

MARKETING AND COMMERCIAL ACTIVITIES OFFERED ON HOTEL WEB SITES: THE CASE OF CROATIA AND SELECTED EU COUNTRIES

MARKETINŠKE I KOMERCIJALNE AKTIVNOSTI PRUŽENE NA WEB SITE-U: PRIMJER REPUBLIKE HRVATSKE I ODABRANIH ZEMALJA EU

JAKOVIC, Bozidar; KONJEVOD, Nikola & SEBEK, Vanja

Abstract: *The Internet became a new space for doing economic and business activities in all spheres, and it is especially important in tourism. Hotel Web sites become increasingly important, and this phenomenon will be analyzed in this paper. Using a data base containing data for the 100 high categorized hotel Web sites, a survey was conducted on how much these new technologies are used in tourism industry in Croatia and selected EU countries: France, Italy, Greece and Spain. Marketing and commercial activities offered on hotel Web sites have a significant impact on the hotel's commercial success.*

Key words: *Hotel Web sites, high categorized hotels, Internet, hotel marketing, Web 2.0, Mobile technologies*

Sažetak: *Internet je postao novi prostor za obavljanje poslovnih aktivnosti u raznim djelatnostima, osobito je važan i u turizmu. Važnost hotelskih Web mjesta raste iz dana u dan i taj fenomen analizirat e se u ovom znanstvenom radu. Koriste i bazu podataka o 100 Web mjesta visokokategoriziranih hotela provedeno je istraživanje kako se nove tehnologije koriste u turizmu i to u Hrvatskoj i odabranim zemljama Europske unije: Francuskoj, Italiji, Gr koj i Španjolskoj. Marketinške i komercijalne aktivnosti na hotelskim Web mjestima imaju zna ajan utjecaj na poslovni uspjeh hotela.*

Ključne riječi: *Web mjesto hotela, Visokokategorizirani hoteli, Internet, Marketing hotela, Web 2.0 tehnologije, Mobilne tehnologije*



Authors' data: Bozidar **Jakovic**, doc. dr. sc., docent, Ekonomski fakultet Zagreb, Trg J. F. Kennedyja 6, bjakovic@efzg.hr; Nikola **Konjevod**, mag. oec., student, Ekonomski fakultet Zagreb, nikolako19@gmail.com; Vanja **Sebek**, dipl. oec., Ekonomski fakultet Zagreb, sebek.vanja@gmail.com;

1. Introduction

The Web site in the all industries has become a necessity and without it, the business scope would be significantly lower. The situation is the same within the tourist industry. Tourists pursue information on the Web, and hotels have to offer on their Web sites exactly the information that tourists are interested in. Croatia has many of hotels and most of them have very good web sites. The main research question is the quality Croatian hotel web sites regarded to hotel web sites within selected European Union (EU) Countries. The main research problem is to determinate the main characteristics of the high categorized hotel Web sites in Croatia regarded to high categorized Web sites in selected EU countries.

2. Managing hotel Web sites

Research on hotel websites has been conducted for a dozen years now. The first study focused on website content.

Law and Hsu (2005) aimed to report an exploratory study that investigated the perceived importance of dimensions and attributes on hotel Web sites from the perspective of travelers [1]. Lee and Morrison (2005) developed a set of criteria and an instrument for evaluating upscale hotel Web sites and test these in a comparative study of South Korean and the US upscale hotel Web sites [2]. Stringham and Gerdes (2010) explored hotel Web site design's influence on site appeal and likelihood to purchase [3] Muñoz-Leiva et al. (2012) analyzed tourist behavior with regard to the new Web 2.0-based sites, or Travel 2.0 Web sites [4]. Rocha presents an innovative high-level structure for a global quality evaluation of a website [5]. Lwiw and Phau (2013) investigated whether rational and emotional appeals are more effective for small boutique hotel Web sites in Australia [6]. We et. al. (2014) identifies the interrelationships of store layout design, atmosphere, emotional arousal, attitude toward the website, and purchase intention [7].

