tourism has lost 31 billion DKK in revenue in 2020, however, Copenhagen was behind 90% of this loss, losing 28 billion DKK in revenue (Berlingske, 2020).

The dramatic decline in international tourism has affected the restaurant sector as well. After the New Nordic Cuisine has become renowned worldwide, Copenhagen has become a popular destination for gastro-tourism

and 28% of tourists choose Copenhagen due to gastronomic reasons (PwC, 2019; Visit Denmark, 2019). This also means that the arrival of international visitors has been crucial for restaurants, namely tourism had a share of 32% of restaurants' total revenues in 2019 (Fonnesbech-Sanberg & Rich, 2019).

The cumulative effects of decline in international tourism, national lockdowns, and restrictions caused the hotel and restaurant sector to be the most heavily affected sector in Denmark, harming the country's general economy. This sector experienced the highest increase in the number of bankruptcies in 2020 compared to 2019 (HORESTA, 2021), as well as, the most significant decrease of 42% in the working hours for the sector (HORESTA, 2020b). The sector is especially vulnerable as it is composed of small businesses with ten or less employees (European Agency for Safety and Health at Work, 2008). All these data confirm that hotels and restaurants in Copenhagen are among the businesses that are hit heaviest by the corona crisis. This also has serious implications for other parts of the economy and society in general. The hotel and restaurant sector is one of the biggest and most labour intensive sectors within the service industry and contributes significantly to the economy through creating jobs (Finansministeriet, 2020). According to a report by the Ministry of Finance (Finansministeriet, 2020), Denmark's gross national product (GNP) in the first quarter of 2020 decreased by 1,9% for which the main reason was the amount of jobs lost within the service industry especially in hotels and restaurants. Until May 2020, 35% of jobs were affected in the restaurant sector and by the end of the year 18,2% of jobs were lost within the sector (Dansk Erhverv, 2021; Finansministeriet, 2020). This impacted the general Danish economy and labour market where a significant fall in terms of employment was experienced in 2020 (Dansk Erhverv, 2021). Therefore, the crisis within tourism and the restaurant sector has significant consequences for society as both jobs and tax revenues are lost, since for instance tourism created 42.000 jobs in Copenhagen alone (Wonderful Copenhagen, 2020).

Restaurants are not only one of the biggest victims of this crisis, they also face major uncertainties which cannot be understood and planned with as they are caused by the pandemic (Tan, 2020). In November 2020, 27% of restaurants in Copenhagen said that they have a high risk of permanently closing (HORESTA, 2020a). Therefore, Vaughn Tan, change consultant specialised within gastronomy and professor at UCL, says that restaurants must act if they want to survive (Cole, 2020). He believes that restaurants will be operating under different circumstances and pre-coronavirus business models will not be sufficient for them to survive in a

world with physical distancing, no tourists, changing and continuous restrictions, and recurring lockdowns (Tan, 2020). He believes that restaurants should focus their activities towards local customers, as attracting customers from across the country or around the world will not be possible for years. Therefore, paying attention to the local context, responding and catering for local customers' needs will be key in the future. He adds that casual neighbourhood restaurants with loyal customers have an advantage over internationally recognised restaurant brands that have less experience with serving local customers instead of critics and the PR industry (Tan, 2020). In order to survive the crisis, restaurants have to focus on loyal customers that return several times a week or for fine dining every week or month (Cole, 2020). Tan highlights social media as a key tool for restaurants to connect with their local audiences which should help them establish loyalty if used as an asset (Cole, 2020).

The use of social media platforms has been an important tendency in the restaurant sector in the previous years and it has become a very efficient way for marketing and communications to create connections with new and current customers (PwC, 2018). Social media has become a crucial part in most people's lives, and it takes up a major part in our communication with each other, including sharing experiences, such as restaurant visits, online (Jahic, 2018). Therefore, Tan's view on social media being an important tool for restaurants to survive the crisis seems to be of high relevance (Cole, 2020).

1.2 PROBLEM STATEMENT AND RESEARCH QUESTION

Restaurants are very crucial for the economy and society, and their existence is now threatened due to the crisis caused by the COVID-19 pandemic. The coronavirus is expected to stay and restrictions are expected to be in place for years to follow, therefore Tan's (2020; Cole, 2020) belief that restaurants should adapt to the situation in order to survive by focusing on local and loyal customers and connecting with them on social media is more relevant than ever. Therefore, the need for restaurants to develop their social media communication activities and focus on their local, existing customers to create a loyal customer base is currently critical.

There is extensive literature on customer loyalty, however, the number of models based on hospitality research was particularly scarce, according to Yoo & Bai (2013) who reviewed published research on customer loyalty in the hospitality industry. Restaurants during the COVID-19 crisis are in increased need of support, as

well as advice regarding possible tools and activities that can help them in surviving this crisis. Therefore, this study aims to answer the following research question and sub-questions:

How can restaurants in Copenhagen utilise social media platforms to generate a loyal customer base in times of the corona pandemic?

What are the most important loyalty generating factors for restaurants in Copenhagen?

How can the use of social media platforms enhance customer loyalty?

How does customer loyalty help restaurants survive the current corona crisis?

The study addresses the research question and sub-question in the following five chapters. In Chapter 2, a literature review is conducted on the most important concepts related to the research question. In Chapter 3, the methodology presents the methodological choices and how the qualitative interviews were designed and conducted, and how data was analysed. In Chapter 4, the data from the interviews are presented. In Chapter 5, the main findings are discussed and analysed in-depth. Lastly in Chapter 6, the contribution of the research to existing theory within customer loyalty in hospitality is concluded, together with managerial implications for the restaurants and the limitations of the study and future research opportunities.

2 LITERATURE REVIEW

In this chapter the most important literature for the topic of this research is reviewed and presented. First, the importance of relationship marketing and communication is introduced. Then, customer loyalty and its main factors are explained including specific details about loyalty in the hospitality industry. Lastly, theories on how to achieve customer loyalty in the hospitality industry are discussed.

2.1 RELATIONSHIP MARKETING

Most firms and researchers have been devoting their marketing focus to the attraction of new customers, until the 1970s and 80s (Berry, 1983; Schneider, 1980). The focus of firms was on single transactions with customers who were normally anonymous and mass (Grönroos, 1991; Hollensen, 2010). This marketing approach is called transactional marketing and the 4Ps of the marketing mix determine the essence of what firms should do when following this approach. Transactional marketing was most successful in the 1950s and 60s in an era of mass manufacturing and mass marketing. Today's markets moved from mass consumerism towards service markets (Hollensen, 2010). These recent market conditions involve a change of perspective from a predetermined structure of decisions making variables such as the marketing mix in transactional marketing, to a focus on developing and maintaining relationships. Hence, today's service firms would normally benefit more from applying a relationship-type marketing strategy because these firms have immediate contacts with their customers, perhaps on a regular basis (Grönroos, 1991). Berry (1983) argues that the transactional view of marketing is restrictive and potentially wasteful, as firms benefit from retaining valued customers as well as by attracting new ones. As competition increases, it is more important for firms to protect their existing customer base, and such constant customer base with regular sales can often be more profitable. Thus, an interest in long-term customer relationships occurs evident (Grönroos, 1991).

Thinking of marketing in terms of retaining customers and not only attracting new ones, is crucial for service firms. Even though the process of retaining customers was not a completely new idea, Berry (1983) introduced this new notion to marketing in his article 'Relationship marketing' which was the start of a paradigm shift in modern marketing literature. The main idea behind relationship marketing is to market to existing customers

for them to become better and more loyal customers (Berry, 2002). Berry (1983) defines relationship marketing as *“attracting, maintaining, and - in multi-service organizations - enhancing customer relationships”* (p.61). He means that attracting new customers is only the first step in the marketing process, and that retaining which is servicing and selling, as well as transforming customers into loyal ones and serving them as clients are crucial elements of marketing as well (Berry, 1983). Relationships are based on value creation in interactions between firms and customers where value creation is mutual (Hollensen, 2010). Therefore, relationships are interdependent and trust towards the firm is an important factor to maintain and strengthen (Grönroos, 1991).

Relationship marketing literature has often not included communication processes as critical elements of relationship building and instead focused on dimensions such as trust and commitment, which, according to Duncan & Moriarty (1998), are results of communication. They also argue that communication is the primary integrative element in managing relationships between the company and any stakeholders, and that communication plays a unique and crucial role in relationship building with customers (Duncan & Moriarty, 1998). Interactivity in communications is important because it enhances retention, customer value, and relationship building (Duncan & Moriarty, 1998). Furthermore, it is a significant enabler of relationships that equally benefits the company and the customer, which is the main goal of relationship marketing (Duncan & Moriarty, 1998; Hollensen, 2010). It is thus evident that relationship marketing is more communication intensive than transactional marketing and increasing interactivity makes communication efforts even more crucial element of marketing (Duncan & Moriarty, 1998). Therefore, communication with the customer, whether it is one- or two-way communication, becomes an important part of the relationship building process (Watkins & Lewis, 2013). Furthermore, relationship marketing aims to integrate the customers more into the firm's activities and processes which can be done through two-way communication processes that are crucial for the desired interactive relationship between the company and the customer (Watkins & Lewis, 2013; Hollensen, 2010).

As two-way communication and interactivity form an important part of relationship marketing (Watkins & Lewis, 2013; Hollensen, 2010; Duncan & Moriarty, 1998), social media platforms have gained an important role in communication and relationship building as they are primary outlets for two-way conversations with

new and existing customers. This is especially true for Instagram which has one of the highest engagement rates among different social media platforms (Atherton, 2020). These platforms provide excellent opportunities for firms to engage with customers and have changed the way customers interact with firms. Companies can send unfiltered messages and communicate directly with their customers through these platforms, which include high levels of customer involvement and allow for high levels of interaction with the company, and among users (Watkins & Lewis, 2013). Social media platforms do not only allow firms to follow and influence customer beliefs and attitudes and to receive direct feedback. These platforms also allow communicators to promote their brands and to build and develop customer relationships (Barnet & Ferris, 2018). These characteristics all contribute to social media platforms being significant and strategic means to establish and maintain mutually beneficial relationships which also contribute to repeat purchasing, and loyalty as such (Watkins & Lewis, 2013).

2.2 CUSTOMER LOYALTY

Creating a loyal customer base is not only the main goal of relationship marketing (Berry, 1983; Gremler and Brown, 1996; Keshvari, 2018) but has become more important in order to survive and succeed in today's highly competitive markets, especially in the hospitality industry (Hardjono & San, 2017; Yoo & Bai, 2013). In the past, it used to be easier to keep customers loyal, due to limited information and the available options customers had (Schultz & Bailey, 2000). According to Oliver (1999), satisfaction used to be enough to retain customers but another paradigm shift took place due to the introduction of the internet, which shifted the focus from satisfaction strategies towards loyalty as it had a more significant impact on profits. With the internet, an interactive marketplace enabled customers to have more information, options and power in their relationship and introduced new ways of communication with firms. This made customer loyalty an evident strategy (Oliver, 1999).

Most of the early research on customer loyalty used to be focused mainly on how customers purchased or behaved in the marketplace (Schultz & Bailey, 2000). Loyalty was defined solely as repeat purchasing behaviour or the frequency of it. However, several authors raised the issue regarding this simple definition as it only concerned the behaviour of the customer and did not talk about the psychological factors that could also be important for loyalty to occur (Jacoby & Kyner, 1973; Oliver, 1999). Therefore, in modern literature,

there is a distinction between the two main types of loyalty: behavioural loyalty and attitudinal loyalty. Attitudinal loyalty is affective, psychological attachment of a customer towards a company or a service, i.e. the different feelings and thoughts the customer has (Butcher et al., 2001; Haghighi et al., 2014) and their preferences and intentions towards a service (Gremler & Brown, 1996). Attitudinal loyalty, disregards behavioural loyalty, even though repeated purchase of a service or an act of recommendations can be an important measure of loyalty. Although, there is no consensus on the definition of loyalty, behavioural loyalty remains a controversial notion of loyalty as it is based on patterns of purchase excluding the motivation or commitment of the customer (Haghighi et al., 2014).

Consequently, several authors argue that the behavioural and attitudinal concepts of loyalty should not be separated. Reichheld (1996), who set the direction for the concept of loyalty for many years and criticized the concept of retention for being too narrow and simple (Schultz & Bailey, 2000), believed that loyalty should be viewed holistically. Other authors also highlighted that attitude and behaviour both construct loyalty and the customer's various intentions can often be looked at as an anticipator of their behaviour (Haghighi et al., 2014). Oliver's (1999) definition of loyalty takes a holistic approach and comprises the customer's commitment to consistently rebuy a preferred service in the future, leading to repetitive purchasing behaviour, despite efforts of other offerings and marketing influences. He goes further and establishes the notion of ultimate loyalty which refers to a loyal customer that *"fervently desires to rebuy a product or service and will have no other (...) against all odds and all costs"* (Oliver, 1999, p.35). Ultimate loyalty cannot be achieved by all firms or services as the combination of perceived product superiority, personal determination, social bonding, and their combined effect would be needed. Due to lack of product uniqueness, superiority or because of other industry characteristics, many providers would miss one of the previous elements and thus would not be able to achieve ultimate loyalty (Oliver, 1999).

In the followings, three widely discussed enablers of loyalty are introduced: Satisfaction (Haghighi et al., 2014; Oliver, 1999; Gremler et al., 2001), trust (Grönroos, 1991; Kang et al., 2015; Keshvari, 2018; Malthouse et al., 2013; Pitta et al., 2006), and commitment (Kang et al., 2015; Oliver, 1999; Yoo & Bai, 2013).

2.2.1 Satisfaction

The impact of satisfaction on creating customer loyalty has been debated in literature. Several authors put satisfaction as the main enabler of loyalty (Butcher et al., 2001; Keshvari, 2018). According to Oliver (1999), satisfaction is a necessary step when creating loyalty although it becomes less significant as he considers commitment as the central idea for loyalty (Lindberg-Repo, 2001). A positive relationship formed between customers and the firm also has a key influence on the development of loyalty, whether it is through the service encounter (Butcher et al., 2001) or social media communications (Keshvari, 2018). Gremler et al. (2001) also found positive correlation between customer satisfaction and their loyalty intentions, and they positively relate satisfaction with behavioural loyalty too. On the contrary, other authors found that satisfaction does not create loyalty, they instead emphasize the importance of trust and commitment as significant enablers of loyalty (Malthouse et al., 2013; Nisar & Whitehead, 2016; Pitta et al., 2006). Not every satisfied customer is loyal, therefore, satisfaction alone cannot be a predictor of loyalty, instead it might be necessary for real commitment (Nisar & Whitehead, 2016).

2.2.2 Commitment

Commitment is a strong psychological or emotional attachment by a customer towards a brand or company (Kang et al., 2015). Commitment can also be defined as a sense of liking a firm and having a sense of belonging towards it (Yoo & Bai, 2013). As mentioned in Oliver's (1999) definition, loyalty is a commitment from a customer to repurchase a preferred product. Thus, he considers this emotional connection to be a core concept for loyalty as holistic approach. He talks about commitment as an affection in the customer's mind, which in case of a loyal relationship can develop from the liking of the brand (Oliver, 1999). Committed customers tend to have biased attitudes towards a certain firm and this can seriously influence their behaviour (Kang et al., 2015). Commitment can have different levels, it can be a good intention to repurchase the service which is then related to motivation. It can also be a more deep-rooted commitment to the action of repurchase which is desirable to affect both behavioural and attitudinal loyalty (Oliver, 1999). Social media and active participation are also important for commitment as customers can develop emotional ties through the interactive platforms (Kang et al., 2015). Furthermore, trust is believed to be a significant generator of customer commitment as commitment towards a firm is influenced by maintaining a valuable relationship

based on trust (Kang et al., 2015; Morgan & Hunt, 1994). Kang et al. (2015) however argue that the direct effect of active participation is greater on commitment than the indirect effect of trust.

