

THE ROLE AND IMPORTANCE OF INTERNET MARKETING IN MODERN HOTEL INDUSTRY

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Abstract: Dynamic and rapid development of Internet technology and marketing opportunities provided by modern digital technology, enabled the radical change in traditional marketing activities and opened the space for the development of Internet marketing. Internet marketing has become an inevitable trend in the business, and its benefits are recognized by many businesses, regardless of their economic activity, with the aim of achieving better business results. Representatives of the hospitality and tourism demand (potential users of services and products) are more frequently and increasingly getting their information on offers through the Internet, and the marketing presentation of the overall offer via the Internet is becoming an increasingly important success factor of each hotel as a business system. This paper analyzes the basic determinants of Internet marketing and the role and importance of Internet marketing in modern hotel business.

Key words: Internet marketing, hospitality, websites, email, social networks, users

1. INTRODUCTION

After the commercialization of the Internet at the end of the last century, it took very little time for various economic operators to recognize its marketing potential. By examining numerous scientific and professional papers and operations of various economic operators around the world, it is possible to conclude that the Internet has gradually developed from a communication medium into a channel of sales and distribution, and finally into a platform for managing relationships with consumers and virtual communities. Interactivity, as the main feature of the Internet, has enabled a new dimension of connection between all the participants in the market. In addition, the digital nature of the Internet made it possible to keep track of all the interactions in the electronic environment, which gives

a whole new dimension to the key areas of marketing such as market research, analyzing consumer behavior, management of a marketing network and measurement of the effectiveness of marketing activities. Internet ceased to be only a part of the tactical marketing management and there was a necessity for holistic management of activities in Internet marketing at the level of all elements of the marketing network. A holistic approach to Internet marketing and its inclusion in the marketing strategy contributes significantly to the success of marketing activities in the electronic environment.

2. DEFINING INTERNET MARKETING

By analyzing the extensive literature on the application of marketing in the electronic environment it is evident that the terms Internet, e-mail and e-marketing are generally used interchangeably. 'Internet marketing and online advertising, also called i-marketing, web marketing, online marketing, or e-marketing, is the advertising of products and services over the Internet. '(Ruzic, D. 2003). 'Electronic Marketing represents the realization of marketing activities of a company with the intensive use of information and telecommunication (Internet) technology.' (Panian, Z. 2000). 'Internet marketing is the use of the Internet and other digital technologies with traditional methods in order to achieve marketing goals.' (Chaffey, D., Ellis-Chadwick, F., Mayer, R., Johnston, K. 2009). 'Electronic marketing is the application of information technology in the process of creating, communicating and delivering value to consumers, and for

managing relationships with consumers in order to create benefits for the company and other parties involved.' (Strauss, J., Frost, R. 2009). 'E-marketing is the application of a wide range of information technology for: translating marketing strategies to create more value for the customer (more efficient segmentation, targeting, differentiation and positioning strategy), more efficient planning and implementation of the concept, distribution, promotion and pricing of goods, services and ideas and the creation of exchange which will satisfy individual consumers, as well as the objectives of organized consumers.' (Strauss, J. 2003). Considering the abovementioned definitions of prominent theorists of Internet (electronic) marketing, it is possible to conclude that Internet (electronic) marketing is the application of information and communication technology (especially the Internet) in the process of creating, delivering and communicating the value to customers and managing the relationship with the customers with the aim of achieving the set marketing goals.

3. FUNDAMENTAL CHARACTERISTICS OF INTERNET MARKETING

Recognizing the fundamental determinants of Internet technology and definitions of Internet marketing by distinguished scholars, it can be concluded that the basic features of Internet marketing are as follows: consumer databases, interactivity, the ability of direct response to all forms of marketing activities and measurement of the effects of marketing activities.

1. Consumer databases. While traditional marketing activities are based on the information that is collected and processed by market research, the digital nature of the Internet technology provides a comprehensive and detailed insight into the characteristics of consumers and their behavior in the electronic environment.

2. Interactivity, as the possibility of two-way communication, has changed the way of implementation of almost all traditional marketing activities and enabled the application of new methods and techniques of marketing.

3. Internet technology allows a direct response to all forms of marketing activities (for example, clicking on the various advertisements via the Internet), which in most cases is not possible with traditional marketing activities.

4. Measuring the effects of various marketing activities. 'Measurable effects have always been the main priority of marketing professionals, because they allow better decision making in marketing.' (Lilien, G. L., Rangaswamy, A., De Bruyn, A. 2007). Marketing activities via the Internet represent an adequate replacement for traditional marketing activities in which it is difficult to assess and measure efficiency.