3. Research Methodology

As the basis for conducting this research, use was made of the list of categorized hotels in the Republic of Croatia published on the Web site of the Ministry of the Tourism, (2013) as well as lists of categorized hotels in the EU. Most of the data were collected from the Web sites of the hotels covered by this research, but a great deal of data was also found on the Web sites of major tourist agencies. All the data were collected in the period from 01 October 2013 (the beginning of the research) to 15 October 2013. There are used descriptive statistics methods, as well as inductive conclusions. Research sample consists of 100 high categorized (4 and 5 stars) hotel Web sites (20 in Croatia, 20 in France, 20 in Italy, 20 in Greece and 20 in Spain).

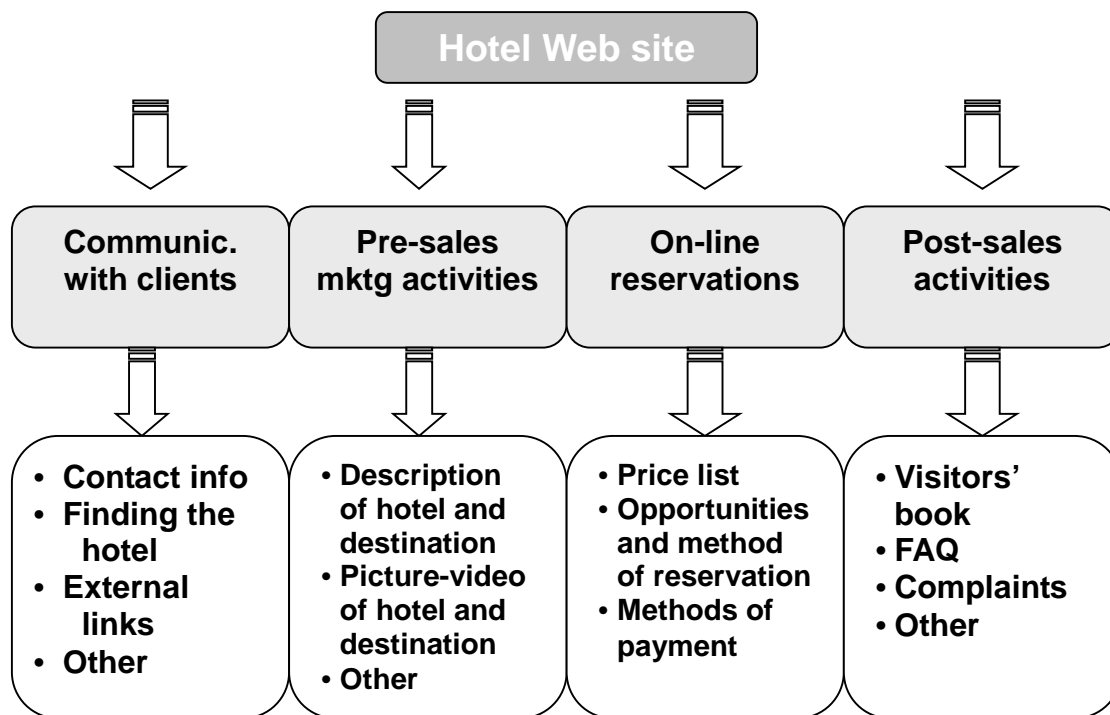


Figure 1: Marketing and commercial activities on the Web [8]

Marketing and commercial activities offered on hotel Web sites have a significant impact on the hotel's commercial success. According to Peji Bach et al. (2005) the basic groups of Web business activities are: communication with clients, pre-sales marketing customer support, Web sales, and post-sales client support (Figure 1).

The central part of the research analyses the Web sites with particular regard to those basic groups of Web business activities. The main strength of the methodology is the structural hierarchy of main characteristics regarded to quality of Web sites.

