

MARKETING COMMUNICATIONS IN A VIRTUAL ENVIRONMENT - OPPORTUNITIES AND CHALLENGES FOR COMPANIES IN THE TOURISM SECTOR

Dagmara Plata-Alf*

Abstract

The development of communication-information technology has led to the transfer of the communication process to a virtual environment influencing while at the same time providing an opportunity and a challenge for the development of marketing strategies. This article presents a literary overview aimed at clarifying key concepts and processes related to transformations in internet marketing, and systematizing definitions functioning in that field of science. As a part of the analysis, the article includes a case study of an internet marketing communication tool, and one of the major virtual tourist agents, Booking.com.

Keywords: *marketing communications, internet marketing, internet tools in marketing communications, information technology, virtual environment, Booking.com*

1. Introduction

The development of technology has led to far-reaching changes in communication processes. The beginning of the 21st century, proclaimed as the era of globalization and knowledge society (Kolny, Kucia and Stolecka, 2011, p. 9) has become a time of challenges for the enterprises on the market. Consumer sense, enhanced by the access to the large amount of information (Janos-Krzyszto and Mróz 2006, p. 18) available on-line, has affected the character of communication processes including the purchasing process. This in turn has resulted in new forms of marketing communication adapted to the occurring changes. New technologies have provided real-time interaction with consumers enabling customization of products and services to the consumers' needs. The new era of interaction with consumers is developing at a pace never experienced before and the shift of traditional marketing operations towards the virtual environment is becoming useful for achieving projected increased

* Ph.D. Student, Akademia Leona Koźmińskiego, Warszawa, email address: dagmaraplataalf@gmail.com

sales targets, establishing closer relations with customers, and improving efficiency and the economy. The content generated by the users is a source of knowledge of value to today's businesses and a challenge at least to protect their image. One example of an internet based tourism system – the so-called virtual travel agent, Booking.com -, as presented in this article, draws attention to the consecutive changes in purchasing behavior and decisions that today's consumers are taking.

2. The virtual environment – its importance and how it affects marketing communication processes

The appearance of the virtual environment was the function of dynamic development of information technologies in the modern world. According to Mazurek (2012) it is defined as a “multi-dimensional system of computer networks, applications, computers, as well as information and data it stores, which through its features and options available to its users, determines a number of changes in socio-economic life, including the operation of enterprises” (p. 60). The essential component of the virtual environment are networks of interconnected computing units – computers, especially the Internet that organizes the virtual environment (Mazurek, 2012, p. 61). The active use of the virtual environment by enterprises and their customers determines its character and increasing importance. The Internet, as one of the most important and useful channels of marketing communication, provides an opportunity for new forms of relations with current and potential consumers. The Internet allows mainly for the creation of innovative forms of feedback communication involving a wide range of consumers. Communication in a virtual environment is a factor that determines the status of an enterprise, whereas up-to-date and factual information as well as quick responses are vital to the process of building effective relations between organizations. Another significant aspect is also the interactivity understood as, “the extent to which the users can participate in shaping the form and content of the virtual environment in real time” (Steuer, 1992, p. 84). Interactivity can be also analyzed in the context when communication through interactive media takes place and these media intermediate between the users exchanging information, and can involve the media that form a new environment where the users are allowed to publish their messages (Wiktor, 2001, p. 37). The above-mentioned element of interactivity with respect to the virtual environment enables the establishment of a new type of communication – a “two-way”, symmetrical one (Mazurek, 2012, p. 68)- inside which the traditional system of assignment of roles of the sender, recipient and their identification disappears as they undergo dynamic changes. According to this model, the messages flow from

multiple recipients to multiple senders, which allows for live conversation. A specific type of symmetric communication model is a community one, under which apart from the lack of traditionally assigned roles of senders and recipients of a message, the responsibility for communication is on the users themselves. They are able to communicate with each other, defined as a multiple-to-multiple model (Kotler, Kartajaya and Setiawan, 2010, p. 19), and form virtual communities (Mazurek, 2012, p. 69). The virtual environment affects marketing in multiple aspects by determining the changes in communication (Mazurek, 2012, p. 112). In turn, the occurring changes have an affect on virtual communities, which seem stronger than those in the real world while contributing to the establishment of relations between users with weak or no ties whatsoever. The on-line communication facilitates open the way for discussion, thus, encouraging sincerity among those involved in the process of interaction (Castells, 2007, p. 388). This great involvement of Internet users has led to the formation of the environment that largely accents the importance of non-formal communication in the relations between customers and enterprises known in modern terminology as Web 2.0 (Mazurek, 2012, p. 97). According to this conception, users are simply the creators of content and community platforms representing a new communication channel, whose scheme is presented in the Fig. 1: A description of communication in the Web 2.0 environment.

