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Evaluating Websites by Features: Do Independent Hotels in Singapore Get it Right?

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EVALUATING WEBSITES BY FEATURES:
DO INDEPENDENT HOTELS IN SINGAPORE GET IT RIGHT?

by

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Bachelor of Architecture
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ABSTRACT

Evaluating Websites by Features: Do Independent Hotels in Singapore Get It Right?

by

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This study aims to evaluate the websites of independent hotels in Singapore in the business-to-consumer (B2C) framework. The modified balanced scorecard (BSC) approach is incorporated into the evaluation by features method in order to avoid the dominance of the marketing perspective by including technical, customer, and destination information perspectives. A set of website evaluation criteria representing these four perspectives is then used to examine the websites of 37 independent hotels. Almost three of four hotels get it right in developing, utilizing, and maintaining their websites. These websites have the presence of features that are known to be contributing towards website effectiveness. Ten websites were found to function as brochureware with no capability to perform business transactions online. The results of the study propose areas for website improvement that include the destination information perspective in general and contemporary aspects of the marketing perspective.

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Part One

Introduction

In this Internet era, customers are able to: (a) search hotel information, (b) reserve hotel rooms, and (c) receive instant confirmations through the respective hotels' website at anytime and from anywhere in the world. The Internet has grown into an important marketing tool that facilitates direct contact between hotels and customers regardless of both parties' locations. In slightly more than a decade, the number of Internet users has surged almost fivefold from approximately 361 million users in the beginning of 2001 to the current guestimate of 2.1 billion users (Miniwatts Marketing Group, 2011). This exceptionally high figure signifies the vast market that hotels can directly reach out to.

It is acknowledged that not all products are suitable to be marketed using e-commerce (Schmidt, Cantalops, & dos Santos, 2008). The hospitality industry, however, is in an ideal situation to exploit the potential of the Internet because the products' purchasing decisions are mainly based on information and the online distribution presents consumers with a more favorable deal when compared to other distribution channels (Chaffey, Ellis-Chadwick, Johnston, & Mayer, 2006). At the end of 2009, Singapore Tourism Board (2010) recorded the presence of 120 gazetted hotels with 33,880 rooms in Singapore. Of which, 41 properties were considered as independent hotels. Each and every hotel has responded to the opportunities the Internet offers by establishing its online presence. Does it mean that they are all effective in making use of their websites to create and retain a customer?

This paper is structured using the perspectives of Internet marketing and its marketing mix, or otherwise known as the four Ps of marketing, as the underlying principles. Even though the four Ps concept is traditional, it continues to be relevant and fits well with the development of the Internet as a new media (Chaffey et al., 2006). However, it is foreseen that the specifics of marketing mix components may require some fine-tuning due to the

distinct characteristics of information and communication technology. In order to avoid the dominance of this marketing dimension, the modified balanced scorecard (BSC) approach is incorporated. As the name implies, BSC slant will allow the website evaluation to be more balanced by looking into different aspects that matter in facilitating the effectiveness of a hotel website.

The literature review is then used to analyze and identify website features which are to be employed as the measurement instrument in evaluating the websites of independent hotels in Singapore. The results are discussed and concluded with some recommendations which can be considered for further research, and put to use by concerned hotels to rectify their website flaws and improve their effectiveness. In order to support the findings and draw attention to their relevance, the representatives of hotels that yield good evaluation results will be requested to provide some comments and feedback.

Purpose

The purpose of this professional paper is to evaluate the websites of independent hotels in Singapore by examining their features in the business-to-consumer (B2C) framework.

Objectives. This paper thus aims to: (a) formulate a set of website evaluation criteria that is valid and reliable, (b) distinguish the independent hotels whose websites possess the right features, and (c) identify areas for website improvement.

Justification

Compared to that of international chain hotels, the independent hotels' online presence is inferior (GuestCentric, 2008). The research, which was conducted in the US, showed that only 44% of independent hotels were able to offer online reservations, as opposed to 93% chain hotels. It was acknowledged that independent hotels face challenges in effectively embracing the web. Unlike chain hotels, they may not have the expertise and

economy of scale to defray website costs which include those of marketing efforts, booking engine, and 24/7 technical support. However, an effective hotel website is indisputably able to bring about lots of benefits that will assist independent hotels to break out from a tilted marketing playing field typically dominated by their big budget competitors. The followings detail some of those significant benefits.

