

## Customers' Satisfaction with E-Marketing Tools used by Budget Hotels of Udaipur

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ASHOK SINGH\*and DIGVIJAY SINGH RATHORE\*\*

\*Prof. Ashok Singh, Professor, Faculty of Management Studies, MLSU, Udaipur (Rajasthan)

\*\*Digvijay Singh Rathore, Research Scholar, Faculty of Management Studies, MLSU, Udaipur (Rajasthan)

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### ABSTRACT

Udaipur city is one of the major attraction of India for domestic as well as international tourists. The hotel industry of Udaipur has witnessed exponential growth in past decade and in this growth the role of e-marketing tools could not be ignored. These days the use of e-marketing tools by customers in selection of hotels plays an important role so it is essential for the hoteliers to identify the customers' satisfaction with these tools. The present research paper aims to study the customers' satisfaction with the e-marketing tools used by the budget hotels of Udaipur city. To serve the objective descriptive research design is used and primary data is collected from 400 customers of budget hotels with the help of questionnaire. Data is analyzed by using arithmetic mean and chi-square test and it has been concluded that overall customers are satisfied with the e-marketing tools of hotels.

**KEYWORDS:** *e-Marketing Tools, Budget Hotels, Customers' Satisfaction*

### Introduction

Hotel Industry in India has witnessed tremendous boom in recent years. Hotel Industry is inextricably linked to the tourism industry and the growth in the Indian tourism industry has fuelled the growth of Indian hotel industry. The thriving economy and increased business opportunities in India have acted as a boon for Indian hotel industry. The arrival of low cost airlines and the associated price wars have given domestic tourists a host of options as well as to international tourists. The role of internet in accelerating the growth could not be ignored.

Institute of direct marketing defines E-marketing as "the use of internet and related digital information and communications technologies to achieve marketing objectives (Gay, Charlesworth, & Esen, 2007). The unprecedented popularity of social media outlets has forced scholars to inquire about their marketing effectiveness, especially in the Hotel Industry (Leung, Billy, & Stahura, 2015) the hospitality sector is one of the fastest growing sector in India, hence it is marked by intense competition (Kalaskar, 2013). Social media emphasize on building customer relationship rather than just direct sales and it also make information easier to access at any time. Online social media offer the opportunity to connect with the audiences, unlike traditional media (Brown, Broderick and Lee, 2007). Piccoli (2008) states that the hotel is facing a revolution that is largely driven by IT. In

many hotels, high-tech services are demanded and indeed expected by sophisticated customers. (Rigby, Reichheld, and Schefter 2002) The rapid advance in information technology (IT) has presented firms with new technology-based solutions, namely CRM technology, to manage customer relationships. CRM technology is a suite of informational technology-based solutions designed to support the customer relationship management process. According to Fleming & Toepper (1990), increase in travels brings growth in economy of any nation, state, or region i.e. local level, which motivates people to support tourism development. One of the most efficient and inexpensive ways to reach an Internet targets is via e-mail marketing. This form of advertising can be used by an enterprise to create a proactive and lasting relationship with a customer (Blakeman, 2014). According to R.Leung and Law (2005), hospitality practitioners can apply the findings from academic research to their business environment to enhance operational efficiency, reduce costs, and improve service quality. E-commerce performance literature to derive a coherent framework to further the understanding, identify research gaps and suggest potential future study directions (Hua, 2016).

Currently, Electronic marketing media has quickly turned into an intense option as a marketing tool for various organizations which are known for offering products and services efficiently and effectively to the end users. One of the attributes of the electronic communication media is that it permits nearly anybody in supply chain network to achieve client all the more specifically and at much lower costs than utilizing other media. Internet is capable Electronic marketing/communication media. It gives maker with an immediate showcasing elective. It permits to communicate E Marketing messages to a possibly huge group of onlookers without exorbitant promoting costs and to stay in contact with the clients through E-mails, news, letters and so on. The customers are widely using these e-marketing tools in selection of hotels so this study intends to study the customers' satisfaction with the e-marketing tools used by the hotels of Udaipur city.

## Literature Review

Some of the author has done the work on the related title are as follows:

**Awad&Soliman (2017)** studied 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) Most of the customers were dissatisfied about websites marketing in the Egyptian hotels. 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, improving the brand image of the Egyptian hotels, and consequently achieve profitability

**Palioura& Ali (2017)** examined the challenges faced by small/medium-sized hoteliers in the hospitality sector on the island of Zakynthos in Greece, assessed the way in which they perceive E-Marketing and in particular how online reviews published on social media affect traveller's intentions. Interviews of hoteliers provided qualitative data concerning the E-strategies practices currently adopted by hotels management in Zakynthos. The interviews indicated that EStrategies are

underdeveloped in the sector, with ICT technologies implemented but the marketing management opportunities of ICT currently are not being exploited. Furthermore, even though the relevant hotels are exposed to online reviews, their management of reviews is still passive. At the same time a survey of travellers in the area of Zakynthos indicated that travellers are exposed to e-WOM and reviews by previous travellers have a significant effect on their purchase intentions.