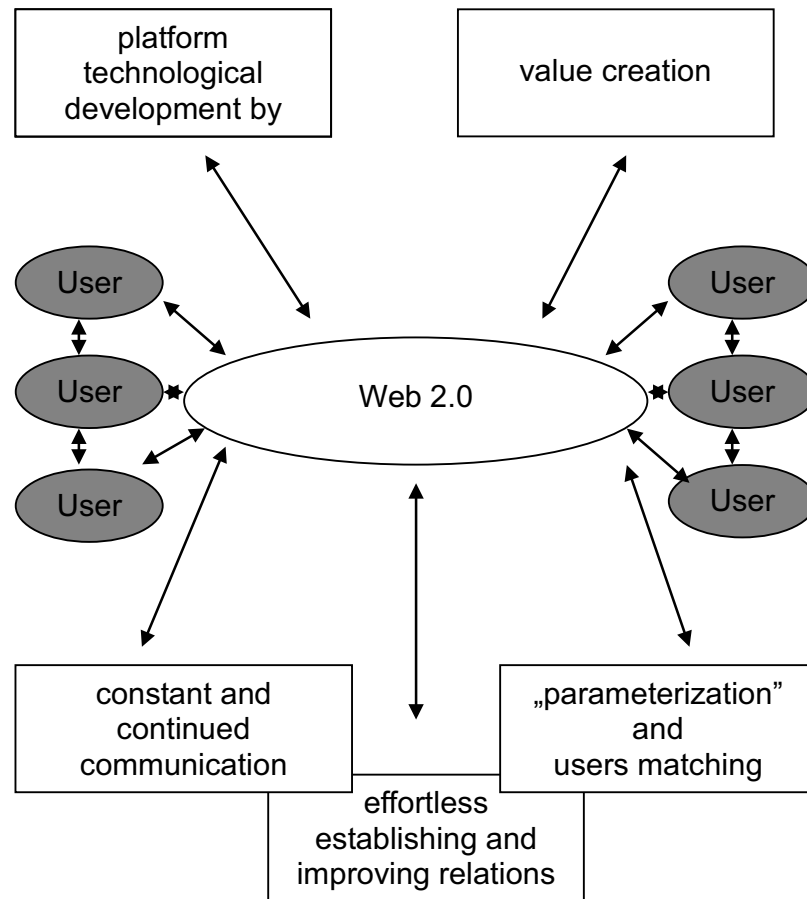


Figure 1. A description of communication in the Web 2.0 environment
 Source: Authors' study based on Mazurek (2012).

The Internet is a source of numerous opportunities for enterprises that, if utilized appropriately, can lead to increased public interest, exchanges of ideas, interaction with consumers, innovative promotion of a range of a firm's products, as well as unrestricted testing of state-of-the-art solutions. Of particular interest should be the fact that internet relations have involved more and more non-formal communication, the most common forms being: blogs, discussion forums, on-line instant messengers and social media (Doligalski, 2009, p.9).

3. Marketing communication on the Internet

Management of marketing in a virtual environment characterized by the advanced level of information technologies and state-of-the-art tools to facilitate communication, is forcing modern-day enterprises to be flexible in their approach and to constantly seek innovative solutions. As businesses dealings over the Internet have become common, new challenges are appearing in relation to the building of marketing strategies. As businesses became clearly visible on the Internet, they were forced to pre-analyze the purpose of entering the virtual world and ponder seriously over the selection and use of available internet tools with respect to the specific needs of their consumers (Budzanowska-Drzewiecka and Lipinska, 2012, p.12).

Budzanowska-Drzewiecka and Lipińska (2012, after: Pilarczyk, 2010) claimed the goal of marketing communications is to coordinate promotion activities and other marketing operations aimed at establishing a relationship with the customer. They serve as an important tool for building long-term competitive advantage and creating value. According to Budzanowska-Drzewiecka and Lipińska (2012) the purposeful use of such factors as: “establishing and supporting relations with the customers, improving the interactive character of relations, acquiring thorough knowledge of the working staff, customers, business partners and competition, as well as personalizing of the transferred information” ,(p. 12) is the basis for enhancing the efficiency of modern marketing operations. The accurate use of communication channels and their appropriate selection creates an opportunity for an adequate promotion of businesses (Kotler, 2005, p. 851) and range of their services or portfolios of products.

Service companies in tourism are active in the processes of on-line communication with customers and use internet marketing tools in order to build their marketing strategies. The most common marketing tools used by accommodation facilities are given in Table 1.

