

**INSTAGRAM AS A TOOL FOR SHAPING AIRLINE CORPORATE
REPUTATION**

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ABSTRACT

The core objective of this dissertation is to understand how far can Instagram impact the perception of an airline corporate reputation and also to analyse the consequent effects on service expectations.

Previous studies on this topic suggest some sort of connection between social media and reputation, but at a superficial level and without really concerning for the dimensions inside each variable at hand. For this, TAP Air Portugal is the case company that will be on the background for this entire work.

A quantitative analysis, with data collected from a questionnaire, is the chosen method for the gathering of relevant insights serving the purpose of the research.

The data confirmed initial premises and hypothesis, but uncovered notions indicating that, for the airline industry, corporate reputation might be affected in a different manner according to the dimension of the variable that we are looking at. And as such, conceptual premises are important to be clearly defined without ambiguity according to the best possible practical application, and also concepts should be considered as the dimensions constituting each one of them, and not only the concept as an individual construct.

Keywords: corporate reputation, airlines, service expectations, engagement, instagram

JEL Classification: M30

RESUMO

O principal objetivo desta dissertação é analisar o nível de impacto de estratégias de Instagram na manutenção da perceção da reputação corporativa de uma companhia aérea, bem como analisar os efeitos consequentes no estabelecimento de expectativas de serviço.

Estudos prévios neste tópico sugeriram uma correlação entre *social media* e reputação, mas a um nível superficial sem detalhar nem especificar as relações individuais entre componentes de cada variável em estudo. Para tal, a TAP Air Portugal é a empresa usada como motivo de fundo para esta investigação.

Uma análise quantitativa, com dados reunidos a partir de um questionário, é o método escolhido para a compilação de informações relevantes que servem ao propósito da pesquisa.

Os dados confirmaram as premissas e hipóteses iniciais, mas revelaram noções que indicam que, para o setor aéreo, a reputação corporativa pode ser afetada de maneira diferente de acordo com a dimensão da variável que estamos a considerar. E, como tal, as premissas conceituais são importantes serem claramente definidas sem ambiguidade de acordo com a melhor aplicação prática possível e os conceitos também devem ser considerados consoante as dimensões que constituem cada um deles, e não apenas o conceito como uma construção individual.

Palavras-chave: reputação corporativa, companhias aéreas, expectativas de serviço, engagement, instagram

Classificação JEL: M30

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Na minha memória seges imortal. No meu coração seges presente.

Ao eterno bigode da família,

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Index

Index.....	I
Chapter 1 - Introduction	1
Chapter 2 - Theoretical Background.....	4
1. New Media and Social Media	4
1.1. What is New Media	4
1.2. Conceptual definition of Social Media.....	5
1.3. Social Media background.....	7
1.4. Social Media current landscape.....	7
1.5. Social networks	9
2. User influence in Social Networks	13
3. Airlines and Social Media	13
3.1. Social Media and Engagement in airline industry	15
4. Corporate Reputation	17
4.1. Schools of corporate reputation.....	17
4.2. Importance and consequences of Corporate Reputation	19
4.3. Reputation Quotient	22
5. Social Media and Corporate Reputation.....	25
6. Consumer Expectations	26
7. Instagram - Detailed Characteristics	28
7.1. Instagram in Portugal	29
8. The case brand	31
8.1. History of the brand “TAP”	31
Chapter III - Methodology	32
1. Research question	32
2. Conceptual Model and Research hypothesis.....	32
3. Methodological Decisions	33

3.1. Questionnaire structure and flow.....	34
3.2. Data collection.....	34
3.3. Data Analysis.....	35
4. Instruments for measurements	36
4.1. Instagram Intensity of Use.....	36
4.2. Instagram User Engagement.....	36
4.3. Expectations for TAP Air Portugal	37
4.3.1. Concerns about SERVQUAL.....	38
4.4. Perception of Corporate Reputation	38
5. Models for Linear Regression	39
5.1. User Engagement Model	39
5.2. Perception of Reputation Model.....	40
5.3. Service Expectations model.....	40
Chapter IV - Data Analysis	41
1. Sociodemographic Characterisation	41
2. Respondents Characterisation.....	43
2.1. Travel Habits	43
2.2. Instagram Use.....	44
2.3. TAP Air Portugal’s Instagram profile awareness.....	47
2.4. Perception of Corporate Reputation	47
2.5. Service Expectations.....	48
3. Dimension Reduction.....	48
4. Tests to the model hypothesis	52
4.1. Estimation results for TAP Air Portugal	54

Chapter V - Final Considerations.....57
1. Research conclusions57
2. Research limitations.....60
3. Future research.....60
References61
ANNEX65

Chapter 1 - Introduction

Progress in the internet structure allowed for the creation of new platforms and forums where exchange of communication became a powerful tool. Not the most modern notion.

And then there was *Social Media*.

Any serious business has Social Media on the top of their agenda. So much that it is factual the notion that even traditional brands, that have been around for decades, have quit the investment on mainstream media just to bet everything on the positive outcome that a digital strategy may bring. It is not a clear recipe for profit since the empowerment of brands with these tools is yet to confirm a universal application. There are just still too many variables at play. One might, otherwise, attempt the validation of such tools' effects by addressing already published studies and replicating same methodologies in the aforementioned context. The proposal for this study implies some initial premises, for the sake of logic and reason, that will explain the format of the theoretical background, and why to take into account the concepts that will come henceforth.

The first premise is that I do find relevant to expose the process and link between concepts as a way of more easily expose reasoning fallacies and better justify conceptual models. This means that, although my question starts at Instagram, I deem necessary to try and explain the motivations for why this tool is interesting and relevant, not only to this research but as a marketing tool in general. It is indeed out of the scope of the research itself but, as it will be further explained down the road, a justified approach.

The second premise is that I begin this research with the notion that I have fixed objectives and targets.

Having had the opportunity to work inside a media agency, the sheer evolution and increase of teams fully dedicated to digital communication is pretty much notorious and media agencies themselves have undergone some transformations to accommodate this

trends and new needs. Likewise, these brands decision makers and consultants strive for the identification of ways in which a company might make profitable use of such digital platforms, such as Wikipedia, YouTube, Facebook, Instagram, Twitter, and many more (Kaplan and Haenlein, 2010).

The motivation behind this work is not purely academic nor intellectual. The airline industry has had my attention almost since I can remember. And when the decision came to choose a topic, it was not very hard to point in the direction of this industry. Adding to this, the amount of reports, such as the one from IATA (International Aviation Transport Association) that states that “Demand for air transport services [*in 2017*] was not matched by capacity increases” (IATA, 2018) or the one from ICAO (International Civil Aviation Organization) that points to an average growth of 6,23% in the total number of passengers transported between 2010-2016 (ICAO, 2017), pointing to the continuous growth of the industry.

The goal of this dissertation is to 1) understand the dynamics behind the usage of an Instagram page and 2) how can TAP Air Portugal benefit from using such strategies and how far can those go towards achieving digital engagement and if that is enough to influence the corporate reputation perception of the users of such platform.

For this the proposed research question is: “How can the presence of TAP Air Portugal at Instagram influence its members perception of TAP Air Portugal’s reputation, and consequent expectations?”. I have strong beliefs in the statement that products that are “intangible, non-standardised, and need to be consumed before they can be fully evaluated” (Murray and Schlacter apud Dijkmans et al., 2014), like with the case of airline transportation industry, need to establish the notion of how far can the digital strategy go towards building a relationship between the brand and the customers or potential customers, and how it may truly affect the company reputation and set expectations for the users of Instagram.

Hence, a questionnaire was distributed to obtain statistical data that will allow for the analysis and testing of the proposed hypothesis. The data was then submitted to several relevant statistical analysis and the findings were compared to similar studies that are part of the theoretical background of this work.

This work is divided in a certain number of chapters in order to comply with the stated objectives.

First, the Introduction where a general frame for the research is established and the structure is presented.

Second, the Theoretical Background where all the studies and theoretical premises are analysed and utilised to build the conceptual model with hypothesis for later statistical analysis.

Third, the Methodology section that contains the blueprint for the statistical analysis i.e. the description on how, why and with what purpose it will be done.

Fourth, the chapter of data analysis. This is the chapter that produces the core empirical data to discuss and extract relevant insights for the research question.

Fifth, the Research Conclusions to lay down all the background studies and compare them to this work findings in order to produce significant and relevant statements regarding the research question, as well as identifying limitations to this study and opportunities for further investigation.

Chapter 2 - Theoretical Background

1. New Media and Social Media

1.1. What is New Media

Technological evolution brings new tools to established routines. Case example is main news outlets that today make use of said technological evolution to better reach their audience and spread information. And this is not the only effect, as the political and sociological implications stretch beyond.

Depending on how you look you may find that, like Logan (2010), new media refers to “those digital media that are interactive, incorporate two-way communication and involve some form of computing”.

Social Media is a relatively new concept in our society, the same way that mobile channels are. However, radio, newspapers, television and vinyl records were also once new in their existence.

We can also establish a form of clear separation between these two terms of New and Old Media, in the way that the latter is also considered to be those channels used in mass media communication, not as much interactive as the former, and not allowing for an active participation of the users in the process of communication. Think of it as a contrast between a two way system of communication and a one way. The New Media relies on the existence and usage of computers for the distribution of content, as it is implied that the computer as a collaborative tool, uses the tools at its disposal to widespread messages and turn users into active peers of this system. Some examples of this are websites, virtual reality, multimedia, computer games, computer animation, digital video.

Some more sociological implications of the motivations behind the use of social media were approached in the study by Sheldon (2015) that supported the activity and use of social media, by the user, on the notion of individual needs i.e., the need for gratification.

And since Instagram is a mobile photo and video sharing platform, gratifications of some sort might be at play as well (Sheldon, 2015).

1.2. Conceptual definition of Social Media

Social Media was defined by Russo et al. (2008) as “those [*infrastructures and platforms*] that facilitate online communication, networking, and/or collaboration”, similarly “a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of User Generated Content” (Kaplan and Haenlein, 2010).

Howard and Parks (2012) presented a more exhaustive definition of social media as consisting of three parts: “ (a) the information infrastructure and tools used to produce and distribute content; (b) the content that takes the digital form of personal messages, news, ideas, and cultural products; and (c) the people, organizations, and industries that produce and consume digital content” (p. 362). Multiple authors point out that it is commonly denoted in literature the usage of the concept of social media as the applications and platforms themselves, like Facebook, YouTube, Instagram or Twitter.

When asked to the random bystander one would expect to receive a rather trivial and objective definition of the term social media as being Facebook or Twitter, Instagram, Snapchat...the list goes on, fuelled by the notion that it could be hard for a user to explain a platform beyond what he or she uses daily. While this assumption is not, in any way, incorrect, it refrains from doing more than scratching the surface of said platforms (Social Networks). Because for the user, those are exactly that – platforms that empower their interpersonal networking. But they are also platforms for a free exchange of information and content.

However diverse this ecosystem of social networks may present itself to us, there are some core attributes that are common to pretty much all platforms within the concept of social network.

Firstly, they allow individuals to create a public or semi-public (approval based) profile, stating personal information and history, within a bounded system.

Secondly, the profiles are then part of larger ecosystem and board of similar profiles, which then the system allows for a connection and information exchanged.

This connection takes different nomenclatures depending on which social networking platform we establish analysis. (ex.: Facebook – *friend*, Instagram – *follower*, YouTube – *subscriber*) (Boyd and Ellison, 2007).

Boyd and Ellison (2007) conceptualise the social network definition in two possible approaches. A C2C perspective (consumer to consumer) that implies that social networks act as virtual consumer communities. However, on a more technological point of view, social networks are “web-based services that allow individuals to construct a public or semi-public profile within a system, articulate a list of other users with whom they share a connection, and view and traverse their list of connections and those made by others within the system”.

Regardless, a prominent aspect of such social networks is not the ability to establish connections with strangers, but rather the ability to articulate one social network with others, through the visibility that users choose to offer to their own network, making it possible to connect individuals in a way that would otherwise be impossible or that it would never happen (without such support).

This is true also towards brands, since these platforms capture bulk meta-data of information imputed by the users, and translate it towards meaningful target audiences. This means brands can use the tools provided by the platform itself to better address their target group.

Although this is a marvellous sight when first presented, there are some consequential attributes of this shift. Holt (2016) brings us the rather interesting notion that the increasing presence of brands in the online and social media world is no indication of an increasing significance of this brands but, contrarily stating, he places brands as decreasing in significance towards the consumer. And then he goes on to present us the ultimate fatal

recipe for this event. Brands fail to generate meaningful interest online, so online engagement might lead to a false sense of success.

1.3. Social Media background

The revolution of the last 20 years did not bypass brands. They bypassed traditional media. It just takes a few seconds to realize what happens when you, as a brand, are presented with an alternative to the rather expensive advertising space from traditional media. The ability to reach the consumer directly, with no middle man, became rapidly a trend. Observation will allow us to follow the trend of companies that we never thought would benefit from social media presence, setting up a digital branded profile.

