

1-1-2009

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Recommended Citation

Kerr, Gregory M.; Tsoi, Chun Fung; and Burgess, Lois: Evaluating the use of the web for tourism marketing in Hong Kong 2009, 1-8.

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Abstract

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Keywords

era2015

Disciplines

Business | Social and Behavioral Sciences

Publication Details

Kerr, G., Tsoi, C. & Burgess, L. (2009). Evaluating the use of the web for tourism marketing in Hong Kong. Proceedings of the Australian and New Zealand Marketing Academy Conference (pp. 1-8). Melbourne, Australia: Australian & New Zealand Marketing Academy.

Evaluating the Use of the Web for Tourism Marketing in Hong Kong

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Abstract

Tourism is important to the economy of Hong Kong with over 25 million individuals visiting the island annually. Increasingly, the Internet has an important role to play in tourism as it provides a range of services from information to transactions. This research investigates the use of the Internet to Hong Kong tourism by utilizing the extended model of Internet Commerce Adoption (eMICA) to evaluate the level of Website development in Hong Kong tourism. The findings show a broader range of Internet offerings by businesses compared to government sites. This study provides a foundation for a broader and longitudinal study of tourism websites in Hong Kong and the use of the eMICA model allows for reliable international comparisons in future studies.

Keywords: case, government, tourism, tourist, travel

Evaluating the Use of the Web for Tourism Marketing in Hong Kong

Introduction

Tourism is an important industry to Hong Kong with over 25 million tourists in 2006. (Tourism Commission, 2008). The total annual tourism expenditure was over HK\$119 billion in 2006. The average expenditure per visitor to Hong Kong was HK\$4,799 (Tourism Commission, 2008). Tourism contributes approximately 3 per cent to the Hong Kong's gross domestic product (Hong Kong Trade Development Council, 2008). In an effort to promote tourism, the Hong Kong Government formulates, coordinates and implements strategies for tourism development (Tourism Commission, 2008). The government aims to establish Hong Kong as an Asian premier international city as well as a world-class destination for leisure and business visitors (HKTb, 2008). Specifically, the government has established the Hong Kong Tourism Board (HKTb), Tourism Commission and Travel Trade Partners to market Hong Kong as "destination of choice" and therefore seek to increase the size and value of tourism (Tourism Commission, 2008). These tourism organizations operate at a relatively independent level and have their own websites to attract tourists from all over the world. Tourists can click on a variety of official tourism websites which provide information and suggestions such as the most popular attractions and highlights for all 18 districts of Hong Kong. These tourism websites provide numerous internal or external links in English, traditional and simplified Chinese, as well as in both text and graphic format thus facilitating the effective dissemination of information to a large target audience.

The Importance of the Internet to Tourism

The rapid development of the Internet is having a huge impact on the travel industry, with travel and tourism surpassing other product categories, becoming the single largest category of products sold over the Internet (Tourism White Paper, 2007). It is therefore not surprising that the number of tourism operators on the Web has increased considerably in recent years. Park and Gretzel (2007 p.46) suggest that the Web has in fact, revolutionised the way Destination Marketing Organisations "provide destination information and the manner in which they communicate and interact with consumers and practitioners". Tourism and travel are rather unique, in that they do not exist when they are purchased, existing only as information at the point of sale. Research suggests that the search for information used to plan travel is likely to take longer involving the use of more information sources than the search for information on other consumer products and services (Fodness and Murray, 1998). The information-intensive nature of tourism products means that the Internet, with its global reach and multimedia capability, is an increasingly important means of promoting and selling tourism and travel services (Park and Gretzel, 2007).

