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MGM-697

Online Marketing Management for hotels in Saudi Arabia

ادارة التسويق الالكتروني للفنادق بالسعودية

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ABSTRACT:-

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Research Structure

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A. Copy of survey questionnaire or interview guide

B. Additional data tables or figures

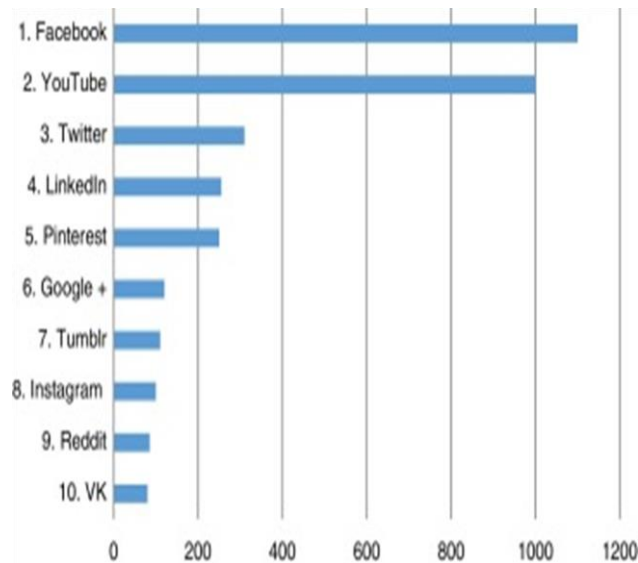
Introduction:

With changes in time, requirements, technology and expectations of the customers, the field of marketing itself has experienced significant changes. It is noteworthy to mention that marketing dynamics shifted from “farm centric” to “consumer centric” perspectives. With evolution in the market dynamics, it is becoming a difficult issue to choose the correct channel to reach the consumer within a specific target group (1). Now it is a well-known fact that what we call 'marketing' has undergone substantial changes over the recent years, and the key role in this transformation has been played by internet. Internet "refers to the physical network that links computers across the globe. It consists of the infrastructure of network servers and wide –area communication links between them that are used to hold and transport the vast amount of information on the internet (2).

The growth of Internet technology has enormous potential as it reduces the costs of product and service delivery and extends geographical boundaries in bringing buyers and sellers together. The Internet also allows small businesses to access markets and to maintain a presence that help them to compete against industry giants. In fact, the Internet has changed the face of marketing with its instant yet personalized reach to a global audience. Furthermore, the Businesses are increasingly using the Internet for commercial activities. The ubiquitous nature of the Internet and its wide global access has made it an extremely effective mode of communication between businesses and customers (3).

However, social media remain in continuous growth, by some accounts have become the main channel for costumers to experience and interact with the world. To help attain their goals, people join general or more specialized networks and search, share, participate, consume and play (4).

The social media phenomenon could be approached from several perspectives. First, from sociology or anthropology, networks favor interaction between people all around the world. Facebook and YouTube reached more than 1000 million users, as presented in Fig. 1. That means that more than one third of all Internet users in the world, and more than one sixth of the global population, are active members of such networks. Also, from an economic approach, social media have an important value for the firms that own them, although often users do not pay for these services. The recent acquisition of LinkedIn by Microsoft for 26,200 million US\$ (more than 102 US\$ per user), is an example of the potential value and high rivalry in the social media domain. Corporation's strategic mergers and acquisitions to gather clients, such as Facebook purchase of Instagram and WhatsApp, reveal how important is for companies to lead this digital evolution (5).



Figure(1)

Literature review

After 1991, an unprecedented growth has been observed in online marketing. The number of web sites and number of search engines have increased. Globally, the number of web sites increased from 23,000 in 1995 to more than 55 million in 2005. Internet shopping offers a vast array of alternative products with full information about their configuration thus helping customer to quantify the need and then purchase. Consumers generally click multiple websites to compare the configuration and price of the desired products. There is lots of variation in the way the online marketing is perceived. Many consumers want to buy in the physical store but want to get information from internet. In many cases consumers go for better deals on the internet after physical verifications. Reduction in search costs and easy accessibility are also the reasons behind the move towards online shopping.

Several studies conclude that the basic reason for increased popularity of the online marketing are that the consumers can purchase any time (24×7) and at any place. Even without spending time on moving to physical store and ability to pay and order at time, are pushing the online marketing to a much higher degree.

Some benefits of online marketing management

Increased visibility and reach: Online marketing allows companies to reach a wider audience, both domestically and internationally, and to increase their visibility to potential customers.

Cost efficiency: Online marketing can be more cost-effective than traditional marketing methods, as it allows companies to target their efforts and resources more precisely, reducing waste and increasing return on investment.

Better customer engagement: Online marketing can help companies engage with customers in more meaningful and relevant ways, through the use of personalization and customization.

Improved customer insights and data-driven decision making: Online marketing generates a wealth of data and insights about customer behaviour, which can be used to inform and improve marketing efforts.