4. Research Results

All Communication with customers includes hotel category, contact data, finding the hotel and links to other Web sites, which forges a connection between the potential customers and the company management. It includes contact data: telephone number, mobile phone number, telefax number, e-mail address and address of high categorized hotel, then information about finding the hotel (map, description and distances), some other elements like external links, sitemap and special features. Table 1 shows data on the share of hotels which have the stated forms of communication on their Web site.

| Forms of communication with customers | Share of high categorized hotels which have the stated element on their Web site | | | | |
|---------------------------------------|--|---------|---------|---------|---------|
| | Croatia | France | Italy | Greece | Spain |
| Contact data | | | | | |
| Hotel Category | 80,00% | 75,00% | 95,00% | 35,00% | 55,00% |
| Telephone | 100,00% | 95,00% | 100,00% | 100,00% | 100,00% |
| Telefax | 100,00% | 95,00% | 95,00% | 95,00% | 75,00% |
| Mobile Phone | 10,00% | 0,00% | 0,00% | 5,00% | 0,00% |
| E-mail | 100,00% | 95,00% | 100,00% | 100,00% | 95,00% |
| Address | 100,00% | 100,00% | 100,00% | 100,00% | 100,00% |
| Finding the hotel | | | | | |
| Map showing the position of the hotel | 85,00% | 100,00% | 100,00% | 85,00% | 100,00% |
| Description of the route to the hotel | 55,00% | 90,00% | 95,00% | 50,00% | 65,00% |
| Distances from the hotel | 30,00% | 40,00% | 30,00% | 60,00% | 25,00% |
| Distances from the destination | 50,00% | 10,00% | 5,00% | 5,00% | 5,00% |
| Other | | | | | |
| External links | 80,00% | 100,00% | 100,00% | 100,00% | 100,00% |
| Sitemap | 10,00% | 55,00% | 20,00% | 25,00% | 35,00% |
| Special features | 5,00% | 25,00% | 10,00% | 10,00% | 15,00% |

Table 1. Communication with customers on high categorized hotel Web sites in 2013

Almost all high categorized hotel Web sites have clearly stated their category, telephone number, telefax number, e-mail and physical address. Due to fact that most people have their own mobile phone it is devastating information that only 10.00% of high categorized hotels in Croatia notice their mobile phone number so customers can save their costs if they calling it directly from their mobile phone. In other countries they even didn't publish that information. Beside traditional forms of contact data, high categorized hotel Web sites should offer new ways for Web communication like Skype profile, or WhatsUP profile for free mobile communication.

External links use all foreign high categorized hotels, and 80.00% of Croatian high categorized hotels. A sitemap is a list of pages of a Web site accessible to crawlers or users. It is a Web page that lists the pages on a Web site, typically organized in hierarchical fashion. This helps visitors and search engine bots find pages on the Web site. Minority of the high categorized hotel Web sites have a sitemap, 10.00% of them in Croatia, 20.00% in Italy, 25.00% in Greece, 35% in Spain and 55% in France.

Another discomfoting statistic is usage of special features on hotel Web sites.

In Table 2 pre-sales marketing activities are shown, including the description of the hotel and the destination, a picture of the hotel, the destination, and the rooms, video materials, special offers, news and opportunities to receive newsletters.

| Forms of pre-sales marketing activities | Share of high categorized hotels which have the stated element on their Web site | | | | |
|--|--|---------|---------|---------|---------|
| | Croatia | France | Italy | Greece | Spain |
| Description of the hotel and destination | | | | | |
| Description of the hotel | 95,00% | 100,00% | 100,00% | 100,00% | 90,00% |
| Description of the destination | 70,00% | 75,00% | 70,00% | 65,00% | 35,00% |
| Hotel history | 40,00% | 65,00% | 55,00% | 20,00% | 45,00% |
| Pictures and visual material | | | | | |
| Pictures of the hotel | 95,00% | 95,00% | 100,00% | 100,00% | 100,00% |
| Pictures of the facilities | 85,00% | 100,00% | 100,00% | 70,00% | 100,00% |
| Pictures of the rooms | 100,00% | 100,00% | 100,00% | 100,00% | 100,00% |
| Video films | 20,00% | 35,00% | 45,00% | 15,00% | 35,00% |
| Other | | | | | |
| Special offers | 50,00% | 85,00% | 85,00% | 70,00% | 45,00% |
| News | 10,00% | 25,00% | 20,00% | 15,00% | 15,00% |
| Newsletter | 35,00% | 45,00% | 45,00% | 20,00% | 40,00% |

