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Impact of E-marketing Tools on Customer Satisfaction during Covid-19: A Case of Five-Star Hotels in Erbil City, Iraq

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Abstract:

This research aimed to study the role of electronic marketing in five-star hotels in achieving customer satisfaction in times of crisis, specifically focusing on the Corona virus (Covid-19) crisis. How people make or cancel reservations at five-star hotels in Erbil city of Iraq is changed as well. And finding out how electronic services at these hotels correlate with satisfaction of the hotel guests. This research studied Search Engine Optimization (SEO), Social Media pages, and website design of the hotels and how these tools impact their customer satisfaction. Data was gathered from 100 guests of these hotels and was analyzed via SPSS. The results show strong and positive correlation between SEO and website design with customer satisfaction. Social media moderately and positively correlates with customer satisfaction.

Keywords: E-Marketing, SEO, social media, website design, five-star hotels

1. Introduction

Crisis management is a critical component of a successful strategy and control system in times of crisis in hotels, especially recently with the rise of Coronavirus (Covid-19). It is very important for hotels to have a successful and alternative business plan, followed by a time of crisis that addresses both the current situation and the future impact. probable if the situation continues and the possible future impact.

In the modern world and the advancements in technology, almost everything has changed. How we communicate has changed; how we travel has changed; how we buy things has changed; how we watch things has changed; and how we advertise has changed. Therefore, doing business has changed from traditional marketing to online marketing or electronic marketing. For example, in a country like the United States, you can book by just pressing few clicks on a website such as Amazon. The book will be delivered to your door within hours or days. Although advanced countries have larger numbers of internet users than in developing countries; nevertheless, internet is everywhere. Thus, it is normal to see use of internet even in less advanced countries. A country like Iraq may be less developed than other countries, but use of internet is widespread by people. This study focuses on electronic marketing for hotels in the city of Erbil in Iraq. The city has a good economy compared to other cities in the country. Therefore, it has many hotels that promote their business online via websites and apps. E-marketing is often contrasted with traditional marketing. Both have benefits and disadvantages.

Taherdoost & Jalaliyoon (2014) mention some advantages of e-marketing such as: it is aimed to wanted market via search arguments and audiences; it has cheaper customer gaining prices; its information and results are existing directly. There is some confusion about which terms to use to refer to electronic marketing: for example, there is E-marketing, E-business, and E-commerce (Dehkordi, 2012). However, E-marketing is a general term for online or internet marketing; it has been defined as the involvement and use of internet or digital tools to promote and perform business for goods, services, and information (Kaur, et al. 2015; Dehkordi, 2012; Dominici, 2009).

Another term that should be mentioned is (CRM) which stands for Customer Relationship Management. This concept refers to capacity to understand, anticipate, and manage the needs of customers. It is done through interaction and relationship with customers to increase profitability and growth (Kaur, et al. 2015).

1.1. Statement of the Problem

E-marketing offers hotels a channel for showing their services to potential clients. However, most of Erbil city's general managers and marketing managers have ignored the advantages offered by internet marketing to develop new target markets and thus to deny the strategy.

The growth of the hotels and customer base plays a vital role in online marketing. Hotels are trying hard to build a considerable customer base and use online marketing as a tool to realize this. However, most hotels in Erbil are not boosted on the Internet, and the researcher, through her experience, recognizes that some of hotels do not even respond to emails from most customers. The lack of research and studies related to the hotel sector through which it can develop strategic plans that have the components of a culture of risk management and crisis management at the level that qualifies it to face any emergency or anticipated crisis.

1.2. Research Questions

The research focused on the following questions to recognize the customer satisfaction in five-star hotels in Erbil through online marketing.

- How does search engine optimization (SEO) impact customer satisfaction?
- Determine if Website design has an impact on customer satisfaction?
- How do social media pages impact customer satisfaction?