2.2.3 Trust

Trust is considered a vital element when creating loyalty (Grönroos, 1991; Keshvari, 2018; Malthouse et al., 2013, Pitta et al., 2006). Pitta et al. (2006) define trust as a belief that expectations of the customers will be met by the firm based on what it promises to customers. Trust also contributes to the customer's belief in the possibility of a positive outcome, thus establishing trust in the initial phase of the relationship is preferred. After a successful service encounter, the customer's trust towards the service provider might be established, despite trust being a dynamic element of the relationship which can strengthen or diminish based on experiences (Pitta et al., 2006). Trust also entails a feeling of security based on the belief that customers act influenced and motivated by favourable and positive intentions towards the firm (Yoo & Bai, 2013). Therefore, to build trust, it is important to reduce the perceived risk of the customer by building long-term relationships and loyalty. Authenticity and staying true to the brand and the promises of the firm are important during trust building (Pitta et al., 2006). Social media is a critical tool to establish and maintain trust for service firms, and especially restaurants, both because active participation and engagement on social media platforms are key determinants for trust and commitment (Kang et al., 2015), and because people value recommendations from people they know as their most trusted source (Nisar & Whitehead, 2016). Firms also have a chance to communicate directly with customers and stay authentic through social media (Watkins & Lewis, 2013).

2.2.4 Why is customer loyalty important

Reichheld & Sasser (1990) demonstrated that profits significantly increase when, in a variety of services industries, a company lowers its defection rate (Berry, 1995). That is, when a company manages to retain every customer they can profitably serve and to build customer loyalty with. They argue that the strategy of zero defection has a very significant impact on profitability, more significant than other factors such as scale, market share or unit costs (Reichheld & Sasser, 1990). Loyal customers are often more likely to stay longer in the relationship (Reichheld, 1996) and the longer the relationship, the more profit customers generate every year. This can be due to the one time acquiring cost of new customers, for instance advertising and promotion. Moreover, loyal customers are often less price sensitive and companies can charge a premium price based on

customers' trust in the service (Reichheld & Sasser, 1990; Haghighi et al., 2014). A loyal customer base will also contribute to more predictable sales, steady cash flows, and increasing rates of profits (Reichheld & Sasser, 1990).

Although profits are considered the utmost goal and consequence of customer loyalty, indirect contributors of loyalty to business success are also relevant and very important (Haghighi et al., 2014). These are different value creation effects of loyalty that create long-term, sustainable profitability. Loyal customers can serve as brand advocates and recommend the firm to others (Reichheld, 1996). Generating positive word-of-mouth (WoM) or generally talking about and recommending the service is one of the most crucial value creation activities loyal customers engage in and hence contribute to long-term business success (Haghighi et al., 2014). Positive WoM can generate interest in the firm and can reduce advertising and promotional expenses (Reichheld & Sasser, 1990; Haghighi et al., 2014), which is particularly important for small and medium-sized enterprises (SMEs). Using social media platforms as communication and advertising channels can also be a way to efficiently use marketing expenses because of their characteristics of high customer engagement and cheaper pricing (Nisar & Whitehead, 2006).

Other value creating effects for the company can be loyal customers' feedback which can be direct and instant through social media that provides the firm with customer's preferences (Keshvari, 2018). Feedback brings more than just information, it helps in the improvement of service offerings and retaining long-term customer relationships (Reichheld & Sasser, 1990) through better connection and higher customer satisfaction (Keshvari, 2018).

2.2.5 Loyalty in small hospitality enterprises

Loyalty is equally important to small businesses in the hospitality industry as to any large business. However, the meaning and key reasons behind the importance of loyalty can vary between the different businesses (Haghighi et al., 2014). Contradicting research on large organisations, Haghighi et al. (2014) found that loyalty is important for small businesses because of its value creation effects rather than profitability which is argued to be the strongest effects of loyalty in research on large organisations. Small businesses define value creation as enhancing positive WoM and long-term profitability of the business. Prioritisation of non-economic

motivations over direct economic motivations of owner-managers is widely agreed on in literature about SMEs and shows that the social, psychological, and lifestyle motivations of owner-managers for running their businesses weigh out the economic motivation and thus differ from larger organisations (Haghighi et al., 2014). Loyalty is found to be a more personal experience and therefore the personal satisfaction effects of loyalty are outstandingly important for owner-managers (Haghighi et al., 2014).

The size and type of the business also plays a role in the creation of customer loyalty and the experiences that contribute to building this loyalty. In small hospitality businesses, it is even more important to ensure that the quality of the experience is consistent in all contact points, i.e. moments of truths (Haghighi et al., 2014), because the services provided are intangible and customers need to decide and pay for them before experiencing the actual service (Berry, 2002). Therefore, creating trust is especially important in restaurants (Kang et al., 2015) as customers possess incomplete information (Pitta et al., 2006) and are highly exposed to perceived risk due to the intangibility and difficult assessability of services (Gremler & Brown, 1996). This makes the quality of the delivered service important for restaurants as quality can contribute to trust and commitment which are also central parts of relationship marketing (Berry, 2002).

Customer loyalty in small hospitality enterprises is mostly reflected as attitudinal loyalty expressed through positive emotions and liking towards the firm as well as recommendations (Haghighi et al., 2014). These small enterprises have a value-based approach, therefore they consider the significance of attitudinal loyalty more important because they believe that it generates more value for the firm. Behavioural loyalty, i.e. returning of guests, is also important for hospitality businesses but to smaller extent and based on their experiences they believe that behavioural loyalty does not contribute to their profits directly (Haghighi et al., 2014). Instead, the key benefit of loyalty is said to be the WoM recommendations of guests with positive attitudes which highly contributes to the businesses and their long-term profitability (Haghighi et al., 2014). Therefore, customers who recommend the business are as important to owner-managers as returning guests since the businesses rely more on WoM recommendations for customer acquisition than larger organisations (Stokes & Lomax, 2002).

Lastly, it is found that hospitality micro-enterprises are less likely to achieve such outstandingly high levels of loyalty (Haghighi et al., 2014) or so called ultimate loyalty (Oliver, 1999) as larger organisations strive to achieve. The small size of the business plays a role in this since it hinders the significance of behavioural loyalty in the possible number of returning guests. The nature of the business and the industry also have an influence on the milder level of loyalty that these firms can achieve since these small hospitality businesses might not provide superior services (Haghighi et al., 2014). Even if ultimate loyalty may not be possible to achieve or it might not contribute to generating direct profits, milder level of loyalty creates long-term value, long-term profits and authenticity and this is what is of utmost importance for small hospitality businesses (Haghighi et al., 2014). Authenticity is especially important, as search for authenticity has become one of the key trends in hospitality which also stimulates customer choices and therefore it is found to be crucial to provide for hospitality enterprises (Haghighi et al., 2014).

2.3 ACHIEVING CUSTOMER LOYALTY IN THE HOSPITALITY INDUSTRY

Haghighi et al. (2014) found in their study on small hospitality enterprises that these enterprises highly engage in customer loyalty generating activities, despite not having comprehensive strategies for loyalty, unlike most large organisations. Their framework on how small hospitality firms generate customer loyalty is discussed below (Haghighi et al., 2014). This framework is complemented with social media based communication theories (Erdogmus & Cicek, 2012; Nisar & Whitehead, 2016; Quesenberry, 2019) focused specifically on hospitality businesses and SMEs (Chan & Guillet, 2011; Hassan et al., 2019; Kandampully et al., 2015; Kang et al., 2015; Kwok & Yu, 2013) to provide additional loyalty generating approaches and tools for small hospitality firms. As already discussed, communication through social media platforms are primary outlets for interactivity and engagement that significantly contribute to generating commitment, trust, and customer loyalty (Watkins & Lewis, 2013). Furthermore, social media platforms are cost efficient and do not require many resources to utilise their high engagement and interactivity potentials, which makes them the most appropriate tools for small businesses to communicate with their customers (Nisar & Whitehead, 2016; Watkins & Lewis, 2013), and hence the key focus of theories included below.

2.3.1 Quality of customer experience

Providing high quality customer experience to enhance the perceptions of service quality is the first point in Haghighi et al.'s (2014) framework for small hospitality businesses. According to them, loyalty in these businesses can be enhanced through providing extra tangible and intangible services. The personal motivation for creating the most pleasant customer experience through these extra services is important to achieve an authentic and unique experience (Haghighi et al., 2014). Positive customer experiences strengthen the customer's engagement with the firm which results in enhanced loyalty (Kandampully et al., 2015).

Using social media platforms in restaurants can also enhance the quality and the perceived quality of customer experiences and customer satisfaction, therefore they can be excellent tools for restaurants to build long-lasting customer relationships and loyalty (Keshvari, 2018). In order to create improved and consistent customer experiences, it is important to learn about the customers (Chan & Guillet, 2011; Hassan et al., 2019). SMEs often have various constraints and scarce resources, therefore, free social media platforms are excellent tools for them to gain understanding about the characteristics, expectations, needs, and concerns of their customers (Hassan et al., 2019). These insights can be translated into improving the quality and personalizing the service experience (Chan & Guillet, 2011; Hassan et al., 2019). Through communication with customers on social media the firm can test new concepts, receive feedback, observe customer comments, and listen to opinions that the customers voluntarily share online (Chan & Guillet, 2011; Keshvari, 2018). These interactions do not only provide the firm with information that can be used to improve quality and create better customer experiences, they also build relationships with customers, decrease perceived risk of customers, and contribute to authenticity and the fulfilment of customer expectations which then enhance trust and loyalty (Pitta et al., 2006).

2.3.2 Customer Relations

Being the main focus of relationship marketing, Haghighi et al. (2014) found customer relations to also be of utmost importance in enhancing loyalty. They found that in small hospitality businesses, owner-managers developed strong interpersonal relationships with returning guests, which created emotional bonds. The relationships continue after the service encounter and are maintained equally through formal and informal

communication such as phone calls, email, and messages. This contributes to enhancing loyalty, in which attitudinally loyal customers tend to recommend the firm to other potential customers, even though the owner-managers do not have a consistently continued relationship with guests (Haghighi et al., 2014).

Kandampully et al. (2015) in their research on hospitality firms, argue that to achieve customer loyalty, strong customer relationships, enhanced perceived value, and high quality service encounters are not enough. Good and enjoyable interactions between people during the encounters are needed to form personal relations that contribute to satisfaction and loyalty. Furthermore, they explain that among others, firms benefit more from loyal customers who are engaged and participate actively in the relationship through for instance endorsing the firm's services with WoM recommendations. In order to enhance active participations, firms need to be innovative in ways they communicate and interact virtually with customers during pre-purchase, purchase and after-purchase stages of the customer experience (Kandampully et al., 2015).

2.3.3 Customisation of service

Haghighi et al. (2014) found that providing personalised, customised, and flexible service was a key characteristic and asset of small hospitality businesses, which enables them to build strong and interpersonal customer relationships which, as mentioned previously, enhance customer loyalty. In order to achieve customised service, firms should utilise the full potential of the interactivity of their social media platforms because relating to customers through personalised interactions is a crucial step in maintaining loyalty. Through these platforms, firms have the ability to communicate with individual customers, send direct and unfiltered messages to them, facilitate interactions amongst them, receive feedback, and learn about customer preferences (Chan & Guillet, 2011; Watkins & Lewis, 2013). Firms should connect with customers and use social media to build valuable relationships before, during, and most importantly after their visit (Nisar & Whitehead, 2016). If these possibilities of social media communication are utilised, firms can improve interactions and based on these interactions tailor their services to their customers' needs (Hassan et al., 2019).

2.3.4 Value the customer as an individual

Closely related to the above point, based on their research, Haghighi et al. (2014) consider valuing customers as individuals, as a central point to creating loyalty in small hospitality firms. Customers want to be heard individually and personally (Keshvari, 2018). Therefore, firms that consider customers as individuals also provide flexibility in their services and have a high level of responsiveness in their communications. They act friendly, listen to customers, and provide customised services which are sufficient to establish an environment where emotional bonds and commitment are created. Thus, through these practices of taking and showing interest in customers, loyalty is enhanced (Haghighi et al., 2014).

2.3.5 WoM recommendations

The last point of Haghighi et al. (2014) regards the effect of WoM recommendations, which is of utmost importance for small hospitality businesses. Firms can provide different incentives for customers to engage in positive WoM recommendations on social media to spread the word among other users. Opinion leaders, or so called influencers, can be used with the purpose to share the firm's content and possible campaigns in order to make users on target markets engage with the company's social media platform (Erdogmus & Cicek, 2012). Positive WoM can also be boosted through customer satisfaction and trust towards the firm. During these occasions, the customer relationships are mutually beneficial as customers also create value for the firm through WoM. Furthermore, loyal customers who actively participate and engage with the firm and its content can lead to even higher levels of WoM recommendations (Kandampully et al., 2015). WoM recommendations through social media have become crucial for firms, as users value recommendations from people they know as their most trusted source. Therefore, it is suggested that firms monitor and engage in dialogues around these recommendations in order to influence users with their choices (Nisar & Whitehead, 2016).

2.3.6 Customer engagement

Using social media allows firms to engage with customers in real-time, two-way communications and contribute to enhanced loyalty as users who start following a firm's social media platform are more likely to mention, recommend, or purchase from the firm (Barnet & Ferris, 2018). Active participation on for instance a restaurant's Facebook page leads to customers feeling that the restaurant is trustworthy and they are more likely to develop commitment towards the firm (Kang et al., 2015). Kang et al. (2015) suggest, based on their

study of restaurant's Facebook pages, that since active customer engagement is vital for a restaurant's Facebook page, restaurants should develop strategies that generate interest and increase participation online. Based on Quesenberry's (2019) book on social media strategies, it is important to note that flexibility of a social media strategy is critical. As flexibility will provide the firm with a possibility to adjust and respond immediately to content that was created through customer conversation and engagement. Many SMEs choose these platforms and although communication on social media platforms has no direct costs and is an efficient way to create relationships with customers, adequate use is required to improve online presence and maximise the effects of interactions with customers (Hassan et al., 2019).

Information available online on websites and social media platforms are highly important for hospitality businesses due to the intangibility and experientiality of their services. Therefore, restaurants can expect customers to visit their platforms to gain information on new products and services, and to share their consumption experiences with others (Kang et al., 2015). The research from Kang et al. (2015) suggests that restaurants should focus on their communication to engage customers in active participation on their social media pages. Communication tools for that can be sending personal messages to individual customers to enhance the customer's motivation to engage with the restaurant and building emotional connections that lead to loyalty. Restaurants should also pay attention to the communication among customers as they might engage in dialogues on social media on for instance menu items or their experience in the restaurant. These peer-to-peer communications might contain valuable information that should be analysed in order to understand how customers perceive the restaurant and how the restaurant can further enhance value creation for customers (Kang et al., 2015). Another communication tool for customer engagement can be to encourage customers to share their restaurant experiences online. Social media contests are also an excellent way to engage with customers and they can increase awareness, visibility, and engagement (Nisar & Whitehead, 2016).

Customer generated content might be even more important than company generated content because people value recommendations from friends and family as their most trusted source, thus sharing a restaurant experience can influence their actual choices. Such recommendations can also be monitored and interacted with, to further enhance engagement (Nisar & Whitehead, 2016). Quesenberry (2019) further suggests that

customer created content should be shared by the firm and complaints should be noted and addressed. Re-sharing customer created content is a subtle way to encourage customers to engage with the firm. This is important because one of the main advantages of social media is the possibility for two-way communications (Nisar & Whitehead, 2016).

Social media should also be leveraged to monitor, track, collect, and analyse customers' information available on social media, since firms this way can provide help and information which is more customised rather than persuade or advertise at customers (Hassan et al., 2019; Nisar & Whitehead, 2016). Thereby, communication on social media can assist in making the firm appear more human when connecting with customers and giving it a greater personality (Nisar & Whitehead, 2016). Lastly, hospitality firms often have loyalty or reward programs to enhance customer engagement, trust, and positive WoM. However, loyalty programs have been criticized in the literature, as researchers have argued that they might not contribute directly to customer loyalty due to misunderstood customer behaviours and expectations (Kandampully et al., 2015).

2.3.7 Content marketing

This emerging area of marketing is considered with providing engaging content. Visitors do not look for marketing messages, instead they are interested in content that gives them news and information about the services they are already familiar with (Malthouse et al., 2013). Content marketing is related to relationship marketing as it shifts its focus from transaction based selling, towards making connections and co-creating with customers (Erdogmus & Cicek, 2012). It is defined as *"a strategic marketing approach focused on creating and distributing valuable, relevant, and consistent content to attract and retain a clearly defined audience - and, ultimately to drive profitable consumer action"* (Quesenberry, 2019, p.226). Creating engaging content plays a critical role in content marketing as it aligns with its main goal, which is to strengthen firm-customer interactions and retain customers (Chan & Guillet, 2011). Therefore it is important to provide updated, valuable and interesting content on social media that customers want to share, engage with and return for (Chan & Guillet, 2011; Erdogmus & Cicek, 2012; Kang et al., 2015).