A report produced by the Oracle company stated that the constant introduction of new technology and the consequent evolution of the available technology have allowed and enabled a more efficient and broader range communication. The technological effect is not the only one at hand, since we can also accept and understand the social side effect of this evolution. Thought and behaviour are two concepts that were also affected and biased by this change. Consumers have now tools that empower them to produce reasoning beyond what was available prior to the introduction of this technology in this field. Economical influence caused by recent financial crises, led to a shift in the consumer way of thinking when it comes to spending money. And Social Media became a huge tool and middle man in this purchasing process. Many consumers now rely on the existence of social networks, a tool that is part of the social media paradigm, for example, to complete the process of decision-making - hence the influence role of such structures in the final purchase decision. (Oracle, 2012).

1.4. Social Media current landscape

Analysing the current state of the art of social media landscape might offer some clues as to how to approach this study, as it may contain important data regarding ranks, and consumer behaviour on such social media platforms.

The data analysed was collected from Global Web Index, a company founded in 2009 that collects, analyses and publishes audiences profiles for media agencies and marketers around the world. The company collects data across 40 countries and relies on a panel of 18 million connected consumers.

One of the outstanding reasons for choosing this data insight publisher is the notion that the company has on mobile consumption of information. The company states that “at the end of 2015, just over 3 in 10 listed a smartphone or mobile as their top device. Towards the end of 2016, that had jumped to over 4 in 10. Simultaneously, laptops and desktops both saw small declines. The decreases for the more “traditional” devices were far from dramatic, but the prevailing pattern here is still pretty evident.”. Paying special attention to the evolution and growth of this mobile trend is key for new studies conducted, because we may consider a new form of consumer. Landline phone questionnaire no longer looks as the best option to achieve accurate results.

According to the 2017 Trends annual report, Facebook is still the leader in every category of “Members”, “Users/Visitors” and “Engagers/Contributors”, making it the number one social network, followed by YouTube. However, looking at some demographic data, Snapchat and Instagram lead on the number of Contributors with age comprised between 16-24 (38%, 35% respectively), with mobile access leading the top 3 categories (78%) of access to these social networks.

In Portugal specifically, about 90% of Facebook users accessed the social media at least once. That is reason to consider Facebook as a definite channel of communication.

Not only Facebook is a powerful channel but, Europe wise, 38% of Internet users are (the so called) Millennials (aged between 18 and 32), and they rely on the mobile phone as their second most important device for internet browsing, not far behind computer/tablet browsing. 80% of those users shop online and Vlogs are the type of content that bring the highest value for brand discovery.

One other relevant trend for this discussion is the use of ad-blockers. Programs developed for the sole purpose of either blocking advertising content or protecting user privacy against cookies.

First, the usage of this ad-blocks posts a real threat towards free content. It is no hidden fact that most of our free browsing experience is funded by ads, e.g. when one browses in news websites, the free experience will be funded with side-page ad content or pop-ups with commercial messages. Blocking this type of content retains the funding for the website. Second, companies can no longer properly rely on this type of advertising if it can easily be blocked; instead new creative and engaging ways of content production and distribution are in order to attain consumer attention and capture their interest in searching for such products/services.

1.5. Social networks

Facebook

Taking upon some data from the Global Web Index and the public information regarding the company, this social network holds currently the first position in terms of popularity and usage, inside the universe of the 10 most used and popular social networks in the world (this data refers to 2017), and it covers 22% of the world market (Facebook, 2015).

Facebook is the most used social network, with a rate of 600k new users every day.

The website allows its users to create an individual profile, be it at a professional or a recreational level. It is possible then to upload content in the form of photos, videos, text posts or virtual chatting through Messenger (Facebook chat service). The profile can then be shared and made public to the rest of the community. The user can also establish restrictions towards the public access to the profile, being able to define levels of access.

Besides the mass target of the company, Facebook also allows for the creation of business pages, i.e. the creation of similar looking and structured profiles, that are meant to be managed by a brand or public figure. These pages have business tools that allow brands to access detailed audience information, engagement, demographics, content performance and more.

Brand marketing departments may rely on such pages to reach consumers in a more B2C (Business to Customer) format with higher empowerment tools than ever possible through

traditional media channels. This in turn means that users can connect to brand of interest and choose to be part of a brand online community with access to direct content provided by the brand. Users can also engage directly with content from those brands through “likes”, “reactions”, “comments” or “shares”, which would divulge the information to other parties potentially not previously connected to the brand, but nonetheless connected to the “Friend” that is connected to the brand. This sort of osmosis transferring of information increases the rate of brand discovery and may serve towards the final goal of the usage of such social network profiles on behalf of the brands - more and better connection with their potential audience.

Youtube

YouTube has been around since 2005 when it became a widespread known platform for video upload. Its rapid and exponential success led to Google buying the platform in 2006. It is still, according to YouTube’s own 2017 data, responsible for the highest percentage of online video sharing. Some key attractive features of this platform make it understandably popular in recent generations. Short videos that are directly published by its authors with no constraints (except to the formal platform policies regarding content) as to format, duration, genre, content or advertisement commitments (unlike TV). But on this topic of advertising it is not that strict. Although content creators are not bound by advertising agreements, they are able to produce income based on their content. If appropriate, brands will deploy advertising on YouTube videos that in turn will generate revenue to their creators, furthermore, brands may establish deals with certain creators to endorse their products or services in a way that content creators make it part of their own content.

But not everything on the ad-revenue scheme platform is a walk in the park. On early 2017 a widespread term came to light “Adpocalypse”, referring to the wide advertisers boycott on content revenue. Brands pulled out their ads from running on YouTube platform, due to the alleged uncontrolled placement of ads. Videos with sensitive content, such as violence, controversial topics and other extremist content were still being used as ad space. A different report of events, from the online page Independent (2017) can be explained this way: “In May 2017, famous American model, Kendall Jenner was featured in a YouTube

Pepsi advertisement which caused criticism from the press due to the video consisting of her giving a Pepsi can to a Police Officer during a protest between Civil Rights Activists and the Police, resolving the tension between both groups. Many found the video devaluing the issue of Police brutality, specifically against Black people, by many interpreting the commercial as Police brutality and the Police interactions with the citizens around them being solved by drinking Pepsi. Due to the public outcry, Pepsi removed all future advertisements from YouTube, furthering the cycle of advertisements drifting from YouTube.” Casey Neistat, PewDiePie, Phillip DeFranco (relatively high level creators - with a combined audience of over 100M people) are publicly active creators that came to call YouTube to action, once it imposed an algorithm that was cutting revenue from such creators, with no specific criteria. Very rapidly YouTube became a “minefield” regarding ad revenue and content, having a huge portion of videos demonetised with no apparent reason (based on an interview that took place on February 1st, 2018 with the Head of YouTube Business - Robert Kyncl).

YouTube is otherwise a very viral-prone platform for its content, and consequently viral to any ad content inside the videos.

Twitter

Founded in 2006 by Obvious Corporation, Twitter began its activity based in San Francisco, USA. This new social network brought to life a new way of sharing information, keeping a strict limit of 140 characters, and prompting the answer to the question “What are you doing?” (Twitter, 2015). It was only more than a decade later that Twitter decided to increase character limit from 140 to 280 (though some scattered reports stated that this was not available to all types of alphabets - like Japanese, Korean, et cetera), generating mixed reactions in the community.

The platform empowers users to rapidly share short statements, photos and videos. This is yet another powerful tool that can be exploited by brands to better reach potential customers and deliver content in the fastest way possible, while also keeping an active engagement with its followers.

Instagram

This social network is the youngest of the ones presented so far. It was established in 2010 by Kevin System and Mile Krieger and it was a tipping point in the way people share photos (later on also videos).

The platform combines this ability of sharing photos with the opportunity to utilise digital filters and editing tools (Instagram, 2015).

Since its creation, Instagram has an active user base of 800 million users and after its purchase by Facebook, in 2012, has developed similar business tools to empower brands with the opportunity to better connect with its audience. Besides the photo post that Instagram provides to its users, it also presents the possibility to share a time constrained post that self-deletes in 24h. This tool is known as “Instagram Stories”, and it is being used by brands in a way that it allows it to be embedded in the regular and trivial use of the platform.

LinkedIn

LinkedIn, founded in 2002, still presents as a social network which targets a job market usage. Companies and organisations can use this network not only to present themselves and their business, but also to post job vacancies. The social network is able to match the user profiles with the criteria presented in the job descriptions, and present such openings to the users via dedicated alerts.

The platform is available in 10 different idioms. Quantcast reported, monthly, 21,4 million visits on the USA and 47,6 million worldwide (Santos, 2016).

2. User influence in Social Networks

The only way social networks can build success is if their users are engaged in the principle of being active and creating content on the platforms of which they are members. The influence some of the members may present is also only possible given the higher number of connections between other members (Trusov et al., 2010). This influence has no obligation of being physical because users can be impacted through the same mechanisms they use when they are online, and therefore they can adapt their own behaviour and beliefs accordingly to other users behaviours and beliefs.

The majority of studies imply that this mob dynamic of user interaction and way of communication can have meaningful impact over general intentions of people, and not only people we hold in our “friend” circle can produce a significant effect over this variable (Katona et al. apud Gensler, 2013). Still according to the study conducted by the authors, there are some interesting conclusions. First, regarding demographic variance on this topic, female members have stronger influence than male members. Second the higher the number of connections acquiring a given product can lead to a non customer member acquiring the same product. Third, same ethnicity users have a greater persuasion power between their peers. Fourth, older members are less prone to be influenced over these forums.

These become relevant to consider when marketers are developing instagram strategies. Since paying attention to key demographics can mean a higher or lower efficiency of their own content.

3. Airlines and Social Media

As with every other industry, tourism can also benefit from the platforms that have been being discussed so far. These media spaces offer companies, throughout the tourism spectrum, numerous marketing tools, one of the most recent being social media. Social media allows companies to interact directly with customers via various Internet platforms and monitor and interact with customer opinions and evaluations of services (Hvass and Munar, 2012). In fact, over 70% of Fortune 500 companies were active on Facebook and

Twitter in 2015 (Umassd.edu, 2016). The study conducted by Hvass and Munar (2012) also presented the notions that the content found in social media platforms, created by airlines, was mainly focused advertisement, and therefore it “fails to exploit the interactivity and development with customers[...]”. A shift towards the relation-building strategy with content not related to service and product sale can help consumers “to feel a closer connection to the airline and the poster and can help build a relationship and loyalty with the company” (Hvass and Munar, 2012).

There will be a further extension of the topic. This section aims to highlight the relevance that a social media platform can have in helping the airline industry to build relations with its consumers. Later on key metrics such as Engagement will be discussed.

So, as stated, airline companies are no foreign party to this increased attention and shift. There is a well documented case that serves as a good indication of this. Dave Carroll, a Canadian musician, posted a set of three music videos named “United Breaks Guitars” (<https://www.youtube.com/watch?v=5YGc4zOqozo>). This videos were considered protest songs featuring real-life chronicles of when, during a trip the musician took from Halifax to Nebraska with United Airlines. The production portrayed an event occurred during boarding, where the tarmac operators were throwing luggage while filling the cargo hold. The result — a broken tailored guitar. The video drew a lot of attention from mass media but United Airlines took no measure to address the situation, leaving it to solve itself. Later on Dave Carroll took upon his experience to write a book, start a website and even participate in a TED Talk as a speaker (TEDxTalks, 2013) - all of this titled “United Breaks Guitars”, purposely referring to the power of using social media. The inactivity of the company led to a 10% loss of market share which was approximately 180 million dollars (The Economist, 2009), and this is a good and obvious example of how social media exposure has the ability to affect financial and corporate performance of an airline.

3.1. Social Media and Engagement in airline industry

In order to understand how the usage of social media platforms might affect the activity of an airline, we need to find an indicator that can sustain the idea of inter-relation between the brand and the public i.e. a variable that explains the interexchange of information, that can be used as measurement to understand if there is in fact impact between it and corporate reputation.

The concept of Engagement is not consensual, for the reason that it may effect and relate to different research areas. It is defined in terms of cognitive, behavioural and emotional aspects (Hollebeek, 2011). This lack of consensus in literature is clearly an obstacle so logic dictates that it is necessary to pick the one that scholarly best fits the purpose and aim of this study. For that, the premise will be to consider the concept of engagement at its most basic level i.e. the “consumer's familiarity with a company's social media activities (i.e., cognition) and the online following of these activities (i.e., behaviour). That is, the approach of the concept can be regarded as the principal starting point (i.e., a precondition e one first needs to be familiar with a company's online activities, and start to follow them) from which subsequent expressions of online engagement behaviour towards a company may grow (e.g., experiencing or expressing interest/emotions, interacting, contributing, participating, etc.)” (Dijkmans et al., 2014).

The aim of this work is to explore, assess and determine the level of relation between social media usage, as well as engagement, on behalf of an airline brand, and how it affects corporate reputation. Previous considerations have been made to support the usage of social media pages and profiles on behalf of companies.