1.3. The Hypothesis of the Study

The following hypothesis and sub-hypotheses were developed with the specific objectives established out above:

- H1: The E-marketing of five-star hotels in Erbil has a positive impact on customer satisfaction.
- H1a: Search engine optimization has a significant effect on customer satisfaction in five-star hotels in Erbil.
- H1b: Website design of five-star hotels in Erbil has a significant effect on customer satisfaction.
- H1c: Social media pages of five-star hotels in Erbil have a significant effect on customer satisfaction.

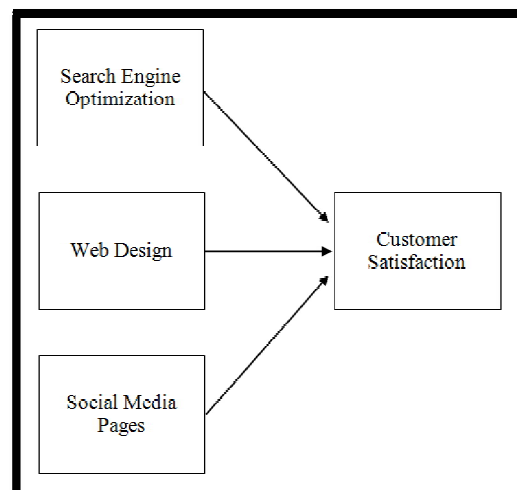


Figure 1: Research Model

1.4. Significance of the Study

This study aimed to provide necessary information on the effects of online marketing on five-star hotel industries involved in online marketing in order to satisfy their customers during times of sudden crises such as the Corona virus (coved-19) crisis.

The research aimed to analyze how the five-star hotels in Erbil use online marketing strategies. The researcher wanted the study to show that Erbil's five-star hotels have done utilizing and sufficiently harness the opportunity of internet marketing regarding the research topic for hotels that do not make use of their ability, this research attempted to determine that those e-services could be used to build essential e-marketing with a professional marketing strategy to benefit from the impact of e-marketing truly.

2. Literature Review

E-marketing or, Internet marketing and online marketing, reference to advertising and marketing labors that use the web and email to drive direct sales through e-commerce, in accumulation to website or e-mail sales leaders. Internet marketing and online advertising typically combine with old-style types of advertising such as radio, television, newspapers, and magazines (Dahlén, 2009).

In the early 90s marketing theory reoriented itself to the relationship paradigm, mainly because marketing used to make new customers more important than retaining existing customers. Studies have shown that the main economic advantages result from increasing customer loyalty. This is how relationship marketing was developed, which is based on the need to develop interactions with individual customers (Ojiaku, 2017).

In a study about the relationship between website marketing and operation performance of hotels in Taiwan, Shuai & Wu (2011) focused on international tourist hotels. According the study findings, there was an encouraging connection between Internet marketing and companies' performance. The authors encouraged hotel managers to take full advantage of internet features such as interactivity and functionality.

Baloglu and Pekcan (2006) used content analysis to study websites of some Turkish (4-and 5-star) hotels. Their study focused on several elements of the design of the hotels' websites such as (interactivity, navigation, and functionality). Like the research findings by Shuai & Wu above, this study also found that the hotels they included did not utilize Internet to its full potential. For example, the authors mention that the hotels could improve their websites by adding (weather conditions, exchange rates, destination links). Khatibiet al. (2003) had predicted the impact of internet on customer satisfaction in a study about whether Internet would increase sales and profits.

Khraim (2015) studied the use of Search Engine Optimization (SEO) by firms using E-marketing in Jordan. The author focused on online advertisement by those companies. The author mentions Singh et al. (2011) who stated that 90

percent of people who search for companies or services select from the first page, or first three pages of the search engine results. Salem, El-Said, and Nabil (2013) wrote an article about the effects and determinants of applying electronic marketing in Alexandria hotels in Egypt. The aim of the authors was to examine and evaluate the status and trends of E-marketing in city hotels at that time. They also wanted to give recommendations on how to implement e-marketing there. Among their seven-point recommendations was their focus on hotels' website to be attractive and have enough information.