Based on Kang et al.'s (2015) study on restaurants, customers engage on restaurant Facebook pages to gain information and communicate and share experiences with others. The intangibility of hospitality services

makes customers depend more on information that they can gather online, hence appropriate content is vital in this sector. They also found that engagement on social media is a key determinant of brand trust and commitment. Even though these feelings of trust and commitment are weaker through online interaction than through a real service encounter, it is critical for restaurants to create content that engages customers. The interactive nature of Facebook contributes to users developing emotions and commitment towards the restaurant (Kang et al., 2015). However, Instagram might be a more ideal platform for restaurants, as social media platforms with a focus on photos and short status updates, such as Instagram, receive more attention and have become popular among users (Kwok & Yu, 2013), and in the same time Instagram has generally higher engagement rates than Facebook (Atherton, 2020).

As the basis for appropriate content creation, the firm should study the customers' social media patterns and engage customers where they are talking about the firm (Quesenberry, 2019). As relevancy of content is an important factor that affects loyalty, firms should keep up-to-date with the preferences and interests of their customers. It also matters whether the content is popular amongst the customers' friends and users they interact with (Erdogmus & Cicek, 2012). When aiming to engage the audience or customers through content marketing, it is firstly important to gain their attention with valuable content that they find entertaining or useful. Instead of hard selling or interrupting sell messages, firms should offer more innovative content and balance their promotional messages with content their customers value. Two-way consumer communication that involves the customer should always be in focus and customers should be encouraged to share the content or their experiences with the firm (Quesenberry, 2019).

Besides the exact content of communications, it should be added that social media campaigns are thought to be one of the most significant contributors of loyalty according to some authors (Erdogmus & Cicek, 2012; Chan & Guillet, 2011). Erdogmus and Cicek (2012) state that these campaigns should contain content that people are likely to share which, according to them, are fun, extraordinary things, and instructive information and not advertisement or sad events. Chan & Guillet (2011) write that interesting games or contests can be a good way to engage customers and contribute to retaining them. Others found that special deals or discounts shared online have a negative effect on building loyalty (Senders et al., 2013).

2.4 SUMMARY

To summarise, customer loyalty can be generated and enhanced through a wide variety of different factors and activities. The three most important influencing factors for loyalty mentioned by authors reviewed in this chapter are; Satisfaction (Butcher et al., 2001; Gremler et al., 2001; Keshvari, 2018; Oliver, 1999), trust (Grönroos, 1991; Kang et al., 2015; Keshvari, 2018; Malthouse et al., 2013, Pitta et al., 2006), and commitment (Kang et al., 2015; Morgan & Hunt, 1994; Haghighi et al., 2014; Oliver, 1999).

There are further factors that are especially crucial for loyalty generation particularly in the hospitality industry. Quality of customer experience is of utmost importance as it contributes to trust and commitment and can also strengthen customer engagement (Berry, 2002; Kandampully et al., 2015; Haghighi et al., 2014). Developing strong interpersonal customer relationships through communication has also been of utmost importance for loyalty (Duncan & Moriarty, 1998; Haghighi et al., 2014). As it is the main focus of relationship marketing, strong customer relations significantly enhance customer loyalty through trust and commitment (Berry, 2002; Kang et al., 2015; Pitta et al., 2006, Watkins & Lewis, 2013). Interactivity in communications is also crucial as it is a vital part of relationship building (Watkins & Lewis, 2013; Hollensen, 2010; Duncan & Moriarty, 1998), as well as it directly enhances customer retention (Duncan & Moriarty, 1998), and contributes to the development of emotions and commitment towards restaurants (Kang et al., 2015).

Furthermore, some other important factors for loyalty are also mentioned. These are authenticity, engagement, and content. Authenticity is thought to be important for restaurants to generate loyalty as it is one of the key trends in hospitality which stimulates customer choices, and it is also important during trust building (Haghighi et al., 2014; Pitta et al., 2006). Customer engagement is also thought to be important to generate loyalty (Kang et al., 2015; Kandampully et al., 2015) as it can lead to trust and commitment, thus enhance customer loyalty (Kang et al., 2015). The intangibility of hospitality services makes appropriate content vital for restaurants' communication (Kang et al., 2015) as it can engage customers and strengthen interactions and improve commitment as well (Chan & Guillet, 2011).

Lastly, social media platforms gain an extremely important role in communication, relationship building, and customer loyalty. They are primary outlets for authentic, interactive, two-way communications, and customer engagement, which all contribute to generating commitment and trust, and therefore can significantly enhance customer loyalty (Atherton, 2020; Barnet & Ferris, 2018; Kandampully et al., 2015; Kang et al., 2015; Watkins & Lewis, 2013).

3 METHODOLOGY

Throughout this chapter the methodological considerations of this study are presented and discussed including the reasonings behind the methodological choices made. First, the research philosophy and approach to theory development are presented, then the research design is discussed, followed by the details about data collection and analysis. Lastly, quality considerations around the study are reviewed.

3.1 RESEARCH PHILOSOPHY

To design a coherent research project, it is crucial to determine the research philosophy in the beginning of the process, as it refers to the belief systems and the way the researcher understands and interprets the development of new knowledge. A well-formulated research philosophy helps construct the appropriate methodological choices, research strategy, data collection, and analysis processes which are needed for a coherent research outcome (Saunders et al., 2019). Therefore, it was determined in the initial stage of this study that an interpretivist philosophy is followed. The purpose of interpretivist philosophy, which aligns with the goal of the research, is to study complex and rich social settings in order to create new understandings and knowledge based on that. Its focus lies within complexity and multiple possible meanings and interpretations, which makes this philosophy subjectivist. According to Saunders et al. (2019), interpretivism is appropriate in a business- and communications context which is the context of this study. Business situations tend to be complex, unique and reflect a set of circumstances and interactions in social situations which involve subjective interpretations. Therefore, interpretivism is the suitable philosophy when studying these types of situations (Saunders et al., 2019).

On the other side of the spectrum, within research philosophies, lies positivism. It is more related to natural sciences and is designed to develop knowledge based on facts, not influenced by human interpretation or bias (Saunders et al., 2019). Positivism emphasizes explanations of human behaviour, while interpretivism is concerned with the understanding of it (Bryman & Bell, 2015). As the purpose of this research is to study and understand the complex and individual ways businesses can cope with the COVID-19 crisis, it adheres to interpretivism research philosophy.

3.2 APPROACH TO THEORY DEVELOPMENT

Interpretivist research is sometimes associated with abductive reasoning (Bryman & Bell, 2015) and although there are different approaches behind how theory can be developed in a research study, the abductive approach is most commonly used in business and management research (Saunders et al., 2019). It is also the approach the researcher followed in this study. Abduction combines deductive and inductive reasonings in a way that it moves back and forth between data and theory, portraying the way business researchers often work in practice (Bryman & Bell, 2015). Abduction begins with a 'surprising fact' followed by possible theoretical explanations to understand how it occurred and followed by further collection of data, which is then tested against theories (Saunders et al., 2019). Abductive reasoning was believed to be the most appropriate in this study, because the research process started with the unusual COVID-19 pandemic and built on real life data from the crisis in the restaurant sector in Copenhagen, through a more inductive approach. Then, literature was studied in order to find plausible explanations for successful communications approaches to create and enhance customer loyalty in this crisis, led by a deductive approach. This was followed by an in-depth data collection phase to learn about restaurants' social media communications in the crisis and then to reflect back again on theory to understand how restaurants can utilise their social media communications to create customer loyalty which helps them survive the crisis. Hence, the flexibility of abduction that made the researcher able to move between data and theory was essential in this study, to gain an in-depth understanding and answer the research question.

3.3 RESEARCH DESIGN

Research philosophy and the chosen approach to theory development influence research design, which sets the goals for the research and determines how the researcher plans to achieve those goals and answer the research question. In the following, the purpose of the research, case study design, and methodological choice are discussed as part of the research design (Saunders et al., 2019).

This research project has an exploratory purpose because it aims to discover and gain novel knowledge about restaurants in the unique phenomenon of the corona pandemic that transformed the restaurant sector tremendously. Therefore, the topic of the study is an undiscovered field, which makes the advantages of an exploratory study highly important, that is to let the topic to be explored through open questions and leaving space for new and unexpected information to arise (Saunders et al., 2019).

In this research, a case study approach has been used. The case study research design supports the purpose of this study well, as it allows the researcher to explore a real-life case in depth, generate rich empirical data and contribute to the development of theory (Saunders et al., 2019; Yin, 2003). For the purpose of this study, restaurants in Copenhagen have been used as the case, as Copenhagen is a leading gastronomical city through New Nordic Cuisine and a primary tourist destination for gastronomy within Europe (Clasper, 2019). The case of Copenhagen restaurants and their social media communication approaches have therefore been chosen because of the case's uniqueness and importance, and further because it was believed to provide an answer to the researched questions.

This study's interpretivist philosophy, abductive approach and exploratory purpose suggest a qualitative methodological choice (Bryman & Bell, 2015; Saunders et al., 2019), which was therefore deemed to be the most suitable method for this research. Qualitative research is designed to study the attributed meanings of participants from words and images. The researcher has to interpret these subjective and different meanings of the participants, thus qualitative data is not standardised. Therefore, a qualitative study is most suitable to discover and understand the complex and different meanings of participants (Saunders et al., 2019), which in this study, refers to the insights of the restaurant sector and how they used social media communications to

generate loyalty during the coronavirus pandemic. Quantitative research design would not have been appropriate for this study as it requires highly structured data collecting techniques that can explain relationships between variables with a goal of creating generalizable results (Saunders et al., 2019). This is not aligned with the goal of this research where the research problem is believed to be more complex, consisting of a variety of different opinions which are all equally relevant to answer the research question.

3.4 DATA COLLECTION - SEMI-STRUCTURED INTERVIEWS

In exploratory research, in-depth semi-structured interviews can be very helpful to explore the context and understand the topic (Saunders et al., 2019). Therefore, in this research semi-structured interviews were conducted as the single data collection method. Semi-structured interviews are often referred to as non-standardised because they consist only of predetermined themes and key-questions which guide the interview but do not determine it (Bryman & Bell, 2015). This was deemed appropriate for this research as the study has a clear focus which the predetermined themes and key-questions facilitate addressing. At the same time, these topics and questions should be followed rather flexibly which gives the researcher the possibility to explore new and surprising information emerging during the interview (Bryman & Bell, 2015; Denzin & Lincoln, 2017; Veal, 2011). This was crucial as the COVID-19 crisis is a unique and novel phenomenon, therefore the data collection method had to cater for openness and facilitate that new, unexpected information could emerge from the interviews. This was also facilitated by the abductive approach of the research. Furthermore, as the aim of this study is to gain in-depth understanding of how different restaurants in Copenhagen utilise social media communications to enhance loyalty, semi-structured interviews were deemed to be the most appropriate method for the study, as they facilitate this in-depth understanding of different meanings and opinions (Saunders et al., 2019).

3.4.1 Sampling

The selection of participants in the research was based on purposive sampling. The criteria for participants were determined based on the research question prior to the start of the data collection process as suggested by Bryman & Bell (2015). Therefore, the places involved in the study had to be located in Copenhagen, serve food, and be open in the evening in order to be able to categorise them as restaurants. The restaurants also had to follow the so called New Nordic principles of local ingredients and general sustainability as these are

unique for the restaurant sector in Copenhagen and an indicator of quality. Furthermore, the researcher aimed to ensure that a wide variety of restaurants with different approaches are included in the study. Therefore, restaurants providing either a casual experience or a fine dining experience were deemed to be able to take part in the study.

When conducting qualitative research, it is important that participants have different perspectives and engage in a wide range of different activities (Bryman & Bell, 2015). This was especially important for this study as the aim of the research was to explore and understand a wide variety of social media communication activities that restaurants engage in during the corona pandemic in order to enhance loyalty. Therefore, this strategic approach of selecting different restaurants with different experiences, communication approaches, and customer groups, was a crucial enabler to gain an in-depth understanding of restaurants' intentions and practices.

Sampling was a sequential process in which a long list of restaurants were contacted for the first round of interviews. Then, the researcher continuously reached out to new restaurants in order to be able to include different restaurants in the research. This sampling approach made it possible to include five casual restaurants and five fine dining restaurants. Even within the two categories restaurants are different from each other in size, style, and on their social media platforms as well. The diversity of restaurants created through this process was of utmost importance for answering the research question. It enabled the researcher to find a large variety of different approaches and activities that through the restaurants' social media platforms contributed to their customer loyalty and helped them in the corona crisis. Despite the differences between restaurants, a lot of similarities were discovered during the interviews. The researcher aimed to collect more interviews to achieve saturation, however, the second lockdown in Denmark starting in December 2020 made it significantly more difficult to get in touch with restaurants. Therefore, the extensive amount of similarities that restaurants provided in their answers during the ten interviews were deemed to be sufficient to answer the research question.

3.4.2 Interview conduction

The appropriate preparation and conduction of interviews are important attributes of research (Saunders et al., 2019). Therefore, an interview guide was carefully developed with the main themes and key questions for the interview (Appendix 1). These themes and questions were mainly derived from existing theory, however, the researcher made sure that interviews were an open discussion where interviewees were able to freely express their opinions. The themes were organised from more broad to a more specific direction, in order to ensure a natural flow for the interview and to enhance participants to mention themes and meanings without potential bias from the researcher or questions, which is in accordance with Saunders et al. (2019). The interview guide served as a checklist throughout the interviews to secure that all topics were covered. However, the semi-structure allowed for a flexible order of questions that aimed to follow the way participants were bringing up topics in order to enhance their authentic storytelling and further decrease researcher bias as suggested by Bryman & Bell (2015).

The structure of the interview guide proved to be appropriate and during all interviews an open discussion emerged where the participants mentioned a lot of the most crucial topics voluntarily and without having to ask them specific questions. Although, the guiding themes and key questions helped to facilitate the interviews, and it allowed the researcher to make sure that all necessary topics were covered. During the discussions, following Veal's (2011) recommendations, open-ended questions were asked based on the interview guide to further encourage participants to explain and elaborate their answers in detail and to further avoid bias proposed by the researcher. Apart from open-ended questions, some probing questions were also asked when requesting particular information which is of utmost importance for the research. Probing questions are an excellent tool to encourage exploration of a certain topic without offering a view, but when the answer to an initial open question does not contain relevant response (Saunders et al., 2019).

The interviews were audio recorded, with the prior consent of participants, and simultaneous notes were taken to capture other important information, such as the thoughts of the researcher or body language of participants. The participants also consented to presenting their names and the names of the restaurants for the research. These details are presented by the two categories and the order of the interviews (see Table 1).

In order to avoid sharing sensitive data from restaurants and to make sure that the research does not present unwanted discussions and conclusions, the interviews and restaurants were anonymised in the Findings and Discussion chapters. Casual restaurants are named CR1-5 and fine dining restaurants are named FD1-5.

Type	Restaurant	Name	Position
Casual	Veranda	Erik Engblom	Restaurant Manager
Casual	BarPasta	Peter Trillingsgaard	Co-owner
Casual	Babby Babbo	Alexandra Karin Ek & Karen White	Co-owners
Casual	Café Tilda	Lisa Cunsolo	Co-owner
Casual	Café Stadion	Lui M. Hovgaard	Co-owner
Fine dining	Amass	Christian Alexander Møller Bach	Head of Communications
Fine dining	Aamanns	Line Lave Nielsen	Customer & Sales Director
Fine dining	Fiskebaren	Jamie Lee	Head Chef
Fine dining	Høst	Caroline Fehrn-Christensen	Head of Communication & PR
Fine dining	ILUKA	Daniel Örn Einarsson	Restaurant Manager

Table 1 – Information of the interviews

3.5 DATA ANALYSIS

To analyse data from the conducted interviews, thematic analysis has been used in this research, which is a widely used method in qualitative studies (Braun & Clarke, 2006). The main purpose with this method was to search for and establish occurring themes throughout the interviews with the restaurants. The method contributes to the goal of this study, as Saunders et al. (2019) suggest that thematic analysis is appropriate to analyse small data sets resulting in detailed descriptions, explanations, and theory development. Braun and Clarke (2006) introduced a six steps guidelines for thematic analysis which was followed during the analysis of the data. The six steps are the following: familiarization with data, generating initial codes, searching for themes and recognising relationships, reviewing themes, defining and naming themes, and producing the report (Braun & Clarke, 2006).