Table 1. Selected internet marketing communications tools in tourism

Internet marketing communications tools	Description	Example
Company's website	A website that shows the range of services of the business in a virtual environment	www.warszawacourtyard.pl
Search engine	A tool that makes it easier to find information on the Internet on the basis of key words provided	www.google.pl

Virtual agent	A tool that facilitates search not only on the basis of key words but also user's preferences and needs	www.booking.com
Content aggregator	A website or tool used to process, segregate and interpret the information on the Internet	www.tripadvisor.com
Community platform	A website that facilitates establishing and maintaining of relations between the Internet users	www.facebook.com

Particularly interesting is the role of the virtual agent mentioned in the Table 1, which is to provide both thematically expected content and tailor the offer to the needs and preferences of individual users by, for example, aggregation of content of the opinions submitted by other customers.

4. Practical use of internet tools in marketing communications with Booking.com as a case study

The Internet changes the manner of communication between the businesses and their consumers allowing entry into a market of alternative organizations aimed at recommending the values provided by businesses (Mazurek, 2012, p. 171), as well as segregation and aggregation of data in order to facilitate their reception by potential consumers. In the relations in question the consumers became the potential representatives promoting or depreciating the brands. Internet users create and generate content (Doligalski, 2009), and on-line services (virtual agencies), i.e. Booking.com, are a reaction to the risk of inadequate or excessive amounts of information on the Internet (Soava and Raduteanu, 2012). Therefore, it has become clearly visible that information as the factor used in decision-making resulting from the dynamic development of information-communications technologies has greater significance (Czekaj, 2000, p. 13). It is becoming further visible that the enterprises, out of their own initiative, are beginning to pay particular attention to the content published on the on-line services covering the relations between the customer and the business (Mazurek, 2012, p.177).

The desire to share the experiences and opinions on using services of accommodation facilities has led to the establishment of one of the most recognized reservation portals: Booking.com, which operates not only as a sales channel, but also creates and disseminates the information serving as a tool that offers great opportunity, but also poses a threat to building innovative marketing strategies for accommodation facilities. Each day, Booking.com processes about 475,000 reservations. The Booking.com portal itself and its applications that offer accommodation at different facilities, from small, independent guesthouses to luxury five-star hotels, have been attracting

visitors from all over the world, including those who travel for business and on holiday. The website and its applications are available in 41 languages and enlist more than 299,230 facilities in 181 countries. Their mission, quoting the portal itself (Booking.com, 2013), is to “provide an at-hand opportunity for all the travelers to discover, reserve and visit most interesting places in the world.” In the fulfillment of this goal, they endeavor to provide a user-friendly on-line system with large databases of information while ensuring the optimum prices.

Users of Booking.com are able to purchase products and as part of the sales process, following their stay in a facility, express their opinion in both quantitative and qualitative categories. This in turn allows the system to produce a general rating of a facility and classify it into one of five categories (excellent, fabulous, very good, good, average). Each facility that has received at least 10 ratings is assigned a total point value (on a scale of 1 to 10), which is the combination of six ratings; the value to price ratio, staff, services, cleanness, comfort and location. Each facility is presented and the user can read full reviews with the “pluses” and “minuses” listed in addition to the total point rating. One sample accommodation facility displayed at Booking.com related to Countyard by Marriott Warsaw Airport received a users’ rating of ‘Fantastic’ (8.8), determined on the basis of ratings of 976 users who used its services and made a reservation through Booking.com. In addition to a display of ratings, we should pay particular attention to how the offer and details concerning an accommodation facility are presented by Booking.com in accordance with data provided by its owners. The recommended strategy, which applies to the display of photos as well, is aimed at optimization of content, which should be user-friendly and potentially contribute to greater profits from reservations.

Courtyard by Marriott Warsaw Airport ★★★★★

ul. Zwirki i Wigury 1, Włochy, 00-906 Warsaw ([Show map](#))

Jump to: [Available rooms](#) [Facilities](#) [Policies](#) [Important information](#) [See all reviews](#)

Fabulous, 8.8
Score from 976 reviews

“very convenient to stay during stopover between to flights - a possibility to have a sound sleep Thank U!”

Anastasia, Москва, Россия

Right opposite Warsaw Chopin Airport, non-smoking Courtyard by Marriott Warsaw Airport offers amenities available 24 hours a day, including a fitness club. Warsaw city centre is a 15-minute drive away and can easily be reached by a fast train (SKM).

Cosy and air-conditioned rooms of Courtyard by Marriott Warsaw Airport come with laptop-size safe, soundproofed windows and a large flat-screen TV with satellite channels. Tea and coffee making facilities are provided, as well as ironing facilities.

Free internet connection is provided throughout the hotel. Front desk staff is available 24 hours a day and can arrange for laundry and dry cleaning services. Private parking is available on site, as well as a shop, The Market, open all hours.

The hotel's Brasserie Restaurant overlooks the 2-storey lobby atrium and serves light Polish and international dishes. The modern Lobby Bar and the Cyber Café with Wi-Fi are also at guests' disposal and there they can follow screens showing flight departures and arrivals.

Warsaw's Old Town and the Royal Castle are 30 minutes from the hotel.