Social media channels such as Facebook, Instagram, Snapchat, and other tools are commonly used by customers who like specific brands to follow the brand's latest products and news. Moh'd, (2017) refers to the role of social media platforms; he states that 'social media marketing has emerged as the most effective tool of marketing communication' (p.2). He also references other researchers in saying how organizations are using social media to attract customers and increase customer loyalty.

As hotel guests or customers get their rest at hotels, they may like or dislike their experience at hotels. In general customers develop a view about product they use. Mubri (2016) highlights this point by saying that when customers 'are satisfied with products or brands, they most likely become loyal customers and keep spreading good word of the hotel' (p. 3). The author also states that opposite is true that when customers are disappointed, they will talk bad about the hotel. Because Covid-19 is virtually a new virus and the pandemic it caused is very recent and continuing the effects of this virus have been and still are being studied by a few researchers. The effects are studied in almost all aspects of life as this virus has impacted everything. However, besides the health impacts, the other major impact is on economy and business as it has changed how people do their work. It is not face to face or physical anymore, at least for the time being.

In a recent article, Hasanat et al. (2020) studied the impact of Coronavirus on the E-business in Malaysia. As the researchers point out, the main source of products in Malaysia is China. And since Covid-19 has affected everything, they wanted to study its impact in this respect. The researchers specifically wanted to find the impact of Coronavirus on online shopping in addition to customer behavior towards Chinese products in Malaysia. The authors used a Likert scale survey questionnaire from 60 participants. Through analysis by SPSS the authors arrived at two findings: negative impact established by sales as well as the buying behavior of the customers. According to the researchers Covid-19 has slowed down customer behavior which has slowed down buying which in turn has lowered shipping processes.

In a report, the European e-commerce conducted a survey in May and released the results on May 14, 2020. The report shows results from surveying in the countries of European Union. The report shows overall and country by country responses. As it is mentioned in the report, each country had different measures for containing the virus at that time. The report refers to another report released in March when the EU countries were 'experiencing strictest lockdown measures' (p. 3). The new report clearly shows improvement in ecommerce because countries were easing down lockdown measures and allowing for more physical commercial activities. An example of the result differences between March and the May report is a slight recovery in May compared to March. Fewer respondents indicated they are expecting a decrease of sales (73% to 39%).

Pandey et al. (June 2020) explored opportunities and challenges of online marketing in India after Covid-19 pandemic. They wanted to understand consumer behavior and product consuming patterns among online customers in terms of issues surrounding the topic. The findings of the study showed that financial factors, among factors of social distancing and preventive measures, played a significant role in making decisions about online purchases. Financial factors in this study included 'comparatively low price, mode of payment, and ease of use'. In terms of issues, privacy and bank information concerns were main issues for the consumers. Another challenge was knowledge and ease of technology which played a significant role in consumer buying behavior.

3. Research Methodology

The opinions of the most important researchers and scholars published in books, reports and scientific periodicals on the crises faced by hotels and the negative effects that resulted from these crises were sought. This was done to clarify the role of electronic marketing as one of the important tools used in crisis management, in this case, the Corona virus crisis. Five-star hotels are understood to have financial resources and technology that qualify them to manage crises and develop exit strategies from them, and five-star hotels always strive for development and excellence. The questionnaire form was used on the Likert scale for the purpose of collecting information consisting of five answers 1. strongly disagree 2. disagree 3. neither agree nor disagree 4. agree 5. strongly agree.

The main objective of this study was to identify how E-marketing impacts on customer satisfaction in five-star hotels in Erbil-Iraq during Corona virus crisis. To achieve the research objectives, the researcher used descriptive, analytical, description-based approach the phenomenon, answering questions and hypotheses, analyzing the collected data, and interpreting it to reach conclusions contribute to determining the impact of e-marketing tools on customer satisfaction in five-star hotels.

Based on the nature of the research and objectives, the research design was descriptive analytical. The first phase was descriptive.

