Research study on managing web site quality in Croatia

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Abstract: -
The consequences of growing Internet popularity can be found in almost all aspects of economy. Tourist industry represents one of the key components of Croatian economy and international exchange. This paper presents results of study performed to evaluate the quality of Web sites of Croatian high class hotels and their content. The study results show that management of Croatian top hotels is still using Web and Internet technology for presentation purposes solely and there is no conscious that its content needs to be managed well. It is obvious that Internet is still not adequately understand, accepted and integrated within hotel management in Croatia. The absence of the very basic information about the hotel and their offer, e-mail form request for reservation information illustrate this hotel management attitude.

Key-Words: - tourism, hotel web sites quality, survey, Croatia

1. Introduction
Tourist industry grows globally, and in many countries gain priority in economic development. In Croatian economy tourism is one of the most important development factors, because directly or indirectly tourism creates around 22 % of total domestic product, and more than 40% of total export. According to the Croatian nation bank in second quarter 2006 revenue from tourism increases for 12% and participate with almost 32% in Croatian GDP. The growth of tourist supply has consequences in growth of the competition on the market which influences profit margin in the tourist industry.

Communication needs in tourism, as service industry, are one of the factors of the key importance. Usage of new information technology enables different approach to potential clients. According to research from “Morgan Stanley & Co.”, Internet offers a large business possibility in “travel” sector and on scale, “Internet possibility for different retailer’s category” takes high third place, just behind financial and insurance services, and computer software and hardware selling.

The Internet importance is very quickly recognized by tourist agencies, thus the number of Web based tourist agencies increases permanently. Through the web sites and advanced use of e-business these agencies are also extending their offer and increases number of their clients. Virtual tourist, one of the most popular Web based agency visits each month over 30 million visitors, while most popular Croatian Web based agency Adiatica.net records permanent annual visitors growth of 30.000, and total number of annual users increase to almost 150.000. Information technology (IT) appears to be an integrative technology which enables vertical integrations within business systems.

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4 Source :www.virtualtourist.com (01.2008)
5 Source: www.adriatica.net (01.2008)
6 More details in Cash, McFarlan, Mc Kenney, Applegate "Corporate Information Systems management: Text and
tending to cover as large number of participants as possible, shaping the so called value chain. “The Internet has force the hotel industry to change their business activities and management, including its marketing activities”.

One of the consequences of growing Internet usage in tourism is growing individualization of tourist offer, and thus applying Internet technologies in tourism infrastructure is not just simple question of marketing presence or just one more distribution channel. IT offers possibility of establishing direct connection between tourist offer in tourist destination and user of service. In this sense Internet becomes extremely interesting channel as a source of information and at the same time as a reservation system.

Thus integration of Internet technologies and business information systems of tourist agencies and specially hotels becomes one of the key elements for creating individual relationship towards guest, what becomes key element of company performance on the market with growing competition and customer expectation.

Promotion in tourism have task to attract tourist to the specific destination and to inform tourist with destination offer. Thus key hotel promotional information must be combination of hotel offer and destination information. Promotional activities in tourism do not differ from promotional activities in other industries, although they have some specifics in application. According to WTO the first two sources of information for potential tourist is tourist brochures and web sites. Thus the absence of hotel Web site becomes serious obstacle in business for hotel of any size. Hotel Web page does not become not only distribution channel, but the important source of the very first contact with client.

The main objective of this paper is to investigate the usage of e-business induced processes in tourism and hospitality industry. As it was stressed that tourism is one of the most important development driver for Croatian economy, it is of particular interest to investigate the quality of web sites content of leading hotels (4 and 5 starts) in Croatia. Previous researches conducted on the sample of all Croatian hotels came up with the conclusion that the quality of their web sites can be classified into clusters [8]. The objective of this research is to analyze the quality of the web sites of top class hotels in further details. Therefore, we pose the following research question: do the leading hotels in Croatia (4 and 5 stars) have the web sites of superb quality?