Hotel Rooms: 236, Hotel Chain: Courtyard by Marriott.

Figure 2. Display of accommodation object ‘Countyard by Marriott Warsaw Airport’ at Booking.com

Source: Booking.com website.

The community of travelers using the internet system’s, Booking.com, services and making reservations through the system include those who did not publish any opinion as well as those who have chosen to get involved and rate each facility they stayed in (Scott and Orlikowski, 2010, pp. 1-6). The analysis of facilities recommended by Booking.com in the area of Warsaw presented in the Table 2 points to the specificity of ratings provided by consumers and their opinions concerning services of the compared facilities. Of particular interest is the diverse range in opinions of guests visible in terms of number of people ranking in comparison to one of the opinion-making travel portals, TripAdvisor.com.² This

² TripAdvisor® is the largest world-wide travel system that allows you to plan your holiday. TripAdvisor provides opinions based on own experiences of its users, and services to aid the planning of your travel with integrated tools for reserving your accommodations.

is due to the complex algorithm in displaying the facilities being advertised in the so-called first ten accommodation facilities at Booking.com, and determined also by “inter alia”, the value of generated fee for the agency, timely payments and availability offered as well as maintaining price parity. The comparative analysis of consumers’ ratings submitted at Booking.com and TripAdvisor.com provided in Table 2 illustrates that a large majority of consumers of accommodation services provide their rating on the original internet portal, where they made a reservation (Booking.com in this case), translating into more objective ratings. In connection with the above, of great significance is the ethical aspect related to the authenticity and credibility of the opinions expressed by consumers on TripAdvisor.com, where a user can publish his review not having to document the actual purchase of the service. Additionally, especially interesting is the fact that there is no correspondence between the quality of service provided by the accommodation facilities understood as high rating of consumers, and the position in the ranking of Booking.com. This relation illustrates significant restrictions and challenges faced by enterprises who want to build the position of their brand and promote their range of services on this website. Each facility listed in the ranking of Booking.com has a special symbol of recommendation (illustrated as a palm with the thumb pointing up). All of the analyzed facilities have received reviews over the short term including more positive reviews indicating an enjoyable experience. These reviews also recommended either directly or indirectly choosing this or that accommodation a for a second stay or suggested it to friends while at the same time indicating precisely which aspects of the accommodation facility could be improved in terms of service and the offer itself (Plata – Alf, 2013).

Table 2. Comparison of preferred hotels on Booking.com

Preferred hotels Warsaw 2013	Categorization of hotels	Overall customer rating	Number of customers reviews	Listing and rating on TripAdvisor.com
Countynd by Marriott Warsaw Airport	****	Fabulous (8,8)	976	Listing: 16 Rating: 4 Number of customer reviews: 235
Hotel Airport Okęcie	****	Very good (8,5)	589	Listing: 29 Rating: 4 Number of customer reviews: 91
Radisson Blu Sobieski	****	Very good (8,4)	1083	Listing: 17 Rating: 4 Number of customer reviews: 479

Warsaw Marriott Hotel	*****	Fabulous (8,9)	2726	Listing: 15 Rating: 4,5 Number of customer reviews: 726
Hotel Gromada Dom Chłopa	***	Good (7,6)	1391	Listing: 47 Rating: 3,5 Number of customer reviews: 125
JM Apart Hotel		Fabulous (8,6)	722	Listing: 33 Rating: 4 Number of customer reviews: 14
Hotel Metropol	***	Very good (8,1)	1779	Listing: 36 Rating: 3,5 Number of customer reviews: 289
Platinum Residence		Very good (8,5)	1444	Listing: 13 (no rating in category of Hotels – mark in category of Specialty lodging in Warsaw) Rating: 4 Number of customer reviews: 149
Hotel Pulawska Residence	***	Very good (8,4)	610	Listing: 41 Rating: 4 Number of customer reviews: 19
Hotel Gromada Airport	***	Good (7,4)	1176	Listing: 60 Rating: 3 Number of customer reviews: 76

5. Conclusions

The real-time exchange of information and free discussion allowed by state-of-the-art internet tools facilitate the process of communication between businesses and their customers, encouraging the latter to provide feedback on the service they have been provided (Hsu, Chen and Ting, 2012, p.4). The use of internet portals like Booking.com in the process of purchases aids the efficient completion of the sale process (Hyunmi, JoongHo and Youngseok, 2013, pp. 99-126) by providing simplified and the most useful data (Mazurek, 2009, p. 81). It also contributes to minimalizing the potential risks and give the customer a better opportunity to be provided with the expected and adequately developed services (Doligalski, 2009, p. 541).

Reviews in literature as well as the analysis of a selected marketing communications channel for enterprises in tourism (hotels) point out big opportunities for adequate positioning of the brand and achievement of expected sales results, and the largely limited influence of enterprises on the generated content and information concerning their businesses.

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