As the initial step, the interviews were transcribed immediately after they were conducted. As this is a good approach for the researcher to familiarise himself with the data (Braun & Clarke, 2006). This was followed by reading the data and simultaneously searching for meanings and patterns. Then, the researcher began to generate codes by categorising the data that had similar meanings, as suggested by Braun and Clarke (2006). Codes were created based on the existing theory and relevant literature and also emerged directly from the data, for example based on terms used by restaurants. Based on Bryman and Bell's (2015) recommendation, Nvivo, a computer-assisted qualitative data analysis software, was used for the coding of data to help retrieve the large amount of text to which a code is attached to. After making sense of the data through coding, the researcher continued with following the steps determined by Braun and Clarke (2006), that is, the searching for themes and relationships in the data began. One key element for establishing themes is the repetition of codes across data sources, as these repetitions are relevant to answer the research question (Bryman & Bell, 2015). Thus, themes were created based on repetition of codes and existing theory.

Then, to refine themes the researcher reviewed the existing codes and themes and aimed to create a coherent system (see Figure 1) that reflected the data set, as suggested by Braun & Clarke (2006). As the next step, the themes were defined and named. For this step, inspiration was taken from the literature and themes were named based on existing theory and based on the content of the codes, in order to create coherent stories. Even though writing the study took part throughout the whole analysis process, it was finalised as the last step. Throughout this last step, the researcher kept in mind the notes from Braun & Clarke (2006) which highlight the importance of producing a coherent, logical, and also interesting story which tells the complicated details of the data in high quality.



Figure 1 – Themes and codes used during thematic analysis

3.6 QUALITY CONSIDERATIONS

Reliability and validity have been the two most important criteria used to assess the quality of quantitative research (Bryman & Bell, 2015). These two criteria are related to positivist research philosophy, natural sciences, and quantitative research. Therefore, these quality measurements are often thought to be inappropriate in relation to qualitative research based on interpretive assumptions as the goals of this kind of research are significantly different from quantitative, positivist research (Saunders et al., 2019). Therefore, Lincoln and Guba (1985) proposed an alternative to reliability and validity which is based on these two concepts but with definitions and additions that better fit the assessment of qualitative research. They introduced the framework of trustworthiness and authenticity. Authenticity assesses the wider political impact

of research, which this study is not considered with. Trustworthiness is based on four different criteria: Dependability stands instead of reliability, credibility is for internal validity, transferability is for external validity, and confirmability substitutes objectivity (Lincoln & Guba, 1985). The quality of this research is evaluated against these measurements.

Firstly within trustworthiness, dependability refers to the issue of reliability that is the replication and consistency of the qualitative research (Saunders et al., 2019). The lack of standardisation of semi-structured interviews in this study can lead to concerns about whether similar data and results could be obtained in alternative research. It is important to note that the strengths of in-depth interviews are to reflect meanings at the time they were conducted and to explore depth and complexity of these meanings, therefore they should be flexible and non-standardised (Saunders et al., 2019). These characteristics align and support the goal of the research. Hence, determining the quality of the interviews on whether they are possible to repeat with similar results would underpin the strengths of this method. Thus, the relevance of replication to judge the quality of this research can be questioned (Saunders et al., 2019). However, the researcher puts an extensive emphasis on the consistency of the research which was supported through the in-depth explanation of data collection and analysis processes.

Transferability refers to the extent the results can be applied to other settings. Thus, it is concerned with generalisability or external validity. Transferability also refers to the extent another researcher can repeat the study with similar results (Guba & Lincoln, 1985). Due to the very limited sample size of this study and the purposive sampling approach, it cannot be generalised. However, the aim of this study is to discover and gain insights of a complex phenomenon, rather than creating statistical contributions that are generalisable. A thorough description of the research question, research design, data collection and analysis, findings, and discussion make it possible for another researcher to repeat the study with similar results.

Credibility, or internal validity of qualitative research, can be defined as the extent the researcher gained access to the participants knowledge and opinions and is able to interpret the authentic meanings that the participants are intended to tell (Saunders et al., 2019). In this study, the opinions and interpretations of restaurants are discovered through semi-structured interviews, which are appropriate for in-depth discovery

of meanings due to their flexibility and open structure. However, bias might still occur from restaurants in the interviews. This possible bias is mitigated through the well-prepared data collection process. Researcher bias can also occur during the interpretation process, this is mitigated by following the steps of thematic analysis thoroughly, as well as by attaching the full transcripts of the interviews (Appendix 2).

Lastly, confirmability is part of trustworthiness and refers to the objectivity of the research. While biases are difficult to completely avoid in business research (Bryman & Bell, 2015), the researcher has put an emphasis on making sure that he acted in good faith and tried to stay objective. He has done this with the help of a well-designed interview guide with no leading questions, and the thorough data collection process, as well as transcribing the interviews and thoroughly following the steps of thematic analysis.

4 FINDINGS

The findings from the interviews with the ten restaurants in Copenhagen are presented in this chapter. First the restaurants are introduced through the impact the COVID-19 pandemic had on them, including the type of customers they have and type of experiences they provide. Then, all the activities that restaurants engage in to create customer loyalty are presented based on the structure from 'Achieving customer loyalty in the hospitality industry' in the literature review. Then the restaurants' take on the main advantages of loyalty are introduced followed by the importance of loyalty during the current crisis and how loyalty helped restaurants overcome this crisis.

4.1 THE IMPACT OF THE COVID-19 PANDEMIC ON DIFFERENT TYPES OF RESTAURANTS

The studied restaurants can be divided into two categories: Fine dining and casual. Below it is explained how the restaurants in the different categories experienced the crisis including that the fine dining restaurants had more significant challenges compared to the casual restaurants.

4.1.1 Fine dining restaurants

The COVID-19 pandemic has had a negative impact on all of the studied restaurants, since they have all faced various challenges, such as closed borders, significant decrease in numbers of tourists, new restrictions in terms of space, opening hours, and hygiene. However, it is clear that the restaurants who provide more of a refined and fine dining experience were challenged more by the COVID-19 pandemic and the crisis that followed in the hospitality industry. These restaurants are specifically FD1, FD2, FD3, FD4, and FD5. Their main customer group were tourists, estimated to be around 60% of all guests in FD2 and FD3 and also significant for FD1, FD4 and FD5. These 5 restaurants used to be fully booked every evening before the crisis and now they are either down to around half of their bookings, closed more days of the week, or only fully booked on the weekends.

“That [the lack of tourism] has a significant effect on us now because our regular clientele is simply not available to us at the moment due to the closed borders.” (FD2)

These 5 restaurants struggled significantly to fill their spaces in the periods they were allowed to be open, therefore FD1, FD2, and FD5 introduced new activities complimenting their original business models which helped them to reach out to local guests, to increase their revenues through the more affordable and everyday concepts, and to attract new and potential loyal customers for their fine dining concepts. The new business lines were FD1’ lunch catering, FD2’ new fried chicken take-away, and FD5’s home-cooking kit. FD3 and FD4 did not change their concepts, nor introduced new lines of business.

“Our strengths, and why we are still here today [...] is solely due to our ability to think new directions, make it work! [...] We have no events but then we put all the energy into our new lunch catering service.” (FD1)

4.1.2 Casual restaurants

Towards the other side of the spectrum, there are the more casual restaurants that define themselves as a “neighbourhood bar” (CR5) or as “... two very local restaurants, so we are not dependent on tourists.” (CR2).

These restaurants are CR1, CR2, CR4, CR3, and CR5. The majority of their customers are local Copenhageners or from the exact neighbourhood, and their concepts are more value for money focused providing everyday experiences, compared to a more special fine dining evening. The crisis has also imposed serious challenges to their business models. CR5, CR2, and CR4 have been more busy than usual during the summer but they have been struggling since autumn as they only have a few tables inside, next to their spacious outside seating areas.

"...since we have opened [after corona] we have been more busy than expected. We had a really nice summer [...] But now when the weather turns and it's getting too cold to sit outside, we are really feeling the corona now. Yea, because at the other restaurant, indoor we only have 8 tables and now we are down to 6 tables [...]. And then as well, of course when we rush a bit in the seatings, people have a lower average spend." (CR2)

CR1 has also had struggles with limited space and opening hours and were only fully booked on weekends *"We definitely boomed weekends. [...] And it is still a year full of struggles. So we found a way to smash more tables in within short amount of hours."* While CR3 has also been struggling to fill up their space during the day as they lost their main customer type: *"The families with small children, they were not coming anymore because they were too afraid."* (CR3). CR3 also realised how important tourists were for the restaurants despite tourists not being significant in number, they contributed significantly as they spent more than regulars when visiting.

4.2 ACHIEVING CUSTOMER LOYALTY THROUGH...

Customer loyalty has been important to all the studied restaurants, regardless of the type of experience they provide. All the restaurants engage in activities that contribute to maintaining relationships with customers and that enhance loyalty. Restaurants value the importance of customer loyalty to different degrees and engage in a wide variety of different activities, which are presented in detail in this section, in order to understand how restaurants in Copenhagen utilise their social media communications to enhance loyalty.

In terms of social media platforms for communication with both loyal and other customers, Instagram has been clearly used as the main platform for all ten restaurants. Most restaurants also have a Facebook page and a website, however, they communicate with their audience almost only through Instagram. All restaurants have been confident regarding Instagram being the most appropriate platform, and they also all agreed that it is essential to be present on Instagram since the industry in Copenhagen is engaged and wants to keep up to date with restaurants.

“[...] the most responses we get through Instagram and it's actually insane I think. I would have never thought it is so important and that everybody is only looking at that. [...] We kept saying, people eat through Instagram, so if they see a plate that they really think it looks nice they would come.” (CR3)

4.2.1 Quality of customer experience

All studied restaurants consider high quality customer experiences as an important factor to create loyalty, however they have different approaches. Half of the restaurants focus on the quality of the core restaurant experience, two restaurants divide their focus, and three restaurants do not consider the core restaurant experience as the most important factor for their loyalty generating activities.

All ten restaurants expressed that in their view a good quality experience is necessary for generating loyalty. FD1, CR2, FD3, and FD4, were the restaurants that believed that a high quality of customer experience is the primary factor for them to generate and enhance customer loyalty, thus this is where their focus lies. They all further elaborate on good quality, which they believe is both a professional and high-level of service and the quality of ingredients and the product that is being served, i.e. solely the core experience customers have in the restaurant. FD3 highlights that when customers are aware that they can expect very high and constant quality, it results in trust which they think is the main reason for their customers to return. CR5 is another restaurant that believes that the quality of the core restaurant experience is of utmost importance for loyalty, however, they also think that communications with customers are important and have a focus on that as well. Furthermore, CR5 believes that customers' trust in their knowledge about what they offer and their recommendations are very important reasons for customers to return. The two latter restaurants, as the only

ones, add that trust is especially crucial during the COVID-19 pandemic so that guests can trust the restaurant in that they follow the regulations and create a safe space for a restaurant visit.

“Your product it's hugely important. [...] And it's one thing we're conscious about all the time. That when someone comes in they know the standard of the food they're going to get. [...] they know it's always going to be the same. We're going to hit the spot all the time! And that trust is a very important thing. [...] And that brings people back!” (FD3)

Furthermore, these five restaurants put their communication efforts also during the core restaurant experience; the service touchpoints, where they aim to provide an outstanding level of service and, thus achieve satisfaction. They are still present and communicate with their customers through social media and engage in a variety of loyalty enhancing practices but it is not their primary focus. They are focused mostly on creating a good experience and enhancing customer loyalty through the core restaurant experience and customer satisfaction.

“We believe that as long as we focus on the good experience, the good food, the good service, then we get loyalty” (FD1)

For FD2 and FD5 the very high quality, fine dining experience they provide is also a very important reason for their customers to return and develop loyalty, however, they find that directly communicating with customers is also crucial for them to retain customers and enhance their loyalty. Therefore, beside the core restaurant experience, they also consider perceived quality and communications before and after the visit as part of the customer experience and have a focus on that as well.

“For us that [customer loyalty] comes down to like the experience they have with us when they're here and the way we communicate with them directly via email, phone or face to face.” (FD2)

CR1, CR3, and CR4 are the restaurants that do not put the quality of the core restaurant experience as the primary factor for their loyalty. CR3 does not mention anything quality related. CR4 sees personal style and service as the main loyalty generating reason next to high quality of products.

“We can only do this [create loyalty] by delivering a proper product and coming with the personal style and attitude we have. So for me it's really a lot about our personality too and if you like the personality and style that is when you come again.” (CR4)

CR1 is the only restaurant that is aware that communication through Instagram can change the guests' quality perceptions of the experience even before the visit, hence Instagram can enhance satisfaction and contribute to a better quality customer experience:

“We always try to be honest with people, post pictures of maybe things that aren't the prettiest or things we do on a day off or what we have been doing. So when people come in it feels the same what they are expecting. Because otherwise, it can totally throw you off, it is not as cool as you expected or a little cold. I think that has been our main strategy through corona and before.” (CR1)

Furthermore, CR1 as the only restaurant, also uses Instagram to reach out to their followers and loyal customers to ask them for feedback on certain dishes on the menu and to test new concepts, such as new opening hours or what they should put on the menu. They find this interactive communication with their loyal customers a crucial tool for being able to adjust their offerings based on what their loyal customers want. This way they enhance the quality of the core customer experience and ensure that they do not do something that their loyal customers would not be happy for. They also always get a tremendous amount of answers and feedback.

Lastly, only three other restaurants; CR4, CR3, and FD5 use feedback from loyal customers to improve their offerings and through that improve the core customer experience: *“In some ways it's kind of a quality check*

and a reminder of what we do since they come back and give us feedback which makes us try new things and therefore it helps us see if we are doing well while remaining experimental enough, and on the right track. So therefore it is important to have loyal customers.” (FD5) and “So feedback from loyal customers is 100% something that I can use to improve” (CR4).

Summing up, all restaurants find a good core experience and high quality service and product a necessary element in enhancing loyalty. For four of the restaurants, FD1, CR2, FD3, and FD4, this high quality of the core restaurant experience is the primary focus. For the six other restaurants, FD2, FD5, CR1, CR3, CR4, and CR5, social media communications is also an important focus beside the quality, and they use social media to improve their core restaurant experience. Only four restaurants; CR1, CR4, CR3, and FD5, work with feedback from loyal customers and see the opportunities of social media as a tool to improve the quality of their core restaurant experience and enhance loyalty through that.

4.2.2 Customer relations

Although customer relations have been important for most restaurants, restaurants have a wide variety of different approaches. For some customer relations are their main focus, while others only engage in a few communication activities to enhance customer relations. There are also a few restaurants that do not directly consider customer relations in their activities.

Most restaurants believed that, besides the above mentioned quality characteristics, strong customer relations are most crucial to enhance loyalty and that these customer relations can be best strengthened through direct and personal communications on social media. For four restaurants, CR1 and CR4, relations to their loyal customers is their main focus in general, while for FD5 and CR5 customer relations are their main focus throughout their social media communications. However, all other restaurants engage in activities that build customer relationships as well.

FD1, FD2, and CR4 make sure to always reply to direct messages in a personal, kind but still very professional tone. They believe that this way they can show that they care about the customer. Co-owner of CR4, goes an

extra mile and mentions that he always writes his own name when answering, so that people know who they talk to, making it even more personal because for him this personal style is the most important in enhancing loyalty, even more important than quality itself.