4. INTERNET MARKETING AND MODERN HOTEL INDUSTRY

Modern hotel industry, in its business concept and philosophy necessarily brings into sharp focus the thinking of the end consumer, the customer of its products and services, therefore the guest. Accordingly, the marketing concept has a dominant role in all of the hotel's philosophy and business. 'The essence of marketing in the hotel industry is in the definition that marketing is analyzing, organizing, planning and controlling potential sources of customers, from the standpoint of satisfying the needs and requirements of the chosen group of guests, and on this basis realizing a profit.' (Unkovic, S., Zecevic, B. 2011). 'The function of hotel marketing is to test the opportunities and conditions for placement of existing and future services, and sales arrangement, i.e. selection of services that are assessed to have a sale value on the tourist market.' (Galičić, V., Ivanović, S.,

Lupić, M. 2006). The rapid development of Internet technology and marketing opportunities provided by modern digital technology has enabled radical changes in traditional marketing activities and opened a new space for the development of specific types of marketing – the Internet marketing. Because of the ruthless competition in the demanding tourist market, in order to retain the existing users of products and services and attract new ones, any serious hotelier, regardless of the capacity, season and market position, must, when defining marketing concepts, develop specific marketing activities through the Internet. The most powerful and most effective Internet marketing activities, which can improve sales and attract new customers, include:

1. Internet marketing through the hotel website
2. Internet marketing via e-mail
3. Internet marketing through social networks

1. Internet marketing through websites. Every hotel website, as well as being the most effective online marketing tool, must also be:

- attractively thought out and designed. 'Marketing experts must come up with attractive websites, find a way to attract customers to visit the web site, keep them there for a while and make them frequently come back to their website.' (Kotler, P., Bowen, T. John., Makens, C. James 2010).

- reliable, informative and accurate. Each hotel website must contain: reliable information on the destination of the hotel, information about hotel products and services, the possibility of booking of hotel products and services without risk (booking system)... The most cost-effective method is direct booking, since there is no payment of commissions to intermediaries. Therefore, every hotel should take care of its own website as the main sales channel.

- regularly updated and maintained in accordance with the modern needs of consumers – guests – and new trends in the hotel industry. Daily updating of the website content with current events in the hotel, destination and hotel-tourist business, special deals and packages of services are just some of the ways that hotels can attract more potential customers to their own website

Hotel web site, as the main carrier of marketing activities on the Internet, can influence the creation of a solid trust between service users and hoteliers, business performance and build the brand on the demanding tourist market.

2. Internet marketing via e-mail. 'The use of email marketing creates the opportunity to offer any potential interested guest to arrive at the right time at the minimum cost, and the results of such activities must be measurable, which creates a basis for decisions on future marketing activities.' (Kotler, P., Koller, K.L. 2008). 'The use of email marketing is actually the most suitable for those who have a product or service they want to offer directly to a client, whether existing or future.' (Miller, M. 2011). Through direct contact with the existing and potential users of hotel products and services via email, hoteliers can achieve multiple benefits:

- attracting new users of hotel products and services

- retention of existing users of hotel products and services

- developing brand awareness and improving market position

- access to research data related to all other business and marketing objectives

- as opposed to marketing communications in other media, email marketing is far cheaper and more efficient. 'The owners of many companies do independent email

newsletter marketing from their offices and homes, in order to have complete control, maximize results and minimize the costs of email newsletter campaigns.' (Cox, B., Koelzer. 2004).

E - mail marketing is an important marketing tool of direct communication that enables potential users to familiarize themselves with the hotel offer and a variety of special benefits. The main advantage of e-mail marketing is in its personalization - the message is made for a specific user, and if that person finds the offer interesting, it often results in the purchase without having to compare it with other competitors.

3. Internet marketing through social networks. Social networks, as a relatively new phenomenon in the Internet sphere, are "free online services" that enable different forms of communication with the world with the possibility of self-presentation. The most famous social networks like Facebook, YouTube, Twitter or FourSquare have become an important marketing "tool" of various economic entities. Advantages of hotel marketing through social networks can be multiple:

- . relatively low cost of the campaign,
- quick feedback,
- increase of traffic to the hotel website,
- strengthening of the brand,
- simple and fast promotion of new hotel products or services.
- improving relations with customers

Internet marketing through social networks must represent the necessary marketing concept which must be aimed at encouraging potential customers to voluntary and free exchange of information about hotel products and services.

5. CONCLUSION

Internet marketing is the use of information and communication technology (primarily the Internet) in the process of creating, delivering and communicating value to consumers. The fundamental differences of Internet marketing compared to traditional marketing are its ability to collect large amounts of data about consumers and their behavior in the electronic environment, interactivity that enhances the role of consumers and measurement of the effects of marketing activities. Because of the ruthless competition in the demanding tourist market, in order to retain the existing users of products and services and attract new ones, any serious hotelier, regardless of the capacity, season and market position, must, when defining marketing concepts, develop specific marketing activities through the Internet. The most powerful and most effective Internet marketing activities, which can improve sales and attract new customers, include: Internet marketing through the hotel website, Internet marketing via e-mail and Internet marketing through social networks. Attractive and entertaining websites, direct communication via email and promotion of products and services through social networks, must be important components of an Internet marketing strategy (concept) that can significantly affect the retention of existing and attraction of new users of products and services and enable better positioning on the tourist market.

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