The tourism industry is also characterised by offering complimentary business. For example, tourists will use a range of travel services including air travel, car hire, accommodation and tour services. These services are typically provided by a number of different organisations. A well designed website can assist in planning a range of tourism and travel services and help ensure that the right choices are made, resulting in a more enjoyable experience for the tourist (Rita, 2000; Park and Gretzel, 2007; Tourism White Paper, 2007). It can also serve as a portal for services a tourist will need to plan their vacation. Tourism destinations "emerge as umbrella brands, hence, destination marketing organisations increasingly have to identify niche markets and develop their interactivity with potential tourists" (Rita, 2000, pg.2). Rita

(2000:2) further proposes that each travel destination must have a major website “acting as a gateway providing a single entry point to the destination rather than relying on a fragmented number of individual Web sites”. The Internet is increasingly important to tourism as it provides information to assist consumers with purchases (Connolly, Olsen and Moore, 1998), playing an important role in consumers’ travel decisions (Vellas and Becherel, 1999). Tourism is an information-intensive industry and the Internet is the most effective and efficient means to disseminate and exchange information (Rita, 2000). Importantly, Miniwatts Marketing Group (2008) claim that over 1,262 million people in the world have Internet access, and Asia currently has the biggest online population with over 461 million users. The Internet has an important role in promoting and distributing of tourism products and facilitating the expansion into new segments. The importance of the Internet to the tourism industry is, particularly observed in assisting travellers make decisions (Lau *et al.*, 2001). In January 2006, The Travel Industry Association (2008) estimated that around 73.9 million visitors now research their travel options online before travelling. The Australian Tourist Commission (2008) suggests that the use of the Internet has escalated providing a pivotal role in assisting tourists plan their journey. In 2003, an average of 51% of international visitors used the Internet for searching information before visiting Australia. Literature also indicates that the level of internet usage varies between countries (Australian Tourist Commission, 2008). The Internet is an important channel for the marketing of destinations and tourism related services. Destination Marketing Organizations (DMO’s) and Tourism Boards as well as private travel agents use the internet as a means to communicate, distribute and sell their product to their target audience. By utilizing the advances in internet technology, firms involved in tourism can develop their own web site and enhance it with useful functionality (Van Slyke, 2000). Currently, there are a variety of websites which represent aspects of Hong Kong tourism. A framework which assists in identifying and rating the level of adoption of the Internet is the extended Model of Internet Commerce Adoption (Doolin, Burgess and Cooper, 2002) which is now introduced.

The extended Model of Internet Commerce Adoption (eMICA)

Doolin and Burgess et al. (2002) identified 14 levels of functionality in their analysis of 26 websites of New Zealand Regional Tourism Organizations. These levels of functionality are shown in Table 1. In their study, these 14 levels were categorised to form the three stages of promotion, *provision*, both with a subset of layers, and *processing*. This is shown in Table 2. Sites displaying functionality up to Level 3 were identified as Stage 1 promotional sites. The quality of information provided by these sites was used to categorize them into either Layer 1 or Layer 2. The minimum requirement to be classified into Stage 2 was to achieve functionality up to at least Level 4. Sites reaching Level 8 functionality were classified as Stage 2, Layer 2 and those reaching Level 11 functionality were classified as Stage 2, Layer 3. A functionality Level of 14 was deemed to be necessary to be classified as being at Stage 3; meaning that functionality Levels 12 and 13 did not qualify for a website to be categorised as Stage 3.

KEY: Level of functionality
1. email contact details
2. images
3. description of regional tourism features
4. systematic links to further information
5. multiple value-added features (key facts, maps, itineraries, distances, news, photo gallery)
6. lists of accommodation, attractions, activities, events with contact details and/or links
7. Web-based inquiry or order form
8. interactive value-added features (currency converters, electronic postcards, interactive maps, downloadable materials, special offers, guest books, Web cam)
9. online customer support (FAQs, site map, site search engine)
10. searchable databases for accommodation, attractions, activities, dining, shopping, events
11. online bookings for accommodation, tours, travel
12. advanced value-added features (multi-language support, multimedia, email updates)
13. non-secure online payment
14. secure online payment

Table 1: Levels of Functionality of Tourism Websites
Source: Doolin, Burgess and Cooper (2002)