**Berezan et al. (2016)** indicated that the choice of a communication channel has a significant impact on the perceived communication style and information quality. The study further stated that Executives should use these research findings as a guide to how they should structure and maintain relationships with their loyalty members.

As Per **Shiva & Kathirvel (2013)**, Competitive Marketing Strategy (CMS) has relationship marketing (RM) as one of the key functionality in enhancing business performance. RM is defined as the identification, establishment, maintenance, enhancement, modification and termination of relationships with customers to create value for customers and profit for organization by a series of relational exchanges that have both a history and a future. Relational exchanges can be viewed under transaction cost analysis and social exchange theories depending on the context. The role of RM in CMS includes: guide moments of truth, improve profitability, build partnering, address "Customer Better", buy in of customer attention, protect emotional well-being, understand consumer psyche, build trust with customer. All these roles are observed empirically in the hotel industry, with some hotels placing emphasis on their extraordinary operations and services to engage with the customer.

As per **Russo (2011)**, The Internet has changed the traditional business model of the organization. This has brought about the emergence of many new industries, and organizations were forced to accept organizational and operational changes. In modern-day globally competitive environment, organizations must do everything to reach new customers, and more importantly, to retain loyal and profitable customers. Today, customers require the same information via the Internet, mobile phone and PDA technology (e-CRM). e-CRM provides companies with the means to implement interactive, personalized and relevant communication with customers through both electronic and traditional channels. It uses a complete overview of the customer to make decisions about what is the best way to approach customers. Proponents of e-CRM will recognize that a comprehensive understanding of customers' activities, personalization, relevance, permits, and timeliness metric are means for the end of optimization.

### Objective

The purpose of this research paper is to identify the customers' satisfaction with the e-marketing tools of budget hotels operating in Udaipur.

### Hypothesis

Following hypothesis has been tested in this research paper:-

**H<sub>0</sub>** There is no impact of demographic factors on satisfaction of level of customers towards E-marketing tools

**H<sub>1</sub>** There is an impact of demographic factors on satisfaction of level of customers towards E-marketing tools

### Research Methodology

- a) **Research Design:** - To have a better understanding about the issue descriptive research design was used. To get the primary data close ended questionnaire was administrated.
- b) **Sample Design:** - 400 customers who visited the Budget hotels were selected through purposive sampling method.
- c) **Analysis:** - The data collected was analyzed with the help of various statistical tools like Arithmetic mean and chi-square test.

### Analysis & Interpretations

#### 1. Demographic Profile of Customers

- a. Maximum numbers (N=319, Percentage=79.8) of respondents were male and rest 20.3% respondents (N=81) were female
- b. In terms of age majority of respondents (N=236, Percentage=59.0) belong to the age group of 20 - 40 years followed by 17.80% respondents (N=71) who belong to the age group of 40 to 60 years. There were 16.50% respondents (N=66) who were from the age category of below 20 years and 6.8% respondents (N=27) were from the age category of above 60 years.
- c. It has been observed that 78% respondents (N=312) were from urban area and rest 22% respondents (N=88) were residing in rural area.
- d. Majority of respondents (N=250, Percentage=62.5) were married followed by unmarried respondents (N=138, Percentage=34.5). There were 2.3% (N=9) divorced and 0.8% (N=3) widow respondents
- e. Majority of respondents (N=156, Percentage=39) were postgraduate followed by graduate (N=126, Percentage=31.5) and undergraduate (N=93, percentage=23.3). There were 6.3% respondents (N=25) who were having some other qualification like CA, CS, PhD etc.

#### 2. Information Source Used by Customers in Selection of Hotel

Customers were asked that how did you get information about the hotel in first place, and results received are presented in table 1. It can be seen that majority of respondents (N=224, Percentage=56) have got information from Online Travel Booking Portals followed by Search Engines (N=119, Percentage=29.8), friends (N=98, Percentage=24.5) and family (N=81, Percentage=20.3). There were 17.8% respondents (N=71) who said that they come to know about hotel from hotel's website trailed by Travel Agent (N=56, Percentage=14), E-mail (N=26, Percentage=6.5) and Social networking sites (N=21, Percentage=5.3). The information sources which are not so popular among customers are Online customer service (N=14, Percentage=3.5), Blog (N=8, Percentage=2), Online newsletters and catalogs (N=2, Percentage=0.5).