One of them, in a work by Leung and Bai (2013) actually points to the notion that the intensity of use of a social media platform and the engagement in a company’s social media content are related. So it could be appropriate to expect that:

H1: There is a positive relation between the intensity of using Instagram and the engagement in TAP Air Portugal’s Instagram content.

However, Aula (2010) brings to discussion to the other side of this story. Social media presence drawbacks can be well understood, since these platforms are not a one-way

channel for brands to submit communication and diffuse it. They are open and uncontrolled arenas for participation, which, accordingly to Aula (2010) may pose a risk and a threat of reputation damage. Users of such platforms are free to post and broadcast their own ideas, that could perfectly be against such companies' ideas and interests, regarding its operational aspects, ethical issues, product quality or even customer satisfaction (Aula, 2010). All it takes, such as in the case of "United Breaks Guitars" is one person to divulge such events to cause unwanted reputational damage.

The nature of the industry in which Civil Aviation is inserted i.e. Travel and Tourism, means that service and products are "intangible, non-standardised, and need to be consumed before they can be fully evaluated" (Murray and Schlacter apud Dijkmans et al., 2014), which may in turn increase the chance that customers will present compliant behaviour via social media profiles (Mitra et al. apud Dijkmans et al., 2014). Engagement, therefore is not always on the side of the company, specially when consumer engagement might influence other consumers intentions. We can predict a certain level of influence between this concept and the one of reputation that will be addressed in the next section, so it will be interesting to appreciate the type of engagement and how it affects the perception of reputation.

4. Corporate Reputation

4.1. Schools of corporate reputation

If one comes probing within books, journals and articles, for a clear and unchallenging definition of the concept, the plausible denouement of corporate reputation literature will most likely lead the reader and researcher yet towards the start line of the research. The only consensus found is that there is no consensus as to a universal and general definition of the term. The reason behind this is tied to the fact that the concept has been used throughout a series of study fields and disciplines, consequently shaping the concept to best serve the discipline in which it was introduced. There is, however, strong motive to accept this outcome as beneficial, once it allows us to shape the Corporate Reputation concept itself around our targeted research. Therefore, we may begin this shaping, by presenting the different non-consensual concepts, the first one being the Oxford English Dictionary (2009) definition.

The dictionary states reputation as:

“ The beliefs or opinions that are generally held about someone or something. 2 A widespread belief that someone or something has a particular characteristic”

Issa (2011) quoted Chun (2005) to present a paradigmatic landscape of the corporate reputation concept, between the different fields of study:

- Under *accountancy*, it is seen as an intangible asset and one that can or should be given financial worth;
- The next discipline, *economics*, views reputation as traits or signals, the perception of the organization held by an organisation’s external stakeholders;
- In the field of *marketing*, it is viewed from the consumer or end-user’s perspective and concentrates on the manner in which reputations are formed;

- Under *organizational behaviour*, reputation is viewed as the sense-making experiences of employees or the perception of the organizations' internal stakeholders;
- In *sociology*, it is viewed as an aggregated assessment of a firm's performance relative to expectation and norms in an institutional context;
- Lastly, *strategy* is where reputation is viewed as assets and mobility barriers. Since reputations are based on perceptions, they are difficult to manage.

The Oxford Handbook of Corporate Reputation, beyond the main definition of this concept, outlines some current theories that may establish a core stone on this research. They are presented as follows:

- Definition of reputation: "A corporate reputation is a collective judgement about a company based on assessments of its financial, social and environmental impacts over time.";
- Identity Theory: "Organizational identity describes the features of companies that are central, enduring and distinctive";
- Institutional Theory: "A firm's sustainable advantage depends on its ability to manage the institutional context of its resource decisions";
- Stakeholder Theory: "Stakeholders are interested parties who stand to lose or gain by the success or failure of a firm";
- Agenda-Setting Theory: "The media influence the perceptions of companies by affecting their visibility and the salience of features consumers associate with those companies".

It was after the 80's that the scholars took interest in approaching the dichotomy of the concepts of image and reputation, Gotsi and Wilson (2001) argued that reputation was a dynamic concept that required time to establish. In addition, there was a mutual association between corporate reputation and corporate image. They even defined corporate reputation as being a concept evaluated by the public over long periods.

Furthermore according to Chun (2005), it is possible to organise the reputation paradigm into three schools of thought, i.e., three different approaches towards the concept. They are The Evaluative School, The Impressional School and The Relational School. From the three, this thesis will mainly focus on the second one – The Impressional School – as it is recognised by the author to be the relevant school followed by the marketing discipline. The reason, though, lies with the characteristics of the approach, as this school of thought uses the stakeholder’s view to attribute meaning to the concept.

Image and corporate identity, linking reputation to buyer’s intention and Customers’ view of the company and salesperson image are the three key focus points on this school of thought, and will, in due time, be brought to discussion.

However, Chun (2005) also establishes the importance of not mixing the concepts of Reputation, Image and Identity, as the author claims to happen with some similar research.

4.2. Importance and consequences of Corporate Reputation

Depending on the perspective or author one chooses to follow, regarding this topic, the importance attributed to this concept will be different.

First, some early research by Fombrun (1996), for example, attributes the importance of reputation to the value this concept may bring to stakeholders when choosing to purchase a service or a product, as well as towards the decision to invest (or otherwise) in a certain company. Although the author suggests and presents this concept as being an intangible one, he sure attributes tangible effects caused by the concept itself.

The author goes on stating that “effects of reputation on customers are arguably the strongest in the service sector, where judgements of quality are especially difficult to make” (Fombrun, 1996), considering that there is no actual product that one can use to judge quality, therefore making this impossible to be measured.

Fombrun (1996) also suggests that good reputations can bring some benefits to the companies holding such levels of reputation, like reducing some of the operational costs, stabilize the customer demand for a specific product and reduce company risk. Retaining

existing customers in a world of shifting alliances can also be a good effect of reputation, as they will enjoy the notion of continuity and trust about a company.

Second, there are also some critiques on the approach to corporate reputation effects, like the work of Walsh, Mitchell, Jackson e Beatty (2009) that assumes previous studies being mainly focused on antecedents of corporate reputation, but the potential consequences of corporation reputation have resulted in the production of few empirical studies. “This weakness needs further research as the relevance of corporate reputation arises mainly from its postulated impact on stakeholders’ (e.g., customers’) behaviour as a reaction to their perception of corporate reputation (Herbig and Milewicz, 1993). For example, can a good corporate reputation have promotional, i.e., customer recruitment benefits as well as retention, i.e., customer loyalty benefits? Consequences such as positive word of mouth are seen by some authors as much more powerful than traditional forms of marketing (Silverman, 2001).”(Walsh et al., 2009), but the authors mainly conclude that it is an essential parameter in potential consumers’ choice.

Aula (2010) points out an interesting conclusion: due to consumers being creatures of habit, as stated, they associate their individual experiences with services or products with their overall evaluation of the company, be it negative or positive. This, in other words, means that there is an interdependence between the mind of the consumer regarding the overall reputation of the company. If the consumer finds a particular service to be poor, it will, consequently, attribute that as a general characteristic of the whole company. Otherwise, if they are happy with a company they will continue to be solid consumers and eventually recommend this company/service to others. This applies, still according to Aula (2010) whether you are measuring an organisation’s reputation online or offline. The only difference is where the consumer or stakeholder receives information about the company.

Adding to the proposed considerations above, and taking upon the work of Dijkmans et al. (2014), corporate reputation is relevant for our discussion in the airline industry as they consider that corporate reputation is a “key parameter in the supplier selection process by potential customers” (Walsh, Mitchell, Jackson and Beatty apud Dijkmans et al., 2014) and, likewise “consumers are more likely to select companies with a positive corporate

reputation, and are willing to pay more for their products”(Graham and Moore apud Dijkmans et al., 2014).

Corporate reputation is also a key aspect to allow the creation of “market entry barriers for competitors, foster customer loyalty and retention” (Nguyen and Leblanc, 2001). These aspects will ultimately combine to establish higher strength in the company market value and its position in relation to its competition, as stated above.

Also, companies are more prone to withstand times of crisis and survive any event that threatens them (Shamma apud Dijkmans et al. 2014).

4.3. Reputation Quotient

Although there is little consensus and some controversy regarding the conceptual definition of reputation, there are some key attributes towards an airline company that may be relevant when establishing such reputation.

The Reputation Quotient (RQ), created by Fombrun (2000), is used to measure stakeholders' perceptions given the company behaviour. This model is built with six key attributes related to certain company variables, one of them being financial.

They are as follows:

- Emotional Appeal
 - Admiration
 - Respect and trust for the company
- Products and Services
 - Supports company product and service
 - Innovation
 - Quality and value for money
- Vision and Leadership
 - Leadership
 - Future goals are clear
 - Takes advantage of market opportunities
- Workplace Environment
 - Well-managed
 - Good employees
 - Great working conditions
- Social and Environmental Responsibility
 - Socially responsible
 - Environmentally conscious

- High standards for HR
- Financial Performance
 - Good record of profits
 - Low risk
 - Outperformance of competitors
 - Prospects of future growth

Based on Fombrun, Gardberg and Sever (2000)

Taking upon this model for reputation measurement, Graham and Bansal (2007) consider the role of five key organizational characteristics in influencing consumers' perceptions of the reputation of airline companies and their willingness to pay increased value over the notion of such reputation. The airline company attributes on which they have focused are financial performance, endorsements, organizational age, organizational size and recent crash history. They argue that these organizational key attributes will affect consumers' reputation perceptions, and in turn, it is this built perception and overall consideration for the airline brand that will ultimately determine the purchase of airline tickets.

First, regarding the financial performance of the company, Graham and Bansal (2007) assume that even though there is documentation regarding the relationship between these two variables, not always we shall approach the issue from the financial performance builds reputation, but on the contrary, documentation proposes that reputation may build a strong financial performance (Roberts and Dowling apud Graham and Bansal, 2007).

Second, the endorsements by legitimate outsiders and third parties. Endorsements are seen as objective evaluations of the firm's actions and, therefore, serve to rationalise the myths associated with the organization. One example of such endorsements are institutions such as Star Alliance, One World Alliance or Sky Team. Airline alliances serve as a cooperation mechanism that facilitates marketing and travel. And since they have established criteria

for airline membership status attribution (as stated in the website of Star Alliance), having the brand of an airline alliance can go a long way as a sponsoring scheme of quality.

Third, the organisational age also comes into play as a rather tricky concept to grasp as being new or old has different effects depending on how one perceives these two attributes. First, older organizations may be more visible than other firms, and relatedly, have had more time to implant and reinforce their corporate images (Gatewood et al., 1993). Secondly, an organisation's age may signal to outsiders that the firm's operations must be legitimate and correctly run, by virtue of their prolonged existence. In addition, older organizations are more deeply embedded within their organizational field (Stinchcombe, 1965; Hannan and Freeman, 1984), which may insulate the firm from failure (Baum and Oliver, 1991; Perrow, 1979; Zucker, 1988), and connect the firm's reputation with that of its reputable partners.

Fourth, the recent airline crashes can produce a deeply impactful effect on such reputation construction, as a single fatal crash can be harmful towards the company, even if the affected airline's overall safety record is better than its competitors. A crash that is viewed as a crisis situation has the potential to severely damage a firm's reputation and legitimacy, and the extent of the damage depends in part upon the attributed causes of the crisis and how the firm manages the problem (Dutton *et al.*, 1994; Greening and Gray, 1994). While recent crash history is arguably less of an organizational attribute than the other four determinants, it has the advantage of permitting us to assess the relative magnitude of other more generic attributes to one that is specific to this industry. A crash raises questions in the minds of constituents about the acceptability of an airline's business and aviation practices, as well as the fitness of the airline as a corporation.

5. Social Media and Corporate Reputation

If the presence of airlines, or even companies in general, in the online world is increasing, there is a trending belief that it can add value to the company and help establish a direct communication channel with the consumer. And as I have mentioned, Fombrun (1996), for example, attributes the importance in reputation in its potential to capture future consumers.

And the work produced by Dijkmans et al. (2014) albeit considering of the utmost importance that a company establishes a connection with its members online, in order to achieve a greater level of direct connection and relation building, it also takes into account, most accordingly to Aula(2010) that not every case of engagement can be beneficial, since this dynamic takes place under a low controlled space with a high chance of participation in any content, giving the chance to any individual to compromise and damage the corporate reputation of any company — as per seen under the chapter of the user influence on social networks.

Non the less, the work sets out that the use of social media in the airline industry creates a positive impact on the perception of reputation i.e. the higher the intensity and the more users were to engage in the company content, the higher their perception of corporate reputation would be, so from this we could expect that:

H2: There is a positive relation between consumer’s level of engagement in TAP Air Portugal social media activities and the perception of corporate reputation.

H3: There is a positive relation between the intensity of use of Instagram and the perception of the corporate reputation.

