STUDYING THE IMPACT OF EGYPTIAN HOTELS’ WEBSITES MARKETING ON CUSTOMERS’ E-SATISFACTION

1Nancy Awadallah and 2Sherif Gamal Saad

1Sadat Academy for Management Sciences, Department of Computer and Information Systems, Egypt
2Faculty of Tourism and Hotel Studies, Mansoura University, Egypt

ABSTRACT

The purpose of this research is to study the impact of Egyptian hotels’ websites marketing on customer e-satisfaction and how to achieve e-loyalty through focusing on e-satisfaction success factors (website information quality, system convenience, system safety, service quality, expectations and perceptions for hotel services and facilities, and intention to revisit).

In this study, convenience sample was used in order to achieve the aim and objective of this study. A self-administered questionnaire with customers was designed as the research instrument for collecting primary data. This questionnaire included items pertaining to the customers’ demographic data, evaluating level of their E-satisfaction regarding Egyptian hotels’ websites marketing. Four hundred fifty forms were distributed in fifteen investigated hotels; thirty forms in each hotel; among them 430 forms valid for analysis (96%). The study focused on five star hotels.

The findings revealed that the most of the customers were dissatisfied about websites marketing in the Egyptian hotels (i.e. dynamic contents, navigation, access, and security of sensitive information, payment options, and their Perceptions of services and facilities after visiting the hotel during stay). Also, most of the customers disagreed to revisit the hotel, and disagreed to suggest to friends and relatives to visit the hotel. Enhancing quality of the marketing websites in the hospitality business leads to sustaining hotel -customer relationship, customers E-satisfaction, E-loyalty, increasing the number of new customers and, improve the brand image of the Egyptian hotels, and consequently achieve profitability.

KEYWORDS

Websites marketing, Online hotel reservation, E-satisfaction, Web quality, E-loyalty, Egyptian hotels.

1. INTRODUCTION

There are numerous advantages for Internet applications in the tourism and hospitality industries. Researchers have argued that the Internet can benefit customers from direct communications with suppliers, and from searching and purchasing their preferred products and services without any geographical or time constraints.

The Internet has become a vital marketing tool between suppliers and consumers for its capabilities of Online transaction, communication and information dissemination, (Law et al., 2010; Chiappa, 2013; Ting et al., 2013).
There are numerous advantages of the Internet, including customer retention, marketing research, cost reduction, database development and revenue growth (Taylor and Strutton, 2010; Chiou et al., 2010).

Customers can arrange for their own tailor-made products or services (Toms & Taves, 2004; O’Connor & Frew, 2004). El-Gohary (2012) stated that E-Marketing adoption and implementation by Egyptian tourism organizations can be a very important tool in solving the current problems associated with Egyptian tourism industry as a result of the political unrest not only in Egypt but also in the Middle East.

The adoption and implementation of E-Marketing can help Egyptian tourism organizations in finding leverage points that can help such organizations in overcoming its current problems. The high level of customer's satisfaction can be obtained by identifying the level of quality that a website needs in order to fulfill adequately all users' requirements, especially during the information search stage. Matzler et al., (2006), argued that high customer's satisfaction will lead to customers' retention as users will continue to use the website and visit it regularly.

The assessment of customer satisfaction is vital issue for sustaining customer loyalty (Deveraj et al., 2002). Hur (2011) stated that a customer satisfaction level shows how an organization operates its business successfully and effectively. When E-marketing implementation of websites hotels completed correctly, the return on investment (ROI), it can exceed that of traditional marketing strategies.

Based on these considerations, this study examines the impact that the marketing of Egyptian hotels’ websites on customer e-satisfaction and how to achieve e-loyalty through focusing on e-satisfaction success factors (website information quality, system convenience, system safety, service quality, expectations and perceptions for hotel services and facilities, and intention to revisit).

2. LITERATURE REVIEW

Researchers attempt to find out the factors that could influence the sales of products and services over the Internet. Hospitality and tourism products seems to have intangible value and high on differentiation had a higher chance of being purchased on the Internet and viewing the success of Websites from a different perspective.

3. WEBSITE PERFORMANCE

Huizingh (2000) discussed that design and content, which could be measured by subjective and objective means, could determine the success of a commercial Website. Wan (2002) stated that the website performance of international tourist hotels and tour wholesalers in Taiwan could be evaluated by user interface, variety of information, and online reservation.

Experimental outcome of Wan’s study showed that the Internet usage in Taiwan’s tourism and hospitality industries was mainly for advertising but not for marketing. Hospitality and tourism researchers the importance of establishing user-friendly and content-rich websites which makes understanding of e-commerce to be better.