“We try to communicate with everyone who reaches out in the same way. Whether it be via phone or email [...] or direct messages on Instagram and Facebook and so on. But treat everyone like we would if they sat down in our restaurant. I think that has been a key point of giving a lot of people a more personal relationship to this place.” (FD2)

FD5, and CR5 take this a step further, as they put the focus on actual interpersonal relationships with their guests: *“With a lot of them we try to build a relationship and be friendly or become friends so they follow us on Instagram both for the restaurant and privately so we chat with them there and e.g. we had a very popular dish evolving sea urchins from the Faroe Islands, but they were hard to get during quarantine, so we decided to email and inform some of our regulars who we know came specifically for the sea urchins” (FD5).* Whereas, there is also a focus on following up personally on the experience to develop a relationship: *“That one follows up on the experience and says thank you for last night, hope to see you soon again. This personal contact for me is extremely important actually.” (CR5).*

CR1 and CR4 take personal communication even further. These two restaurants always answer customers directly as well but they focus on posting personal content on their Instagram feeds and stories in order to achieve a more personal tone in general social media communications. They focus on having content similar to what they would have on a private account. This includes sharing their own maybe provoking opinions or jokes, so it feels real, personal, and relatable.

“But we have always said that we want to be a personal Instagram, we want to see the real us, so sort of not sell the story but show people what we are doing day-to-day [...] of course Instagram helps in making people loyal because I think people can sort of see us as like

themselves in our posts, because what we post is so personal so they can relate and I think that is super important.” (CR1)

In order to further enhance customer relations and build loyalty, CR4 shares customers’ posts and stories, and as the only restaurant also browses their private profiles to like photos but also to stay up-to-date with customers’ life and to have a chat with them when they visit the restaurant.

“A good example of how to build just something reminiscent of a personal relationship with loyal customers is when people post something on their story where we are tagged in, we share it again. Then the guest can feel that you care [...] I can also sometimes find myself sitting for 20 minutes on CR4's Instagram and just scrolling through and just liking the guests' posts about everything else. Because, I think it gives a vibe where there is also a real person sitting and caring [...] and then when the guests come, one can talk with them about these things, this is also a very important aspect.” (CR4)

CR1 aims to post everyday and as much as possible to involve people and make them feel a part of the restaurant because they believe that for customers to be able to follow their everyday life through Instagram is extremely important for maintaining the relationship.

“We slam it and post as many things we can during the day as we can. Some funny things and stuff like that, to just get people involved so that they feel they are part of the story instead of just thinking ‘ah that is a nice picture’.” (CR1)

FD3 and CR2 used to have very professional content on their Instagram, however, due to the COVID-19 crisis they changed their strategies and now post more personal and relevant content for their loyal customers because they were in need of their support in order to fill their spaces up or sell out their take-away. They said that their altered strategy worked well, and the more personal content made people engage on a higher level with their Instagram which also resulted in more support from loyal customers. CR3 and FD4 also experienced

the same when posting more personal content on their platforms, which they usually do to engage loyal customers. These four restaurants had their focus on posting these more personal contents on their platforms rather than having direct conversations and relationships with their customers.

"Food has been major on there [Instagram] before the corona times, you know, but then we started introducing some more faces to it [...] Someone will come to the restaurant and automatically recognize someone, which is a plus. And then that person will recognize them. So it's building a relationship, which is really really important. [...] That was why we wanted to make it a bit more personal to sort of get the faces across from behind the kitchen and running the restaurant. but also to... Yeah I think we are extremely grateful for the support. We have received an awful lot of support, and it's much needed. [...] So we like to acknowledge that, as in when people come in we like to use their names and all that sort of stuff." (FD3)

Furthermore, FD1 and CR3 do not have a very strong focus on actually building and maintaining relationships with loyal customers through social media communication. Their focus lies more on personal service during actual touchpoints when customers visit their restaurant. They also note challenges in terms of lack of resources and a proper system to identify loyal customers when at the restaurants. This makes it sometimes difficult, especially for FD1 which is a much bigger restaurant chain, to actually maintain a relationship.

"I have no contact at all to them through Instagram. No one would write me, or 'When are you opening up again?' or 'We miss you', that is not happening at all. But I know, the day we are opening, then they are so happy that you are there, and that is the communication I have with them, when they turn up. [...] think that's the big difference that we can make [...] we have always been very welcoming to our guests. And always try to have this little extra relationship, you know." (CR3)

FD1, FD2, and CR3 also express that besides not having a focus on building personal relationships with customers, they also struggle with lack of resources to do so. In case of FD1 and FD2, they focus on the core restaurant experience and therefore have no resources left to engage more proactively in building personal reactions. CR3 is an owner run restaurant with scarce resources in general and cannot focus both on providing the core restaurant experience and communicate directly and personally on social media with its customers.

"I think it's a resource issue. We monitor who shares and tags us and we like it [customers' shares and posts], so that we do that, but writing directly and personally would be an extension of that, and it all takes time [that we do not have]." (FD1)

Lastly, FD4 for locals has been a restaurant where they go on occasions, thus the restaurant has a loyal customer base that does not often return, they perhaps visit the restaurant once a year on a special occasion. Therefore, it is very difficult for them to build and maintain a possible relationship with these loyal customers.

"It's because they [loyal customers] do not come every day, they come maybe once a year, it is not a restaurant you come to several times a month. It is a restaurant you return to because you have had a good experience year after year. So it's a different type of loyal customers." (FD4)

To summarise, the restaurants that do the most in terms of their communication to maintain and strengthen customer relations are CR1 and CR4. They engage in personal and direct communication, relationship building in real life, and continuously try to interact with their customers through posts and stories while creating a personal tone. FD5 and CR5, besides quality, put a focus on direct, two-way communication with loyal customers and also to have a real relationship with them. FD3 and CR2 put a focus solely on personal content on their feeds and stories and not on direct messaging. FD1, FD2 and CR3, do not seem to have a communication strategy in terms of building and maintaining relationships actively, they have a passive way of making sure to reply to direct messages in a professional and personal way. Lastly, FD4 does not have a close relationship to its loyal customers as their loyal customer base is to some extent different from the other restaurants.

4.2.3 Customised service

Providing customised services have not been highlighted by the restaurants as an important loyalty enhancing factor. Only a minority of restaurants customise their services to a limited extent.

The majority of interviewed restaurants do not provide customised services, nor do they use social media communication to learn about their loyal customers' preferences and customise their services based on that: *"I think we treat every guest the same really."* (FD2) and *"We are also a lot of employees. So we basically focus on giving the same service level to all of our guests."* (CR2).

The minority is four restaurants that do provide special and sometimes customised extra services to their loyal customers. At CR1, FD4, FD5, and CR3 loyal customers are welcome to write directly to the contact person they know at the restaurant and these persons will always do their best to find them a table even when they are completely booked. The communication usually happens through Instagram, at CR1 it happens quite often, and loyal customers are encouraged to book directly through the owners. At the other places it is more occasional. Furthermore, these restaurants would also go out of their ways to provide a bit of customised service through for instance giving a loyal customer the nicest table or remembering their birthday.

"Our regulars have always been very important and it has kind of been an unwritten rule that... no matter how busy we would always find space for them, especially back then when we had tourists and our restaurant was fully booked every night." (FD5)

4.2.4 Valuing customers as individuals

Most restaurants value customers as individuals, however, there have been quite some differences in terms how restaurants value customers and how important of an effect they attribute to it regarding loyalty. Some restaurants engage in communication activities, some focus on service encounters, and some do not have a focus on making their customer feel individually valued.

Based on finding personal communication and service of utmost importance, FD1, FD2, CR1, CR4, FD3, FD5, and CR5 are the restaurants that attribute valuing customers as individuals the most essential. CR5 believes that their main differentiation point compared to other casual places is their service that goes the extra mile to acknowledge guests and value them individually. They aim to create a good atmosphere every evening and pay special attention to every guests' needs: *"[...] we do our part to create a relaxed atmosphere, you can sense when someone is on a date then you can give a good experience in a different way; like try to come up with some jokes or have fun with the guests, so it is not a completely awkward atmosphere"* (CR5).

Some of the other restaurants; FD1, CR4, FD3 and FD5, also really try to recognise their loyal customers. They think it is extremely important that the customer feels seen and valued because this is a main reason for them to return. They think that this can be very easily achieved by making them feel that they get a special treatment, remember their names or what they had the last time.

"If one of our regulars comes with his new friend, and if we give one on the house [...] it makes a customer feel so well treated and makes them feel that we have really appreciated them, and it costs nothing for me." (CR4)

For most of these restaurants, the communication aspect is important as well when it comes to valuing customers individually. For FD2 it is the most crucial part of their strategy: to treat everyone equally professionally and with respect, no matter if they write an email or comment on Instagram. They make sure to always reply in a timely manner and to show excitement and appreciation towards their customers, which they believe is key in building relationships: *"But treat everyone like we would if they sat down in our restaurant. I think that has been a key point of giving a lot of people a more personal relationship to this place."* (FD2).

Next to their attending service, CR4, FD3, FD5, and CR5 also utilise communication on social media to show customers that they highly value them. CR5 pays attention always to personally follow up after they have been mentioned on Instagram to create a more personal experience. The other restaurants also focus on direct

messaging and answering everyone on Instagram with personal messages to make people feel individually valued because they believe that this enhances the customers' loyalty.

"We still answer everyone and help them. I think it also makes it a bit more personal for followers, that we are actually taking time to answer them individually and explaining what we are doing and helping them out." (FD5)

CR1 is first mentioned now because for them valuing their loyal customers comes automatically, they have such close personal relationships with them, that they think that they do not have to do anything extra for the customers to feel valued. They always have a chat with them when they come by CR1 and have continuous conversations with them on Instagram as well.

For the remaining three restaurants; CR2, CR3, and FD4, valuing customers as individuals have not been important neither during service nor in their communications. They try to be nice and pay extra attention if a customer mentions themselves that they are coming due to a special occasion but they wouldn't for instance provide extra services or individual attention: *"People are pretty good at pointing out that it is e.g. 'our 5th time at FD4, we love it'. It's really cute. Then we try to do something, not because we feel we have to make an extra effort but still we try to be a little aware of who they are". (FD4).*

To briefly summarise, most restaurants find valuing customers as individuals critical for customer loyalty and they use different methods to make their customers feel individually treated. CR1, CR4, FD3, FD5, and CR5 both focus on their communication and service encounters, while FD1 is only focusing on service encounters, and FD2 only focuses on their communications. While three restaurants; CR2, CR3, and FD4, do not pay special attention to valuing their customers individually.

4.2.5 Word-of-Mouth recommendations

Although WoM was the most important advantage of customer loyalty for most restaurants, there are only four restaurants, CR4, CR3, FD5, and CR5, that actively try to influence customers to engage in WoM recommendations. Other restaurants do not engage in activities that are directly focused on enhancing WoM.

CR5 thinks that a good first experience is the most important thing for customers to recommend the place to their friends. They very consciously use unique visuals and logos placed everywhere throughout their interior design. This way customers who share content from CR5 on their social media clearly show that they are at CR5 and automatically generate WoM for them: *“You can see when people post where they are, due to the colours we have on the walls, our logo is included in the pictures.”* (CR5).

FD5 created a separate, more accessible entity: a home cooking kit with its own Instagram profile; FD5 Home, which managed to capture the attention of many locals. This generated significant WoM for the restaurant itself and helped them attract new loyal customers who were key for the restaurant’s survival: *“Yeah it was difficult to gain attention at first. But it is somehow the power of Instagram and re-sharing, so word of mouth in a way.”* (FD5).

Besides CR5 and FD5, CR3 and CR4 also found that the impact of influencers is outstanding in creating WoM on Instagram. CR3 and CR4 work actively with influencers when there is an opportunity, so that they share their experiences from the restaurant or make sure to repost content that their followers are interested in. They experienced an increase in the number of followers, and an increased traffic as well. However, this did not translate to loyal customers in the long-term, it was more a periodic hype. While CR5 and FD5 have influencer friends and neighbours who voluntarily post about the restaurants because they are loyal customers themselves. The WoM generated by them certainly creates interest and increased number of followers, however it is only FD5 that gained customer loyalty out of WoM generated by influencers.

“[...] having influencers posting about us always helped, but only for 2-3 weeks. We would both always get more followers and then also more guests.” (CR3)

4.2.6 Customer engagement

All restaurants consider customer engagement to be the criterion for well-made and successful communications on social media, especially on Instagram. This is so natural that they would most of the time refer to engagement as a synonym for a successful post or campaign. Most restaurants engage in a wide variety of activities and strategies that support customer engagement but not directed towards the enhancement of it solely. Therefore, for most restaurants, engagement is not their main focus, thus only three restaurants engage in activities that are actively addressing customer engagement.

Some of the main ways to enhance engagement, which have been presented in detail previously, are through personal communication through direct messages, and valuing customers as individuals. However, only three of the restaurants; CR1, CR2, and FD4, had their main focus on directly using these activities to enhance engagement for their social media communications. For CR2 and FD4, their strategies are implemented to create more engagement and they pay attention to post things that enhance engagement. This was especially important for CR2 who experienced that higher engagement translated into more selling of for instance their take-away.

“The idea was basically that we sold through corona, that we did a bit more personal content. We did more personal content, relevant content on what was going on, so there was a lot more reaction to it. Also like a lot more interaction, so that seemed like a nice way to go.” (CR2)

CR1 looks at engagement in a different way, they enhance and create engagement through posting as much as possible everyday. They believe that this makes people feel involved and that they are always top-of-mind for their customers which makes them engaged and enhances their very loyal customer base.

For the other seven restaurants, engagement is still certainly important, however, it is not the main focus and goal with their communications on their social media platforms. *“So we don’t do it all the time. It’s not like*

we'll end every post with a question, you know, or anything like that. [...] But when there is an opportunity it seems natural. We will try to create as much engagement as possible.” (FD2)

Even though it is not their main focus FD3 is aligned with CR1 in terms of creating engagement through posting often and always trying to be top-of-mind for their customers so that they feel involved and engaged. The other eight restaurants believe that the appropriate content is the most important factor when they aim to engage their customers with a post on social media.

CR2, CR3, CR4, and FD1 experience that content that has a certain personal touch or a storytelling element generates most engagement from customers: *“As soon as it gets a bit more personal, bit more into details of what exactly is happening that evening or a special then I get more reactions of it.” (CR3)*. FD2, FD4, FD5, and CR2 as well experience that content which is relevant and of interest to the customers gets the most attention and engagement on social media. This is naturally different from restaurant to restaurant but pictures of food in general creates most engagement.

Most restaurants also noted that engagement can directly be translated to real actions of customers. The restaurants expressed that social media and especially Instagram is a great tool to influence the behaviour of their customers both in the short but also in the longer run. Posting about a specific dish, available gift cards, or empty tables available the same night will always be followed by more bookings, more sold gift cards or ordering that specific dish they posted. The restaurants thought that posting this type of content is also a way to enhance loyalty.

“We will always try to of course to sell the fish and the meat dishes. So I would always post fish or meat on a Saturday evening because I know the pasta will sell out anyways, but the other ones are the ones that we will have some left over so I will always put that on the stories, so you can really influence your guests about what they going to eat in the evening.”

(CR3)

An additional activity that all restaurants, except FD2, undertake is to re-share customer content which they are tagged in, through mostly stories on Instagram. This is a very common practice among all the nine restaurants in order to engage with customers and utilise the interactive opportunities on Instagram. *“We try to always re-share the stories where we are tagged in”* (FD3) and *“[...] we try to re-share the stories, that we think is appropriate, is looking good.”* (CR2).

Another ultimate tool to boost engagement is to drive social media campaigns, although only three restaurants have done it. CR2 ran their first ever campaign which was a 2 for 1 deal on Mondays, their slowest day of the week. It proved to be so successful that they were fully booked right away: *“Deals, haha! Okay, for example, now it is the first time we try to make a deal ever, about these Mondays and it is very clear, our bookings are full so that gave a hell a lot of engagement.”* (CR2).

Another way of running a social media campaign is to create a competition. CR4 has done 3-4 competitions before, however they agree with CR2 that although it did boost engagement and follower numbers it does not attract the right customers. These customers would only be interested in the competition and free give-aways and not the product and values that the restaurants stand for, thus it is not a great tool for enhancing loyalty. On the contrary, FD4 uses competitions often whenever an engagement boost is needed on their Instagram and thinks that it works well to achieve those engagement goals.