6. Consumer Expectations

6.1. Expectations

Having good reputation, as mentioned before in this study, is a gateway to positive outcomes such as a greater expectation regarding the companies' products and services. And it is, therefore, an asset to preserve that will also mitigate offering's performance (Schmalensee, 1978; Shapiro, 1983 apud Yoon, E. et al).

Tellis and Fornell (1988) would also build the notion that the seller's reputation would come up as a significant ingredient of the buyer's response towards advertising.

Based on this notion we can produce the following hypothesis:

H4: The customer perception of the brands' reputation will induce the expectation of such brands' offerings

The term "expectations" is actually differently defined between literature about service quality and literature about consumer satisfaction (Teas, 1993), in the way that this term does not represent the notion of prediction or forecasting certain service performance, but instead a notion of what such how such service 'should' perform, or what it 'should' offer.

For this, a proposed measure instrument of expectations consists on "having respondents respond via a seven point agree/disagree scale to a series of "should" statements such as "Customers should be able to trust employees of these firms.""(Parasuraman et al. apud Teas, 1993).

	Strongly Agree						Strongly Disagree
Airplanes' cabin crew should create empathy with their passengers.	7	6	5	4	3	2	1
TAP Air Portugal cabin crew is empathetic with their passengers.	7	6	5	4	3	2	1

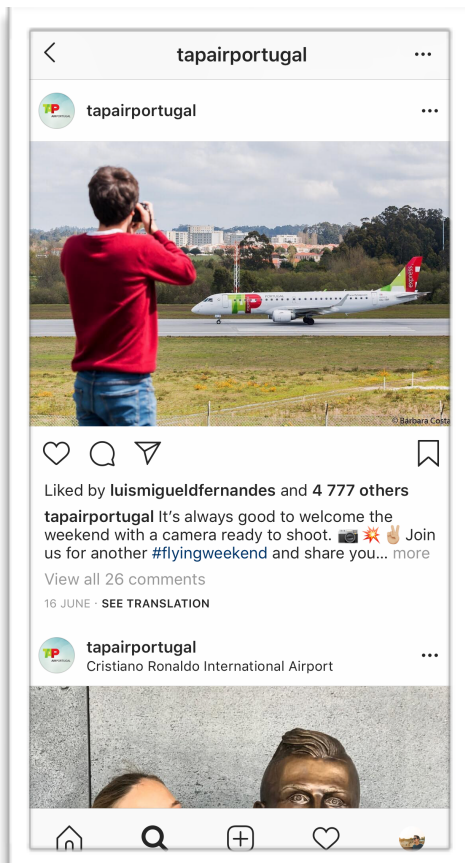
-According to Parasuraman et al. apud Teas (1993)

The difference between rating of both statements is a measurement of the perceived service quality i.e. the higher the result of the perceived rating minus the expectation rating, the higher the level of perceived service quality we will achieve.

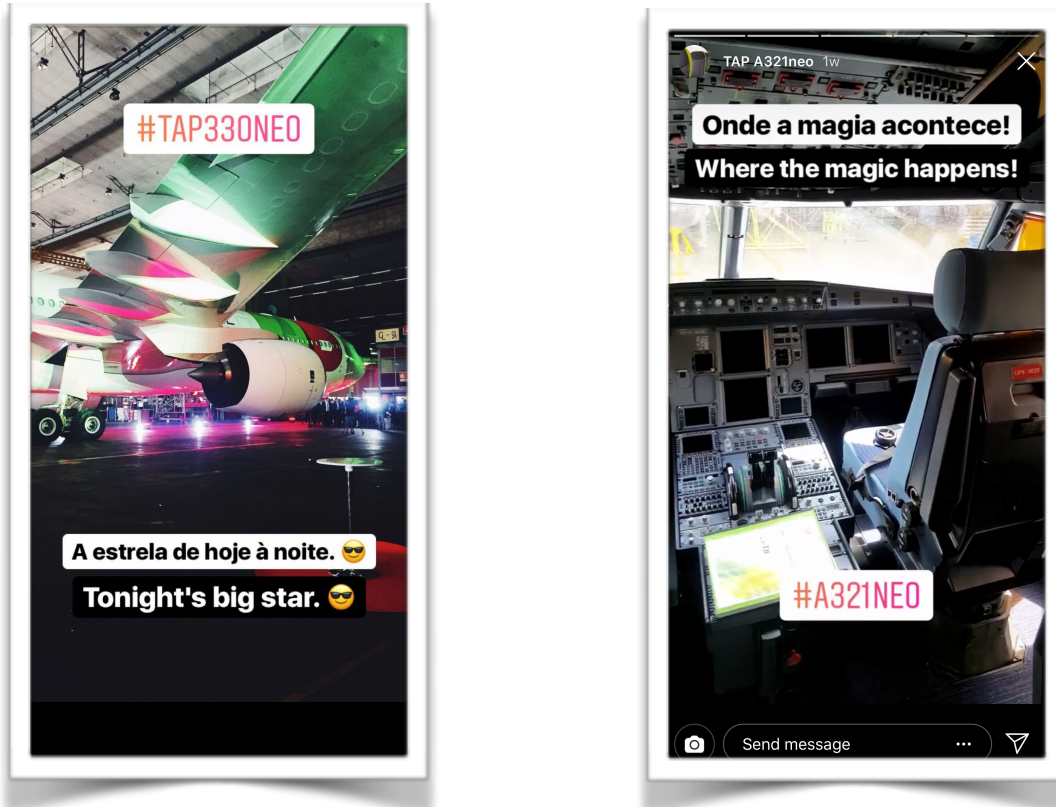
7. Instagram - Detailed Characteristics

Being a Social Network, as described previously in the work, states a mission that, according to the CEO himself, has become “the home for visual storytelling for everyone from celebrities, newsrooms and brands, to teens, musicians and anyone with a creative passion.” (Instagram “About” Page), and this stands out clearly from the mission of Facebook that is “to give power to share and make the world more open and connected” (Facebook, 2015). Difference in mission statements set a clear distinction in the way that storytelling plays a big part in the modus operandi of the social network. At least this is how the brand envisions the usage of the platform. New and recent tools launched by the platform translate this mission statement.

Since the beginning, Instagram was the photo sharing platform, with squared creative filtered photos, posted on this personal timeline for followers to interact with, either “Like” the photo or leave a “Comment” in it. Some changes have come by since then, the aspect ratio of the photos has changed considerably supporting landscape and portrait ratios (16:9, 4:3) which creators and brands in specific have been taking advantage, since it means a greater screen coverage of their content.



Instagram Stories is one of the most recent tools of the platform. Launched in 2016 this tool allows for the creation of short pieces of content, limited in time, as they are deleted 24 h after posting. It allows for a more raw — i.e. unedited — but captioned content that has the potential of short message diffusion.



The format also contributes for an easier and more prompt engagement on behalf of consumers, with the underlying “Send message” field that allows anyone to send a direct message to the content creator in a matter of seconds and a few clicks.

7.1. Instagram in Portugal

Although Facebook remains as the Social Network with the highest level of penetration in the Portuguese market, it is Instagram that has the highest growth by 35% between 2016 and 2017. Also, the age band of 15-24 represents 80,4% of the user base in Portugal (Marketeer, 2017), clearly identifying this platform as a younger social network than its peer Facebook. One other significant number points to the percentage of people that use mobile access to go on social media platforms. This number — 76% according to

Marketeer publication (2017) is an indication that Instagram is well targeted, since the platform is practically mobile optimised and oriented. Desktop use is possible, although with no option to submit content. Brands have presence in this network, as seen in examples above, and 54,3% of social network users admit to follow, like or subscribe brand pages.

8. The case brand

8.1. History of the brand “TAP”

The company TAP - as per stated in the company’s institutional webpage — today rebranded as TAP Air Portugal, was created in March 14 of 1945, by the Civil Aviation State Secretary at the time. The first air route launched was the Lisbon-Madrid route, in September 1946. Shortly after, the company was opening its Imperial Line that would serve Lisbon-Luanda-Lourenço Marques, part of Portuguese colonies. Until the end of the decade 3 more European routes would have been established. By 1953, during the explosion of the jet era, TAP is privatised and will remain so until the regime revolution of 1975, when it returns to being a state responsibility. In the next decade, there is the introduction of a new brand image as well as every aspect of the identity (crew uniforms, airplane liveries ...). The cargo terminal is created as well as the Executive Class and the duty free area of the Lisbon airport.

Closer to the end of the twentieth century and we end up in the most evolutionary period of the company. For the first time in several decades, the company reaches profits, and it is also the year that the company reaches a fleet of 40 aircraft. A yet new 5th brand identity is presented also — “TAP Air Portugal” - justified by the need to demonstrate the modernity, brightness and own Portugal feeling through the brand. One other achievement – TAP Air Portugal completes its entry on one of the worlds’ biggest airline alliance – Star Alliance – and becomes a case study at Harvard University.

TAP continues, across the years since, being awarded with various distinctions and prizes.

Chapter III - Methodology

This chapter begins with the formalisation of the conceptual model that was built according to the proposed hypothesis and will serve as basis for the entire chapter. Following this, there is a description of the analytical approach, like data collection method, sampling processes and the proposed analysis for hypothesis testing.

1. Research question

Accordingly to the topic in discussion on this dissertation, and like stated previously in this dissertation, the main aim of this investigation is to conduct research to provide useful insight regarding the influence of an Instagram strategy on perceived Corporate Reputation. For this, the clarification and formalisation of the research question is important. Avoiding ambiguities, and being precise about the concepts that it wants to investigate.

Consequently, the following question was formulated:

“How can the presence of TAP Air Portugal at Instagram influence its members perception of TAP Air Portugal’s reputation, and consequent expectations?”

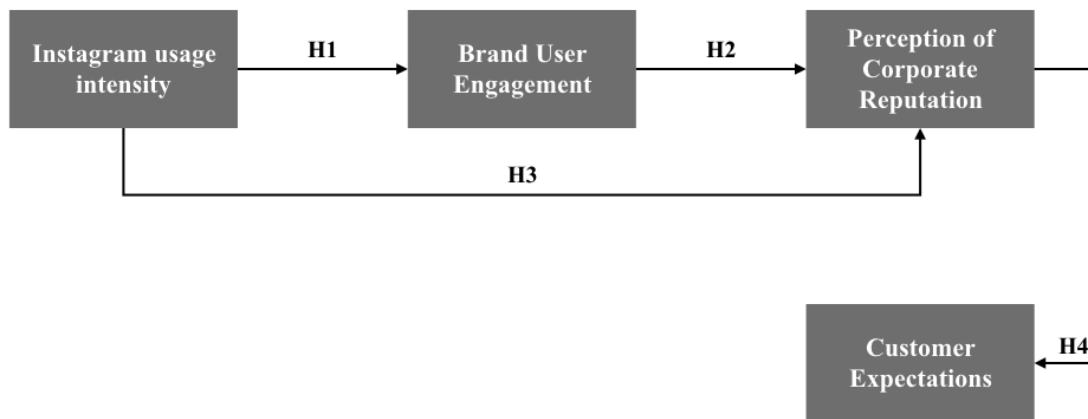
The question is now formulated in a clear and direct manner, and it is consistent with the starting premise of this work.

2. Conceptual Model and Research hypothesis

Based on the initial theoretical background review with the purpose of finding similar studies that would be appropriate to consider application to the context up for testing, a model was constructed based on the suggested hypothesis to better intertwine the considered concepts, hence building a clear picture of the road ahead:

- H1: There is a positive relation between the intensity of using Instagram and the engagement in TAP Air Portugal Instagram content.

- H2: There is a positive relation between consumer’s level of engagement in TAP Air Portugal social media activities and the perception of corporate reputation.
- H3: There is a positive relation between the intensity of use of Instagram and the perception of the corporate reputation.
- H4: The customer perception of the brands’ reputation will induce the expectation of such brands’ offerings



3. Methodological Decisions

The quantitative study was conducted via an online questionnaire to the general population, distributed via social media platforms and e-mail. The decision of limiting the distribution to these channels is not random. The fact that the questionnaire relies on a sample that does make use of a social media platform, it seemed appropriate and a safer bet to use said platform for the distribution - Instagram.

Furthermore, the main topic of this research fuelled some intellectual curiosities that might shed some light in a later chapter of this dissertation. Some extra questions were prompted to the respondents about parallel and relevant issues.

3.1. Questionnaire structure and flow

The questionnaire was divided into the following sections, starting after the main text explaining the research aim:

- Section I: Questions regarding travel habits. Multiple choice questions that allow the profiling of the respondent regarding the intensity of travel, travel with TAP Air Portugal and the level of awareness of the brand.

- Section II: Online Activities and Engagement. Questions to draw the picture on the amount of time spent on Instagram as well as the level of engagement during that period. Also, the knowledge towards the existence of TAP Air Portugal Instagram page is established, and therefore the level of engagement on said page.

- Section III: Service Expectations. A scale measuring service and general expectation on behalf of the respondent.