This design reviewed secondary sources such as books, articles, studies, research, and any material related to the topic of study. The second stage used analytical in which the researcher collected data through a survey. The sample for this study was five-star hotels in the Erbil city-Iraq. From these hotels, the researcher gathered data from hotel customers in order to obtain customer attitudes, a sample of customers was selected from different categories in order to achieve accuracy in measuring customer satisfaction.

3.1. Data Collection

As mentioned above, data collection instruments were review and survey. The review focused on theoretical framework for the study. The questionnaire focused on multiple items for hotel customers (guests), to collect data about customer satisfaction the study sample of hotel customers were given the survey. More than 100 printed survey forms were given to five 5-star hotels in Erbil city, Iraq. The researcher kindly asked the hotel staff to offer the survey to the guests that stayed in their hotels. The survey completion was optional for the guests.

3.2. Data Analysis

After collecting data, the researcher began the initial steps to analyze the data. The steps of data analysis were conducted via version 26 of SPSS (Statistical Package for Social Sciences). Several tests were used in accordance with research questions and hypotheses. The tests show Frequency, Percentages, Mean, and Standard Deviation as part of descriptive analysis. Another test was used to find the correlation between the variables. The researcher used Pearson's Correlation Coefficient to study a possible relationship between the variables.

4. Results

The researcher encoded the survey answers in SPSS, and she created four variables: three independent variables and one dependent variable. At the beginning the researcher ran frequency analysis for each variable which is presented in the following four tables:

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	5	5.0	5.0	5.0
	Disagree	18	18.0	18.0	23.0
	Neither Agree nor Disagree	26	26.0	26.0	49.0
	Agree	32	32.0	32.0	81.0
	Strongly Agree	19	19.0	19.0	100.0
	Total	100	100.0	100.0	

Table 1: SEO Frequency

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	3	3.0	3.0	3.0
	Disagree	24	24.0	24.0	27.0
	Neither Agree nor Disagree	38	38.0	38.0	65.0
	Agree	29	29.0	29.0	94.0
	Strongly Agree	6	6.0	6.0	100.0
	Total	100	100.0	100.0	

Table 2: Social Media Frequency

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	8	8.0	8.0	8.0
	Disagree	24	24.0	24.0	32.0
	Neither Agree nor Disagree	61	61.0	61.0	93.0
	Agree	7	7.0	7.0	100.0
	Total	100	100.0	100.0	

Table 3: Website Design

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very Unsatisfied	3	3.0	3.0	3.0
	Unsatisfied	21	21.0	21.0	24.0
	Neutral	35	35.0	35.0	59.0
	Satisfied	34	34.0	34.0	93.0
	Very Satisfied	7	7.0	7.0	100.0
	Total	100	100.0	100.0	

Table 4: Customer Satisfaction

4.1. Correlations

Correlations were run between each of the three independent variables and the dependent variable separately. The results were significant for all the three tests. The correlations were also positive. However, the strength of the correlations slightly varied per the three variables. It was strong for SEOs, and Web Design on one hand. It was moderate for Social media. Results are presented below in tables and descriptions for the tests.

		Search Engine Optimization	Customer Satisfaction
Search Engine Optimization	Pearson Correlation	1	.623**
	Sig. (2-tailed)		.000
	N	100	100
Customer Satisfaction	Pearson Correlation	.623**	1
	Sig. (2-tailed)	.000	
	N	100	100

Table 5: SEO and Customer Satisfaction

** Correlation is Significant at the 0.01 Level (2-Tailed)

A Pearson correlation was run to determine the relationship between Search Engine Optimization (SEO) and customer satisfaction. There was a strong, positive correlation between SEO and customer satisfaction, which was statistically significant ($r = .623$, $n = 100$, $p = .000$).

		Social Media Pages	Customer Satisfaction
Social Media Pages	Pearson Correlation	1	.290**
	Sig. (2-tailed)		.003
	N	100	100
Customer Satisfaction	Pearson Correlation	.290**	1
	Sig. (2-tailed)	.003	
	N	100	100

Table 6: Social Media and Customer Satisfaction

** Correlation Is Significant at the 0.01 Level (2-Tailed)

A Pearson correlation was run to determine the relationship between Social Media and customer satisfaction. There was a moderate, positive correlation between Social Media and customer satisfaction, which was statistically significant ($r = .290$, $n = 100$, $p = .003$).