“We have an account that doesn’t have the highest engagement [...] unless we make a competition all of a sudden. I use that when we need to get Instagram boosted, when we need to get started on comments. Then I do a competition. [...] So it's really pulling a lot, it's really smart to use Instagram.” (FD4)

In summary, although all restaurants engage in activities that contribute to customer engagement, only CR1, CR2, and FD4 focus actively on boosting customer engagement on their social media platforms. All restaurants agree that appropriate content is necessary for customer engagement. This content can be more personal or that loyal customers find relevant. Furthermore, most restaurants also agreed that engaging content has the

potential to influence customers' behaviour, thus it is a great tool to increase support from customers. Re-sharing customer generated content was also a common way for restaurants to engage with customers. Lastly, campaigns on social media proved to be a very effective tool to increase engagement, even though only three restaurants; CR2, CR4, and FD4 engage in such activities and these restaurants do not find this type of engagement particularly useful in terms of enhancing loyalty.

4.2.7 Content marketing

Content marketing has been a focus for all restaurants and they all engage in a wide variety of loyalty enhancing content which is presented in detail below.

From the above paragraphs it can be concluded that the type of content matters significantly when wanting to increase customer engagement and loyalty, thus content marketing plays a critical role in improving social media communications and an appropriate approach that helps to achieve higher levels of loyalty. All interviewed restaurants pay a particular attention to the content on their social media platforms which is explained below.

Six of the restaurants have either in-house employees or external professionals to leverage their social media strategies and communications. FD2, FD1, and FD4 have a communication responsible with relevant background in their team, while CR5, CR2, and CR3 work with external specialists to get help with their communications. CR1, CR4, FD3, and FD5 completely run their social media on their own with for instance the head-chef, co-owners, or restaurant managers in charge of the platforms. Two weeks before the interview, CR4 hired a new restaurant manager who has a lot of previous knowledge and experience with social media and they can already see the difference, the number of their followers increased by 10% within two weeks, based on her posts and use of Instagram.

Most restaurants do not have a strategy or a long-term content plan for their communications, especially not during the COVID-19 pandemic which caused high degrees of unpredictability in the industry. The restaurants

choose to make plans on a weekly basis to always make sure to be relevant and up-to-date in the content of their communications. *“There is not like a long-term plan, so we work together weekly and talk about what is going to happen this week, whether there is anything special we should put out there.”* (CR2). While FD2 is the only restaurant that has a more long-term content strategy.

In terms of the tone of the content, only three restaurants kept their non-personal and solely professional tone during the COVID-19 crisis. CR5 and FD1 have a strong focus on their visual identity, and therefore their focus lies on what they present should be aesthetically fitting in their communication, rather than focusing on a personal tone. FD5’s Instagram is also directed more towards the general public, while they have a direct relationship with their loyal customer base which becomes more personal through direct communication.

“[...] we have a clear graphic profile with which we want a uniform expression of the way we communicate, especially visually, what kind of pictures we take, and that they follow a clear visual identity and that it looks the same. You should be able to see it when it is us who have posted.” (CR5)

Another three restaurants, FD2, CR2, and FD3 decided to change their content due to the COVID-19 crisis. They evaluated that it was suddenly more important to communicate with their loyal customers, ask for their support and sell gift cards or take-away directly to them. They found that communicating with a more personal tone helps in engaging the loyal customers and makes them support the restaurants on a higher level.

“We’ve done little things here and there that we would probably never have done in the past. But due to the changing... the restrictions that have been changing, we’ve had to, you know, there have been large parties who cancelled last minute because it suddenly wasn’t allowed for them. And we’ve done things like reach directly out to our audience and say ‘this just happened’” (FD2)

While the last four restaurants, CR1, CR3, CR4, and FD4 have always had content directly addressing their loyal customers. FD4 tries to keep a balance in the content so that it speaks both to their general followers and loyal customers, while CR1, CR3, and CR4 mostly post content that is targeted towards their loyal customers.

“When I post, it's quite a lot for the regulars and the guests who have been there before, because I do not usually explain so much about my post, they also know what we stand for. So it's definitely more to keep them updated on what's going on.” (CR4)

Another crucial factor for most restaurants' communication is authenticity. For FD2, CR1, and CR4 authenticity is indeed one of their focus points and essential success criteria. For FD2, it is with reference to their brand and to try to stay true to their brand without changing their communications drastically. Although they knew that the crisis requires a more personal and accessible way of communications, therefore they established a new entity where they could build a bit difference image compared to FD2': *“[...] instead of changing the communication strategy via social media for FD2, in any significant way and sort of maybe compromising [on the brand], we created a separate entity that FD2 could help sort of establish and get us off to a running start, due to the reputation of FD2, but that had a different way of talking to its audience.” (FD2)*. While for CR1 and CR4 authenticity meant to always give themselves on social media, be honest in their communications and follow what they believe in instead of doing things for the guests. Both restaurants found authenticity extremely important and CR1 believed that their key to success was exactly this: *“Not pretending to be something you're not” (CR1)*.

FD1, FD3, FD4, and FD5 also have authenticity as foundations of their communication strategy, as well as for their service in the restaurant. However, it is not such a central part of their strategy as for the previously mentioned three restaurants. *“[...] we basically behave at work as we behave normally so we are ourselves when we are answering them.” (FD5)*. CR3 was the only restaurant that thinks that aesthetics on Instagram are more important than authenticity, even though the owner is not happy with that and wished that they could be more authentic on social media: *“You need to do the perfect picture, you have to put in the sun, where is the sun, sun is out, running out with the plate. I just feel like let's be more authentic. But it is very important that it is a nice picture, even the food looks good.” (CR3)*

The concrete content the restaurants post on their Instagram accounts aligns with the content they think is the most important for their loyal customers which leads to enhancing their loyalty. They, CR5, FD2, CR2, FD3, and CR3, find sharing information about the restaurant, such as changed opening times or new menu items very important. Then almost all restaurants believe that the relevancy of their content is also crucial together with making sure that customers are up-to-date. The third most common and important criterion for content is that it should make the restaurants stay top-of-mind for the customer. FD1, FD2, CR2, CR1, CR3, CR4, and FD3 believe that it is crucial to enhance and maintain loyalty.

"[...] staying open and during take-away and posting everyday, because we had daily changing menus, that helped us a lot to keep people coming in and also it helped us a lot after that, when we were allowed to open up again." (CR3)

FD4 believes that restaurants have a certain identity, also on social media, which customers can identify with. Therefore, staying top-of-mind is particularly important for customers to develop a sense of belonging to this online identity. In the restaurant industry, the community is particular about being present online and customers will post about places they feel they want to get associated with, and therefore it will become part of their identity and return to the same place again and again, developing customer loyalty.

Furthermore, the content customers were most interested in were the topics relating to the restaurant; Sustainability and food waste for FD2 or cooking seafood for FD5. Generally, food photos gained the most interest across all the restaurants, and especially for FD2, FD1, CR2, FD3, FD5, and CR5. These food photos also had the most engagement. CR2, CR1, and FD5 also posted process photos or videos about for instance the ways to cook pasta or prepare seafood. This way of sharing information generated above average engagement and resulted in involving customers more in the processes of the restaurant.

As part of their content, most of the restaurants use re-sharing stories where the customers tag the restaurant, and in that way engage with customer generated content. However, only FD4 mentioned that they use

customer generated content on their feed, and only FD4 mentioned that these customer generated contents do better in engaging the audience because they think it is more relatable and can capture something that their professional photographs cannot.

“[...] when I re-post a photo, it is because it can do something that some of the photos we have taken ourselves cannot. This is typically capturing a mood, or with some people in the photo where you can put yourself in their place, and it automatically creates more engagement.” (FD4).

In summary, most restaurants do not have a long-term content strategy, they plan their content on a weekly basis leaving them the opportunity to always be up-to-date. Personal content and authenticity are especially important for some restaurants. FD2, CR2, and FD3 changed to more personal content in their communications in order to engage and activate their loyal customers more in the crisis, which seemed to be a successful strategy. Authenticity is also part of the success criteria for four restaurants: FD1, FD3, FD4, and FD5. In terms of the concrete content the most important has been to provide informative, relevant, up-to-date content that keeps the restaurant top-of-mind for the customer and establish the opportunity for the customer to identify with and relate to. Lastly, content that is of interest to the customer has proved to be the best for engagement which naturally differs from restaurant to restaurant.

4.3 ADVANTAGES OF CUSTOMER LOYALTY

This section introduces the most important benefits that restaurants relate to their loyal customer base. These are: Word-of-Mouth, monetary factors, and feedback.

4.3.1 Word-of-Mouth

The most common factor that most restaurants mentioned about why customer loyalty is important for them was word-of-mouth: *“It is also a success criterium for me when the guests come back, and most importantly that they tell their friends about CR5 being a good place.” (CR5) and “Loyalty is super important also because*

these people become your ambassadors right? [...] So we rely on these people to tell their friends about us, and tell them how great an experience they had" (FD2). The only restaurants that did not mention the importance of WoM were CR2 and FD4, while FD3 believed that a guest returning and becoming a regular visitor is more important than WoM.

4.3.2 Monetary factors

Customers returning, and therefore supporting the restaurant in monetary terms were also important for some restaurants. CR3, CR4, FD5, and FD2 experience steady and predictable revenues generated by loyal customers returning often which is important for their business model: *"[loyal customers] are important for me yes, Because I have the feeling that they come very often and I want to keep them and also that it's a lot Word-of-Mouth behind it"* (CR3). While FD3 and CR4 experience that loyal customers spend more or that higher margins can be achieved because they can sell up better due to the trust loyal customers have towards the restaurant: *"Let's say if you have many guests every day, it is of course nice but these guests won't spend as much as your regular customers and they come only once [...] so if I look at the business side of things, I would much rather have fewer but loyal guests than many one time customers."* (CR4). On the other hand, FD1 and FD4 thought that they cannot live off loyal customers as they are not returning with significant intervals, as the customers use the two restaurants more for special occasions and return usually once a year. CR5 and CR2 did not mention monetary advantages regarding loyal customers.

4.3.3 Feedback factors

Lastly, receiving feedback from loyal customers was also found important but only by CR1, FD2, and FD5.

"Great thing about having regulars is that they will speak their minds often, right? Because you've broken down some sort of barrier right? So they'll also tell us if we're doing something they dislike." (FD2)

4.4 IMPORTANCE OF CUSTOMER LOYALTY IN THE CORONA PANDEMIC

Every restaurant in the study considers customer loyalty important, however there are differences between the role and importance loyalty plays in restaurants' business models and communications approaches on their social media platforms. Consequently, there has also been differences in the size and depth of restaurants' loyal customer bases.

All restaurants said to have had a loyal customer base already before the crisis hit in March, 2020. An exception is FD5 whose loyal customer base was the smallest compared to other studied restaurants because *"before Corona the restaurant was not known very well here in Copenhagen [only amongst travellers]."* (FD5). Only during and after the first lockdown, they started to target a more local audience and focus more on attracting and retaining loyal customers both in their communications and through their new business line of home cooking kits. Although they did not receive a lot of supporting words during the lockdown, these activities, with the new business line in focus, contributed to the survival of FD5. Even though they needed time, their communication strategy has paid off and they welcomed more and more loyal customers in the autumn, which was enough to secure their survival. Their loyal customer base is still small but very active and engaged, therefore they are the key to the restaurant's survival until international tourism recovers.

Even though FD3 has always had a significant loyal customer base, before the crisis they were not focused on these loyal customers. However, due to the crisis they are now aware of the importance of loyalty and focus more on retaining customers: *"It may be that we maybe took it [the loyal customer base] for granted. [...] We've learned a lot to sort of, yeah, hold on to our local guests more, really."* (FD3). They received tremendous support and caring during the crisis, despite their lack of focus on the loyal customers. They altered their communications to a more personal tone in order to thank loyal customers the support and to further enhance loyalty which they are in the need of when tourists are gone from Copenhagen.

It was clear that CR1 has the largest and most loyal customer base from the ten studied restaurants. The owners from CR1 say that they usually know half of the guests most nights because they have a very strong loyal customer base that stands out from all the other restaurants. They stay in touch with their loyal

customers throughout the crisis, who always support them with take-away and kind words but also with real actions such as helping them to renovate their space when they needed a few extra hands. Their connection with the guests is the strongest of all other places and they have a personal relationship with their loyal customers and this connection is the most important for them in running the restaurant:

“We know everybody [from the loyal customers] almost on like a first name basis and [...] we have like a half an hour chit-chat with people, you know. But I think that's what makes the work also a lot better to do. You're not just working your ass off for random people.” (CR1)

For CR5 and CR4, loyal customers have always been extremely important and a major focus of their communications: *“When I post, it is then quite a lot for the regulars, and for the guests who have been here before because I don't tend to explain a lot around my post, and so they [the regulars] know anyways what we stand for” (CR4)*. This strategy also results in a lot of support from the customers through always sold out take-away and an increased number of guests after the re-opening which they thought was due to their adequate strategy prior the crisis.

For FD1, FD2, CR2, CR3, and FD4 loyal customers have not been the primary focus of their communication strategies. They still have a significant loyal customer base, and they also find it very important and beneficial, however, they do not focus their communications as much on loyal customers as CR5, CR1, and CR4, that find customer loyalty a very important element of their business, thus also their communications.

“It's a big pleasure for us to have these regulars, but, it is not... we're not a small neighbourhood restaurant so it's not the most important part of our business model” (FD2)

These restaurants which do not have loyal customers in the focus of their communications have experienced support from loyal customers differently compared to the other restaurants. FD1 received a lot of love but mostly through service touch points such as when customers were picking up take-away. FD2, CR2, and CR3

did not experience tremendous support from their customers in terms of kind words, they were however supportive by action whenever there was a possibility to buy take-away or a visit after the re-opening

In summary, loyal customer bases significantly influence how well restaurants survive during the crisis. The restaurants which primarily focus on loyal customers in their social media communications possess the largest and strongest base of loyal customers and received the most support from them. Restaurants that started focusing and addressing loyal customers more during the crisis managed also to increase the benefits from loyal customers. Finally, restaurants that do not focus on loyal customers received less support and face bigger challenges during the crisis.

4.5 SUMMARY

The ten studied Copenhagen restaurants engage in a wide variety of customer generating activities regardless of the size of their loyal customer base or whether they provide a fine dining or casual experience. The majority of restaurants agree that the quality of the core customer experience is one of the main influencers of loyalty, thus it is for some restaurants the main focus for creating the best customer experiences. They aim to achieve this through providing high quality food and service, however, only a few restaurants utilise the opportunities social media communications provide for quality enhancement. Further loyalty enhancing activities have been mostly communication focused through social media which is the main communication channel for all restaurants. Besides the quality of customer experience, most restaurants believe that improved customer relations are most critical to enhance loyalty. The restaurants who focus their communications on loyal customers agreed that being personal in both general and direct communications is the key to improve customer relations, hence, also to significantly enhance customer loyalty.

Furthermore, restaurants enhance customer loyalty through making their customers feel valued individually through among others personal and professional communication. Most restaurants however do not emphasize providing customised services to their loyal customers. As they are crucial for restaurants' social media communications, engagement and WoM closely follow quality of customer experience and customer

relations in importance for loyalty enhancement. Although most restaurants do not directly focus on these two factors, they do engage in a wide variety of activities that enhance engagement and WoM. These activities are among others collaboration with influencers, re-sharing customer generated content, being on customers' top-of-mind, and using the right content. Furthermore, all restaurants agree that appropriate content is very important when aiming to enhance customer loyalty, therefore most restaurants focus on using informative, interesting, relevant, and up-to-date content to engage customers. They also focus on staying authentic to deliver on customers' expectations and achieve loyalty.

Regarding the advantages of customer loyalty, restaurants mention WoM as the most common and important factor. Besides that, monetary factors such as steady revenue or high spendings from loyal customers, and receiving valuable feedback are the factors that restaurants benefit most from through their loyal customer base.

Lastly, the differences between the importance of loyalty for restaurants' communications approach play a role in the amount of support they have received from loyal customers during the COVID-19 crisis. Some restaurants changed their communications in order to cater more for loyal customers as these restaurants were in need of more support from them during the crisis. This more loyalty focused communications approach helped these restaurants to strengthen their loyal customer base which contributed to more support which helps them survive the crisis. Restaurants who do not focus on loyal customers in their communication still received support but less and different kinds as they also have a loyal customer base. Restaurants that have always had loyal customers in the focus of their communications have received tremendous support from their loyal customer base, therefore have less challenges during the COVID-19 crisis.

