

USING THE WORLD WIDE WEB IN HOSPITALITY INDUSTRY

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# **1.INTRODUCTION**

# **Globalisation** has changed international tourism.

While thriving to be *competitive* in the global market, exactly the hospitality industry is exposed and overburdened by exclusively *high costs* for:

- promotion in the global market,
- immediate communication/interactivity with the clients/ tourists,
- booking by guests from distant tourist generating destinations,
- market research.



# The emerging globalisation and concentration of supply increase the level of competition and require new Internet marketing strategies for destinations (Rita, P., 2000).



2. THE INTERNET/WWW APPLICATION IN THE

HOSPITALITY INDUSTRY

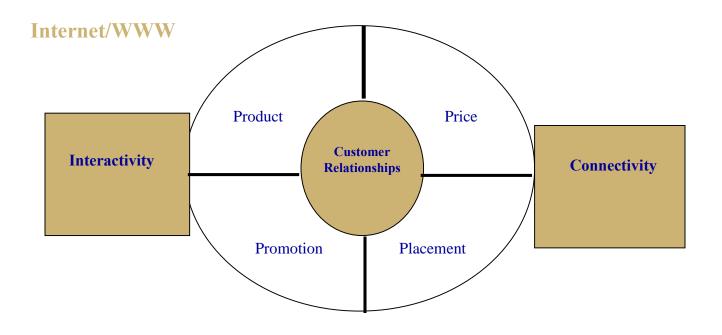
**Competitive WWW activities:** 

- providing information,
  - immediate contact with key service providers,
  - immediate feedback to the given information,
  - pricing,
  - marketing and brand building,
  - market research,
- booking/reservation.



2.1. WWW as marketing tool

Shema 1: Marketspace model

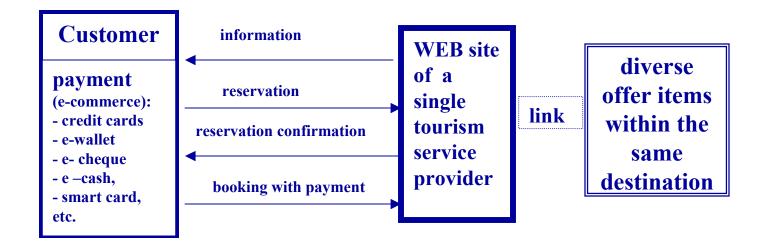




- In order to achieve the most *effective connectivity*, the WEB sites must be provided with the following links:
  - a) links leading from a selected destination to
    - diverse offer items
    - (accommodation, heritage, restaurants, events etc.),
  - b) links from already selected WEB site
    - (selected accommodation site) to other checked offer items within the destination.

# 2.2. Internet as support of transactions for customers

## Internet/WWW environment (24h on-line)





# 2.3. Internet as market research tool

1. E-mail survey

the oldest and the simpliest way of conducting research; a parallel to traditional mail surveys can be drawn

# 2. News-groups survey

based on similar topic entities on the basis of which the reserach is being conducted and having as a consequence relatively small sample size

# 3. WEB based survey

the most common way of the three. It represents a tremendeous potential for the market reserach experts, offering them a tool for fast and cheap reserach, generating more accurate information.



Certain *problems* should be taken into consideration. Dahlen, (1998) divides them in five categories:

- 1) self-selection,
- 2) unequal probabilities of sample inclusion,
- 3) unknown response rate,
- 4) not being noticed by people, and
- 5) unnecessarily low response rates.



3. THE MEANING OF WEB SITE FOR COMPETITIVENESS IN THE HOSPITALITY INDUSTRY

**Benefits/competitive advantages of using** the Internet in the hospitality industry are:

- **1. Service improvements concerning:** 
  - large choice of access to a WEB site
  - faster payment processing
  - reduced delivery time for many products
  - faster and greater availability of support literature
  - more detailed and particularised



- 2) Low costs of:
- marketing
- processing of booking and payments
- automation of tasks
- establishing direct links between the producer and the consumer
- distribution

# **3) Differentiation from competition:**

- creating, presenting and selling high-quality, distinctive products



- 4) Creating up-to-date enterprise image
- 5) Information usage including the following concepts:
  - addressability
  - interactivity
  - flexibility
  - accessibility
- 6) Efficiency in operational management and communication
- 7) Obtaining know-how through discussion with news groups on the Internet

# **Potential disadvantages:**

- 1) Characteristics of tourism product and services as being *fragmented* and *difficult to evaluate*
- 2) Standardization of legal procedures of doing business over the Internet
- **3)** The problem of *inefficient accessability* to the WEB site/unfavourable *indexing* by search engines
- 4) Spam
- 5) Bad *quality of individual* WEB sites which might damage whole destination image
- 6) Nonprofessional *determination* of purpose the WEB site is supposed to fulfill

# 3.1.Effective WEB site

The most important features of a WEB site (Rita, P.;2000):

- Being visually/graphically attractive,
- Providing correct and up-to-date information,
- Being interactive,
- Enabling chat lines and stimulating consumer comments,
- Providing availability and booking online,
- Developing the right promotion online to entice the transient guest by providing attractive offers and interactive tools, and using banners for brand imagebuilding
- Capturing data for conducting direct e-mail campaignes.

# 4. NEW DIMENSIONS OF THE HOSPITALITY INDUSTRY

"Think in local between the limits of a global positioning."