Table 2. Pre-sales marketing activities on high categorized hotel Web sites in 2013

Table 2 shows data on the share of hotels which have selected pre-sales marketing activities on their Web site. Almost all of the high categorized hotels Web sites have a description of the hotel; while between 35.0% and 75.00% contain a description of the destination where the hotel is located. This is an advantage, since hotels also help promote this destination. The old saying goes that a picture is worth a thousand words. People like pictures and no description can ever replace the picture. Web sites with pictures are more attractive than textual ones. Almost all of the high categorized hotels Web sites have picture of the hotel, pictures of the rooms and pictures of the different facilities offered. Most hotels on their Web sites have photo albums, panoramic photos, 360° pictures, the ground plan of rooms, of congress halls, etc.

Video content on the Web sites of hotels is scarce, included in 15.00% of the Web sites in Greece, 20.00% in Croatia, 35.00% in France and Spain and 45.00% in Italy. In future, more video content should be placed on the Web sites because the development of technology and high speed internet connections will enable visitors to search for such contents. Unfortunately, only half of Croatian high categorized hotel Web sites have special offers. The situation is much better in France, Italy and Greece. In this way hotels offer their "main products", i.e. services. Between 10.00% and 25% of hotels publish news. Interesting news about events important for the hotel may also serve as excellent promotional material and may contribute to creating increased demand for the hotel. Newsletters are offered between 20.00% and 45.00% of hotels. This is a mail message that the company sends to interested customers on a regular basis. In the hotel industry, a newsletter contains a variety of information about the hotel, which represents direct and the most efficient form of promotion, creating a circle of loyal clients who year in year out return to the same hotel. With

their offers, hotels may attract some clients who had not previously intended to visit that hotel. Payment methods on high categorized hotel Web sites includes: payment cards or PayWay Gateway system. A payment gateway is an e-commerce application service provider service that authorizes payments for e-businesses. It is the equivalent of a physical point of sale terminal. They protect credit card details by encrypting sensitive information, such as credit card numbers, to ensure that information is passed securely between the customer and the merchant and also between merchant and the payment processor.

Table 3 shows the data on the share of high categorized hotels Web sites which have the stated forms of payment methods on their Web site.

| Aspects of on-line reservation and payment methods | Share of high categorized hotels which have the stated element on their Web site | | | | |
|--|--|--------|---------|---------|--------|
| | Croatia | France | Italy | Greece | Spain |
| Price list | | | | | |
| Price list in EUR | 30,00% | 40,00% | 15,00% | 40,00% | 30,00% |
| Price list in other currency | 60,00% | 95,00% | 100,00% | 100,00% | 95,00% |
| Possibilities and methods of reservation | | | | | |
| E-MAIL | 5,00% | 5,00% | 0,00% | 0,00% | 0,00% |
| FORM | 25,00% | 0,00% | 5,00% | 0,00% | 5,00% |
| CRS | 85,00% | 95,00% | 95,00% | 100,00% | 95,00% |
| Payment methods | | | | | |
| Payment cards | 85,00% | 95,00% | 100,00% | 95,00% | 95,00% |
| PayWay Gateway | 85,00% | 95,00% | 100,00% | 100,00% | 95,00% |

Table 3. On-line reservation and payment methods on high categorized hotel Web sites in 2013

Visitors are especially interested in the prices of accommodation and services offered by the hotels. Hotels do not publish prices in separate price lists any more. Only between 15.00% and 40.00% of hotels do that. Almost all price lists are within computer reservation systems or PayWay Gateway systems. The large number of price lists in Euro and other currencies shows that most hotels are mostly interested in foreign tourists. Minority hotels make reservations using forms and e-mails through which hotels receive basic information, following which, usually within 24 hours, they contact the interested visitors and confirm their reservation. Most of the high categorized hotels have an on-line hotel reservation system where the visitor immediately sees if there are vacancies and where he can pay for his accommodation immediately (between 85.00% and 100.00%). Payment cards and PayWay Gateway systems are directly related to reservation systems. Post-sales activities on high categorized hotel Web sites includes: Visitors' book, Frequently asked questions – FAQ, and possibility for reclamation. Table 4 shows the data on the share of high categorized hotel Web sites which have the stated forms of promotion and post-sales activities on their Web site.

