



STUDY OF THE IMPACT OF ONLINE MARKETING ON BRAND VALUE IN IRANIAN HOTELS

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ABSTRACT

Marketing plays an important role in the success of organizations and is a major factor of professional success. In this study, we examined the impact of online marketing on brand value. A standard questionnaire was used to collect data about the study variables. The statistical population of the present study consisted of active hotels in Iran. Random method was used for sampling. Morgan Table was also used to determine the number of statistical samples. Accordingly, 384 persons were selected. Software SPSS was used for analysis and confirmation or rejection of research hypotheses. The results of research hypotheses showed that online marketing has a significant impact on all four dimensions of brand value (brand awareness, brand association, quality perception and brand loyalty).

Keywords: Online Marketing, Brand Awareness, Brand Association, Quality Perception, Brand Loyalty.

INTRODUCTION

Marketing is defined as a socio-managerial process through which individuals and groups work through the production and exchange of goods with each other to meet their needs and desires (K., F., 2006). Here we use the marketing definition approved by the American Marketing Association: the process of planning and executing the idea, pricing, advocacy, and distribution of ideas for goods and services, in order to perform exchanges that meet individual and organizational goals (Anderson, 2006). Marketing plays an important role in the success of organizations and is a major factor of professional success. The term "marketing" does not mean selling, but is to meet customer needs (Wilson et al., 2012). Modern organizations face increasing competition, and those organizations will be successful that can best understand customer demands and provide the highest value to their target customers (Carson & Brown, 1994). The purpose of marketing is to understand the customers in such a way that goods or services offered are exactly what they are, and can sell goods or services. This does not mean sales and advertising are not important, but they are just part of a larger marketing combination, a combination of a set of marketing tools that combine to work in the market place. Marketing is defined as a socio-managerial process through which individuals and groups work with each other by the production and exchange of goods to meet their needs and demands (Kotler and Armstrong, 1998). Focusing on customer needs is a major factor of marketing philosophy. Today, many organizations and service organizations have accepted and implemented new marketing concepts. They have realized that focusing on the needs of customers means paying attention to quality and serving customers, so each organization

strives to be customer-oriented (Rousta et al., 2002). Marketing has many different types. One of the newest and most important marketing methods is online marketing. Online marketing is often referred to as advertising or marketing, which is usually provided virtually through an existing social network or email. In fact, online marketing is a marketing technique that utilizes existing social networks to increase the "brand awareness" through a continuous process. This way, through online marketing, is expanding and is very useful for quick access to a large number of people (Dobele, Toleman and Beverland, 2005). This method of marketing can effectively and efficiently increase customer awareness of the brand and, in general, of the company. One of the important factors that can be associated with this type of marketing is the brand value. M argues that one of the most important online marketing activities in small and medium enterprises is the form of brand design strategies (Merrilees, 2007). Branding, in particular branding in companies, has often been viewed as a new concept in small and medium enterprises (Atwal and Williams, 2017). In recent years, many companies have come to believe that one of their most valuable assets is their product and service brands. It should be noted, however, that service branding has a major difference to product branding (ibid., p. 17). The researchers have argued that branding has become a new field among small and medium enterprises (Muyimba, 2009). A comprehensive brand concept has been introduced in the form of brand value. Brand value has been introduced in the four aspects of brand awareness, perceived quality, brand association, and brand loyalty (Ataman et al., 2010). On the one hand, the hotel industry, which includes catering and production and distribution of food and drink to guests and travelers, is an important part of the tourism industry in terms of employment and income. In our country, there are many tourism opportunities that have not been addressed so far. A major management specializing in the tourism industry is the first to identify the opportunities in the country and integrate them into the comprehensive tourism plan of the country. It should provide the ground for investing in hard infrastructure such as hotels, restaurants and attractions, and the government has also expanded the field of developing soft infrastructure such as education, culture and security in the country, while developing and expanding tourism infrastructure to make the most of social, cultural and economic benefits is inevitable, but there are many problems and challenges in the field of growing interest in the development of tourism industry in Iran, which should not be ignored. Therefore, studying factors affecting marketing of hotels can be very important. In this study, we are looking for an appropriate answer to the question of whether online marketing in Iranian hotels has a significant impact on brand value.