Previous researches conducted on the sample of 400 largest Croatian companies showed that their managers do not place the expected importance and significance on e-business development and do not widely accept the Internet as a driver for conducting business transactions [7]. Though the potential objectives and benefits of e-business development were ranked very high, it became apparent that the e-business projects were focused on the simple and static web sites development in the form of on-line catalogues (supporting very simple ways of interaction and information exchange). At the same time, more advanced ways of e-business interaction and integration were mostly ignored. The amount of investment in e-business projects is still very low, whereby companies that participated in this study plan to spend less than 2% of IT budget for e-business initiatives, whilst only 13.8% of companies planned to invest more significant resources. Therefore, we will try to investigate if the e-business tendencies in hospitality and tourism industry, particularly in top class hotels are different.

2. Research methodology and literature review

Despite a wide variety of web quality attributes used, researchers and scholars agree that the web quality is the most important determinant of user satisfaction. Delone and McLean [3] suggested that the web quality model may be divided into information quality, system quality and service quality. Information quality represents the quality of the information provided online by websites, system quality refers mainly to functionality features that can ease (or make difficult) users to interact with a website, while service quality is concerned with a quality of service which is provided by a website. In addition to these customer-focused models, the quality of the web sites can be evaluated from the software development side. Mendoza [5] proposed an ISO/IEC 9126-based portal environment evaluation model. Considering all these models and frameworks three common concepts appears to have the impact on web site efficiency: usability, functionality and reliability.

Therefore, web site efficiency is a relative category by
which we can measure its usability, functionality, and reliability. It commonly represents a set of attributes of that bear on the relationship between the level of its performance and the resources used [1]. Different researches developed instruments for measuring user-perceived web quality, and content analysis, but the key dimensions of B2C web sites is information content, design, security, and privacy. Recent research argument that the driving force for hotel to establish their web sites include lower distribution cost and thus their higher profits, and a larger potential market, but half of the consumers have difficulties with contents of the web sites.

The successful performance of a hotel web site used in this paper is determined by the set of site dimensions, “facilities information”, “reservation information”, “contact information”, “web site management” and “surrounding information” [4]. The dimension of the attributes followed the incremental functionality performance measurement model for this research is modified to simplify the research, and thus study focus on the functions and the content of hotel web site.

3. Research results and the discussion

As a hypothesis for study we assumed that hotel web page increases hotel competition possibilities as well as competition possibilities of destination. As the source of data we used the list of hotels with four and five stars in Croatia (source: Ministry of sea, tourism, traffic and development). Research study has been conducted during spring 2007. There were in total 55 four star hotels and 9 five star hotels in Croatia. Vast majority of them are located at the Adriatic coast, in luxurious destinations (Dubrovnik, Opatija). We find out that 2 from 64 hotels (3%) does not have own web page, thus they were not considered in this research any further.

Table 1. Contact information

<table>
<thead>
<tr>
<th>Quality attribute</th>
<th>Number of hotels</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address</td>
<td>59</td>
<td>95%</td>
</tr>
<tr>
<td>Telephone number</td>
<td>62</td>
<td>100%</td>
</tr>
<tr>
<td>Fax number</td>
<td>58</td>
<td>94%</td>
</tr>
<tr>
<td>E-mail</td>
<td>62</td>
<td>95%</td>
</tr>
<tr>
<td>On line forum - guest book</td>
<td>13</td>
<td>21%</td>
</tr>
<tr>
<td>Newsletters</td>
<td>13</td>
<td>21%</td>
</tr>
</tbody>
</table>

Although basic contact information should be present even on a business card, some of them were missing on the web sites of Croatian leading hotels. It is interesting that the address of the hotel is not placed on 6 web sites (3%), fax number was not available on the 4 (6%) pages; e-mail contact was unavailable on the 3 (5%) sites. The guest book and newsletters are present on only 21% the web sites.

Information about hotel facilities were incomplete in majority of cases, information was not present for category (24%), hotel description (5%), the direction to the hotel (56%), maps (44%), and video (11%).