- Section IV & V: Corporate Reputation. Two scales used to measure the respondents perception of corporate reputation.

- Section VI: Demographic characterisation questions to profile the sample.

For the measurement of the three constructs in the model - Instagram usage intensity, Brand Engagement, Perception of corporate reputation and Customer expectations — quantitative scales were used as in previous studies.

3.2. Data collection

For the data collection, the questionnaire was online for the period comprised between the 2nd of August 2018 and the 22nd of said month, distributed via Instagram, Facebook and e-mail. It is important to recall that the main aim for this research is to determine the level of impact from the brand Instagram page, hence the notion that the distribution of the questionnaire being made over said platform is not to be taken as a limitation in this aspect. However, one might say that it is also true that this type of distribution has a drawback regarding the sample pool. Age turned up to not is not represent the general population. Nor it should represent, in the author point of view, since the main aim of the research is to provide useful insight towards the value of having the current Instagram strategy in place.

And, like it was established earlier on this dissertation, different social media platforms have different age targets, albeit brands have the power to build and share content as they please, they are also aware of the potential target that they are reaching, so they might choose to provide different strategies for different platforms as a way to reach different age targeted audiences.

All of this was built and diffused via the *Qualtrics* tool. An online questionnaire manager that also collects data and exports it to the useful format for SPSS software.

3.3. Data Analysis

After the conclusion of the design phase of the questionnaire, a pre-test was conducted to identify loopholes, ambiguities in language and translations and questionnaire logic flow issues.

Consequently, once the questionnaire was closed for new submissions, the collected data was submitted to analysis on the *Statistical Package for Social Sciences*, alias *SPSS*, for the necessary diligences.

4. Instruments for measurements

The questionnaire itself relied on a number of scales and sections. Some mechanisms were put in place to further validate in real time the progress of each respondent. Also, the logic behind the core of the questionnaire allowed for a higher efficiency in data collection, avoiding drop-outs and further guaranteeing validity of the finished questionnaires. These are the tools selected to measure each construct according to its research need.

4.1. Instagram Intensity of Use

Previous work from Dijkmans et al. (2014) was used as the basis for the scale used on this variable to assess the level of intensity of instagram usage, on behalf of the user. A Likert type scale ranging from level 1 through level 5 measuring agreement, with questions regarding Instagram use.

But first, respondents were asked whether they had an Instagram profile and, if answered affirmative, they were then asked two groups of questions to assess the level of frequency and level of intensity of use of the platform, explained previously.

Secondly, a Principal Component Analysis was conducted to reduce the amount of variables, and it resulted in one component for this construct.

4.2. Instagram User Engagement

Hollebeek (2011) brought up in her research the ambiguous notion that the concept of engagement could bring. Well, this is also true if we try to measure it. If one cannot precisely define the concept to be measured, one cannot define the instrument to measure it. So, decisions were made for the sake of simplicity and argumentative logic. In her work, she described engagement not only as behavioural but also as cognitive, which meant that engagement could be perceived as a pure emotional relation with the brand. This notion is also very blending with the concept of Awareness. In the effort for establishing a better instrument for measurement of this concept, the author of this dissertation assumes the premise that engagement, like suggested by Hollebeek (2011) accordingly to its behavioural component, will be measured through interaction, rather than cognition.

The logic itself behind Instagrams mechanisms, according to numerous unofficial reports, leads to the interpretation that Instagram will greatly empower those users (brands or people) that have a higher interaction in the platform (likes, shares, comments), and therefore project their content even further. And because this is what is behind the research question, this is how the concept of engagement will be measured, through a scale, to users, concerning frequency of making ‘likes’ on the platform and ‘commenting’ on publications, this will be doubled to ask the same thing as a general publication, and as a TAP Air Portugal publication.

Engagement is measured via the variables “How often do you ‘like’ an instagram post” and “How often do you comment on an Instagram post?”. These two questions are then repeated but to include and specify TAP Air Portugal content.

Intensity of Use is measured with a matrix of six questions in a 5 point Likert type scale, in which respondents were asked to read statements and assess the level of agreement with each:

- Instagram is part of my daily life
- I feel proud to tell people that I’m on Instagram
- Instagram is part of my daily routine
- I feel out of touch when I don’t go on Instagram for a while
- I feel part of the Instagram community
- I would feel sorry if Instagram was to be shutdown

4.3. Expectations for TAP Air Portugal

The instrument selected for the measurement of this variable was taken from the previous work of Gilber and Wong (2003) that used Cathay Pacific as the context for a study on ethnicity. Their work was based on an adapted SERVQUAL scale (Parasuraman et al., 1991) to the airline industry.

Other work from Pakdil and Aydin (2007) that was based on a Turkish airline, used the same strategy to measure the concept of expectations.

The strength of this scale is clear in the way that it allows for the “measurement of expectations, perceptions, and overall assessments based on weighted factor loadings, instead of their mean values” (Pakdil and Aydin, 2007).

4.3.1. Concerns about SERVQUAL

The standard used for measurement of the expectation concept, like established previously is the SERVQUAL scale. However, there are some interesting considerations to be made about the scale, that will be relevant for further conclusions in this research.

When Parasuraman et al. (1991) defined expectations as “desires or wants of consumers” i.e. what consumers perceive as what a service “should offer instead of what it would offer” (Zeithaml and Bitner apud Pakdil and Aydin, 2007), he was also opening the door to some interpretation issues, depending on how the context of the question was framed.

Teas (1993) approached this possible interpretational problem and stated that respondents could be addressing the issue according to six different views:

- Service Attribute Importance: Respondents would answer according to the importance they weighted at each dimension;
- Forecasted Performance: The answers would consider a prediction of the performance that respondents expected;
- Ideal Performance: What the performance “can be”, the optimal performance;
- Equitable Performance: Facing costs, the level of performance respondents feel they ought to receive in return;
- Minimum Tolerable Performance: What performance “must be”.

4.4. Perception of Corporate Reputation

Two scales were used during the phase of data collection via the online questionnaire, albeit just one of them was used for the purpose of the data analysis. The reason behind this decision is based on two evidences.

The corporate personality scale, proposed and developed by Davies et al. (2004) presents dimensions with very characteristically English attributed lexis. Some concepts led to a

very high level of confusion reported by the respondents, mainly regarding the ambiguity of the concepts, since the questionnaire was mainly answered by Portuguese speakers in Portuguese. When the initial part of the data analysis was conducted, preliminary results from principal component analysis were also indicative of the absence of a clear separation of the components i.e. the variables were presenting with high number of cases with unacceptable cross-loading values. Hence, the decision was to pursue analysis with the Reputation Quotient Scale from Fombrun (2000).

This scale is built with six key attributes related to certain company variables, one of them being financial. Respondents are asked targeted statements on clear dimensions of the brand, and answer from “Totally disagree” (1) to “Totally agree”(7).

5. Models for Linear Regression

Multiple Linear Regression models were estimated to test the research hypothesis. The model equations are described in the following sections. The assumptions of each regression model were analysed and validated. These estimations resulted in the following model equations:

5.1. User Engagement Model

For the estimation of the Engagement variable, on behalf of the Instagram users, over TAP Air Portugal’s content, literature pointed that users with a higher level of usage of the Instagram platform, that were familiar with the brand’s activity and were in frequent contact with its content were eventually demonstrating a higher engagement behaviour in brand activity and content.

So, the model equation for the User Engagement Model is as follows:

$$**Engagement = B_0 + B_1Intensity + E_1**$$

5.2. Perception of Reputation Model

It is expected from this analysis that users and followers of TAP Air Portugal's activities at Instagram develop a positive perception towards dimensions of the Corporate Reputation concept.

However, it is also expected that some dimensions will not be affected by this, since TAP Air Portugal's Instagram strategy focuses on a particular set of dimensions to communicate.

The model is described as follows:

$$\textit{Perception of Corporate Reputation} = B_0 + B_1 \textit{Engagement} + B_2 \textit{Intensity} + E_1$$

The measurement of this variable took place in two distinct manners.

Two scales, with the purpose of measuring the concept according to separate theoretical premises. The one utilised for this analysis is the Reputation Quotient scale, developed by Fombrun (2000) and semantically adapted to the airline industry. (Refer to the full matrix in the annex)

5.3. Service Expectations model

The model of Service Expectations has the purpose of analysing relations between the dimensions inside this variable, with possible explanation from the dimensions inside the Perception of Corporate Reputation variable.

Two tests to be conducted. One to the respondents that are followers of TAP Air Portugal's Instagram profile, and a second one to those who declared not to be followers of said page

So, for the measurement of this variable, the case is to use another matrix, similar to the previous ones, but with SERVQUAL as its basis. (Refer to the full matrix in the annex).

These are the model equations for this construct:

$$\textit{Service Expectations} = B_0 + B_1 \textit{Perception of Corporate Reputation} + E_1$$

Chapter IV - Data Analysis

1. Sociodemographic Characterisation

As stated, this study sample is composed of 283 individuals (N=283). However, due to the fact that this questionnaire also registered a high number of drop-outs, some analysis have a lower value of valid answers, very much dependent on the stage of the questionnaire that we look through.

Table 1 - Distribution of respondents by demographic categories

	Variable	Absolute (n)	Share (%)
Gender	Feminine	138	69.7
	Masculine	59	29.8
	Missing	78	-
Age	18-24	101	51.0
	25-34	39	19.7
	35-44	23	11.6
	45-54	25	12.6
	55-64	8	4.0
	65+	2	1.0
	Missing	78	-
Academic Situation	High-school	18	9.1
	Unfinished university	39	19.7
	Undergraduate	37	18.7
	Graduate	66	33.3
	MSc	34	17.2
	PhD	4	2.0
	Missing	78	-
Job Situation	Employed	123	62.1
	Student	67	33.8
	Unemployed	5	2.5
	Retired	3	1.5
	Missing	78	-

Variable		Absolute (n)	Share (%)
Nationality	Portuguese	189	68.5
	Other	87	31.5

Source: Author

Looking at the present sample for this phase of the analysis it is important to state that over 50% of the sample is between 18 and 24 years old. And if we extend one more age group, then we achieve roughly over 60% of the sample.

Also, the great majority of respondents are females, representing 69,7% of the whole sample whereas males only count up to 29,8% of the distribution.

Over half of the sample has a superior academical degree. 52,5% of the sample finished university.

2. Respondents Characterisation

This questionnaire, that gathered a total of 283 answers, has as its core objective the understanding the type of Corporate Reputation perception influenced by Online Brand Engagement. However, some exploratory questions were asked to understand, for example, travel habits. This is for the purpose of a good profiling of the respondent.

2.1.Travel Habits

Table 2 - Travel Habits

		<i>N</i>	%
Number of trips since 2015	Never	28	9.9
	1 - 3 times	83	29.3
	4 - 6 times	76	26.9
	7 - 9 times	31	11
	10 or more	65	23
	Missing	8	-
Reasons for traveling	Business	13	5.1
	Familly/Particular	187	73.3
	Both	55	21.6
	Missing	28	-
Number of trips with TAP since 2015	Never	63	25.4
	1 - 3 times	115	46.4
	4 - 6 times	35	14.1
	7 - 9 times	14	5.6
	10 or more	21	8.5
	Missing	28	-

Source: Author

Table 3 represents the distribution of respondents per habit of traveling. Results point to a sample that is accustomed to travel by the air and therefore may provide useful insight towards the rest of the study. Just 9.9% of the respondents had never travelled by airplane

since 2015. And when the question is if they travelled with TAP Air Portugal, only 25,4% said that they had never flown with one of their airplanes.

Regarding the main reason for travel, we may observe that a great majority of the sample — 73,3% — has travelled due to family related issues, holidays or other non business purpose. This might be explained with the low age distribution of the sample.