LITERATURE REVIEW

National literature review

Feyiz and Hemati (2016), in their study, developed the brand performance model of the organization based on internal marketing and branding. The study population consisted of all employees of the General Directorate of Tax Affairs of Semnan, 78 persons were selected using simple random sampling method. In order to test the research model, Structural Equation Modeling Method was used in software WarpPLS 3.0. According to the results, internal marketing has not had a direct impact on brand performance, but indirectly affects brand performance through internal branding. The results of path analysis confirmed the direct impact of internal branding on brand performance as well as its indirect impact on



performance through employees' brand commitment. In addition, the results showed that internal marketing has no significant direct impact on brand commitment of the organization. Ebrahimpour et al. (2015), in a study, using a research model, studied the impact of empirical marketing on brand commitment, taking into account brand mediating variables, brand trust and brand loyalty, using structural equation modeling (SEM) and the partial least squares algorithm. The data collection tool was a questionnaire. 115 visitors of Kaleh advertising campaign in Anzali Free Zone returned completed questionnaires. The validity of the questionnaire was confirmed through theoretical principles and experts' opinions and its reliability was confirmed through Cronbach's alpha. The study results showed that empirical marketing influences customer-brand affinity, customer loyalty to brand and customer's trust in brand and leads to customer commitment to brand.

Razeqi et al. (2013) in a study entitled "Designing and Explaining A Brand Model in Small and Medium-Sized Enterprises" in terms of individual and firm brand, have stated that the study was conducted aimed to identify brand components in small and medium enterprises (including individual and firm brand) and their influential relationships, design and present a brand model. The study was conducted using combined research method on 119 Iranian entrepreneurial companies in Tehran Province (as an industrial province) and Yazd Province (as a province with a large number of small and medium enterprises). The research model has been developed with adaptation and completion of previous studies, semi-structured interviews with entrepreneurs and holding of a focal group. The content of the interviews and focal group have been identified as a guide for defining the variables' operational indicators, and field information has been verified through a questionnaire and its validity and reliability have been confirmed. The study results show that entrepreneurs' perception of the market is a starting point for branding in these enterprises, which leads to the creation of a combined brand by influencing the entrepreneur's individual brand and the firm's brand, and through the entrepreneurial impact that is a set of activities that the entrepreneur does to influence the brand. The market perception with total impact equal to 0.76, firm brand with total impact of 0.28, and entrepreneur's individual brand, with a total impact of 0.09 affected the combined brand.

Shahbandarzadeh and Ziaei Bideh (2012) in their study entitled "Providing a model for explaining a brand value based on retailers" concluded that producer support, customer expectations and financial benefits by increasing the satisfaction with a brand had a significant effect on the brand value from the retailers' point of view.

Momeni, Moradi and Hemati (2012) in a study entitled "Personality Impact on a Brand and Organization Reputation on the Formation of Brand Value" found that the four aspects of brand personality were excited, luxurious, honest, and competent, only affecting the perceived quality of customers directly and positively.

International literature review

De Pelsmacker et al. (2018) examined the relationship between digital marketing strategies, online surveys and hotel performance. The digital marketing strategies were digital marketing programs, online reviews of customer information and responses to guest comments. In order to study the research subject, 132 Belgian hotels were selected and their data were analyzed. The study results showed that digital marketing strategies and tactics affect the size and extent of online and hotel performance indirect.



Chang and Ma (2015) in a study explored the management of the brand value of the hotel industry services in an emerging market. In this study, the research subject was addressed by collecting the company resource-based data and new foundations in emerging markets. The results show that a hotel has the advantage of resource-based revenues by generating a service brand value exploited by transformational leadership through investment and creation of a service culture to improve the quality of service behaviors. At the same time, institutional and resource-based advantages are used in order to successfully complete the market in China as an emerging market.

