

# Online sales promotion in tourism

Business



## **Introduction**

The hospitality industry continues to be one of the most advancing industries in the world as it adapts technological solutions to attract and meet customer demands.

While hospitality deals with accommodation and accommodation-related products and services, tourism industry, on the other hand, works hand in hand with the hospitality industry to make sure that tourists and customers are served to the best of their expectations. However, in the differentiation of hospitality and tourism, one has to consider the difference between offering accommodation and meeting expectations of a foreigner or a local on vacation. With regards to the onset of e-business solutions, the tourism and hospitality industries have merged to venture into the business as a vacationing business venture. This has led to the product and service promotions through the use of electronic devices and virtual platform, the internet. While reaching people has not been a difficult thing since pre-telecommunications era, attracting customers into a business venture is a task that the hospitality and tourism industries have incorporated to promote their products and services online in order to attract more customers and beat the competition (Combe 2006).

Do you want a unique case study on this topic? We always write case studies for sale. Try it now! Within a short while, social media and the individual ability to use the platform have transformed remarkably. The onset of technological solutions targeting to make people's lives more efficient and less strenuous has brought with it devices that connect to the internet

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anywhere a person goes. In addition, the internet has been flooded with opportunities and has been simplified through the ease of transacting businesses and the ability to connect with various other business models, investors and customers through a platform supported by sufficient telecommunications and data providers.

Social media like Twitter and Facebook have made it possible for organizations to stay close to their customers by providing real time response to queries and offering personalized customer care services. Besides social media being used to connect entities that already have business interests with each other, the platform has transformed to be a full-fledged market place. Recently, customers do not have to walk to a physical store to secure products or services as they can transact online and have the products or services brought to their doorsteps. In addition, organizations are no longer requiring to set up physical stores for retail selling through the social media and organization websites, they are able to connect with the customers interested in their products (Buhalis 2003).

The online sale of products has accumulated interests of organizations that deal with business areas unable to deliver products or services by simply logging in online. The hospitality industry has appraised the performance of other organizations using the online approach and came up with a diversified and much modern way of reaching customers. Online promotion has come in to our age for some time now and has eased the manner with which the hospitality industry can lure customers into demanding their services and products.

**Online Promotion**

Online promotion is not advertising of a product or creating awareness of that product's availability in the market (Terence 2008). Online promotion can be well defined by separating the two terms and then combining their meanings.

Online is a situation where an entity is connected to a network or networks through a platform such as a smartphone, a phablet (half phone half tablet, Galaxy Note), a computer tablet, a laptop or a desktop computer by a data plan provided by a service provider. Promotion, on the other hand, means the ability to alter normal selling or pricing of products and services to include incentives dictated by either date, launch of a product or service, need to attract large customer turn out, or rebranding of an organization. Online promotion means the ability to use networked devices to give incentives to the customers interested in a certain product and luring them away from competitors. Online promotion is mostly confused with online advertising due to the fact that it may appear like product awareness. The difference between promotion and advertising is the fact the former gives the customers an opportunity to gain more than market prices dictate, while the latter provides customers with information on the availability of the product or its advantages over its substitutes (Collins, Gordon & Terra 2006). The hospitality industry uses online promotion through a number of variables and considerations.

In order to ease the organization's management of time in the industry, the industry may use timeline as an online promotion element. For timeline, the industry will appeal to the customers through the internet to do their booking

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early in advance before certain vacations reach. However, for this approach to qualify to be the online promotion, they use the social media to attract customer attention by indicating that all online bookings will reduce \$ 100 in both transport and accommodation alongside other services and products. Another online promotion consideration is price cuts for every individual included in a vacationing spending list. This means that while booking online, an individual is given the opportunity to book for himself or herself a certain amount or book for more than one and get a price cuts for every individual accompanying them.

Fr example, a family of five can decide to vacation in Qatar. On logging online, organizations providing hospitality and tourism services will provide their detailed promotion plans. This means that before the family of five decides that it may not afford \$ 4, 000/head vacation, it is presented with a promotional token that specifies a compound discount (a second individual will lead to a 4% price cut, a third, fourth and fifth will lead to 5%, 6%, and 7%, respectively) for every individual added after the first one. Read also [Cisco-case-study-7/](#) Case study on Cisco Company right now! Online promotion is a considerate organizational incentive aimed at attracting attention of customers, who need to save time, cut back on spending and survive the element of surprise.

The element of surprise is associated with bookings of hotels or tourism packages. On travelling all the way to the place or tourist resort of interest, customers who do not use e-business solutions may find all hotels fully booked or sold out to others who got there before them (Turban et al. 2008). On the aspect of pricing, all promotions tend to give a customer some <https://assignbuster.com/online-sales-promotion-in-tourism/>

advantage, either on the amount they will collectively spend or the number of services they can afford for a certain price. Some products' promotions in the hotel industry may involve a 20% discount for families exceeding five individuals or free massage and fishing guide as opposed to individual tourists who may have to pay for these and other extra vocational treats.

In addition, pricing for hotels may differ with regards to their spaces and furnishing. Promotionally, tourists booking online may be required to pay the same price of a 1st class room as they would have paid for a 2nd class if they were to book for two or more rooms or family suites. The advantage of online promotion to organizations is that they are able to manage the number of tourists they would be expecting in advance and also fill up all rooms before they suffer maintenance deficits from unoccupied rooms. In addition, online promotion includes previews of the tourism resorts and hotel rooms which, besides the promotional aspect, tend to influence the organization's appeal to the customers, hence provoking impulse buying of tourism packages (Nyheim, McFadden ; Connolly 2005). For the hospitality industry, image is everything and it is rarely a marketing strategy for an organization to win customers in this industry.