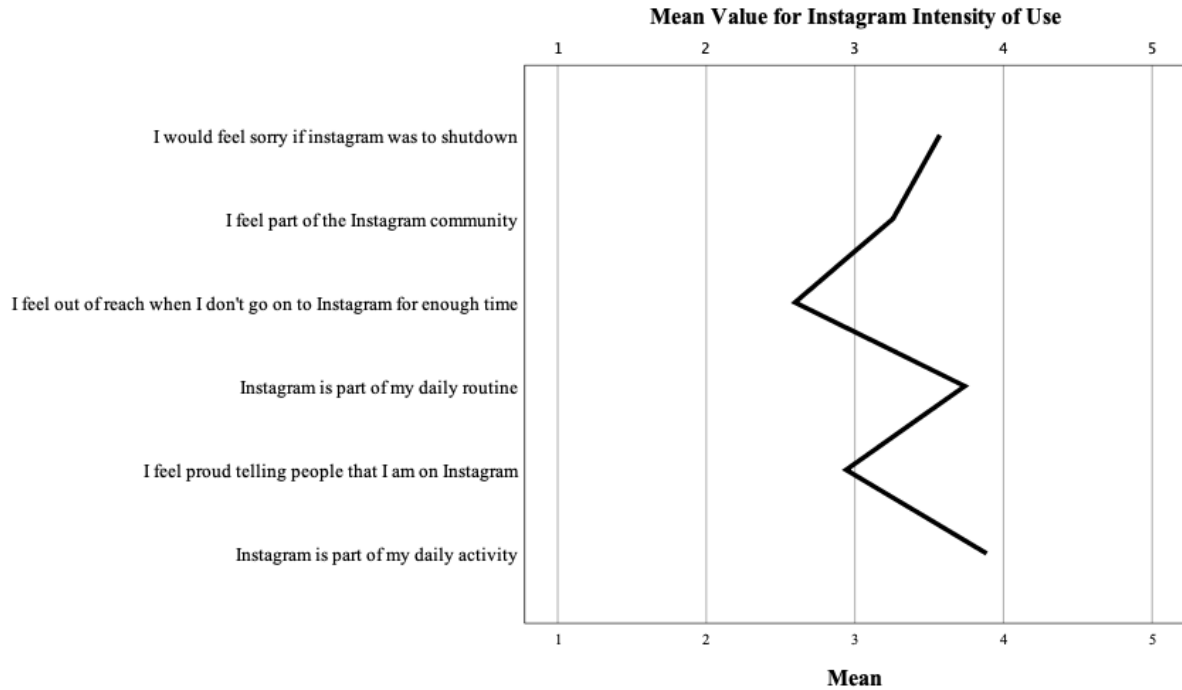
2.2. Instagram Use

The vast majority of respondents have indeed an account over at Instagram (89,5%), which means that they have great potential to be in contact with TAP Air Portugal’s content. Also, the respondents that do have an Instagram profile indeed spend at least 30 min every day on average using the app.

Table 3 - Instagram usage

		N	%
Do you have an Instagram account? (n=276)	Yes	247	89.5
	No	29	10.5
Last week, how much time did you spend on Instagram per day? (n=238)	Less than 10 minutes	21	8.8
	10 - 30 minutes	43	18.1
	31 - 60 minutes	49	20.6
	1 - 2 hours	1	17.2
	2 - 3 hours	29	12.2
	More than 3 hours	55	23.1
	Missing	9	-

Source: Author



Source: SPSS

Looking at a mean distribution chart for the variable of Instagram Intensity of Use, we can also support the notion that there is an overall high intensity of use and high sense of belonging in the Instagram community.

Engagement levels at Instagram were also measured, through metrics of interaction and behaviour. - as stated in the previous chapter.

Table 4 - Instagram Engagement 1

	Frequency	General Instagram		TAP Content	
		N	%	N	%
How often do you "Like" a post (N = 238)	Never	2	0.8%	19	31.1%
	Seldom	38	16.0%	25	41.0%
	In some posts	162	68.1%	10	16.4%
	In almost every post	36	15.1%	6	9.8%
	Every post	-	-	1	1.6%

Source: Author

Table 4 - Instagram Engagement 2

	Frequency	General Instagram		TAP Content	
		N	%	N	%
How often do you “Comment” a post (N = 238)	Never	31	13.0%	57	93.4%
	Seldom	164	68.9%	2	3.3%
	In some posts	43	18.1%	2	3.3%
	In almost every post	-	-	-	-
	Every post	-	-	-	-

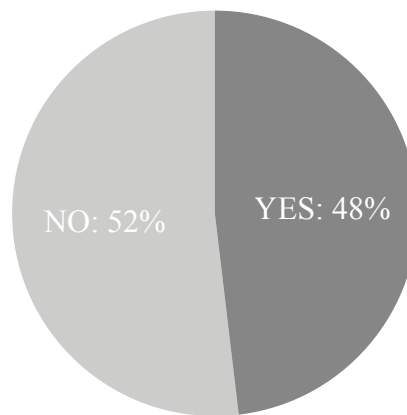
Source: Author

2.3. TAP Air Portugal’s Instagram profile awareness

For the great part of this results, it is clear that TAP Air Portugal’s Instagram profile is yet to be a broad channel for communication, over half of the sample (51,9%) is unaware of the existence of the profile. Which might indicate that TAP Air Portugal is not investing in sponsored content, which will not capture potential followers.

Although it is true that awareness does not mean followers, the investment on sponsored content, and paid promotion, using Instagram available tools is, of great value to promote the brand image and general awareness.

Are you aware of TAP Air Portugal’s Instagram profile?
(n=239)



2.4. Perception of Corporate Reputation

The respondents perception over the corporate reputation (table 15 in the Annex) gives wide advantage to the statement “The products and services provided by TAP Air Portugal are important to the society” which reflected on the mean value of 5,20 and the statement “I can trust in TAP Air Portugal” with the mean value of 5,01. Reflected on the scale it corresponds to “Partially Agree”. On the other end of the scale, the issue with the financial affairs was not so positive, when asked “I know a lot about the financial situation of TAP Air Portugal”, respondents gave a mean response of 2,96 - “partially disagree” — which is not particularly unexpected, since this study did not target any stakeholder group in particular.

2.5. Service Expectations

Further purposes of this study are to establish a notion between the brand perceived corporate reputation and the levels of expectations that the public holds over its services and products.

The dimensions that hold greater score in the scale, like it will be described further ahead, are related to safety and reliability dimensions, more particularly about safety. When stated “TAP Air Portugal should make me feel safe” and “The crew of TAP Air Portugal should behave in a manner that makes me feel safe” both statements got a mean value of 6,65 and 6,42 accordingly (table 16 in the annex). This is very close to the top of the scale.

3. Dimension Reduction

Reaching the phase of the multiple linear regression models, it was clearly necessary to breakdown the number of variables in each construct to allow a more efficient analysis.

The first one to go was the Perception of Corporate Reputation variable, however, contrary to what Dijkmans et al. (2014) proposed back then, the number of principal components to extract cannot be of just one, nor it makes statistical sense to do so, since we are talking about only 21% of variance explained with one component. Although the number obtained then was of 26%, it is still far from acceptable minimums, and thus a higher component solution should have been taken into consideration, only the construct “Intensity of Instagram Use” resulted in one principal component, but the number of initial variables is quite different from the other two concepts. In the case of this study we proceeded with a principal component analysis.

This procedure has the main objective of taking the sheer amount of variables that are associated with this model construct and group them in a more relatable and small number of dimensions.

The variables submitted to this analysis were the items part of “Instagram Intensity of Use”, “Perception of Corporate Reputation” and “Service Expectations”. The analysis resulted in a solution of six principal components for each of the constructs, except the first one about intensity, which results in a one principal component solution. For the corporate reputation the six components explain 66,9% of the total variance, and in the construct of

services expectations 67,5% of the variance is explained with the six principal components generated.

Following this paragraph are the tables with the components per each construct and its items. In the annex, other tables are available with the proper information regarding loadings of each item.

Table 6 - Principal Component Analysis for Intensity of Use of Instagram

Intensity Of Use Components	Items
Intensity of Use	Instagram is part of my daily activity
	I feel proud when I tell people that I am on Instagram
	Instagram is part of my daily routine
	I feel out of touch when I don't go on Instagram for a long time
	I feel part of the Instagram community
	I would feel sorry if Instagram shut down

Source: Author (SPSS)

60.26% of Variance Explained

Table 7 - Principal Component Analysis for Perception of Corporate Reputation

Corporate Reputation Components	Items
Assurance	The products and services from TAP Air Portugal are unfairly priced
	From what I know, TAP Air Portugal never keeps up its promises
	I can trust in TAP Air Portugal
	TAP Air Portugal has nothing unique to offer
	I usually believe what TAP Air Portugal says
	TAP Air Portugal makes a difference for people like me
Operational Capability (Management)	TAP Air Portugal is led by an intelligent and competent CEO
	TAP Air Portugal is well managed
	TAP Air Portugal has highly competent employees
Caring	TAP Air Portugal is an environmentally responsible company
	TAP Air Portugal contributes a lot the communities in which it operates
	TAP Air Portugal is a company that really cares about its employees
Familiarity	I am very familiar with the products and services of TAP Air Portugal
	I know a lot about TAP Air Portugal's financial performance
	I know many people who work for TAP Air Portugal
Industry Leadership	TAP Air Portugal is a leader in the airline industry
	TAP Air Portugal is very powerful
Responsibility	TAP Air Portugal contributes very little to the economy
	TAP Air Portugal cares very little about the safety of its customers and employees

Source: Author (SPSS)

Rotation Method: Varimax | 66.99% of Variance Explained

Table 8 - Principal Component Analysis for Service Expectations

Service Expectations Components	Items
Intangibles	The behaviour of TAP Air Portugal employees gives you confidence
	TAP Air Portugal makes you feel safe
	Employees of TAP Air Portugal are consistently courteous with you
	Employees of TAP Air Portugal appear neat and tidy
	The aircraft has clean and comfortable interior and seats
	Employees of TAP Air Portugal have the knowledge to answer your questions
Service Range	TAP Air Portugal offers you with air + accommodation packages
	TAP Air Portugal has other travel related partners (e.g. car rentals, hotels, travel insurance)
	TAP Air Portugal has up-to-date in-flight entertainment facilities and programmes
	TAP Air Portugal provides in-flight Internet/E-mail/Phone/Fax services
	TAP Air Portugal has comfortable waiting lounges
Reliability	The flight departs and arrives at the time TAP Air Portugal promises
	TAP Air Portugal provides good ground/in-flight services constantly
	TAP Air Portugal performs the service right the first time
Responsiveness	Employees of TAP Air Portugal are never too busy to respond to your request or complaint
	Employees of TAP Air Portugal are always willing to help you
	Employees of TAP Air Portugal give you prompt service
Flight Patterns	TAP Air Portugal has non-stop service to various destinations
	TAP Air Portugal has convenient flight schedules and enough frequencies
	TAP Air Portugal has global alliance partners in order to provide a wider network and smoother transfers
Loyalty Programmes	TAP Air Portugal has a sound loyalty programme to recognise you as a frequent customer
	TAP Air Portugal has a sound mileage programme

Source: Author (SPSS)

Rotation Method: Varimax | 67.50% of Variance Explained

Table 9 - KMO and Barlett's Test

Variable	KMO	Bartlett's Sig.
Intensity of Use of Instagram	.848	.000
Perception of Corporate Reputation	.799	.000
Service Expectations	.886	.000

Source: Author

Table 10 - Total Variance Explained

Variable	Total Variance Explained
Intensity of Use of Instagram	60.26%
Perception of Corporate Reputation	66.99%
Service Expectations	67.50%

Source: Author

The solutions from these analysis can be described as such:

4. Tests to the model hypothesis

This subsection is where the main analysis for the core research question of this study will take place. This work is set to find the influence that a brand like TAP Air Portugal can obtain from using efficient instagram strategies.

So, firstly, there is theoretical background to support the idea that the concepts are positively related. Secondly, having established that, now the task is to apply the previous variables and submit them to linear regressions, be them simple, be them multiple. The main focus of this analysis is to assess the existence of relations between dependent variables and a group of independent variables.

The results, as they were initially suggested with the regression models in the previous chapter, are going to be presented in the following tables.

But first, this type of analysis requires some sort of initial assumptions that will validate the outcomes of this analysis. The *stepwise* method was the one chosen for the item entering in the analysis since it will present us with just the significant variables to consider regarding each and every dependent variable, but also, as it will become available in the annex section of this work, the assumptions for the lack of multicollinearity were all verified as well.

4.1. Estimation results for TAP Air Portugal

The first model to be analysed is the Brand User Engagement. This model presents us with the notion that users that have a higher intensity use of Instagram will also be driven to interact at a higher level with general content from their feed and network (coeff.=0,246)

Also, there is some positive relation between the intensity of use of Instagram and the level of Engagement with the content of TAP Air Portugal, albeit significantly lower with an $R^2=0,005$, indicating that just 0,5% of the variance is explained. The size of the sample could be an issue in this analysis.

Table 11 - Model of User Engagement (H1)

Dependent Variable	R2	Predictors	Non Standardised Coefficients		Standardised Coefficients
			B	E	
Instagram Universal Engagement	.263	Constant	2.513	.027	
		Intensity	.246	.027	.512
Instagram Brand Engagement	.005	Constant	1.581	.072	
		Intensity	.05	.091	.071

Source: Author

For the model Perception of Corporate Reputation, new multiple linear regression analysis was conducted, testing the six principal components against the variables of Engagement and Intensity of Use, as per suggested on the conceptual model.

The most explained dimension is the “Responsibility” variable that includes the statements that directly relate to the state and level of commitment of the brand with the society and the context in which is inserted. This dimension is not only explained through the Engagement level with the content provided by the brand, but also in general, with the intensity of use of the platform.

Secondly, with an explanation of 17%, the variable “Familiarity” depends to a certain level of the level of Engagement with the brand content. (coeff.=0,639). This number is expected, since the content provided by the brand directly targets this type of connection with the audience. That is the content that provides awareness to the basic premise of service of the brand.