Market accessibility. A website is able to provide independent hotels with instant access to global market without the necessity of having physical representations at foreign places. In the past, only chain hotels had the privilege of international exposure and cross-selling by means of their sister properties and/or sales offices located in different parts of the world. Through a hotel website, the wider market of prospects and existing customers is able to obtain most updated marketing information real time. The hotels' online presence also allows them to opt for working on and interacting with specific target markets only.

E-commerce. The first generation of hotel websites was just little more than an electronic brochure, commonly referred to as brochureware. Unfortunately, there are hotel websites at present which still revolve around the major purpose of providing visitors with information about themselves but do not provide customers with the ability to make a reservation. There are also occasions where it is difficult for customers to find certain hotel websites when using search engines such as Google, Yahoo or Bing, simply because those websites do not appear on the first few pages of the search result. Other problems include the website's long download time, intricacy of navigation, and difficulty in finding the reservation mask. If those hurdles can be overcome, a website will be able to function as an effective point-of-sale, where business transactions take place. This benefit also presents the opportunity to increase outlets for distressed inventory and decrease dependence on existing channels of distribution (Webb, 2002).

Lowest cost of distribution. One of the most common distribution channels employed by Singapore hotels is to partner with travel intermediaries such as online travel agents, tour operators, and hotel wholesalers. An intermediary commission can run as high as 25% of the hotel nightly rate. With the 2010 average room rate (ARR) of Singapore hotels at S\$212 (Singapore Tourism Board, 2011) this means that the average nightly commission was S\$54. When a hotel increases its nightly contract rate, its commission will accordingly rise too. The cost of direct online distribution channel of branded hotels were between US\$2 and US\$5 (S\$2.48 - S\$6.20) per booking (Starkov, 2011). The cost was higher for independent hotels and resorts, which ranged between US\$8.50 and US\$12.50 (S\$10.54 – S\$15.50) per booking. Hence, the presence of an effective website can mean a significant increase in a hotel's bottom line.

By evaluating lodging industry viewpoints, Kang, Brewer and Baloglu (2007) concluded that a hotel's website combined with its central reservation system and direct phone calls to the hotel are the distribution channels with the highest profitability and survivability in the future. The authors suggest that hotels should make the most of their websites as the potentials are immense.

Constraints

This study is conducted by utilizing secondary data and by having limited personal communications with hotel industry personnel in Singapore. Without the ability of collecting primary data, the website features that form the measurement instrument for evaluating websites can only be acquired through extant studies. These features were the results of studies using consumers and experts as the respondents. In order to reconfirm the results of this website evaluation, it would be ideal to acquire personal comments from all hotels whose websites are found to possess the right features, and not from just a few of them.

Glossary

Balanced scorecard (BSC). The term refers to a strategic performance management tool that measures organizational performance across four balanced perspectives: financial, customers, internal business processes, and learning and growth. (Kaplan & Norton, 1996).

Brochureware. A website that advertises a product but contains only the equivalent of the information found in a paper brochure with no interactivity between the buyer and the seller. Since a website is not restricted to the size of paper pages, it can still be much more elaborate than a paper brochure (Ziff Davis, Inc., 2011).

Business-to-consumer (B2C). Business that sells products or provides services to end-user consumers. While B2C activity exists both online and offline, the acronym has primarily been used to describe the online variety (Organized Shopping, LLC., 2011).

Gazetted hotel. A premise in Singapore that is declared a tourist hotel under the Singapore Tourism (Cess Collection) Act (Inland Revenue Authority of Singapore, 2009).

Independent hotel. A hotel that is free from outside control or influence and not dependent on another for subsistence. It can be interpreted as a hotel that is not part of a chain (Lim, 2005).

Marketing mix or four Ps of marketing. The term marketing mix was originally developed by Neil Borden, in what have come to be known, through subsequent alteration, as the four Ps: product, price, place (distribution), and promotion. Place is also known as point-of-sale (Shoemaker, Lewis, & Yesawich, 2007).

Product. In the context of hospitality and tourism, a product refers to anything that can be offered to a market for attention, acquisition, use, or consumption that might satisfy a want or need. It includes physical objects or goods, services, places, organizations, and ideas (Kotler, Bowen, & Makens, 2006).