Several studies evaluate the impact of internet on customer satisfaction and browsers experience with the digital world (Kim & Fesenmaier, 2008; Law & Bai, 2007; Yoon & Uysal, 2005; McKinney et al., 2002). Bai et al., (2008) examined usability and functionality as vital tool in evaluating electronic sites. Their competitor model started from the assumption that overall
satisfaction with functionality and usability will lead to purchase intentions. Park & Gretzel, (2007), said that evaluating websites' effectiveness requires a multidimensional approach.

4. E-Marketing In The Hotel Business

Online marketing, e-marketing and internet marketing terms are frequently interchanged and can be considered synonymous. Andrlić and Ružič (2010) considered the concept of e-marketing as using the Internet as a means of promotion, move products or services from producers to tourists, and a sales channel. Strauss and Frost (2001) stated that E-marketing is “the use of electronic data and applications for planning and executing the conception, distribution and pricing of ideas, goods and services to create exchanges that satisfy individual and organizational goals”.

E-marketing involves establishing an electronic dialog (Brodie et al., 2007); that is, the seller offers individual customers access to information and, in turn, the interactive technologies used allow these customers to offer information to the seller (Bianchi & Mathews, 2016; Day & Bens, 2005). Although collaborative relationship benefits (e.g. encouraging customer feedback) have long been considered crucial, efficiency gains, such as allowing customers to communicate their demands or reducing customer service costs, are equally critical (Currie & Falconer, 2014).

Previous studies have highlighted the importance of information and communication technology (ICT) in the tourism and hospitality industry (Andrlić, 2007; Šerić, Gil Saura, 2012; Sigala, 2003; Pitoska, 2013). They were mainly focused on the role and importance of websites in the marketing of a tourist destination (Govers, 2004; Wang, 2008; Woodside et al., 2011), the importance of social media for destination marketing organizations (Ružič & Biloš, 2010), and destination choice (Tham et al., 2013). Mohamed (2011) examines managers' perceptions of the impact of the Internet on key marketing activities: changes in the conceptualization of the marketing activity, changes in market definition and value creation.

El-Gohary (2012) stated that small tourism organizations in Egypt use five basic e-marketing tools such as Internet marketing, e-mail marketing, mobile marketing, intranet marketing and extranet marketing, as well as different e-marketing forms - Business to Business Marketing (B2B), Business to Consumer Marketing (B2C) and Business to Government Marketing (B2G). Dina and Nensi (2015) recommended that hotels need to improve the quality of their websites and update content continually, use mobile applications and online booking to a greater extent, use e-mail marketing, foster a personalized relationship and adjust supply to customer requirements, apply social networks. Xu et al., (2015) examined US hotels website marketing activities, they also focus on information dissemination.

(Wu et al., 2013; Shuai and Wu, 2011), stated that the lodging business characterized as customer-oriented and information intensive, take advantage of the potential the hotel website can provide. Bui et al., (2014) stated that online hotel sales account represent 57% of all sales. Shu-Hui Chuang (2016) conceptualizes e-marketing adoption as an innovation by adopting the conceptualization proposed by Trainor, Rapp, Beitelspacher, and Schillewaert (2011) which is defined as the application of integrated information technology and marketing that links customers, sellers, business partners, and employees through the adoption of at least one of the following systems: (a) customer relationship management (CRM) software; (b) extranets such as private websites set up specifically for a customer; and (c) e-commerce websites.
5. Success Factors of Hotel Website Marketing Activities

According to hotel website marketing activities success factors, Schmidt et al., (2008) classify hotel website evaluation into three types, the first method evaluation by phases, the second evaluation by characteristics, and the third one by characteristics and effectiveness. Ting et al., (2013) discussed that previous studies neglect technical maturity of website features and focus on breadth of these features. Li and Wang, (2010) stated that the websites effectiveness can be improved through adding more functional and interactive features. Wang and Russo (2007) discussed that “a successful commercial website depends on the integrative application of four components as its major function: (1) up-to-date and accurate information provision; (2) effective and constant communication with customers; (3) reliable and seamless electronic transaction; and, (4) appropriate and sustainable relationship building programs”.

Previous studies stated that the important of website features and website performance are equal, Akincilar and Dagdeviren (2014) develop weights for website evaluation criteria via the Analytic Hierarchy Process. Among the five criteria in their study, security and customer are equal in importance, followed by technology oriented, marketing oriented and other factors.