Table 12 - Model for Perception of Corporate Reputation (H2 & H3)

Dependent Variable	R2	Predictors	Non Standardised		Standardised
			Coefficients		
			B	E	
Caring	.093	Constant	-.913	.461	
		Engagement with TAP Content	.587	.267	.305
Familiarity	.172	Constant	-.415	.354	
		Engagement with TAP Content	.639	.205	.414
Responsibility	.21	Constant	3.917	1.118	
		Engagement with TAP Content	-1.463	.429	-.512
		Intensity	.527	.223	.356

Source: Author

The model for Services Expectations is the attempt of understanding the Perception of Corporate Reputation consequences on overall service expectations. Put in another way, is to understand how can the Perception of Reputation influence the service expectations, and which dimensions are more influenced by which dimensions of the reputation.

This analysis was conducted just for followers of TAP Air Portugal’s Instagram page.

Table 13 - Model for Service Expectations for Followers(H4)

Dependent Variable	R ²	Predictors	Non Standardised Coefficients		Standardised Coefficients
			B	E	
Intangibles	.231	Constant	.006	.268	
		Responsibility	.547	.192	.006
Service Range	.453	Constant	.096	.153	
		Responsibility	-.418	.108	-.563
		Operational Cap	-.350	.129	-.394
Responsiveness	.177	Constant	.271	.145	
		Caring	.276	.115	.420
Loyalty Programmes	.173	Constant	.179	.151	
		Caring	.285	.120	.416

So, the resultant model explains four out of the six initial dimensions for the service expectation construct. The most explained dimension is the Service Range followed by the Intangibles. With R²=0,453 and R²=0,231 accordingly, we find an interesting connection between the Responsibility dimension of reputation, and the Intangibles for service expectation. However, the model for Service Range dimension, albeit with a high level of variance explained (45,3%), has negative coefficients for responsibility (coeff.= -.418) and operational capability (coeff.= -.35), meaning that when responsibility increases one value, the service range lowers by 0,418.

Chapter V - Final Considerations

1. Research conclusions

From the top, this work aimed to depict the relations between constructs that were premises to this research. There were several objectives — translated into hypothesis — that were the guideline to the whole analysis conducted in the previous chapter. The main purpose was to insert these premises and constructs into the context of Instagram, that was the background scene for the whole research.

The conclusions of the study are presented per each hypothesis as well as relevant exploratory insights.

But, before presenting these findings towards each hypothesis of this work, some general information regarding the profiling of the sample could help understand the context of such insights. (For the purpose of simplicity, TAP Air Portugal will be referred to as just “TAP” henceforth).

One of the relevant discoveries from the exploratory analysis is that although 99.3% of the sample knows the brand TAP, and 89.5% of those have an active Instagram account, only 47% of those are actually aware of TAP’s presence at Instagram. The strategic decision here could be to capture new audience and increase brand awareness over Instagram.

Regarding engagement levels, results are inside initial expectations. The sample presents a conservative level of behaviour on Instagram, with mean values of likes and comments being just under the middle of the scale for general engagement on Instagram, and it goes even lower when we shift towards engagement with TAP. (graphs 1-4 in the annex).

The part concerning hypothesis testing was a bit more challenging.

Since early stages in the research, it became clear that the amount of scales used, and the amount of items inside each scale were going to present some problem if later approached as a unique variable per construct. Hence, principal component analysis had to be applied to reduce the amount of information for analysis. Contrary to Dijkmans et al. (2014) the construct of corporate reputation was not considered as an unique variable, instead it was

broken down in six different components, each portraying a specific dimension inside the bigger picture of corporate reputation. This was decided mainly based on the big compromise it would have been to consider only one principal component, as the total explained variance would fall below 30%. Which led to the argument that respondents do not perceive reputation as a uni-dimension construct, but instead a multi-dimensional one. This not only allowed for a more precise analysis but also allowed more detailed insights that will be presented further.

The first task was to assess the level of interaction between the intensity of use of Instagram platform with engagement levels with TAP. Work from Dijkmans et al. (2014) had already proven this notion to be true, as there is in fact influence of intensity of use on the level of engagement, although with a different approach towards engagement. The work of Dijkmans et al. (2014) measured engagement mainly through a cognitive approach. But Hollebeek (2011) proposed a different approach towards this concept, as engagement should be considered as interaction and not just as awareness or familiarity.

So, if we break down engagement and discriminate between general engagement within Instagram, and engagement with the brand, we find a relevant drop by a considerable amount (coeff. = 0.246 vs coeff. = 0.050).

The second task was to analyse how engagement would affect the perception of corporate reputation, these two constructs were predicted to have positive relation accordingly to the work of Dijkmans et al. (2014). But engagement, as established in the above analysis, influences just some of the corporate reputation dimensions. Some of these dimensions of the Perception of Corporate Reputation remain independent of this relation. Furthermore, the analysis also concluded that the Responsibility dimension of the Perception of Corporate Reputation variable, is very negatively influenced by Engagement with TAP Content dimension (coeff. = -1.463). The results achieved with this present research, and then compared to similar work, lead to the conclusion that once again we should not approach such a complex variable as a whole.

The third task consisted on the analysis of the fourth hypothesis — test the influence between Perception of Corporate Reputation and Service Expectations. Some exploratory analysis pointed to the fact that respondents placed safety as the number one priority (6.65/7) followed by some items regarding service attributes.

The construct of Service Expectations was also submitted to factor reduction analysis and resulted in a solution with six components. Thereafter, the conditions for the regression analysis were met. Initial predictions acquired from the work of Yoon et al. (1993) pointed to a positive influence of reputation in the service expectations, albeit in a different industry (insurance), since no work was found to either present this notion in the airline industry nor inside the Portuguese airline context. Results showed that there is an inconsistent relation between these two variables, the only dimensions that are affected by reputation are Reliability, Responsiveness and Loyalty Programmes. But there is also a secondary approach towards the results, and this could be directly tied with the aforementioned concerns by Teas (1993) about the instrument that measures expectations. Since all referenced literature pointed towards SERVQUAL as a standard instrument to not only measure the service quality but also service expectations, it was deemed as the appropriate path to pursue in order to achieve comparable results. However, one could argue the relevance of the concerns towards the discussion. If SERVQUAL measurement has the potential to trump the purpose of a reputation scale, then we achieve no relevant nor significant result in the end.

Concluding, if recommendations were to be given towards the Instagram page strategy of TAP Air Portugal, the main ones would be to shift strategy towards the low level of awareness. The brand could benefit long term if awareness levels were to increase, as it could be linked towards engagement. Since active users with high level of intensity do engage more in content of the brand. The strategy of promoting the brand via “ambassadors” model — with employees taking over the brand page, a week at a time — might prove successful if done with consistency and cohesion (much like Swiss airlines has been doing for the last year). The constant shift of content type might diversify the type of audience but it may also disperse engagement levels across the same audience, with no strong defined trend.

Regarding recommendations towards reputation and service expectations, TAP Air Portugal is benefiting, according to this research data, of a good relation between these two variables

caused by brand engagement online, but the dimensions inside these variables should be kept in mind as priorities to communicate, since they will be more successful when turned into content.

2. Research limitations

The biggest hurdle presented during this investigation was the lack of theoretical support for the hypothesis test of Service Expectations being influenced by Perception of Corporate Reputation. The existing study by Yoon et al. (1993) is not only over 20 years old but also framed in a different industry, which in turn makes findings comparisons quite hard to produce relevant outcomes. Also, during the data collection phase, there was a huge struggle to provide the necessary sample to the research, due to the fact that the questionnaire was too long in size and took a lot of time to complete. This caused a lot of drop-outs mid-questionnaire and was viewed as a potential threat to the quality of the last items in the questionnaire.

3. Future research

With this research, beyond the initial objectives, some questions arose from the results, and as such they presented as interesting topics to further extend the understanding of the mechanics behind the concepts approached in this work.

On a more universal topic, it could be interesting to analyse implications of travel habits in the whole model, like the frequency of travel with the airline and how it could impact or change perception of reputation in a continuous process, even the variables that are not directly related to the flight experience but rather related to the corporate dimensions.

Furthermore, it was previously suggested that the type of content produced by TAP Air Portugal could trigger the audience in different ways, not always contributing towards the strategy. A deeper analysis concerning qualitative data regarding content could be a useful tool to apply as content guidelines.

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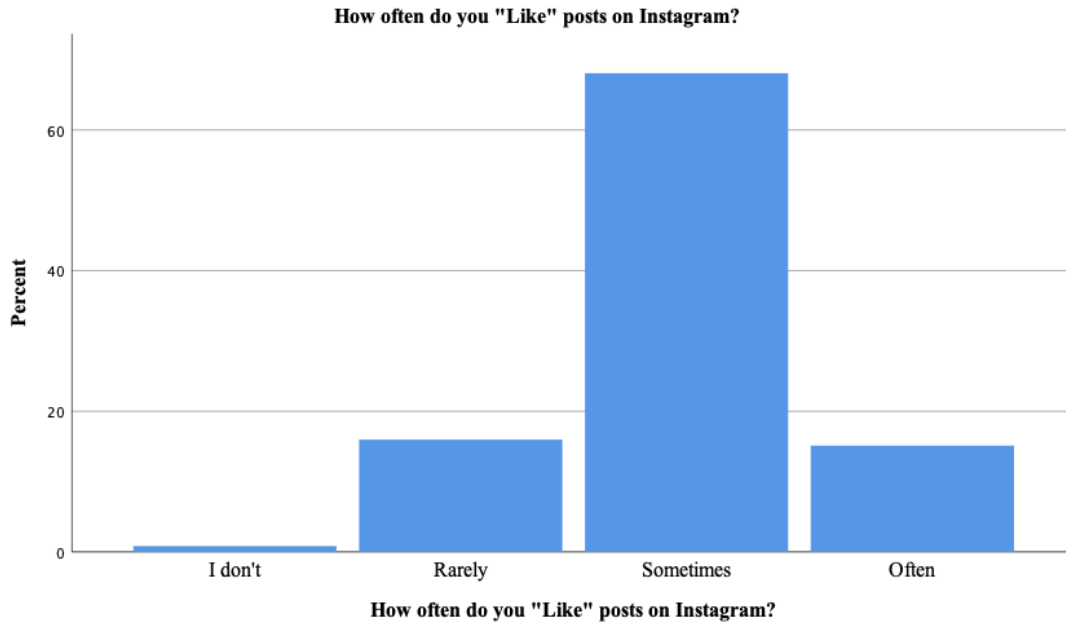
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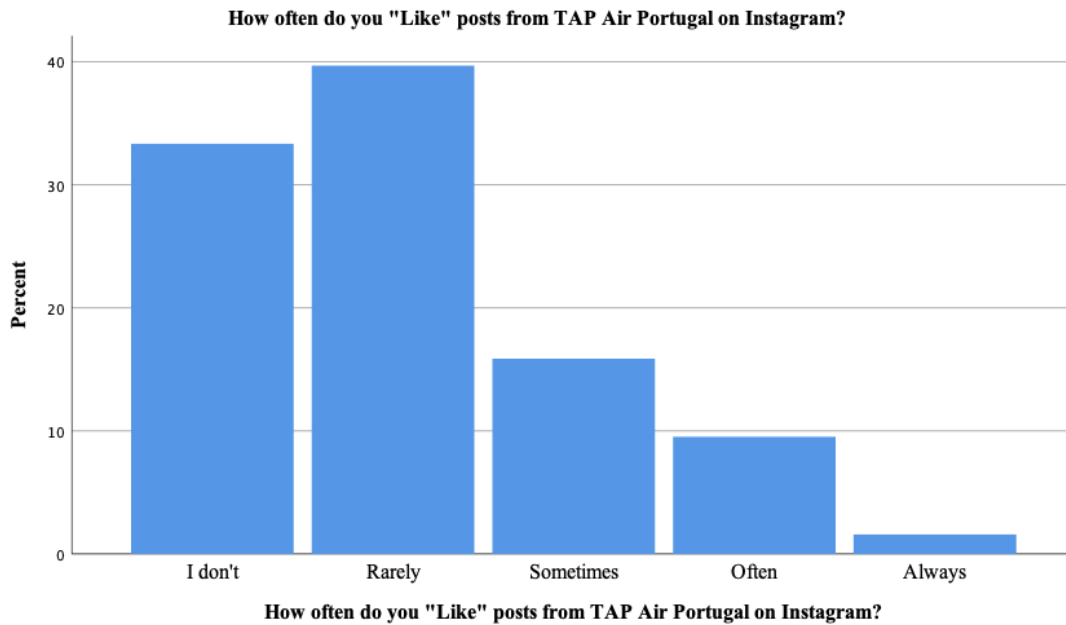
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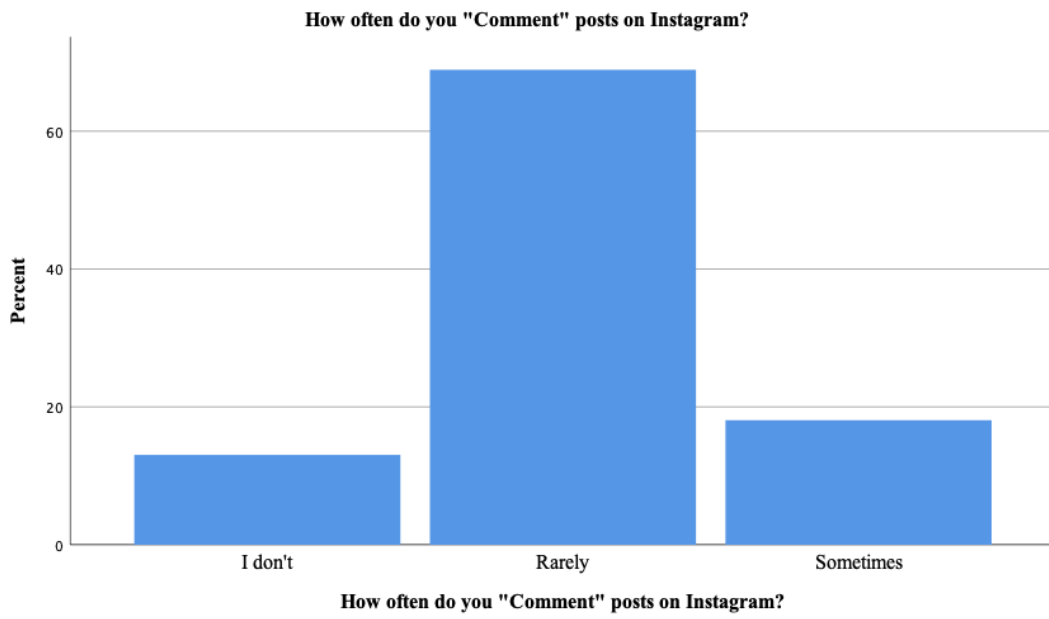
ANNEX