Part Two

Literature Review

Introduction

The advent of the Internet has caused significant changes in consumer-buying behavior and process. In the context of lodging industry, the Internet allows prospective hotel customers to easily shop around and compare prices prior to deciding on which hotel to book. An online purchaser of travel services typically visits an average of four websites before booking often to avoid overpaying in a buyer's market condition (Yesawich, 2004). The more savvy travelers take advantage of the technology that makes the comparative searches easier by using metasearch engines like kayak.com and mobissimo.com.

Singapore received 11.6 million international visitors in 2010 with 53% coming from their top five markets, in order of number of traveler: (1) Indonesia, (2) People's Republic of China, (3) Malaysia, (4) Australia, and (5) India (Singapore Tourism Board, 2011). When Singapore hotels use their website as an online distribution channel, they have an instant access to 650.5 million Internet users in these top five geographical markets alone (Miniwatts Marketing Group, 2011).

Internet marketing of Singapore gazetted hotels is the basis of this study. The effectiveness of hotel websites however cannot be discussed from a hospitality marketing perspective alone. It needs to include online consumer behavior and information and communication technology perspectives. The literature review will cover these topics in addition to identifying the most suitable website evaluation method, along with what website dimensions and attributes should be included in the study.

The Internet as a Marketing Tool

The Internet has been developing rapidly since its commercial inception in the early 1990s. It has more potential as a marketing tool than any of its media predecessors because it

unites many of the outstanding attributes of television, radio, magazine, newspaper, mail, and telephone (McGaughey & Mason, 1998). As a promotional tool, one component of the marketing mix concept, the Internet has a great capability to communicate to a wide audience and provide instant updates based on the demand and supply situations relevant to the respective hotels. The Internet can also function as a useful, timely, and cost-effective tool for conducting marketing research.

Customer relationship management (CRM). The implementation of CRM is intended to align business processes and customer strategies for long-term customer loyalty and profitability (Rigby, Reichheld, & Schefter, 2002). A successful CRM means customer retention. CRM is a favored marketing tool in the hotel industry because it can aptly address the industry's commercial characteristics, such as: (a) customers' periodic desire for the service, (b) the existence of alternative suppliers, and (c) customers' ability to select from them (Gilpin, 1996; Juttner & Wehrli, 1994; Lewis & Chambers, 1989; as cited in Gan, Sim, Tan, & Tan, 2006).

The important issue pertaining to technology deployment in CRM is the integration of organization-wide systems. A hotel's property management system, central reservation system, and website must be able to communicate seamlessly with each other (Noone, Kimes, & Renaghan, 2003). The web's strengths should be exploited as a strategic mechanism for the development of CRM. A website can be utilized as a platform to do data collection, a critical component of CRM. This data collection function can be performed through the website's reservation system or when consumers fill in the mailing list or questionnaire forms available in the website. International hotel chains with a guest loyalty program use their program dedicated websites to collect and update the profile of the members.

Singapore, which has a high Internet penetration rate due to the availability of relevant resources, has yet to fully embrace the use of the Internet for CRM purposes

according to Gan et al. (2006). Their study identified that the level of online CRM adoption is positively related to the star rating of the hotels, with the higher the star rating, the higher the online CRM adoption. The four- and five-star hotel properties in Singapore typically follow the international standards and are part of internationally-branded chains that have a global presence.

Consistent pricing. It is common for lodging marketers to liquidate distressed or unsold inventory quickly and efficiently at deeply discounted prices by working together with selected online travel agents, wholesalers or consolidators. The wisdom of this variable pricing strategy across multiple distribution channels in an increasingly transparent global market has become questionable (Yesawich, 2004). It does not mean the Internet should not be used aggressively to promote special packages and rates, but the main principle is that the customers should find the same deals wherever they look, otherwise their suspicion about the existence of a cheaper rate somewhere else will continue to grow. Choi and Mattila (2009) mentioned that consumers regard cross-channel price consistency more favourably than price inconsistency from the fairness perspective. The finding was also supported by Yelkur and DaCosta (2001) who identified that inconsistent rates among various distribution channels further influence the perception of unfair pricing. Yesawich (2004) suggest that consistent pricing will give consumers booking confidence.