Asamoah (2014) in a study entitled "Impact of brand value and competitive performance of small and medium-sized enterprises" has argued that in this study brand value is presented in the form of brand awareness, brand association, brand loyalty and perceived quality, and the relationship between these factors and performance of small and medium enterprises has been examined from the point of view of competitive advantage. The study results showed that a significant relationship was found between brand value and performance of studied enterprises.

Mohonen (2013) has examined the factors affecting branding in small and medium-sized enterprises. The researcher has stated that since the experience and final evaluation of stakeholders are affected by both individual and the firm's brand, it is recommended to consider the set of these factors in the design of small and medium enterprises.

Sorensen (2011) in his study on branding small and medium-sized enterprises stated that small and medium-sized enterprises are not consciously branded, so that a brand natural form is created that involves associations of entrepreneurs and enterprises.

Severt and Palakurthi (2008) found that the value of utility was the most important factor in the business transactions with the customer. The value of the relationship with the brand's value is the least important factor in business transactions.

RESEARCH METHOD

The research method is descriptive in this study. In a descriptive study, the purpose is describing studied conditions or phenomena to collect information to test hypotheses or to answer questions about the current state of the subject. In other words, the researcher tries to report what is happening without any interference or mental inference, and obtain objective results from the situation. Also this study purpose is applied to examine the impact of online marketing on brand value in Iranian hotels and its results in policy making and decision making by managers and staff of the hotel industry for improving marketing performance and addressing weaknesses and strengths of this industry.

In this study, a questionnaire has been used to collect information. Therefore, in this study, the research questionnaire has been considered as the most appropriate method of suggestion and basis of work. In order to document the results of statistical analysis and provide final solutions, the researcher analyzed the questions and hypotheses using a statistical method and software SPSS.

Method of collecting and analyzing research data

The method of data collection about the theoretical principles was the library method. The library method is used in all scientific research, and in some of them, the subject of research in



terms of the method, from the beginning to the end, relies on the findings of the library research. In research that had no library nature, researchers are also forced to use the library method in their research. In this research group, the researcher should review the literature of the subject of the research. As a result, the library method should be used and the results of studies should be categorized and exploited by a suitable tool, including a file, Table, and form for record and maintenance and finally classification and utilization. The field method will also be used to collect data. In this study, a questionnaire will be used to obtain and collect the required data about the research variables.

Research hypotheses

After examining the subject of research and preliminary studies on possible responses to provide a logical answer to the questions, the following hypotheses have been developed:

The main hypothesis of the research

Online marketing has a significant impact on brand value.

Sub-hypotheses of research

1. Online marketing has a significant impact on brand awareness.
2. Online marketing has a significant impact on brand associations.
3. Online marketing has a significant impact on the perception of quality.
4. Online marketing has a significant impact on brand loyalty.

Statistical population

The statistical population of the present study is all active hotels.

Statistical sample

According to the availability of hotels and the number of questionnaires received, 384 questionnaires were selected.

Study of the distribution of variables using Kolmogrov-Smirnov test

According to Table below, since the significance level of all indicators is more than 0.05, these indicators follow the normal distribution.

Table 1: Study of variables' distribution

Variable	Significance level	No.	Test statistic value
Online marketing	.256	83	.258
Brand awareness	.489	83	.148
Brand associations	.125	83	.895
Perception of quality	.575	83	.781
Brand loyalty	.376	83	.912

The significance level of all variables is greater than 5%, which indicates that the distribution of data related to all variables follows the normal distribution.

Study of the Relationship between Research Variables

H1: Online marketing has a significant effect on brand awareness.

Null hypothesis: Online marketing has no significant effect on brand awareness.

Alternative hypothesis: Online marketing has a significant impact on brand awareness.