5 DISCUSSION

All studied restaurants engage in a wide variety of activities in order to build and strengthen their loyal customer base. First, this chapter provides a discussion about these activities based on the same structure as ‘Achieving customer loyalty in the hospitality industry’ in the literature review. Then, the restaurants’ main focus within these activities are discussed, followed by an analysis on the impact these activities have on the survival of restaurants during the COVID-19 pandemic. The analysis is facilitated by the theories presented in the literature review to achieve a critical discussion of the topic.

5.1 ACHIEVING CUSTOMER LOYALTY THROUGH...

5.1.1 Quality of customer experience

All restaurants in the study agree that a high quality of customer experience is necessary for generating loyalty, which aligns with the opinion of most scholars (Berry, 2002; Butcher et al., 2001; Keshvari, 2018; Oliver, 1999). Therefore, some restaurants; FD1, CR2, FD3, and FD4, focus primarily on creating high quality core restaurant experiences which they relate to customers’ satisfaction and identify this satisfaction as the most important factor for their customers to return. While the quality of the experience for restaurants is very important to enhance loyalty (Haghighi et al., 2014), Oliver (1999) and Nisar & Whitehead (2016) argue that customer satisfaction in itself is not enough to predict loyalty as not every satisfied customer is loyal. However, they do agree that satisfaction is a necessary step towards loyalty.

Furthermore, other authors argue that a high quality of customer experience can also contribute to trust which is another necessary element for enhancing loyalty (Berry, 2002; Pitta et al., 2006). However, only two of the restaurants, FD3 and CR5, seem to be aware of trust and mention creating trust as their goal with high quality of their core restaurant experience. In spite of quality not only contributing to satisfaction but also trust, it seems that the restaurants; FD1, CR2, FD3, and FD4, that focus primarily on the quality of the core restaurant experience do not have a very strong loyal customer base and received less support from their customers compared to the other restaurants.

Some of the restaurants demonstrate that interactive social media communications can be utilised to improve both the quality of the core restaurant experience and the perceived service quality. Through this approach, these restaurants that do not solely focus on the quality of the core restaurant experience achieve a stronger loyal customer base. CR1, CR4, CR3, and FD5 utilise social media to reach out to their loyal customers and initiate interactive conversations where they for instance ask them for what they would be happy to see on the menu. They adjust their core restaurant experience based on the feedback they gained through this interactive communication approach, which is an excellent and desired way to utilise social media communications to generate customer loyalty (Chan & Guillet, 2011; Hassan et al., 2019; Keshvari, 2018). These interactions that occur during the communication activities for improving quality contribute to increased perceived value, value creation, and relationship building with customers which then also enhance trust, commitment, and loyalty. Thus, these interactions provide more value for restaurants than if they solely focused on the high quality of the core restaurant experience (Pitta et al., 2006).

5.1.2 Customer relations

Building customer relations proves to be an essential communication activity as the restaurants that have their main focus on it, created the strongest and most supportive loyal customer base. Besides the previously mentioned quality implications, restaurants believe that the most important factor to build and enhance customer loyalty is through strong customer relations, which aligns with Haghighi et al. (2014) who found that both quality of customer experiences and customer relations are of utmost importance to enhance loyalty for small hospitality enterprises. This aligns with the goal of relationship marketing that emphasizes loyalty generation through customer relationships (Berry, 1983). Strong relationships are also crucial because they contribute to commitment which is one of the core concepts for loyalty generation (Kang et al., 2015; Oliver, 1999).

The main channels for restaurants to build customer relations are their social media platforms, especially Instagram. Some restaurants build interpersonal relationships with customers through real life interactions but these are also significantly facilitated by social media communications. Hence, the approach of the restaurants on building customer relationships aligns with Duncan & Moriarty (1998), who believe that communication is key to maintain and enhance relationships, as communication is the primary integrative

element in managing relationships, and commitment and trust are results of this communication. Using social media platforms and Instagram is the right approach to building customer relations as these platforms are primary outlets for two-way and interactive communications (Barnet & Ferris, 2018; Watkins & Lewis, 2013), especially Instagram which has one of the highest engagement rates (Atherton, 2020).

The findings demonstrate that in the studied crisis situation, being more personal in terms of communications is key to building relationships because the restaurants which focus on this personal approach gained increased support from their loyal customer base. This increased support implies stronger customer relations based on increased commitment (Oliver, 1999). Literature only highlights the importance of two-way and interactive conversations for enhancing commitment, trust, and relationship building (Duncan & Moriarty, 1998; Keshvari, 2018; Haghighi et al., 2014). However, for the restaurants, focusing on using a personal tone proved to be more beneficial. They express that the most important element in their communications during the crisis is direct and personal communication with loyal customers. This personal approach only includes two-way conversations for some of the restaurants. Other restaurants; CR2 and FD3, engage mainly in posting personal content on their social media platforms and not in direct conversations with customers. Yet, along with the other restaurants, CR2 and FD3 also experienced increased support and strengthened customer relations from their customers. This experience of the restaurants can challenge the two-way and interactive focus of the literature and emphasize the importance of a personal tone in general social media communications. The importance of personal tone can also be particular for the crisis where due the uncertainties customers might need a more personal approach for enhancing commitment.

Most restaurants engage in a wide variety of communication activities on Instagram that contribute to enhancing customer relations. Some of the activities that are most significant regarding customer relations are performed by CR1, CR4, FD5, and CR5. These activities are; Engaging in direct and personal communication through for instance direct messages, re-sharing customer generated content, and posting content directed towards loyal customers. These restaurants also build interpersonal relationships with customers as friends in real life which is very important because enjoyable interactions between people during the encounters are needed to form personal relations that contribute to loyalty (Kandampully et al., 2015). Some restaurants, CR1, CR2, and FD3, aim to build relationships through posting very often and having more personal and

relevant content on their Instagram feed for general communication. Through this, the customer is more involved which enhances commitment and customer relations (Watkins & Lewis, 2013).

The restaurants, FD1, FD2, CR3, and FD4, that do not have a focus on building customer relations, also do not engage in any communication activities that are proactive towards building personal relationships. They still make sure to reply to direct messages of customers with a personal but professional tone. Interestingly, three of these restaurants point out that lack of resources is also the reason they do not engage more in building customer relations through social media communications. This can be because SMEs often have scarce resources (Hassan et al., 2019). However, in this case it seems that only restaurants that do not prioritise relationship building through social media were impacted by the lack of resources. The restaurants that have their main focus on building customer relations do not mention that they would not have enough resources for driving the restaurant's everyday operations and for personal and direct communications.

5.1.3 Customised service

According to Haghighi et al. (2014), customised services are a key asset for small hospitality businesses that enable them to build strong customer relationships. However, from the interviews it appears that the majority of the studied restaurants focus on treating guests equally instead of providing a high level of customisation. One explanation for this can be that restaurants did not think about mentioning customisation of service during the interviews. This might have happened as for restaurants it is natural for instance to cater for special dietary requirements or other wishes the customers might have and customise their services that way. However, four restaurants, CR1, CR3, FD5, and FD4, point out that they provide some degree of customisation for their loyal customers. Based on personal and direct relations, loyal customers can book directly through their contact at the restaurant or through messaging on social media. They would provide a customised service and try to find them a table even if they are fully booked. This way, these restaurants utilise the opportunity social media provides in terms of interactivity and being able to directly and personally communicate with loyal customers (Chan & Guillet, 2011; Watkins & Lewis, 2013). However, the other restaurants miss an opportunity to enhance relationships through customised service which can be important for loyalty generation (Haghighi et al., 2014).

5.1.4 Valuing customers as individuals

Most restaurants, despite differing in their main focus, emphasize that valuing their customers as individuals is important for them. They engage in different activities on social media to make their customers feel valued. These activities mainly include treating everyone with respect and with a professional attitude, answering everyone regardless if they send direct messages or comment on Instagram, following-up after a visit, or simply focusing on direct conversations. Responsiveness and two-way communication, which restaurants focus on, can establish an environment where emotional bonds and commitment are enhanced (Haghighi et al., 2014), thus with these activities restaurants contribute to enhancing loyalty. The only three restaurants; CR2, CR3, and FD4, that only engage in replying to customers' direct messages miss an opportunity to enhance loyalty through further social media communication activities.

5.1.5 Word-of-Mouth recommendations

All restaurants engage in an extensive amount of communication activities that contribute to the generation of WoM, such as enhancing engagement and active participation through personal relations, appropriate content, or frequent communication messages. However, only a few restaurants; CR4, CR3, FD5, and CR5, mention that they actively try to influence customers to engage in WoM recommendations. It is surprising that the majority of restaurants do not try to actively enhance WoM as all restaurants find WoM recommendations to be the most important benefits of customer loyalty. It is notable that CR5 is the only restaurant that mentions that they aim to enhance WoM through a focus on creating a great first experience for customers. Through that they believe to create trust and they experience that customers are more likely to return if they are satisfied and have developed trust towards the restaurant. This aligns with Pitta et al.'s (2006) findings that trust contributes to the customers' belief in the possibility of a positive outcome, thus establishing trust in the initial phase of the relationship is preferred.

Furthermore, these four restaurants all enhance WoM through working with social media influencers. They experience that these collaborations mostly have positive but only short-term effects regarding the number of followers and customers visiting the restaurants, which aligns with Erdogmus & Cicek (2012) who suggest that using influencers will increase number of followers and engagement. An important opportunity on social

media that none of the restaurants utilise is to monitor customer generated content and engage in dialogues between customers through which restaurants could influence users in their choice and enhance customer relations and WoM recommendations (Nisar & Whitehead, 2016).

5.1.6 Customer engagement

All studied restaurants find customer engagement important on their social media platforms and consider it as a natural and crucial part of successful communications. Restaurants being aware of this is valuable, as social media platforms have an important role in communications and relationship building by being the primary outlets for interactive and engaging conversations and communication which enhance loyalty (Atherton, 2020; Barnet & Ferris, 2018; Watkins & Lewis, 2013). Despite that, only three restaurants; CR1, CR2, and FD4, target their communication activities to consciously boost engagement. The other seven restaurants also engage in activities that enhance customer engagement, however, their reason behind carrying out those activities might be different such as developing personal relations with customers. For instance, all the restaurants focus on communicating relevant content to their customers, however, only CR1, CR2, and FD4 do it to specifically enhance customer engagement. However, this activity enhances customer engagement for all the other restaurants as well. Thus, it seems like that in the case of customer engagement, the intention behind the activities do not have a significant effect.

All restaurants experience that increased engagement helps to influence customer behaviour and leads to increased sales or increased support. This means that relevant content and engagement create commitment and enhance loyalty, as according to Oliver (1999) loyalty is a commitment from a customer to repurchase a preferred product. Social media has an important role in this process as it is the platform that enables active participation and engagement from customers and mutual relationship building which then also contributes to repeat purchasing (Watkins & Lewis, 2013).

Other activities the restaurants practice to enhance customer engagement are among others to post a lot every day to stay top-of-mind and involve customers, to re-share customer generated content, or to create campaigns and contests. The two restaurants, CR1 and FD3, which have a focus on posting as much as possible to stay top-of-mind believe that this leads to more engaged and involved customers, who are also more loyal.

These two restaurants focus on and experience strong behavioural loyalty, with many, often returning guests. Hence, their approach might work towards generating behavioural loyalty. However, according to Kang et al (2015), active participation is important for commitment as customers develop emotional ties through interactive platforms. Furthermore, active participations can also lead to the feeling of trustworthiness towards the restaurant and help develop commitment (Kang et al., 2015). These arguments refer to that staying on top of customers' minds can be beneficial to build holistic loyalty, however, the restaurants mostly experienced strong behavioural loyalty. This can be because the restaurants do not focus on active participation or involving their customers with their content, rather they focus on the frequency of posts and through that involve the customers in a more superficial way without actively engaging them with their content.

Furthermore, re-sharing customer generated content is an everyday practice for all restaurants, therefore they have not put a large focus on it in the interviews. However, as they do it so frequently and naturally, and as re-sharing customer created content is a subtle way to encourage customers to engage with the firm (Nisar & Whitehead, 2016), this practice might have a significant impact towards customer relations and loyalty (Watkins & Lewis, 2013). As the only restaurant, FD4, mentions that they experience that working actively with customer generated content generates more engagement than their own content. This underpins the importance of working with customer generated content strategically.

Lastly regarding restaurants' engagement practices, the few restaurants that created social media campaigns and contests, experienced a significant boost on their engagement, however the majority of these restaurants mentioned that the increased engagement and its effects were rather short-term and these activities did not contribute valuably to increased customer loyalty. This experience of restaurants contradicts the presented theories, as campaigns and contests thought to be one of the most significant contributors of customer engagement and retention (Erdogmus & Cicek, 2012; Chan & Guillet, 2011). The restaurants' negative experience is because they say that these contests do not attract the right customers, they attract the customers who are interested in free give-aways and not their genuine product.

Regarding customer engagement, there are several activities that restaurants do not mention to be engaging in, which leaves room for improvement for restaurants in this field. The reason behind this lack of focus on engagement, can be that most restaurants think about customer engagement as a positive contribution to their communication activities but not necessarily as their main goal with their social media communications. Most restaurants only re-share customer generated content but do not respond to content that was created through customer conversation and engagement (Hassan et al., 2019). Furthermore, they do not encourage customers to share their restaurant experiences or pay attention to the communication among customers (Nisar & Whitehead, 2016). They do not mention engaging in peer-to-peer communications that might contain valuable information. These customer generated conversations should be analysed in order for the restaurants to better understand how customers perceive the restaurant and how the restaurant can further enhance value creation for customers (Kang et al., 2015). Social media should also be leveraged to monitor, track, collect, and analyse customers' information available on social media (Hassan et al., 2019; Nisar & Whitehead, 2016). Paying more attention, engaging more, and learning more from customer generated content could be a valuable recommendation for the restaurants.

5.1.7 Content marketing

As engagement is a crucial factor within social media communications to enhance loyalty, it is also one of the main goals of content marketing (Chan & Guillet, 2011). Engagement, and active participation on social media are important factors for customer loyalty, as they are key determinants of brand trust and commitment (Kang et al., 2015). Thus, it is also vital for restaurants to have appropriate and engaging content that contributes to building and maintaining relationships, and thus enhances a strong loyal customer base. Aligned with this, all of the studied restaurants consider it crucial to communicate the right content through their social media platforms. As one of the main advantages of social media is to enhance loyalty through engagement, restaurants also consider engagement as an important factor for their content, however, achieving engagement is not the primary goal for their content. They think engagement is always beneficial but they consider other, also important factors, to shape their content more important, which are discussed in this section.

All restaurants, except FD2, plan their content on a weekly basis to be able to communicate relevant and up-to-date content, which aligns with Erdogmus & Cicek (2012) who state that as relevancy of content is an important factor that affects loyalty, therefore, firms should keep up-to-date with the preferences and interests of their customers. Six restaurants work with communication professionals to develop content, which is crucial in terms of success based on the experiences of CR3 and CR4. Both restaurants experienced significant improvements on their social media platforms and in terms of the number of their customers after they started to work with persons knowledgeable within social media communications.

Authenticity is highlighted as one of the key factors for success among the wide variety of different activities the restaurants engage in regarding their content. All restaurants focus on original and relevant content rather than sales or marketing messages, which is beneficial as customers are interested in content that is informative and not related to sales (Malthouse et al., 2013). Consequently, authenticity is one of the most important factors for all the restaurants regarding their content. Authenticity is in a particular focus for FD2, CR1, and CR4, of which the last two possess the strongest loyal customer base. These three restaurants aim to be true to their brand, to themselves, and be honest in their communications. Therefore, they believe that they always fulfil their customers' expectations and evaluate this authentic communication approach to be the key to their success which indicates the importance of authenticity towards loyalty enhancement. Scholars also agree on the significant importance of authenticity in loyalty generation, especially in hospitality where looking for authenticity is one of the key trends (Haghighi et al., 2014). Authenticity and staying true to the brand and the promises of the restaurant are important during trust building (Pitta et al., 2006), and creating trust is particularly important for restaurants (Kang et al., 2015) where customers possess incomplete information (Pitta et al., 2006) and are highly exposed to perceived risk due to the intangibility and difficult assessability of services (Gremler & Brown, 1996).