Over time, when a particular hotel has been consistent in offering the same rates across different channels of distribution, customers will gain trust in the hotel and no longer see the need to shop around. Yesawich (2004) emphasized that once the customers are convinced of a hotel's consistent pricing, the hotel needs to shift its focus on competing on the inherent appeal of its brand, which is the crux of value-based pricing rather than the multiple avenues consumers can shop and book its rooms.

Rate parity and best rate guarantee. Big players in the lodging industry believe that consistent pricing is essential and have therefore adopted the concept of rate parity. The term is defined as the uniformity of retail rates across different channels of distribution that provide the same product (Shoemaker, Lewis, & Yesawich, 2007). When those chains or individual properties of the chains sign a contract with travel intermediaries, there is usually a clause that requires the intermediaries not to publicly sell the hotel's room nights below a certain rate to ensure the integrity of the rate parity concept. Hancock (2010) further supports the marketing concept that a hotel's best available price should be obtained when booking directly with the hotel, or at the very least, suggests that there should be a rate parity amongst the various distribution channels used.

The concept of best rate guarantee was introduced to support the importance of rate parity principle. Starwood Hotels and Resorts, Hilton Hotels and Resorts, Marriott Hotels and Resorts, and InterContinental Hotels Group are a few examples of hotel chains that offer best rate guarantee to their customers. If a customer finds publicly available rates lower than those offered directly through the respective chains' websites, the customer can claim those lower rates and further gain extra compensations.

Best available rate (BAR) pricing. The term refers to a recent pricing technique used by international hotel chains that quote a specific rate for each night of a multiple-night hotel stay. BAR pricing stipulates that customers, who place a reservation through the Internet, are quoted and guaranteed the lowest available rate each night for the specific arrival date, length of stay, and room type (Rohlf's & Kimes, 2007). BAR pricing offers a mechanism in the rate offerings that allow customers to calculate the average room rate themselves. Studies by Choi and Matilla (2004) and Rohlf's and Kimes (2007) identified that consumers prefer to be given the full pricing information when booking hotel rooms and see non-blended rates as being fairer, more acceptable, reasonable, and honest than blended ones.

Social Media. The influence of social media is so considerable that it has forced many organizations to find ways in which they can adopt profitable use of applications such as Wikipedia, YouTube, Facebook, Second Life, and Twitter (Kaplan & Haenlein, 2009). The authors define social media as “a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of user generated content” (p. 61). In this Internet era, businesses that ignore social media may become irrelevant (Lanz, Fischhof, & Lee, 2010). Social media are particularly popular with younger age groups known as digital natives or screenagers, the generation of future consumers who have substantial technical knowledge and spend tremendous time online (Kaplan & Haenlein, 2009).

As of July 2011, the online social networking application Facebook reported that it has more than 750 million active users with each user has an average of 130 friends (Facebook, 2011). Those online community members, otherwise known as netizens, can create vast and powerful word-of-mouth advertising that represents the most important benefit for lodging industry marketers. Lanz and Fischhof (2010) suggested the hospitality industry to have a newly created role, the Social Media Manager, who should report to the hotel’s Director of Marketing. The person will need to engage in dialogues with a customer base of potential influencers. A website functionality that is employed to build a database of customers who have indicated interests about a hotel’s products and services is RSS or Really Simple Syndication. The term refer to a family of web feed formats used to publish frequently updated contents (Kaplan & Haenlein, 2009).

Online Consumer Behavior

While there are fundamental differences between online shopping behavior and that in a traditional retailing environment, studies are sparse (Kwek, Tan, & Lau, 2010; Ranganathan & Ganapathy, 2002). Even when the same products are purchased, the customer experiences

in these two environments are vastly divergent (Wolfenbarger & Gilly, 2001). Interaction in a virtual environment through the website interface is the unique reason why consumers perceive online shopping to be more risky. Therefore “trust” and “risk” are keywords that need to be addressed by Internet marketers in creating customers’ positive online shopping experiences (Forsythe & Shi, 2003; Pavlou, 2003).