Table 2. Facilities Information

<table>
<thead>
<tr>
<th>Quality attribute</th>
<th>Number of hotels</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category</td>
<td>47</td>
<td>76%</td>
</tr>
<tr>
<td>Hotel - description</td>
<td>59</td>
<td>95%</td>
</tr>
<tr>
<td>Hotel – path to hotel</td>
<td>27</td>
<td>44%</td>
</tr>
<tr>
<td>Hotel – map to hotel</td>
<td>41</td>
<td>66%</td>
</tr>
<tr>
<td>Hotel - picture</td>
<td>61</td>
<td>98%</td>
</tr>
<tr>
<td>Hotel – room picture</td>
<td>59</td>
<td>95%</td>
</tr>
<tr>
<td>Hotel – content picture</td>
<td>57</td>
<td>91%</td>
</tr>
<tr>
<td>Video clips</td>
<td>7</td>
<td>11%</td>
</tr>
</tbody>
</table>

One of the key information for hotel and client, the category, was not mentioned on 24% of web sites. The lack of the other information may also worry; hotel description was missing on 5% web pages in the sample, path to the hotel on the 56%, maps on the 44%. The pictures of the hotel, room and content are more represented in the sample than maps. Multimedia in the form of video clips is neglected, and present on only 11% web pages in the sample.

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12 Hotel Asia Pacific (2004), Online frustrations, Vol 5 No2, p.31.
### Reservation information

<table>
<thead>
<tr>
<th>Quality attribute</th>
<th>Number of hotels</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Room rates</td>
<td>49</td>
<td>80%</td>
</tr>
<tr>
<td>Room rates EUR</td>
<td>36</td>
<td>73%</td>
</tr>
<tr>
<td>Room rates KN</td>
<td>20</td>
<td>40%</td>
</tr>
<tr>
<td>Room rates kn only</td>
<td>13</td>
<td>27%</td>
</tr>
<tr>
<td>On line reservations</td>
<td>29</td>
<td>47%</td>
</tr>
<tr>
<td>Payment options</td>
<td>13</td>
<td>21%</td>
</tr>
</tbody>
</table>

Table 3. Reservation information

Room rates in EUR are present on the 73% of web sites hotels, while 40%, of them are present in domestic currency (KN-kunas). There are number of web sites were room rates are presented in several currencies, mostly in kunas and EUR. Web sites with online computer reservation systems (CRS) offer usually much more different currencies, and also currency converter, which enable visitors to calculate room price in a very convenient way. Large number of hotels which present their room rates in EUR shows that majority of them is oriented towards foreign guests. On the other hand, room rates can be found on only 80% (49) of hotel web sites.

Although all of the high categorized hotels in the sample offer possibility for credit cards payments, only 13% of them mentioned this possibility on their web site.

There is considerably large number of the hotels without online reservations system (CRS). The room reservation can be mostly performed by filling on-line computer forms prepared for sending by e-mail. In that case visitor has to wait for the response (usually 24 hours) by hotel authorities. Such online registration forms usually lack of any control, and user can fill and send form with lots of mistakes, empty fields, or even completely empty form. Such practices represent the fact that Croatian top hotels don’t find the e-business as a driver for business process automation and due to the lack of any control or trust mechanisms, visitors can consider them unreliable and uncomfortable for leaving personal data.

### Surrounding information

<table>
<thead>
<tr>
<th>Quality attribute</th>
<th>Number of hotels</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hotel - distances</td>
<td>19</td>
<td>31%</td>
</tr>
<tr>
<td>Hotel – destination distance</td>
<td>9</td>
<td>15%</td>
</tr>
<tr>
<td>Hotel – destination description</td>
<td>32</td>
<td>52%</td>
</tr>
</tbody>
</table>

Table 4. Information about hotel surroundings

It is very important to inform web site visitors about hotel distance from e.g., beach, airports, market, and centre of the town, railway station, and bus station. Distance can be measured in miles, km, minutes to walk, drive etc.