Vanhove, N. (1998)

### **Two levels of service providing:**

- 1) Providing more types of tourism services, including almost all aspects of tourism. This means that one tourism service provider can offer, for example: transportation, accomodation, catering service, leisure facilities etc.
- 2) Providing only one aspect of a selective tourism service (a tourism service provider is in position, for example, to offer excllusivelly one specialized segment). This type of enterpreneur must be aware of customer targeting as a key to successful satisfaction of consumer demand, which is the fundamental determinant of all forms of businesses.

# The two types of the hospitality industry activities supported

by the Internet have the following goals in common:

- to allow everyone to access the network,
- to make the *local destination* as competitive as possible,
- to establish *themselves as competive* within the local destination,
- to enable *active cooperation* with other suppliers offering other services,
- to create *checkable WEB sites* (scope, audience, author, authority or publishing body, currency, treatment, arrangement /ease of use, regular up-dating),

- to provide same *target customers* with a service, regarding the fact that the customers significantly differ from each other according to the region of origin, nationality, religion, habits, customs, expectations and other socio-demographic characteristics,
- to *adapt tourism offer* to the new type of tourist, which might be referred to as Internet tourist . In order to get the profile of the majority of Internet tourists, Inernet market research should be used.
  All the facts mentioned above mean leaving the traditional concept of sharp competition in one
  - destination, and approaching a concept of strong professional cooperation.

# 4.1. Critique of some selected hospitality industry WEB sites

- Starting with the assumption that the e-tourist wants to visit a certain destination, for example the Republic of Croatia, it is to be expected that the information search will start with the help of some better-known tourism sites / addresses, such as: www.searcheurope.com, www.123world.com, www.towd.com, www.touristlink.com, www.visiteurope.com, www.tte.ch, .
- The majority of the mentioned sites will usually offer the links to some well-known Croatian tourism addresses, such as: www.htz.hr, www.croguide.com, www.crotours.com, www.dalmacia.net., and others.





webmaster@ii hr

Welcome to Croatia tourist information and reservation system CTIRS. Choose any of 750 objects: hotels, camps, marinas or private accommodation. Free booking. You can find over 1500 photos, multimedia files, weather report, exchange list. Choose interactive roadmap for simplier travel to the selected destination.

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# Assuming that the e-tourist chooses the hotel accomodation

(the hotels were taken into consideration because accommodation is the crucial tourism service segment),

# after visiting the hotel WEB site,

the only pieces of information which can be obtained are the accommodation price, phone contacts or the hotel service types.

The reason for this is that accommodation provider, in this case hotel enterprises, do not have either enough links provided or any links at all.



The rare example of a hotel in the Republic of Croatia, whose page contains links to the services besides the hotel service is the hotel Excelsior in Dubrovnik www.hotel-excelsior.hr/eng/html

The only available links are for the airport www.croatiaairlines.hr (in the menu «location»), as well two following useful links www.dubrovnikportal.com dubrovnik.laus.hr (in the menu "contacts")  Home page Welcome Location Accommodation Price List Conference Center Lokrum Conf. Room Laus Conf. Room Gastronomy **Restaurant Zagreb** Piano Bar **Restaurant Rustica**  Sport & Recreation Amenities Reservations Guest Book E-cards Photo Gallery Contacts

If you want to receive information about hotel feel free to contact us:

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GRO

Contacts

'S HOTEL

### Hotel "Excelsior" d.d.

Address: Frana Supila 12, 20000 Dubrovnik, Croatia Phone: 385 20 414-222, 353-353 Fax: 385 20 414-214 E-mail:

EXCELSIOR



THOTEI

Sales and Marketing Department Sales and Marketing Manager: Jasna Đurković Phone: 414-215, 432-578 Fax: 414-214 E-mail:



Conferences, incentives and groups manager: Mladen Đurđevski Phone: 353-462, 432-578 Fax: 414-214 E-mail:



Public Relation: Tomislav Dumančić Phone: 432-578, 353-462 Fax: 414-214 E-mail:

Useful links:<br/>www.dubrovnikportal.com- most visited web pages about Dubrovnik<br/>dubrovnik.laus.hr- Dubrovnik Tourist Board



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CUSTOMER SERVICE	WEEKEND DEALS		TRAVEL AGENTS		GLOBAL WEB SITES

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Groups/Meetings Sales

Packages

**Business & Attractions Finder** 

Map/Driving Directions

Priority Club® Worldwide

Holiday Inn<sup>®</sup> Home

### Two easy ways locate businesses and attractions near your hotel.

### How far from the hotel would you like to search?

up to 2 miles (3.2 km ) 💌

### 1. Search by selecting up to 8 items from the following list:

- Restaurants Museums & Art Galleries Movie Theaters
- Tourist Attractions
- Golf Courses
- Health Clubs
- Churches, Temples & Shrines Department Stores Beauty Salons Travel Agents Dry Cleaners **ATMS**

2. Search by entering a type of business or the name of a specific business.

Search

	by name 💌
Search	

Powered by Vicinity Corporation



# 5. CONCLUSION

Performing business over the Internet requires development of the Internet strategy which can be observed in five basic activities (Tschanz, K., 1996): -

- cooperation,
- competition,
- mission,
- product and services offering and selling,
- organisational integration.



# **Principles:**

- 1. Using hyperlinks for integration of databases of master destinations with individually diversified tourism service providers.
- 2. Regular up-dating not only of individual pages, but also of links.
- **3.** Creating a specific informatin package, which should generate in visiting a destinatin after visiting a WEB site.

In this way, the hospitality industry activities evolve in complete, competitive, and cooperative service (3C).



The only way of meeting the wide range of world-wide demand is broad tourism service diversification.

Effective diversification in the hospitality industry can be achieved by implementing many, well diversified and professionally connected WEB sites as a management tool.