Online purchase intention, a component of consumer cognitive behavior, is one of the most frequently analyzed topics in the literature. Online purchase intention refers to a situation where the customer is willing and intends to participate in an online transaction, which includes the processes of information retrieval, information transfer, and product purchase (Pavlou, 2003). While the relationship between consumer shopping enjoyment and online purchase intention is not conclusive from the theoretical perspective (Kwek et al., 2010), there are a few studies that conclude positive relationships between them (Childers, Carr, Peck, & Carson, 2001; Monsuwe, Dellaert, & de Ruyter, 2004). The consumer shopping enjoyment in bricks-and-mortar environment includes enjoyment in browsing the merchandises which may translate into the consumer staying inside the store for a longer amount of time. This course of action represents the processes of information retrieval and transfer, but it may not necessarily mean that the consumer intends to make a purchase from the store as there are other factors involved, such as purchasing power in addition to the consumer’s shopping, quality, and brand orientations.

The term shopping orientation refers to the general predisposition toward the acts of shopping. The disposition includes information search, alternative evaluation and product selection (Brown, Pope, & Voges, 2001). Many studies suggest close and important relationships between shopping orientation and purchase intention (Kwek et al., 2010; Swaminathan, Lepkowska-White, & Rao, 1999). The online shopping orientation of consumers mirrors their traditional shopping orientation (Vijayasathy & Jones, 2000).

Customers who prefer in-home shopping by mail order are highly inclined to participate in online shopping, whereas customers who prefer mall shopping show low online shopping intention.

Consumers' impulse purchase orientations have a positive relationship to their online purchase intentions (Kwek et al., 2010; Zhang, Prybutok, & Strutton, 2007). Therefore it is beneficial for Internet marketers to identify the stimuli of such a largely reactive behavior with less cognitive control. Parboteeah, Valacich, and Wells (2009) found that the quality of task-relevant (relating to cognitive reactions) and mood-relevant (relating to affective reactions) cues in a website clearly affects the likelihood and magnitude of impulsive behavior of the customers. Positive cognitive reactions are influenced by website security and usability, whereas affective reactions by appealing website design and attractiveness.

Shopping orientation is a multi-dimensional construct and different customers' orientations translate into different shopping behavior. Shopping convenience was identified in many studies as a prime motivator for customers to shop online and interact with online vendors (Kwek et al., 2010). This convenience issue translates into the need for a website to be able to provide instant confirmations. The shopping orientations relevant to quality, brand, and convenience were also found to present positive relationships with online purchase intention (Kwek et al., 2010).

The relationship between prior online purchase and purchase intention is very compelling (Brown et al., 2003). This may represent the fact that once customers overcome the barrier of the acceptance of new technology, they typically will continue to use it. This pertains to the usability and security issues. If a hotel website is easy to navigate and there is a clear indication it is a safe site, the website will encourage new users to secure their first business transactions online. The importance of online consumer behavior is therefore

reflected as the bases of why select website dimensions and attributes have to be present in successful websites.

Website Dimensions and Attributes

It is hard to conclude a set of specific criteria to measure the effectiveness of a website (Kasavana, 2002). The hospitality industry should delineate a set of popular web-based features instead. The features can be gathered and formulated based on the opinions of expert and both e-commerce users and potential users (Turban & Gehrke, 2000). The results of a study carried out by Law and Hsu (2006) highlighted five dimensions that were all perceived to be important by 304 international respondents. These five dimensions were: (1) reservations information, (2) facilities information, (3) contact information, (4) surrounding area information, and (5) website management. There was a difference between the perception of online purchasers and that of online browsers. For online purchasers, the reservation information was the most important dimension, while for online browsers, the reservation information was only regarded as the third most important. A best practise in hospitality and tourism websites identified by Shoemaker et al. (2007) is that “the reservation mask should be at the front of the page to enable customers to make their online reservations” (p. 544). This transaction capability was identified as one crucial area for turning website visitors or browsers into customers (Hsu, Zhu, & Agrusa, 2004). Without it, the hotel websites only function as an information brochure that has no capabilities to provide potential customers with booking convenience.

Law and Hsu (2006) detailed the most important attributes or features in the respective dimension. In reservations information, they were: (a) room rates, (b) check rates and availability, (c) real time reservations, and (d) security payment systems. In facilities information, it was hotel location maps. In contact information, telephone, address, and email

address were crucial. In surrounding area information, it was transportation. In website management, it was up-to-date information on the site.