Conveying a personal tone through content on social media has been another crucial point in loyalty generation during the crisis. Although the presented literature does not have a focus on it, the study demonstrates that communicating with a more personal tone can enhance the generation of customer loyalty, which especially proved to be important during the crisis. Several restaurants, FD2, CR2, and FD3, alter the content of their communications to more personal and relevant content in order to involve and engage their

followers more. Their goal is to be able to influence the behaviour of their guests more through this new content approach, as they need to gain increased support during the crisis. The changed strategy for these three restaurants helped them gain more support through a more committed customer base. Thus, this demonstrates the importance of personal and relevant content which can lead to enhanced engagement and customer loyalty which can be translated to a more supportive customer behaviour during the COVID-19 pandemic.

The restaurants have some additional important considerations regarding content. They focus on sharing informative, relevant, and up-to-date content, which according to Kang et al. (2015) and Erdogan & Cicek (2012) are of utmost importance for hospitality services, as customers depend more on information they gather online. Posting a lot every day to stay on customers' top-of-mind is another content approach some restaurants use, as they believe that restaurants have an identity which customers can identify with. Thus, if they stay present, it can make it easier for customers to develop a sense of belonging to this online identity which they think can enhance commitment and loyalty. However, being on top of customers' mind in itself might not be enough to enhance commitment and loyalty. As discussed earlier under customer engagement, being top-of-mind is sufficient to enhance behavioural loyalty, however, more interactive content which involves the customers to a higher degree, such as progress videos or sharing information on recipes, is needed to create engagement which then contributes to commitment and loyalty to a higher extent. This can be a valuable learning for other restaurants, as two-way consumer communications that involve the customer should always be in focus (Quesenberry, 2019).

Lastly, the studied restaurants do not mention a practice which according to Quesenberry (2019) is the basis for appropriate content creation. He suggests that studying customers' social media patterns and engaging customers where they are talking about the firm and encouraging them to share content from the restaurant is necessary for engaging content marketing (Quesenberry, 2019). Therefore, it would be beneficial for restaurants to engage in these suggested activities in order to further increase their engagement. However, the reasons behind the restaurants not engaging in such activities can be that as customer engagement is not their main goal, they deem authenticity more important in which such evident enhancement of engagement towards customers is not appropriate.

5.2 MOST IMPORTANT LOYALTY GENERATING FACTORS

Based on all the different loyalty enhancing activities that the studied restaurants engage in through their social media platforms, there are a number of activities that restaurants find the most important in terms of achieving and enhancing customer loyalty, thus they place their focus on these activities. There has also been identified a variety of factors within literature that most authors mentioned to be the most important factors for influencing loyalty. The restaurants' focus to some extent aligns with these factors, however there are differences.

In the literature review, the three main influencing factors for loyalty have been identified as satisfaction (Butcher et al., 2001; Gremler et al., 2001; Keshvari, 2018; Oliver, 1999), trust (Grönroos, 1991; Kang et al., 2015; Keshvari, 2018; Malthouse et al., 2013, Pitta et al., 2006), and commitment (Kang et al., 2015; Morgan & Hunt, 1994; Haghighi et al., 2014; Oliver, 1999). Most restaurants do not directly focus on these factors, however, they certainly contribute to enhancing satisfaction, trust, or commitment through most of their activities. Further factors that most authors found particularly important for enhancing loyalty in the hospitality industry were the quality of service (Berry, 2002; Kandampully et al., 2015; Haghighi et al., 2014) and interactivity which is especially crucial in relationship building (Watkins & Lewis, 2013; Hollensen, 2010; Duncan & Moriarty, 1998; Kang et al., 2015). In practice, the restaurants also find the quality of service and core customer experience to be the most important factor in enhancing loyalty. Although comparison between the restaurants shows that the restaurants that mainly focus on this factor have a less significant loyal customer base. The restaurants with a focus on building strong and interpersonal customer relations have a stronger loyal customer base which is the other main focus of restaurants. This focus, although lacking the interactivity perspective, aligns with the importance of relationship building in the presented literature, which is believed to be particularly beneficial as it directly enhances customer retention (Duncan & Moriarty, 1998) and contributes to developing emotions and commitment (Kang et al., 2015).

Additional important factors for loyalty generation, according to scholars, were authenticity (Haghighi et al., 2014; Pitta et al., 2006), appropriate content (Barnet & Ferris, 2018; Chan & Guillet, 2011; Kang et al., 2015), and engagement (Kang et al., 2015; Kandampully et al., 2015; Quesenberry, 2019; Watkins & Lewis, 2013).

These mostly align with the restaurants' additional main factors which are authenticity, appropriate content and staying on top of customers' mind. Together with building interpersonal customer relations, authenticity seems to be crucial to enhance loyalty and to build a strong loyal customer base which is supportive towards the business. Furthermore, all restaurants have a significant focus on appropriate content in their social media communication which naturally includes engagement. However, engagement is not highlighted as a focus for restaurants, it is instead a natural part of their content marketing. Staying on top of customers' mind is attributed more importance within restaurants' content marketing, as they believe that it contributes to more involvement from customers, thus resulting in enhanced commitment towards the restaurants.

5.3 IMPORTANCE OF CUSTOMER LOYALTY IN THE CORONA PANDEMIC

The studied restaurants gained a different amount of support from their loyal customer base, which is discussed in this section. The restaurants differ both in terms of the size and depth of their loyal customer bases, as well as in their focus towards customer loyalty in their communications and other activities. Different restaurants also attribute varying importance to loyalty which influences these most important focus points. In spite of this, all restaurants engage in activities that contribute to the enhancement of customer loyalty and impact their loyal customer base. However, it seems that these differences have an influence on the support restaurants gained from their loyal customers and the extent it helps them overcome the crisis caused by the COVID-19 pandemic. Therefore, these considerations are discussed in this section.

Despite the literature suggesting that small hospitality enterprises are not likely to achieve ultimate loyalty (Haghighi et al., 2014; Oliver, 1999), three studied restaurants seem to have come close to achieving it. These restaurants, CR1, CR4, and CR5, consider loyalty as the most important concept and have always focused mainly on their loyal customer base in their communications. This intense focus on loyal customers is also paired with a focus on intense communication activities towards them. These are seen to be the two most important factors for these restaurants to achieve both strong behavioural and attitudinal loyalty. Even though the crisis has imposed serious challenges on them as well, they have had an active and engaged community that is at the same time committed to the restaurants. This loyal customer base provided tremendous support for the restaurants in the crisis. Customers did not only engage in repeat purchasing behaviour when the restaurants most needed it, through for instance getting their daily coffee always from that one restaurant.

Customers also supported them with kind words, buying gift cards, and helping them in different ways for instance through helping to renovate the restaurant. This kind of customer behaviour demonstrates a high degree of emotional commitment and that strong customer relations are built and maintained (Kang et al., 2015; Oliver, 1999). Thus, both behavioural and attitudinal loyalty is achieved. Therefore, it can be identified that a primary focus on loyalty and utilising a wide range of loyalty enhancing communication activities lead to a high degree of holistic customer loyalty, which also aligns with the findings from Duncan & Moriarty (1998), Kang et al. (2015), and Haghighi et al. (2014). However, it can be questioned whether this fits into Oliver's (1999) definition of ultimate loyalty in which a customer only considers to buy that one service from that one provider, however, it can be argued that these restaurants come as close to ultimate loyalty as it is possible in this study.

Additionally, the importance of communication activities towards the loyal customer base is demonstrated through the three restaurants, CR2, FD3, and FD5, which altered their communication activities in favour of their loyal customers. Due to the crisis, they faced challenges in which they were in need of more support from their loyal customers, thus they wanted to modify their communications towards their loyal customers in order to thank them for the support and further enhance their loyalty. The support they have received due to the altered strategy was extensive, however, it has mostly been based on repeat purchasing, as these restaurants had not had a strong focus on their loyal customers prior to the crisis. This meant that although they had a loyal customer base, their customers were not as committed as the customers of the other previously discussed restaurants. Changing their focus and engaging in communication activities that enhance customer loyalty to a high degree allowed the restaurants to strengthen their loyal customer base (Kang et al., 2015; Haghighi et al., 2014), which then benefitted the restaurants through increased support from their customers.

Finally, the restaurants; FD1, FD2, CR3, and FD4, that do not focus primarily on loyal customers in their communications, received less support from their loyal customer base compared to the other restaurants. They still received support but mostly in terms of repeat purchasing whenever the restaurants were allowed to be open. This can be connected to behavioural loyalty or even just convenience which are not as beneficial as holistic loyalty (Oliver, 1999). Thus, loyalty had a limited contribution in terms of customers' willingness to support these places during the crisis. Additionally, these places struggled the most during later stages of

the crisis for instance after re-opening where they lost their main customer types and were challenged by not having enough customers in their restaurants. Therefore, based on the experiences of the other restaurants and also according to Duncan & Moriarty (1998), it can be recognised that a stronger focus and a higher engagement in appropriate communication activities could create increased trust and commitment towards these restaurants which can contribute to enhanced customer loyalty, support, and a stronger loyal customer base. Other scholars also agree that social media communications have a crucial impact on customer loyalty through authentic, interactive, two-way communications, and customer engagement which all contribute to generating commitment and trust (Atherton, 2020; Barnet & Ferris, 2018; Kandampully et al., 2015; Kang et al., 2015; Watkins & Lewis, 2013).

6 CONCLUSION

In this last chapter, the research question is answered through providing a conclusion based on the main findings and theories in the form of theoretical and managerial considerations, limitations, and future research.

6.1 THEORETICAL CONTRIBUTIONS

The main findings from this study demonstrate that during the studied crisis situation social media communications are of utmost importance for restaurants to gain support that helps them survive the crisis. This is due to the significance of social media communications in enhancing customer commitment, thus generating customer loyalty. Especially, utilising a wide range of communication activities on social media contributes significantly to building and maintaining a strong loyal customer base that supports the restaurants. The activities the restaurants engage in are highly aligned with activities presented in the literature review. Furthermore, it is identified that the focus of restaurants and their level of involvement with these activities highly impact the strength of their loyal customer base, thus also the amount of support they receive. Only restaurants that have their primary focus towards loyal customers in their communication activities receive tremendous support. Other restaurants still receive support but to a lesser extent. Thus, the study confirms that following these theories are relevant for restaurants to use in order to enhance loyalty

and that restaurants engaging in these activities comprehensively can utilise social media platforms to contribute to loyalty and to gain support to a substantially higher extent.

Furthermore, the findings contribute to a more comprehensive communication framework for restaurants to enhance customer loyalty. The restaurants considered most parts of the main framework from Haghighi et al. (2014) important and engaged in most of the suggested loyalty generating activities. The restaurants also engaged extensively in the additional activities which are enhancing customer engagement and communicating the right content, thus the study can confirm that these approaches are important additions to developing a more comprehensive framework compared to Haghighi et al.'s (2014). The findings also contributed to identifying which of those wide variety of activities are the most important for loyalty generation. Both restaurants and scholars found quality of customer experience and customer relations to be the most important factors for enhancing loyalty, also the two primary factors in Haghighi et al.'s (2014) framework. Out of these two, building customer relations through social media communication activities proved to be the most significant for enhancing loyalty for the restaurants. Furthermore, for restaurants' communication activities, authenticity and content were found among the most important both by restaurants and scholars. Some differences also occurred between findings and theory, as scholars found engagement to be important, while the restaurants focused more on staying top of customers' minds and considered engagement as a beneficial consequence of their activities but not as a main goal. Most scholars also found satisfaction, trust, and commitment to be the most important factors to create loyalty, while restaurants did not directly mention these factors. The findings showed that most social media communication activities that restaurants engage in create and support satisfaction, trust, and commitment, thus, the findings contribute to the relevancy of these factors for restaurants' loyalty enhancing activities.

Moreover, it can be concluded that a personal, direct, and loyal customer focused communications approach helped restaurants to create customer loyalty and gain support during the crisis. As a result of the crisis, several restaurants adjusted their social media communications towards a more personal-, engagement-, and commitment-focused approach aiming to address their loyal customer base. This was due to the restaurants' need of increased support from loyal customers. The restaurants' step to modify their approach confirmed that a strong loyal customer base can be achieved through these changes. It also demonstrated that a strong

loyal customer base is needed during the crisis and that it can significantly benefit restaurants through increased support. Additionally, the behavioural effects of engagement and commitment were also confirmed, as restaurants experienced that customers' behaviour can be best influenced through engaging content and the creation of commitment on social media. Therefore, these factors and social media communications highly contribute to loyalty generation and to enhanced support from loyal customers. Lastly, these altered approaches highlighted the relevance of personal content and tone in communications, which the presented scholars do not focus on as thoroughly as the restaurants in this study. Thus, the study also expands the theory with this focus that proved to be essential for creating loyalty through social media communications during the crisis.

6.2 MANAGERIAL IMPLICATIONS

All restaurants in this study engage in a wide variety of communication activities that enhance loyalty. However, it can be concluded that the restaurants which have a mindset that considers customer loyalty to be the most important factor in terms of their communications, and the restaurants which therefore focus primarily on addressing loyal customers, are the restaurants that have created the strongest loyal customer bases. This approach also includes a focus on building and maintaining customer relationships, through a wide variety of social media communication activities, instead of focusing solely on the quality of the core customer experience. Thus, the appropriate focus in communications is crucial in this crisis where restaurants expressed increased need for support from their customers. Their focus contributed to a stronger and more committed loyal customer base which is more willing to provide support for the restaurants.

Consequently, it is essential for restaurants to excel at enhancing customer loyalty. All studied restaurants engage in a wide variety of loyalty enhancing activities and some of them, with the above mentioned mindset, are also excellent at it, as they have very strong loyal customer bases. Despite this, none of the restaurants have a coherent, well-planned communications strategy through which they demonstrate that they are aware of all the most important factors to enhance loyalty. Nor do they make sure to engage in all the necessary activities to maximize the loyalty enhancement effects of social media communications. Therefore, a more comprehensive communications approach that takes all the previously discussed factors and activities into

consideration would benefit every restaurant and would allow them to maximize the effects of their social media communications activities regarding the creation of customer loyalty.

Furthermore, all restaurants create their communication activities based largely on their intuitions and feelings. This contributes to the less strategic approach they have to communications and the creation of customer loyalty. However, as several scholars suggest (Hassan et al., 2019; Kang et al., 2015; Nisar & Whitehead, 2016; Quesenberry, 2019), monitoring, tracking, collecting, and analysing customer information on social media are the basis for effective communications activities directed towards customer loyalty. Communication among customers might contain valuable information which if analysed can help in learning about and understanding the customers. These customer insights can be used to further enhance loyalty and contribute to a more strategic communications approach.

6.3 LIMITATIONS AND FUTURE RESEARCH

The main limitation of this research is the limited sample size of ten restaurants. This makes it very limited to understand the results in a broader context although the main aim of the research, to discover a phenomenon in-depth, was still satisfied. The COVID-19 pandemic and the second lockdown in Denmark challenged and negatively influenced the conduction of additional interviews. However, the restaurants participating in the study are significant members and strong voices of the Copenhagen food scene, therefore the results are considered valuable despite this limitation.

The single method approach of this research is a further limitation, as that can contribute to bias and it provides a more narrow view of the topic. To expand the study, a media research would be valuable to conduct about the Instagram channels' of the studied restaurants. Analysing the content from their social media platform would provide a more objective point of view, as well as contribute to interesting observations regarding for instance the engagement rates and the content the restaurants in fact use to communicate with their customers.

An additional interesting future research approach would be to further study the reasons why some restaurants experienced scarce resources to be a barrier towards direct and personal social media communications, while other, same-sized restaurants, did not see that as a problem. Although they are somewhat different in size, all studied restaurants are small, local businesses, therefore it would also be beneficial to research how social media communication activities can be included as part of the core business for these small firms whose resources are scarce. It would be interesting to study how beneficial it would be for small firms to include customer loyalty in their business model, and how this would affect their loyal customer base.

Moreover, in a future research a larger sample size, not only in Copenhagen but other cities in Denmark or across Europe, could provide interesting insights into how loyalty can be generated and how it can help restaurants to survive the crisis caused by the COVID-19 pandemic.

Lastly, both a limitation and a considerable opportunity for future research, is to explore the topic from the customers' point of view. Customers' opinions and characteristics on what the most important factors are for them to become loyal, how social media communication influences their behaviour and loyalty, and how their satisfaction, trust, and commitment can be enhanced through communications, would provide valuable insights for the topic of this study.

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