EMICA	Examples of functionality
Stage 1—promotion	
Layer 1—basic information	Company name, physical address and contact details, area of business
Layer 2—rich information	Annual report, email contact, information on company activities
Stage 2—provision	
Layer 1—low interactivity	Basic product catalogue, hyperlinks to further information, online enquiry form
Layer 2—medium interactivity	Higher-level product catalogues, customer support (e.g., FAQs, sitemaps), industry-specific value-added features
Layer 3—high interactivity	Chat room, discussion forum, multimedia, newsletters or updates by email
Stage 3—processing	Secure online transactions, order status and tracking, interaction with corporate servers

Table2: The extended Model of Internet Commerce Adoption (eMICA)
Source: Doolin, Burgess and Cooper (2002)

The objective of this research is to assess the level of adoption on the Internet by tourism organisations in Hong Kong. As shown below, the eMICA model will be the framework used to guide this study.

Methodology

A case study methodology was deployed in this exploratory study. Websites relating to Hong Kong tourism were purposefully selected (Patton, 2002) following a number of online searches and discussions with industry representatives. Eleven government and nine private websites were selected, details of which are shown in Table 3. Each website was given an alpha identifier to aid reference and presentation of findings. The data was collected by way of observation of the key features of each web site. The extended Model of Internet Commerce Adoption (Doolin, Burgess and Cooper, 2002) was used to guide the collection and analysis of the data.

Identifier	Websites	Administrator	Identifier	Websites	Administrator
A	www.hongkongfoodguide.com	Private	K	www.gov.hk	Government
B	www.hkcitymap.com	Private	L	www.heritagemuseum.gov.hk	Government
C	www.hkha.com.hk	Government	M	www.esdlife.com/travel	Government
D	www.qtsa.com	Government	N	www.oceanpark.com.hk	Private
E	www.tichk.org	Government	O	www.mangocity.com.hk	Private
F	www.tourism.gov.au	Government	P	www.park.hongkongdisneyland.com	Private
G	www.discoverhongkong.com	Government	Q	www.ctrip.com	Private
H	www.partnet.hktb.com	Government	R	www.elong.net	Private
I	www.gohk.gov.hk	Government	S	www.ctshk.com	Private
J	www.2.lcsd.gov.hk	Government	T	www.zuji.com	Private

Table 3: Details of Selected Hong Kong Websites

Findings and Discussion

Each website was investigated and categorised pursuant to the eMICA model having regard to their level of interactivity and sophistication. It was found that the majority of Hong Kong tourism websites had been well-developed with a comprehensive information base and rich functionality. The levels of functionality are shown in Figure 1. All of the sites were at level 6 (see Table 1) or above. Some striking differences were observed between government and business websites. The results are presented with this distinction in mind.

