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Destination Websites Effectiveness Benchmarking

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Destination Management Systems - Electronic Distribution Effectiveness Amongst Small and Medium Sized Enterprises in the Hotel sector.

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The aims of this research are:

- To investigate the importance of DMS to SMEs in the hospitality industry.
- To construct a comprehensive set of weighted criteria to measure the effectiveness of DMSs to SMEs in the hotel industry.
- To identify the effectiveness of DMSs to SMEs in the hospitality industry (Scotland (VisitScotland)) using the criteria constructed above.
- To model and validate DMS metrics against peer systems.
Commissioned by VisitScotland to research the effectiveness of visitscotland.com to its Suppliers
Results Published at Enter 2002.
The Iceberg Effect.
Conceptual frameworks imply concepts. Concepts are general representations of the phenomena to be studied – they are the ‘building blocks’ of the study (Veal 1997).
Conceptual Framework.

Destination Management Systems - Electronic Distribution
Effectiveness amongst Small and Medium-sized Enterprises
in the hotel sector.

The European hotel sector is dominated by small operations with nearly 95% being classified as SMEs (WTO 1997). The importance of SMEs to the European economy can not be over emphasised.
The manner in which hospitality companies bring their product to market remains a cornerstone of any competitive strategy (Castleberry, Hempell et al. 1998).
It’s not only about Channel Choice its also about Channel Management
You cannot manage what you do not measure?
Conceptual Framework.

**Destination Management Systems** - Electronic Distribution
Effectiveness amongst Small and Medium-sized Enterprises
in the hotel sector.
Determining the effectiveness of a distribution channel makes clear business sense.

Evaluating a distribution channel can make the difference between the company being Effective, in Existence or Extinct.
Measurement Spectrum.

Not everything that can be counted counts
And not everything that counts can be counted.

(Einstein)
Know Nothing

Know Everything

Know What is needed!

These criteria may differ from Industry to Industry and from Channel to Channel.
Methodology

- Delphi Study
- Accommodation Provider Survey
- Demand Side Survey Survey
- DMS Log Analysis
- Postal Survey
- Web-Based Survey

Data Analysis
The Delphi Study (Tier One).

The aim of the Delphi study is to generate, validate and prioritise a portfolio of weighted criteria that could be used to evaluate the effectiveness of a DMS as a channel of distribution for SMEs.
The Industry Survey (Tier Two).

The Industry Survey will be a mainly quantitative survey which will be conducted amongst Hotel SMEs in Scotland.

The aims will be twofold:
- Assess the validity of the criteria generated from the Delphi Study.
- Evaluate the effectiveness of a DMS from an Hotel SME’s perspective.
The Demand Side Survey (Tier Three).

The Customer Satisfaction Survey is a mainly quantitative survey that examines DMS effectiveness from the customer’s perspective.
The Log Server Analysis (Tier Four).

The E-Metrics Phase will be based upon an in-depth examination of the DMS based website (VisitScotland) through consolidation and re-treatment of their server log files.

The aim of this tier is to assess the effectiveness of the DMS based websites from a marketing, financial, operational and technical perspective.
It is inconceivable to have a successful Internet Strategy without management information (Pineda, 2004).
Phases of E-Metrics.
While site traffic remain an important measure to be aware of, traffic alone doesn't paint a clear picture of your site's benefits.
Phases of E-Metrics.

Actionable Metrics - "Most people prefer insights, not data.“ (Smith, 2002)
The web is not an isolated channel – therefore the results/metrics cannot be viewed in isolation.
Phases of E-Metrics.

- No Measurement
- HITS
- Metrics (Macro)
- Actionable Metrics (Micro)
- Multi Channel Metrics

15% 46% 38%

(Pineda & Parakevas, 2004)
Metrics are like Onions.

Metrics too are comprised of many layers, each of which must be addressed for the system to work effectively.
Actionable Metrics.

Overall Conversion Ratio

Promotion

Content
Commerce
Navigation
Performance

Content
Navigation
Performance

Content Performance

Reach

Acquisition

Conversion

Retention

Loyalty

Abandonment

Attrition

Churn
The results from the research will be triangulated in order to tell us not only What is happening within the DMS based website but also Why it is happening.
Conclusions.

A model containing a suite of actionable e-metrics and accurately relate them to the key goals of a Destination Management System.

- Triangulation of results from each tier of the Methodology.
- Multi-channel metrics are vitally important.
- Longitudinal Study - Test And Retest - Robust Methodology.
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