**Table 1: Information sources used by Customers**

Information Source	N	Percentage
Family	81	20.3
Friends	98	24.5
Travel Agent	56	14.0
Hotel's Websites	71	17.8

Information Source	N	Percentage
Search Engines	119	29.8
E-mail	26	6.5
Online newsletters	2	0.5
Online catalogues	2	0.5
Online press releases	0	0.0
Online Travel Booking Portals	224	56.0
Online customer service	14	3.5
Online community (You tube etc.)	0	0.0
Blog	8	2.0
Social networking sites	21	5.3

### 3. Satisfaction Level of customers towards E-marketing tools used by budget hotels of Udaipur

Customer satisfaction is the ultimate goal of every organization, to measure the customers' satisfaction with e-marketing tools, customers were asked to indicate their level of satisfaction towards e-marketing tools on five point scale starting from highly satisfied (5) highly dissatisfied (1). To get concrete results mean is calculated for each element and in addition following criteria is used for analysis part:-

The score among 1.00-1.80 means Highly Satisfied

The score among 1.81-2.60 means Satisfied

The score among 2.61-3.40 means Neutral

The score among 3.41-4.20 means Dissatisfied

The score among 4.21-5.00 means Highly Dissatisfied

The results received are presented in table 2. It can be observed that customers are satisfied with detailed information about hotel, Convenience in booking process, Availability of discounts and schemes, Easy and advance search options and Credibility of information. The respondents have shown neither satisfaction nor dissatisfaction with Tariff & payment options. The same respondents are dissatisfied with 24x7 Customer care facility, Availability of customized service and post service communication with the customers. In an all the customers have shown satisfaction (Mean Score=3.46) with e-marketing tools.

**Table 2: Customers' Satisfaction with e-marketing tools**

Decisive Factor	Mean Score	Result
Detailed information about hotel	3.64	Satisfied
Tariff & payment options	3.12	Neutral
24 X 7 Customer care facility	2.59	Dissatisfied
Booking Procedure	3.41	Satisfied
Availability of customized service	2.52	Dissatisfied
post service communication with the customers	2.55	Dissatisfied
Convenience in booking process	3.68	Satisfied
Availability of discounts and schemes	3.61	Satisfied
Easy and advance search options	3.74	Satisfied
Credibility of information	3.48	Satisfied
Overall satisfaction with e-marketing tools	3.46	Satisfied

#### 4. Hypothesis Testing

**H<sub>0</sub>** There is no impact of demographic factors on satisfaction of level of customers towards E-marketing tools

**H<sub>1</sub>** There is an impact of demographic factors on satisfaction of level of customers towards E-marketing tools

To measure the impact of demographic factors on satisfaction of level of customers towards E-marketing tools, the data is cross tabulated & then chi-square test is performed. The results received are presented from table 3

**Table 3: Impact of demographic factors on satisfaction of level of customers towards E-marketing tools**

Gender	Level of Satisfaction					Total	Degree of Freedom	Chi - Square	
	Highly Dissatisfied	Dissatisfied	Neutral	Satisfied	Highly Satisfied			Calculated	Tabulated
Male	31	26	27	211	24	319	4	56.24	9.488
Female	10	17	20	18	16	81			
Total	41	43	47	229	40	400			
<b>Age</b>									
Below 20 Years	6	8	10	34	8	66	12	100.21	21.026
20 to 40 Years	10	15	18	177	16	236			
40 to 60 Years	19	15	14	13	10	71			
Above 60 Years	6	5	5	5	6	27			
Total	41	43	47	229	40	400			
<b>Area of Residence</b>									
Urban	26	30	32	199	25	312	4	25.64	9.488
Rural	15	13	15	30	15	88			
Total	41	43	47	229	40	400			
<b>Marital Status</b>									
Unmarried	16	21	24	50	27	138	8	63.065	15.507
Married	25	20	19	176	10	250			
Divorced & Widow	0	2	4	3	3	12			
Total	41	43	47	229	40	400			
<b>Qualification</b>									
Undergraduate	9	10	12	50	12	93	12	28.11	21.026
Graduate	12	11	21	76	6	126			
Postgraduate	15	16	10	98	17	156			
Other	5	6	4	5	5	25			
Total	41	43	47	229	40	400			

Level of Significance = 5%

At 5% level of significance for all the demographic factors freedom the calculated value of chi square is more than its tabulated value which leads to the rejection of hypothesis so it can be concluded that there is an impact of demographic factors on satisfaction of level of customers towards E-marketing tools.

## Conclusion

The following results can be drawn from the study:-

1. Majority of respondents get hotel information from Online Travel Booking Portals followed by Search Engines and friends.
2. The customers visiting the budget hotels of Udaipur are satisfied with the e-marketing tools of hotels to a certain extent.
3. There is an impact of demographic factors (Gender, Age etc.) on satisfaction of level of customers towards E-marketing tools.

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