Table 2: H1 test

Independent variable	Coefficient of determination	Significance level	T	Correlation coefficient	Dependent variable
Online marketing	0.34		4.548	.316	Brand awareness

According to the above Table, the correlation between two variables of online marketing and brand awareness is 0.316, and because the significance level of the test is less than 0.05, then null hypothesis is not accepted and a significant relationship is found between the two variables. Since the beta coefficient is positive, the relationship between two variables is direct.

H2: Online marketing has a significant impact on brand associations.

Null hypothesis: Online marketing has no significant impact on brand association.

Alternative hypothesis: Online marketing has a significant impact on brand associations.

Table 3: H1 testH2 test

Independent variable	Coefficient of determination	Significance level	T	Correlation coefficient	Dependent variable
Online marketing	0.28		3.904	.245	Brand associations

According to the above Table, the correlation between two variables of online marketing and brand awareness is 0.245 and because the significance level of the test is less than 0.05, then null hypothesis is not accepted and a significant relationship is found between the two variables. Since the beta coefficient is positive, the relationship between two variables is direct.

H3: Online marketing has a significant impact on the perception of quality.

Null hypothesis: Online marketing has no significant impact on the perception of quality.

Alternative hypothesis: Online marketing has a significant impact on the perception of quality.

Table 4: H1 testH3 test

Independent variable	Coefficient of determination	Significance level	T	Correlation coefficient	Dependent variable
Online marketing	0.32		4.068	.375	Perception of quality

According to the above Table, the correlation between two variables of online marketing and brand awareness is 0.375 and because the significance level of the test is less than 0.05, then null hypothesis is not accepted and a significant relationship is found between the two variables. Since the beta coefficient is positive, the relationship between two variables is direct.

H4: Online marketing has a significant impact on brand loyalty.

Null hypothesis: Online marketing has no significant impact on brand loyalty.

Alternative hypothesis: Online marketing has a significant impact on brand loyalty.

Table 5: H1 testH4 test

Independent variable	Coefficient of determination	Significance level	T	Correlation coefficient	Dependent variable
Online marketing	0.37		4.616	.344	Brand loyalty

According to the above Table, the correlation between two variables of online marketing and brand awareness is 0.344, and because the significance level of the test is less than 0.05, then null hypothesis is not accepted and a significant relationship is found between the two variables. Since the beta coefficient is positive, the relationship between two variables is direct.

CONCLUSION AND SUGGESTIONS

H1 test showed that online marketing has a significant impact on brand awareness.

Therefore it is suggested:

- In order to increase brand awareness in hotel customers, online advertising campaigns will be increased.
- In order to improve brand awareness process, close communication between the company and customers will be maintained.
- Hotels can increase online marketing by increasing awareness and familiarizing customers with hotel services.
- In order to increase the customer awareness, competitions will be held periodically with cash and non-cash awards.
- Holding reflection sessions at the company can help to increase the customer awareness.



H2 test showed that online marketing has a significant impact on brand association.

Therefore it is suggested:

- In order to improve brand association among customers, hotels pay more attention to the way of providing online services.
- Hotels' directors are advised to consider the cost to improve the firm's brand.
- Surveys the quality of online services from customers and hotel staff periodically.
- Award the best suggestions to improve the branding of the award winning company.

H3 test showed that online marketing has a significant impact on the perception of quality.

Therefore it is suggested:

- In order to improve the customer perceived quality, the actual quality of the service is considered in the process of attracting customers.
- Studying the market and identifying customers' needs will provide online services to customers in a modern way.

H4 test showed that online marketing has a significant impact on brand loyalty.

Therefore it is suggested:

- Solutions to enhance the number of the site's visits.

- The lottery can periodically increase the number of visits to the hotel site.
- Suggestions for future research
- Study the impact of online marketing on corporate performance
- Study the effect of brand value on company profitability
- Study the relationship between brand value and the willingness to buy
- Study the relationship between online marketing and customer loyalty.

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