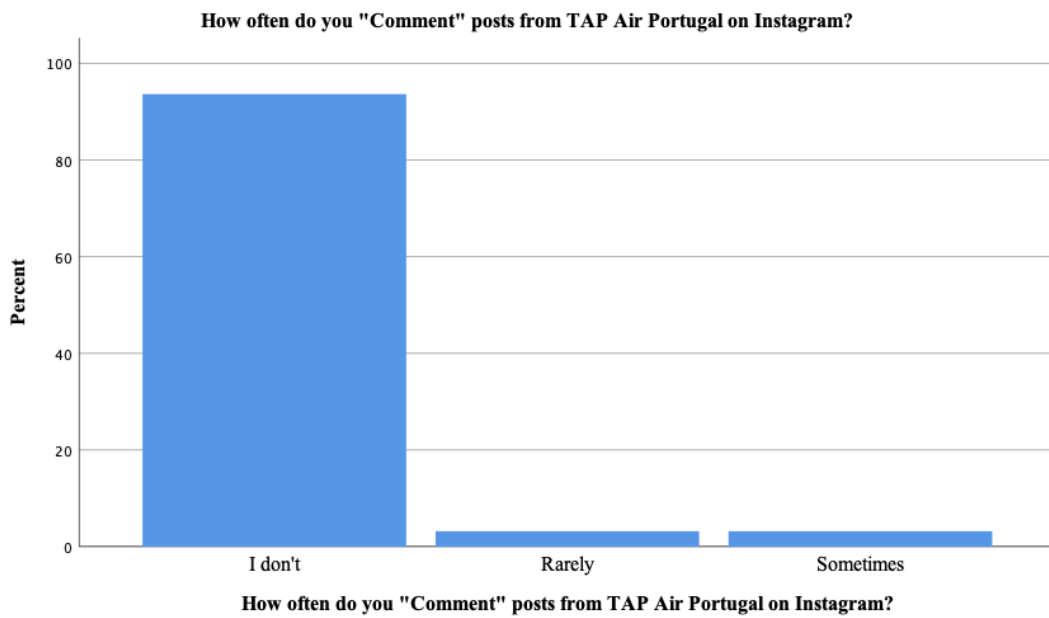
Graph 1 - "How often do you "Like" posts on Instagram?"



Graph 2 - "How often do you "Like" posts from TAP Air Portugal on Instagram?"



Graph 3 - "How often do you "Comment" posts on Instagram?"



Graph 4 - "How often do you "Comment" posts from TAP Air Portugal on Instagram?"

Table 14 - Intensity of Use of Instagram (n=238)

Variable	Mean	Std. Deviation
Instagram is part of my daily activity	3.89	1.055
I feel proud when I tell people that I am on Instagram	2.94	.957
Instagram is part of my daily routine	3.74	1.051
I feel out of touch when I don't go on Instagram for a long time	2.60	1.207
I feel part of the Instagram community	3.26	.971
I would feel sorry if Instagram shut down	3.57	1.126

Source: Author

Table 15 - Perception of Corporate Reputation (n=199)

Variable	Mean	Std. Deviation
The products and services TAP Air Portugal sells are important to society	5.20	1.299
TAP Air Portugal is a company I can trust	5.01	1.287
I have a good feeling about TAP Air Portugal	4.92	1.325
TAP Air Portugal provides excellent value to the consumer	4.81	1.252
TAP Air Portugal has highly skilled employees	4.78	1.222
TAP Air Portugal contributes a lot the communities in which it operates	4.75	1.058
TAP Air Portugal sells high quality products and services	4.67	1.189
I usually believe what TAP Air Portugal says	4.65	1.358
I am very familiar with the products and services of TAP Air Portugal	4.56	1.736
TAP Air Portugal is honest and straightforward in its communications with the public	4.55	1.225
TAP Air Portugal is a company that really cares about its employees	4.52	1.077
TAP Air Portugal is an innovative company	4.50	1.259
TAP Air Portugal helps make the world a better place	4.43	1.289
TAP Air Portugal has extensive resources to draw on	4.42	1.211
TAP Air Portugal is very powerful	4.40	1.322
TAP Air Portugal really makes a difference to people like me	4.40	1.608

Variable	Mean	Std. Deviation
The products and services of TAP Air Portugal are unfairly priced	4.38	1.225
TAP Air Portugal is an environmentally responsible company	4.37	1.120
I really identify with TAP Air Portugal	4.36	1.534
TAP Air Portugal is led by an intelligent and competent CEO	4.17	.958
I know many people who work for TAP Air Portugal	4.10	2.051
TAP Air Portugal is a leader in the airline industry	4.08	1.646
TAP Air Portugal is very distinctive in the way it does things	4.07	1.185
TAP Air Portugal is well-managed	4.01	1.056
I haven't seen or heard anything about TAP Air Portugal lately	3.54	1.871
TAP Air Portugal doesn't really have anything unique to offer	3.49	1.514
TAP Air Portugal contributes very little to the economy	3.28	1.484
From what I know, TAP Air Portugal never lives up to its promises	3.26	1.387
TAP Air Portugal seems very weak to me	3.20	1.431
TAP Air Portugal is inefficient and non-productive	3.19	1.341
TAP Air Portugal cares very little about the safety of its customers and employees	2.97	1.480
I know a lot about TAP Air Portugal's financial performance	2.96	1.663

Source: Author

Table 16 - Service Expectations (n=245)

Variable	Mean	Std. Deviation
TAP Air Portugal makes you feel safe	6.65	.762
TAP Air Portugal provides good ground/in-flight services constantly	6.42	.783
The behaviour of TAP Air Portugal employees gives you confidence	6.42	.891
The aircraft has clean and comfortable interior and seats	6.40	.812
The flight departs and arrives at the time TAP Air Portugal promises	6.33	.996
TAP Air Portugal has efficient check-in and baggage handling service	6.31	.795

Variable	Mean	Std. Deviation
Employees of TAP Air Portugal are consistently courteous with you	6.24	.903
Employees of TAP Air Portugal have the knowledge to answer your questions	6.14	.840
TAP Air Portugal performs the service right the first time	6.08	1.027
TAP Air Portugal has global alliance partners in order to provide a wider network and smoother transfers	5.94	.922
TAP Air Portugal has non-stop service to various destinations	5.91	1.028
TAP Air Portugal has convenient flight schedules and enough frequencies	5.91	1.039
Employees of TAP Air Portugal are always willing to help you	5.89	1.018
TAP Air Portugal provides quality food and beverages	5.76	1.091
Employees of TAP Air Portugal appear neat and tidy	5.74	1.121
Employees of TAP Air Portugal give you prompt service	5.41	.973
TAP Air Portugal has comfortable waiting lounges	5.34	1.249
TAP Air Portugal has a sound mileage programme	5.32	1.263
TAP Air Portugal has a sound loyalty programme to recognise you as a frequent customer	5.16	1.324
Employees of TAP Air Portugal understand your specific needs	5.14	1.213
Employees of TAP Air Portugal are never too busy to respond to your request or complaint	5.00	1.366
TAP Air Portugal has up-to-date in-flight entertainment facilities and programmes	4.98	1.282
TAP Air Portugal has other travel related partners (e.g. car rentals, hotels, travel insurance)	4.72	1.470
TAP Air Portugal provides in-flight Internet/E-mail/Phone/Fax services	4.61	1.592
TAP Air Portugal offers you with air + accommodation packages	4.53	1.492
Employees of TAP Air Portugal give you individual attention	4.47	1.439

Source: Author

Table 17 - Communalities and Loadings for Intensity of Instagram Use

Intensity Variable	Communality	Loading
Instagram is part of my routine	.775	.880
Instagram is part of my daily activity	.685	.827
I feel part of the Instagram community	.583	.764
I feel proud when I tell people I'm on Instagram	.657	.753
I would feel sorry if Instagram shut down	.513	.716
I feel out of touch when I don't go on Instagram enough	.492	.702

Source: Author

Table 18 - Communalities and Loadings for Perception of Corporate Reputation

Perception of Corporate Reputation	Communality	Loading
I am very familiar with the products and services of TAP Air Portugal	.646	.777
I know a lot about TAP Air Portugal's financial performance	.620	.755
I know many people who work for TAP Air Portugal	.609	.745
TAP Air Portugal is well-managed	.782	.843
TAP Air Portugal has highly skilled employees	.585	.537
TAP Air Portugal is led by an intelligent and competent CEO	.782	.870
The products and services of TAP Air Portugal are unfairly priced	.634	.738
TAP Air Portugal is very powerful	.730	.786
TAP Air Portugal is a leader in the airline industry	.818	.862
TAP Air Portugal doesn't really have anything unique to offer	.526	.663
I usually believe what TAP Air Portugal says	.680	.632
From what I know, TAP Air Portugal never lives up to its promises	.622	.687
TAP Air Portugal is a company I can trust	.752	.678

Perception of Corporate Reputation	Communality	Loading
TAP Air Portugal really makes a difference to people like me	.555	.558
TAP Air Portugal contributes very little to the economy	.703	.817
TAP Air Portugal is a company that really cares about its employees	.647	.698
TAP Air Portugal contributes a lot the communities in which it operates	.666	.754
TAP Air Portugal is an environmentally responsible company	.753	.849
TAP Air Portugal cares very little about the safety of its customers and employees	.619	.698

Source: Author

Table 19 - Communalities and Loadings for Service Expectation

Service Expectations	Communality	Loading
The flight departs and arrives at the time TAP Air Portugal promises	.646	.772
TAP Air Portugal provides good ground/in-flight services constantly	.692	.694
TAP Air Portugal performs the service right the first time	.574	.603
The behaviour of TAP Air Portugal employees gives you confidence	.746	.835
TAP Air Portugal makes you feel safe	.709	.817
Employees of TAP Air Portugal have the knowledge to answer your questions	.530	.541
The aircraft has clean and comfortable interior and seats	.575	.571
TAP Air Portugal has up-to-date in-flight entertainment facilities and programmes	.659	.645
TAP Air Portugal has comfortable waiting lounges	.692	.625
TAP Air Portugal provides in-flight Internet/E-mail/Phone/Fax services	.657	.643
Employees of TAP Air Portugal appear neat and tidy	.486	.609
TAP Air Portugal has non-stop service to various destinations	.768	.817

Service Expectations	Communality	Loading
TAP Air Portugal has convenient flight schedules and enough frequencies	.767	.766
TAP Air Portugal has global alliance partners in order to provide a wider network and smoother transfers	.640	.615
TAP Air Portugal has a sound loyalty programme to recognise you as a frequent customer	.803	.845
TAP Air Portugal has a sound mileage programme	.798	.851
TAP Air Portugal offers you with air + accommodation packages	.751	.799
TAP Air Portugal has other travel related partners (e.g. car rentals, hotels, travel insurance)	.729	.785
Employees of TAP Air Portugal give you prompt service	.657	.634
Employees of TAP Air Portugal are always willing to help you	.624	.665
Employees of TAP Air Portugal are never too busy to respond to your request or complaint	.697	.799
Employees of TAP Air Portugal are consistently courteous with you	.652	.647

Source: Author