6. The Relationship Between E-Satisfaction and E-Loyalty

(Anderson & Srinivasan, 2003) defined E-satisfaction as “the contentment of the customer with respect to his or her prior purchasing experience” on Web site. Woo et al., (2006), identified the determinants affecting Chinese hotel customers’ online reservation intentions and to assess their satisfaction with online hotel reservation. Manuela and Timothy (2011) examined the impact of perceived benefits of Social Media Networks (SMN) on web quality and E-satisfaction within the context of tourism destination marketing from the perspective of potential visitors.

Gokçe and Ozen (2016) defined E-loyalty as customer loyalty in the Internet market. It means sustaining a relationship with an online customer in long-term. (Reid Smith, 2000) mentioned to the difficult task of “humanizing digital loyalty”. E-loyalty also defined as loyalty toward an online Website, in addition to the intent to revisit the site and purchasing from it in the future -as defined Ilsever et al., (2007). Yoo et al., (2013) stated that loyalty of customer represents his/her preference for a product.

E-loyalty is considered one of the most marketing management tools, which due to repurchasing of the customers many times by using the Web page of the same brand business (Gokçe & Ozen, 2016).

There are many terms very important and considered drivers of an E-loyalty program such as: perceived value, E-satisfaction, E-loyalty, trust and E-service (Hsu et al., 2013; Hur et al., 2011; Christodoulides and Michaelidou, 2011; Cyr, 2008). Berezan et al., (2015) stated that trust is an important driver to loyalty, as customers can trust companies they deal with to do the their transaction. Wang and Fesenmaier (2006) mentioned to customers want to engage with companies shopping which it has trusted Web sites.

Carter et al., (2014), stated that to advance e-commerce research, it should be there a good relationships between E-loyalty drivers which represents an important opportunity.
7. METHODOLOGY

7.1 RESEARCH SAMPLE

In this study, convenience sample was used in order to achieve the aim and objective of this study. A self-administered questionnaire with customers was designed as the research instrument for collecting primary data. This questionnaire included items pertaining to the customers’ demographic data, evaluating level of their E-satisfaction regarding Egyptian hotels’ websites marketing. Four hundred fifty forms were distributed in fifteen investigated hotels; thirty forms in each hotel; among them 430 forms valid for analysis (96%). The study focused on five star hotels.

7.2 THE SELECTED INVESTIGATED HOTELS ARE:-

- Cataract Pyramids Resort.
- Hilton Pyramids Golf Resort.
- Holiday Inn Cairo City Stars.
- Intercontinental City Stars.
- Mena House Oberoi Hotel.
- Le Meridian Pyramids Hotel.
- Movenpick Hotel Cairo- Media City.
- Ramses Hilton Hotel.
- Pyramisa Hotel.
- Sofitel Cairo Maadi Towers.
- Cairo Marriott
- Concorde El-Salam
- Sonesta Hotel Cairo
- Fairmont towers Nile city
- Grand Nile towers

7.3 PILOT STUDY

The pilot study was conducted in this research in October 2016. The aim of the pilot study was to ensure that the questionnaire form well designed and easily understood by potential respondents, to examine the reliability and validity of the research tool as well as to develop and refine measure of the questionnaire form. In this study, the research was piloted using interviews with ten customers of five star Cairo hotels. These hotels are: Sofitel Cairo Maadi Towers, Cairo Marriott, Concorde El-Salam, Sonesta Hotel Cairo.

The customers’ questionnaire was piloted by a limited sample in investigated hotels. The questionnaire form was revised and adapted according to the customers’ comments.

7.4 STATISTICAL TECHNIQUES

Statistical Package for Social Sciences (SPSS) version 19 for Windows was used to analyze and compute the data. Frequency counts, percentage distributions were calculated and analyzed. After analyzing the results, certain interpretations of the data helped to draw conclusions about the findings of this study. Those conclusions were related to the objective of the study and formulated based upon the statistical applications that were employed.
7.5 Validity and Reliability

In order to increase the reliability of the method used in the current study, one measure was applied as follow: self-administered questionnaires directed to a sample of guests in order to know and measure level of importance and their level of satisfaction regarding facilities which be offered via information technology in Cairo hotels. In this study, Cronbach’s coefficient alpha was used to measure the internal consistency of the scale. A minimum level of the Cronbach’s coefficient alpha is .7. The higher value of the Cronbach’s coefficient alpha indicates greater value. In that sense, all the values of the Cronbach’s coefficient alpha in this study were above the minimum level.

7.6 Results

The research concerned with the customers of the Egyptian hotels’ to study the impact of website marketing on their E-satisfaction.