| Forms of post-sales activities | Share of high categorized hotels which have the stated element on their Web site | | | | |
|--------------------------------|--|--------|--------|--------|--------|
| | Croatia | France | Italy | Greece | Spain |
| Visitors' book | 20,00% | 25,00% | 35,00% | 30,00% | 25,00% |
| FAQ | 5,00% | 5,00% | 10,00% | 5,00% | 5,00% |
| Reclamation | 10,00% | 10,00% | 10,00% | 10,00% | 15,00% |

Table 4. Post-sales marketing activities on high categorized hotel Web sites in 2013

Visitors' books have between 20.00% and 35.00% of the high categorized hotel Web sites. Frequently asked questions (FAQ) are listed questions and answers, all supposed to be commonly asked in context of hotel business. Only between 5.00% and 10.00% of the high categorized hotels Web sites have a FAQ which helps clients in conducting a business with them.

In post-service customer support reclamation is crucial activity and customers need to find all relevant information how to complain about hotel services. Web page with reclamation information offers only between 10.00% and 15.00% of high categorized hotel Web sites.

Web 2.0 includes new forms of social computing which bridge over cultural differences and have impact at development of the new Internet services. This kind of systems engages a huge number of users and it keeps developing from day to day.

Usage of Web 2.0 and mobile technologies on high categorized hotel Web sites includes: Facebook profile, Twitter profile and other Web 2.0 tools. They also contain special mobile applications for high categorized hotels usage. Table 5 shows the data on the share of the high categorized hotel Web sites which have the stated forms of usage of Web 2.0 and mobile technologies on their Web site.

| Forms of Web 2.0 and mobile technologies usage | Share of high categorized hotels which have the stated element on their Web site | | | | |
|--|--|---------|--------|--------|--------|
| | Croatia | France | Italy | Greece | Spain |
| Web 2.0 tools | | | | | |
| Facebook | 65,00% | 100,00% | 85,00% | 90,00% | 80,00% |
| Twitter | 25,00% | 75,00% | 65,00% | 55,00% | 55,00% |
| Other Web 2.0 tools | 25,00% | 60,00% | 55,00% | 60,00% | 70,00% |
| Mobile applications usage | | | | | |
| Mobile applications | 10,00% | 10,00% | 10,00% | 10,00% | 25,00% |

Table 5. Usage of Web 2.0 and mobile technologies on high categorized hotel Web sites in 2013

Facebook is a social networking service and Web site launched in February 2004 and has more than billion active users. This kind of Web site develop a social relationships based on the Web 2.0 Internet technology, maintaining existing social relations. Surprisingly, between 60.00% and 100.00% of the high categorized hotels Web sites use Facebook profile for additional promotion. Croatian hotels have the

poorest results when the usage of twitter or other social networks is on concern, only 25.00% of them. Foreign hotels have much better result, between 55.00% and 75.00% of the high categorized hotel Web sites use Twitter, an online social networking service and micro blogging service that enables its users to send and read text-based posts of up to 140 characters, known as "tweets". The same situation is with other Web 2.0 tools (Table 5).

Another discomfoting statistic is the usage of mobile applications. Mobile applications are software applications, usually designed to run on smart phones and tablet computers. They are available through application distribution platforms, which are typically operated by the owner of the mobile operating system, such as the Apple App Store, Google Play, Windows Phone Marketplace and BlackBerry App World. Mobile applications are downloaded from the platform to a target device such as an iPhone, BlackBerry, Android phone or Windows Phone 7. High categorized hotel should offer free of charge mobile applications with their offers. Only 10.00% (in Spain 25.00%) of the high categorized hotels have their own mobile application which clients could use directly on their mobile phones and make reservations more easily and comfortable.