The distance of the destination from other cities, or other attractive locations must be specified too. Only 31% of the hotel web sites offer this information, while only 15% mentioned destination distance. Destination description is mentioned on little more than a half web pages in the sample.

### Web site management

<table>
<thead>
<tr>
<th>Quality attribute</th>
<th>Number of hotels</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multilingual site</td>
<td>56</td>
<td>90%</td>
</tr>
<tr>
<td>English language</td>
<td>59</td>
<td>95%</td>
</tr>
<tr>
<td>Croatian language</td>
<td>51</td>
<td>82%</td>
</tr>
<tr>
<td>Links to other businesses</td>
<td>20</td>
<td>32%</td>
</tr>
<tr>
<td>News</td>
<td>12</td>
<td>19%</td>
</tr>
<tr>
<td>e-cards</td>
<td>9</td>
<td>14%</td>
</tr>
</tbody>
</table>

Table 5. Web site management

Web page of highly categorized hotels must be in different languages, but 9% of the hotels in the sample are represented to the clients in only one foreign language. Croatian and English language are present on 20% of the web sites that decides to present information in two languages; 6% has page on 6 languages, 14% has 5 languages; 23% has 3 languages. Web pages with 4 languages are dominant 28% and languages are usually Croatian, German, English and Italian language. English language is dominant on all web sites, and it is even more used than Croatian language. It is considerable since they are oriented mainly towards foreign guests.

Hotels use very few possibilities for promoting their web sites or services by downloading promotional materials or sending recommendations to the friends. Only 21% of the hotel web sites offer downloads ad materials and only 14% offers e-cards possibility.

Link on other pages exists on only 33% web pages, and this are mainly links to the web pages of business partners, Croatian National Tourist Board and local tourist board and to the pages with common information.

News is published on only 20% web pages.

### 4. Discussion and conclusion

The sample for the research includes web sites of all the 64 top class hotels in Croatia (4 and 5 star hotels). The research comes up with the conclusion that 97% of the sampled top class hotels have the web sites. After considering and analysing research results, it may be concluded that Croatian top class hotels do not find e-
business as a important or 'disruptive' innovation that can radically change the traditional way of doing business.

The most important objectives of building a hotel web site are promotional purposes (to introduce the hotel, its products, services and activities to customers, suppliers and partners) as well as the electronic communication with customers, suppliers and partners, while qualitative aspects of e-commerce or integrated e-business are of less priority.

As it was concluded for the Croatian large companies in general [7], the study confirms the assumption that Croatian top class hotels are not using e-business opportunities to the full and there is a significant gap at the adoption ladder. Furthermore, it was revealed that the quality of web sites measured with the set of dimensions ("facilities information", "reservation information", "contact information", "web site management" and "surrounding information") is inadequate, especially having in mind that the research sample were top class Croatian hotels.

Information about hotel facilities were incomplete, information was not present for category (24%), hotel description (5%), path to the hotel (56%), maps (44%), video (11%). Reservation information was uncompleted, missing or inadequate on numerous web sites. Room rates were not present on 20% web sites, on line reservations system (CRS) was missing on 53% web sites, on 27% room rates were presented in kunas only (domestic currency), and credit card payment possibility was mentioned on only 13% sites. Poorly designed computer reservation forms and simple e-mail communication with clients is dominant characteristic of reservation information offered by high class hotels in Croatia. The lack of control in forms is very important issue because it can be serious obstacle for visitor in leaving her/his personal data.

Surrounding information, hotel distance from beach, airports, market, and centre of the town, railway station, and bus station was not mentioned on 69% hotel web sites. The information about destination was not adequately presented, distances from other cities were not presented on 85% sites, and destination description was not mentioned on 48 % sites.

Web site management lacks from very important elements of communication with clients. It was surprising to find that 9% web sites of top categorized hotels are represented to the clients in only one foreign language. Download of hotel promotional materials was not present on 79% sites, 86% sites does not support e-cards possibility, links on other pages does not exist on 77% sites, and news is not published on 80% web sites.