		Website Pages	Customer Satisfaction
Website Pages	Pearson Correlation	1	.681**
	Sig. (2-tailed)		.000
	N	100	100
Customer Satisfaction	Pearson Correlation	.681**	1
	Sig. (2-tailed)	.000	
	N	100	100

Table 7: Web Design and Customer Satisfaction

** Correlation Is Significant at the 0.01 Level (2-Tailed)

A Pearson correlation was run to determine the relationship between Website Design and customer satisfaction. There was a strong, positive correlation between website design and customer satisfaction, which was statistically significant ($r = .681$, $n = 100$, $p = .000$).

5. Discussion

Electronic marketing by hotels aims at offering quality service to the customers which can lead to high customer satisfaction. Therefore, it must be of high quality to attract new customers. The importance of E-marketing has made the hotels to have good capacity to benefit from technology for E-marketing. While e-marketing has become a modern-day phenomenon; nevertheless, Covid-19 proved that use of technology is a necessity. With this pandemic arising at the beginning of 2020, many companies and businesses resorted to remote operations. Avoiding contact has become a requirement for almost all transactions.

While Erbil city of Iraq has a booming economy with ups and downs sometimes, it enjoys having a wide range of quality services such as good internet connection, telephone companies, hospitals, schools, and universities, the city of Erbil also has good hotels including five-star hotels and resorts. This research aimed at studying the utilization of technology for hotel transactions such as reservations, cancelation, virtual tours of hotels, communication, and contacting the hotel. The tools which were studied were Search Engine Optimization, Social Media, and hotel's website design. The use of these tools was studied in correlation with customer satisfaction of the selected hotels. The research aimed at finding possible correlation between these three tools and their impact on customer satisfaction.

The results show that all these three tools influence customer's attitudes towards the hotels and their satisfaction levels. The first tool was Search engine optimization (SEO) showed to be a good indicator for customer satisfaction as it has a strong and positive correlation with customer satisfaction. This indicates that customers use SEOs to a good extent for finding information about the hotels. Therefore, it is highly recommended that hotels take more advantage of enhancing their information on the SEOs.

The second tool which was studied was social media pages of the hotels and how they influenced the hotels' customer satisfaction. There was a positive correlation between the two variables. The results were significant; however, compared with SEO and customer satisfaction, the correlation was moderate. This means SEOs have a greater influence on customer satisfaction which also suggests more use of SEOs by customers. The third predictor of customer satisfaction in this study was the influence of website design of hotels and its impact of customer's attitudes towards the hotels. Again, there was a strong and positive correlation between the two variables. The correlation was stronger than both of the other two variables: namely, SEO and Social Media pages. This indicates the importance of website design for making transactions user friendly and easy to perform.

6. Limitations of the Study

In Erbil, five-star hotels, were studied out geographically. This research was geographically confined only to Erbil for two main reasons. One was the lack of time and money, the other reason was that most of the five-star hotels located in Erbil because it is a capital, the main cities, internet infrastructure, their use is minimal, also in some towns, there is no hotel at all.

7. Conclusion

The significant and positive correlations between the three independent variables (SEO, Social Media pages, Website design), and the dependent variable (customer satisfaction) of five-star hotels in Erbil city of Iraq has several indications and implications. One indication is relative progress high quality service places in Erbil has made. An implication of this study is the importance of technology in people's lives, especially in developing countries such as Iraq. Another implication is taking full advantage of the modern technology to make things easier for the tourists and residents in Erbil city. Online services can be utilized for other benefits for the residents of this city such as paying bills, ordering goods and foods, and other daily needs. E-marketing is relied upon as an important tool to face difficulties, get out of crises, and achieve customer satisfaction.

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