5. Conclusions and Recommendations

In this paper we have presented the research of the impact of high categorized hotel Web sites in Croatia and selected EU Countries on their economic and business activity. The research was conducted to establish the extent to which e-business is applied in this segment of tourism in. For this purpose, the analysis of Web sites of such hotels has been done. In this paper 100 high categorized hotel Web sites from 5 countries were analyzed. All results were represented through the model, containing five main parts: (1) Communication with customers on hotel Web sites, (2) Pre-sales marketing activities, (3) On-line reservation and payment methods, (4) Post-sales marketing activities and (5) Usage of Web 2.0 technologies and mobile technologies on Croatian high categorized hotel Web sites.

The analysis showed that a great deficiency is the lack of opportunity for mobile applications, since only 10.00% of the Croatian high categorized hotel Web sites have their own mobile application which could help visitors to immediately see if there are vacancies and weather the accommodation can be reserved and paid immediately. Other discomfoting results are in post-sales marketing activities. Almost all high categorized hotels should do more efforts on post-sales marketing order to retain the existing visitors of their hotels.

Future analyses should be done from the perspective of customers. It should investigate the relationship between marketing and commercial activities and main hotel strategies and activities. Also, research should be conducted within all EU Countries. The main weakness is the fact that the research wasn't conducted within other EU countries and the sample could be even bigger for some countries.

The main idea is to create a central hotel Web site that will pool available information, serve as promotion service and serve as active generator of hotel business. This Web site will enable visitors to find in one place information about

hotel, accommodation facilities, and other services about the tourist industry in the region and also information about cultural and historical heritage. This kind of Web site should present hotel services and attract tourist to visit the hotel.

In the future, hotel Web sites will have a growing importance in reaching a hotel's business goal. It is up to the hotel management to recognize the importance of the existence of the Web site, as well as the need for the regular maintenance, the improvement of the hotel Web site, and adaptation to the new trends, especially inclusion of Web 2.0 technologies. The crucial role in accomplishing this goal would have design and efficiency analysis of the Web site as well as analysis of hotel mobile applications. Hotel Web site and mobile applications will not be only a promotion channel, but also an active generator of the hotel business and development. All hotels should adopt the new technologies, because any potential customer could use new technologies to find more information about the hotel and make reservations.

6. References

- [1] Law, R., Hsu, C.H.C. (2005). Customers' perceptions on the importance of hotel web site dimensions and attributes, *International Journal of Contemporary Hospitality Management*, Vol. 17 Iss: 6, pp.493 – 503
- [2] Lee, J.K., Morrison, A.M. (2010). A comparative study of web site performance, *Journal of Hospitality and Tourism Technology*, Vol. 1 Iss: 1, pp.50 – 67
- [3] Stringam, B.B., Gerdes J. (2010). Are pictures worth a thousand room nights? Success factors for hotel web site design, *Journal of Hospitality and Tourism Technology*, Vol. 1 Iss: 1, pp.30 – 49
- [4] Muñoz-Leiva, F., Hernández-Méndez, J., Sánchez-Fernández, J. (2012). Generalising user behaviour in online travel sites through the Travel 2.0 Web site acceptance model, *Online Information Review*, Vol. 36 Iss: 6, pp.879 – 902
- [5] Álvaro Rocha, A. (2012). Framework for a global quality evaluation of a website, *Online Information Review*, Volume: 36, Issue: 3
- [6] Lwin, M., Phau, I. (2013). Effective advertising appeals for Web sites of small boutique hotels, *Journal of Research in Interactive Marketing*, Vol. 7 Iss: 1, pp.18 – 32
- [7] Wu, W-Y., Lee, C-L., Fu, C-S., Wang, H-C.(2014). How can online store layout design and atmosphere influence consumer shopping intention on a website?, *International Journal of Retail & Distribution Management*, Volume: 42, Issue: 1
- [8] Peji Bach, M., Jakovi , B., Šimi evi , V. (2005). Statistical analysis of the Web sites of high category hotels in Croatia, *Acta Turistica*, Zagreb, No. 17, pp. 130-155., UDC/UDK 338.48:061.23



Photo 030. Insect / Kukac