However, reaching out to customers by simply rolling adverts based on the image and fair prices does not garner enough numbers as the reach for various adverts is geographically limited. Placing adverts online does not have much effect as well, because other organizations do the same.

However, online advertising reaches more potential customers (Turban et al. 2010). The problem with online advertising is that it is not appealing in the

hospitality industry as all the players label their services and products as five-star.

Online promotion, on the other hand, serves two purposes at the same time: worldwide coverage and promoting economies of scale. The economies of scale allow an organization to attract as many customers as possible and convince them to buy the services or products as they are either low priced, have added benefits, or are partially funded by management. With customers getting more than the market price can allow for one product, the organization gets less profit per product or service purchased. However, considering a large turnout of customers interested in the incentives, cumulative profits and mass collective management of the industry of cuts back on spending and increases revenue generation (Roman, and Buhalis 2008).

#### **Online promotion: information database for customers**

Few customers are concerned about what an organization has to do in order to provide satisfying services.

However, majority of customers require information associated with how an organization is run in order to provide the customer with personalized service, while at the same time considering personalized environment free of human error, insecurity and premises related issues (Sturge 2009). In this case online promotion provides a foundation for transparency and fair competition when it includes information on how specific hotels of their accommodation policy work for customers. It is important for companies to provide product information to enlighten the customers and allow them in

making sound decisions on what product to choose or let go (Shneiderman 1997). While online product promotion will show what an organization is offering, most organizations provide full information regarding how the organization will meet a customer's demand (Equality Challenge Unit 2009). This means that, besides overshadowing customers with product discounts and fast responses through the network, they offer free information about the products.

Accommodation management is an area that organizations explore through their online promotion to allow customers to reflect on what they want and what is available. Links to various management sections and customer comfort are provided in the organizations' websites to enable transparency into the management of specific customer-sensitive areas.

#### **Accommodation management information available with online promotion**

Accommodation management is the planning, organizing, staffing and strategizing on the ways through which an accommodation providing agency can be successfully run to appeal to the users and operate within a sustainable budget. Considering Hilton and the Intercontinental Group of Hotels, it is clear that the reputation they have been able to earn across the world is not related to the financial stability of their founders and the amount of money that has been pumped into their investments by shareholders. However, creation of value for customers' money requires the application of accommodation principles whose main aim and purpose is to develop the image that markets the accommodation providers.



Accommodation management uses principles that define purpose and outline the objectives of the accommodation management. Firstly, the provision of accommodation to suit the purpose and needs of the users is the ultimate principle of accommodation management. Secondly, accommodation management is geared towards creating value for the accommodation facility or investment in order to market, sell and promote the accommodation. Thirdly, care, maintenance and security of the accommodation facilities are priorities of the accommodation management and are included in online promotion.

#### **Provision of accommodation to suit purpose and needs of the user**

Accommodation is the provision of shelter. However, considering business purposes of providing accommodation requires accommodation managers to assess manpower requirements, selection of manpower, staffing and training, deployment and scheduling, and supervision of the manpower.

To suit the purpose and needs of the customers, accommodation managers have the duty to make sure that the right personnel is in place to provide the type of accommodation that users expect from the accommodation provider.

In this case, the online promotional information provides that an accommodation manager is a human resource representative who identifies manpower. Identification of manpower is a process that requires the managers to specify the number of individuals, their qualifications, gender balance, and place of origin if ethnic-sensitive customers are considered.

Applicants for available positions are selected according to their respective qualifications upon which they are thereafter inducted and trained. The role

of accommodation management information in this case is to provide customers with insight that personnel can handle their needs in both character and dedication.

### **The selling, marketing and promoting of accommodation**

To promote a product or a service, the service or the product must be in existence and must already be in use by some portion of the available market share. Accommodation management information provides that managers are supposed to sell their accommodation products and services by creating value for customers' money. The creation of value is through developing a strategy that creates a competitive advantage that helps the accommodation provider to beat competition within local and international markets. Quality control is one of the areas covered by the accommodation management information addresses standards for both products and service delivery. In playing this role, online sources point out how often the hospitality premises are inspected, maintained and developed to meet customer preferences (Derdak 2005).

### **Provision of care, maintenance and security of the accommodation**

Security is a concern that many vacationing tourists tend to get concerned about.

Lack of security in any accommodation facility seeks bad press in that the reputation of that particular hotel, restaurant or spa may worsen after every customer experience. To prevent bad press and ensure good reputation that markets the products and services, accommodation management information provides insight on where the facilities are located, about

security providers, and how other services, such as e-banking, are accessed (Jay 2005). While investing in the hospitality industry, investors work with accommodation managers to access political stability of any particular nation because tourists, vacationers and other accommodation seekers do not settle for accommodations located in insecure areas. By ensuring that matters of security are addressed in the online promotion bids, customers are allowed to make decisions that reflect their judgment (Reynolds 1998).

### **Conclusion**

Reaching people has not been a difficult task since pre-telecommunications era.

Attracting customers into a business venture is, however, a task that the hospitality/tourism industries have incorporated to promote their products and services online in order to attract customers and beat the competition. Online promotion has come in age and for some time now has eased the modus with which the hospitality industry lures customers into buying their services and products. Online promotion serves two purposes at the same time: worldwide coverage and promoting economies of scale. The economies of scale allow an organization to attract as many customers as possible and convince them to buy the services or products as they are either low priced, have added benefits or are partially funded by management. Online promotion also provides a foundation for transparency and fair competition when it includes information on how specific hotels and their accommodation policies work for customers in both personalized service delivery, secure environment and accountable personnel in delivering the services.