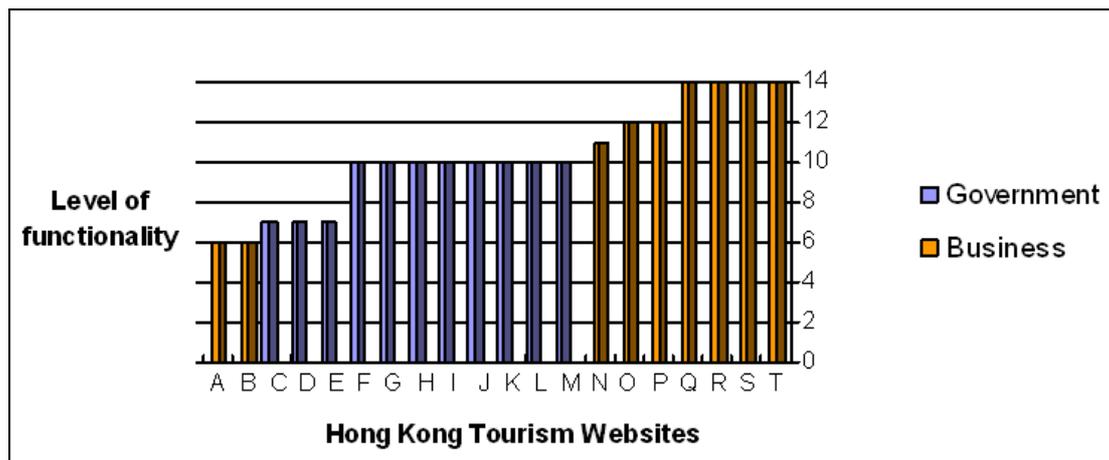


Figure 1: Classification of Websites using eMICA Model

Government websites

Government Websites were at Layer 2 of Stage 2 providing interactive and value-added features such as a currency converter, web-based contact forms, electronic postcards, interactive maps, downloadable materials, special offers, guest books and web cam functionality. For instance, discoverhongkong.com provided web cams which were able to display up-to-the minute glimpses of Hong Kong, and some famous attractions. The visitors could also enjoy the experience of the interactive itinerary planner to decide their own journey and activities (<http://discoverhongkong.com/eng/attraction/itinerary/>). Online customer support available on the websites users included functions such as FAQs, site map and site search engines. Further, the searchable databases provided information on accommodation, attractions, activities, dining, shopping and events. Some of the sites were often accompanied by pop-up and pop-under advertising, interactive banner ads, animation, and games to encourage customer involvement. The government sites provided useful information about current affairs in Hong Kong. However, there are no online transactions involved. These

websites integrated computer technology to provide access to site search engines, interactive maps and up-to-the-minute webcams. These innovative features aid the visitors' planning experience as well as provide the accessibility and functionality necessary to enhance the interactivity of the website. However, these government websites lagged behind most of the business Websites in terms of interactivity of layer and the stage of processing. For instance, there is no online booking of accommodation and tours in most government websites. In addition, there is no classification of online transactions involved in the government websites such as travel products or services.

Business websites

There was a broader range of functionality and complexity of the websites of private tourism enterprises. Three of the websites reached the Stage 2 and Layer 3 of the eMICA included interactive elements such as email and online search, as well as other functions such as online bookings for accommodation, tours and travel. Other value-added features incorporated into the website included multi-language support, animation and multimedia, email updates and membership registrations. Four business websites were categorized into Stage 3 of the eMICA model and provided functionality such as online transaction site, selling their products directly from their websites to customers. Three of the sites also offered secure online card payment in order to ensure their customer's confidentiality throughout the transaction process, and also provided a privacy statement stating that the consumers would not be held liable if their credit card had been attacked by hacker or through fraud. These websites were well-integrated into their organisation's value chain. They provided a one-stop platform for visitors and provided for online booking of accommodations and purchasing international flight tickets. Furthermore, a feature identified in the general Internet marketing literature (Siegel, 2006), these sites provided customized services to individual tourists. Perhaps not surprisingly it seemed that larger tourism organizations took greater advantage of advantage of tourism websites to promote their travel products or services.

Conclusion

While the sampling strategy deployed in this research cannot be used to infer characteristics of the population of tourism Internet sites in Hong Kong, this study builds on that undertaken in New Zealand by Doolin, Burgess *et al.*, (2002). The findings provide a foundation for a more detailed study in Hong Kong as well as a longitudinal study of the sites being the subject of this research. The use of the eMICA model allows for studies in other countries and reliable international comparisons. The research does suggest that there are two categories of business websites, those at a 'lower level' of functionality and others that are the most advanced in online offerings. Interestingly, as some websites proceed to higher levels of functionality, new and converging technologies, such as linking the Internet to mobile phones and satellite navigations systems establishes higher levels of functionality not included in the eMICA model. This presents a need to update the eMICA model. As well as contribution to knowledge of Internet development of tourism websites in Hong Kong, this research has three important practitioner implications. First is the high level of sophistication of some business sites which may well come to dominate the online marketplace. Second, those businesses which have sites with a lower level of functionality need to consider their online strategy which may include the options of upgrading their site or forming an alliance to develop a 'stakeholder site'. Third, despite the availability of technology, as evidenced in the most advanced business sites, the level of development of government websites in Hong Kong will ultimately depend on the selected role of government in the tourism marketing mix.

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