Table 1: Profile of the respondents

<table>
<thead>
<tr>
<th>Gender</th>
<th>Freq</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>255</td>
<td>59</td>
</tr>
<tr>
<td>Female</td>
<td>175</td>
<td>41</td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Under 25 years</td>
<td>55</td>
<td>13</td>
</tr>
<tr>
<td>From 25 to less than 35 years</td>
<td>135</td>
<td>36</td>
</tr>
<tr>
<td>From 35 to less than 45 years</td>
<td>95</td>
<td>22</td>
</tr>
<tr>
<td>45 years and more</td>
<td>125</td>
<td>29</td>
</tr>
<tr>
<td>Education level</td>
<td></td>
<td></td>
</tr>
<tr>
<td>University or High Institute</td>
<td>390</td>
<td>91</td>
</tr>
<tr>
<td>Secondary certificate</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Postgraduate studies (Diploma-Master-PhD)</td>
<td>40</td>
<td>9</td>
</tr>
<tr>
<td>Occupation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Government officer</td>
<td>85</td>
<td>20</td>
</tr>
<tr>
<td>Employed manager</td>
<td>130</td>
<td>30</td>
</tr>
<tr>
<td>Company employee</td>
<td>75</td>
<td>17</td>
</tr>
<tr>
<td>Owning business</td>
<td>45</td>
<td>10</td>
</tr>
<tr>
<td>Other</td>
<td>95</td>
<td>22</td>
</tr>
</tbody>
</table>

As shown in Table (1), the sample was mainly from males (59%). The respondents showed that (13%) were under 25 years and from 25 to less than 35 years were (36 %). Regarding educational level, most of the respondents (91%) were university or high institute. The majority of the respondents were employed/manager (30%).

The factors were evaluated according to their level of satisfaction are factor (1), factor (2), factor (3), factor (4), and factor (5) on a 5 point Likert-scale where “1” indicating “Strongly dissatisfied” and “5” indicating “strongly satisfied”. Meanwhile, factor (6) on a different scale where “1” indicated “Strongly disagreed” and “5”indicated “Strongly agreed.” The responses are illustrated in Table (2).
Regarding website information quality, the findings showed that “hotel promotion” had 75% as a rate of the maximum possible score. Least satisfaction attribute was dynamic contents; it had only 11% of the maximum possible score. Other guests’ answers came in between. These findings disagreed with Huizingh (2000) who discussed that design and content, which could be measured by subjective and objective means, could determine the success of a commercial website.

In terms of system convenience, search function had 71% as a rate of the maximum possible score. Least satisfaction attribute was navigation; it had only 39% of the maximum possible score. Other guests’ responses came in between.
Regarding service quality, online reservation had 72% as a rate of the maximum possible score. Least satisfaction attribute was payment options; it had only 45% of the maximum possible score. According to system safety, 64% of the respondents was view or cancel reservation as a rate of the maximum possible score. Least attribute was security of sensitive information; it had only 45% of the maximum possible score.

Customers’ expectations for services and facilities before visiting the hotel via website information had 75% of the respondents; while their Perceptions of services and facilities after visiting the hotel during stay was 38%. In terms of intention to revisit the hotel, it had 39% of the answers; meanwhile intention to suggest to friends and relatives to visit the hotel was 40%.

From previous results in table 2, we deduct that there is a gap between Egyptian hotels websites quality and customers perceptions to deal with them (i.e. hotels is not a good conductor for itself).

8. CONCLUSION

The Internet is considered a vital and substantial tool for e-marketing to create online business with customer loyalty. Customer loyalty in the hospitality sector when achieving, it will has a crucial role to establish a competitive market. Many studies have shown that there are drivers of an E-loyalty program such as: perceived value, E-satisfaction, E-loyalty, trust, E-service, on-time delivery, customized products, recommendation, security, purchase intention and database management. E-loyalty and E-satisfaction programs purposes in the hospitality industry can be listed as sustaining hotel -customer relationship, increasing the number of new customers and, improve the brand image of the hotels, and consequently achieve profitability.

Based upon the previous results, the following recommendations could be suggested to the hotel management for enhancing E-marketing websites to achieve customers E-satisfaction.

1- Hotels need to improve the quality of their websites and update content continually (i.e. dynamic contents, events calendar, and Links to regional/city/area pages).
2- Enhancing system convenience (i.e. navigation, and access).
3- Improving security of sensitive information, and E-payment procedures.
4- Enhancing website service quality (i.e. payment options, and supply customer requirements.).
5- Use E-mail marketing (i.e. send an e-mail to customer including hotel website link to review any updating of website).
6- Apply social networks (i.e. using advertisements or pages on facebook to draw the attention of customers as a mean of marketing).

REFERENCES