Increased competitiveness: Effective online marketing can help companies stay ahead of the competition by keeping them at the forefront of industry trends and advancements.

Better brand building and reputation management: Online marketing can help companies build their brand and reputation by providing them with a platform to showcase their products, services, and values to a global audience.

More targeted and efficient marketing: Online marketing allows companies to target their marketing efforts to specific segments of the population, based on demographics, interests, and behaviours, which can lead to more efficient and effective marketing initiatives.

Overall, effective online marketing management can help companies achieve their business goals, grow their customer base, and increase their revenue and profitability.

Research problem

One main issue of online marketing for hotels regarding locals is how to effectively target and engage with this specific audience. While many hotels focus their marketing efforts on attracting tourists and out-of-town visitors, it is important not to neglect the potential business that can come from the local community.

One challenge is determining the most effective channels for reaching local audiences. Traditional marketing methods such as print ads and billboards may not be as effective as digital marketing methods such as social media and email marketing.

Another challenge is creating content that resonates with locals. Hotels may need to adjust their messaging and promotions to appeal to residents rather than tourists. For example, offering discounts or special packages for locals or promoting events and activities that are popular among the local community.

Lastly, hotels may need to work on building relationships with local businesses and organizations to increase visibility and trust within the community. Partnering with local businesses for promotions or hosting events that benefit the community can help hotels establish a positive reputation and attract more local business.

We will focus on attracting locals for entertainment by following few steps:

1. Make a study and survey to get a sample.
2. Filter those number
3. See the strength and weak points.
4. Improve and adjust weak points.

Hypotheses

Targeted online marketing efforts towards locals can increase bookings and revenue for hotels.

If hotels can effectively target and engage with the local community through online marketing efforts, they may be able to tap into a new customer base and increase bookings from locals. This could lead to an increase in revenue for the hotel.(5)

Offering promotions and packages specifically for locals can increase hotel loyalty and repeat business.

By offering locals discounts or special packages, hotels may be able to incentivize locals to stay at the hotel and become loyal customers. This could lead to repeat business and positive word-of-mouth marketing within the local community.

Building relationships with local businesses and organizations can increase visibility and trust within the community, resulting in increased bookings from locals.

By partnering with local businesses and organizations, hotels may be able to increase their visibility within the community and build trust with locals. This could lead to an increase in bookings from locals who are more likely to choose a hotel that is actively involved in the community. (6)

Creating a base system to study the promoter customer and none promoter by asking customer after staying through SMS.

By making an net promotor score (NPS) system, the company can grantee following up with customers and make improvements and have free marketing from satisfied customers.

Methodology

Identify the target audience: To effectively market to local residents, hotels must first identify who their target audience is. This can be done by analysing customer data, conducting surveys or focus groups, or researching local demographics. (8)

Develop localized messaging: Once the target audience is identified, hotels can develop messaging and promotions that specifically appeal to local residents. This might include highlighting amenities or services that are popular with locals, creating packages or deals that are targeted at local residents, or showcasing the hotel's involvement in the local community.(9)

Select the appropriate channels: Hotels should then select the appropriate channels to reach local residents. This may include social media platforms, email marketing, targeted advertising, or partnerships with local businesses or organizations. (10)

Execute the marketing plan: Once the messaging and channels are identified, hotels can execute their marketing plan. This may involve creating content for social media, sending out email campaigns, placing targeted ads, or hosting events that appeal to the local community.

Measure and analyse results: Finally, hotels should measure and analyse the results of their marketing efforts to determine what is working and what is not. This may involve tracking website traffic, bookings, and revenue generated from local residents, as well as monitoring engagement and feedback on social media and other channels. Based on this analysis, hotels can adjust their marketing strategy to further improve their results. (11)

The limitation of the study

Limited sample size: One potential limitation of researching online marketing for hotels locally is that the sample size may be limited. Depending on the size of the local community and the number of hotels in the area, it may be difficult to obtain a large enough sample to draw meaningful conclusions. (9)

Limited data availability: Another potential limitation is that data on local residents' behaviour and preferences may be limited. Hotels may need to rely on surveys, focus groups, or third-party data sources to obtain this information, which may not always be reliable or comprehensive.

Changing consumer behaviour: Consumer behaviour is constantly evolving, particularly in the digital age. What may have been an effective marketing strategy for hotels locally a few years ago may not be effective today. It is important for hotels to continually monitor and adapt their marketing strategies to keep up with changing consumer behaviour. (12)

Difficulty in measuring effectiveness: Measuring the effectiveness of online marketing for hotels locally can be challenging. It may be difficult to attribute bookings or revenue directly to a specific marketing campaign or channel, particularly if multiple channels are being used simultaneously.

Dependence on third-party platforms: Hotels may be dependent on third-party platforms such as social media or search engines to reach local residents. Changes to these platforms' algorithms or advertising policies could impact hotels' ability to effectively reach their target audience.

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