On the other hand, researches and new trends show that Internet and e-business becomes key element in planning distribution channels. The major hotel brands in the USA increased their CRS reservation during 2006 for 8.4%13 resulted in more than 81 million bookings. As hotels invest more in marketing online, bookings increasingly will be made directly through hotel and web sites. Virtual tours, information in a choice of languages and detailed comparison of rates, and availability for rooms, amenities and other services are now expectation. The photography and video that capture the ambience and beauty of a hotel, rooms and destination and local attractions that visitor want must be part of web site information on language that guests most frequently use.

Market Metrix Hospitality Index reported that hotel web sites, for the first time in the 2006, scored higher in satisfaction than popular travel web sites14. This increase, partially credited to improved navigation and booking case. Thus the hotel web site emerging not only as an important source of reservations but place from which customer loyalty can be build. Since that demand for information multiplies hotel web and CRS information infrastructure is under strong pressure for accuracy, simplicity and good response time.

Hoteliers must be able to provide CRS with web browser serving as flexible entry point for customers. Thus any access to information is critical and it should be simple, accurate and fast of web information is critical, and they have to have complete control over web content, presented in multiple languages. Online customers must be fully informed about hotel offers, prices, activities and it should be aligned with the ability to interface to the third-party vendors, allowing complete itineraries to be built from a single point of contact15. The hotel web site should enable not only full and accurate information, but also information about pricing, and booking for on-site amenities like visits to the spa, and different destination activities like scuba diving, golf or horseback riding. The competitive advantage for hoteliers is to meet the market key reservation distribution needs through access to various distribution channels and their proper management. It should result in process simplification and increase in bookings. New trends forces hoteliers to choose good technology and marketing partner that can help them to pay more attention to their guests. The potential guest must be convinced that hotel is right for

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him before stop looking and start booking. In this sense the hotel web site turns to be new hotel front desk, and becomes first contact point for building guest-hotel relationship.

The Long Tail\textsuperscript{16} does not hold only great opportunities for travel, tourism and hospitality, but also represents strong pressure for change. The large suppliers still dominate industry, relaying on complex, expensive and not easy to implement global distribution system (GDS). Large number of low cost and shareware packages provide capability for a small traveler supplier to accept and confirm reservations on line, from parking reservations, bed and breakfast reservation, flight reservation to traffic and cinema tickets. The emerging value of web sites is not only acquiring information but to aggregate them. Long Tail can only be sustained where the infrastructure exists to support. In many countries infrastructure is not fully capable to support virtual tourist and Long Tail needs. Thus the hotel and destination must closely cooperate because it is impossible to sell hotel without destination and vice versa. In this sense this question is not just matter of technology but what is more important the question of organization of information collection, its accuracy, partnership responsibility and good and manageable information flow. The supporting and developing Long Tail represents a great opportunity for new generation of aggregators and software developers but also makes strong pressure on tourist destination infrastructure and hotel infrastructure. Since the competition in industry rises, hoteliers have to use e-business and IT not only to gain access to the customer or to build their loyalty, but also to get instant knowledge of the rates the key competitors are displaying on their sites, allowing them to react quickly.

The Croatian top hotel web sites must seriously reconsider their strategic business orientation, because this study shows that they recognition and adaptation of changes in market and technology is completely inadequate and lack from very serious problems. Internet and web is definitely not recognized in Croatian top hotels as mean of building strategic nor operational competitiveness. According to the survey result it is obvious necessity for future research which must take in focus management attitudes and acceptance of IT technology in high class hotels.

References:


\textsuperscript{16} The term Long Tail is used to describe niche strategy of certain Internet based business that enables them to gain significant profit in selling small volumes of hard-to-find items to many customers, instead of selling large volumes of reduced number of popular items. The Long Tail may threaten established businesses, since it can reduce demand for most popular products. The Long Tail is based on the Pareto principle (also known as the 80-20 rule) which states that, for many events, 80% of the effects come from 20% of the causes.