Turban and Gehrke (2000) reviewed 90 articles and 40 websites and constructed 100 attributes related to website design, were subsequently narrowed down to a final list of 38 attributes. They were categorized into: (a) page loading speed, (b) business content, (c) navigation efficiency, (d) marketing/customer focus, and (e) security. The study yielded 10 most important attributes ranked by both experts and consumers, out of which four attributes appeared in both lists. They were: (1) security, (2) well-labelled lines, (3) clear and concise text, and (4) keep graphics and tables simple.

Ranganathan and Ganapathy (2002) conducted a study to derive the key dimensions of business-to-consumer websites as perceived by online consumers. Consumers' view of website effectiveness is influenced by the key characteristics that could be classified under content and design. All information, features or services available in the website represent content, while the way they are presented stands for design (Ip, Law, and Lee, 2011; Ranganathan & Ganapathy, 2002). Those characteristics revealed the four underlying website dimensions: information content, design, security, and privacy (Ranganathan & Ganapathy, 2002). Of these, security came forward to be the best predictor of online purchase intent, while privacy came second.

Trust and security came up as the top determining factor of a positive customer experience (Keynote Systems, 2011). Customer support and the booking process occurred to be the second and third factors. Those were the results of a study which was conducted by the industry analysis group of Keynote Systems, a global provider of Internet and mobile cloud monitoring solutions. This study involved 1,800 prospective air travel customers as their sample while they were interacting with the websites of nine leading hotels and online travel agencies. For 2011, Hotels.com won the title of Best Overall Customer Experience, while

Marriott.com took the first place for Best Overall Technical Quality. The key words associated to Hotels.com are “convenient”, “friendly”, and “helpful” that can be interpreted as being superior in usability and customer support.

With rapid advancement of information and communication technology and the presence of a huge number of Internet users in China, online shopping is touted to be the latest uprising phenomenon in sales and marketing (Kim, Ma, & Kim, 2006). By focusing on Chinese Internet users, the authors found that three dimensions: (1) convenience, which refers to usability; (2) technological inclination; and (3) safety, were significant in influencing users’ satisfaction and purchase intention. Time and again, usability and security or safety appeared to be important for online users. Price benefits, another dimension that the authors used in the study, were identified to be influential for purchase intention. This dimension may be associated with the concept of rate parity and best rate guarantee that are now often implemented by international chains in order to create a positioning that placing reservations through the respective hotels’ websites is the most favourable.

Search Engine Optimization (SEO) and Search Engine Marketing (SEM)

Law and Huang (2006) mentioned that the unimaginable growth of number of websites has created a massive information repository in the web with even more mindboggling number of different types of content available. Hoelscher and Strube (2005) used the term information overload to represent such a situation. The implication is evident, a perfectly designed hotel website will have no business value if it is lost in the web and users are therefore unable to locate it (Law & Huang, 2006). This emphasizes the importance of SEO and SEM.

Weinger (2010) defined SEO as “the canny use of keywords and other techniques designed to shoot a website to the top of a search” (p. 74). Google is the most popular web search engine with more than 60% of market share of views (Aggarwal & Carroll, 2010;

Weinger, 2010). The rest of the market share is practically taken by Bing (previously MSN) and Yahoo!. Weinger (2010) suggested that companies can do their own SEO by working on three factors: the right keywords, relevant page titles, and getting the links. The finished efforts can be measured using free online tools such as: (a) Google Analytics – google.com/analytics/, (b) Yahoo! Site Explorer – siteexplorer.search.yahoo.com/mysites, and (c) Xinu – xinureturns.com. Weinger's (2010) article has proven that there should be no reasons for small- and medium-sized hotels or hotels that are not part of big chains to quote financial constraint as the barrier in adopting SEO and SEM.

SEM is defined as “a form of online marketing whereby marketers and webmasters use a range of techniques to ensure that their webpage listing appears in a favorable location in search engines' result pages” (Paraskevas, Katsogridakis, Law, & Buhalis, 2011, p. 200). In short, SEM is a marketing effort that makes use of SEO. According to Paraskevas et al. (2011), online searchers have the tendency to use brief key words (ranging from one to three words only) and to spend no or minimum efforts to refine their searches. Their study stated that 80 percent of searchers do not go beyond the first page of search results. To address that online searchers' behavior, the authors identified the following SEM techniques: (a) organic SEO, where websites are to be found without payment to search engine companies; (b) paid placement or pay-per-click (PPC); and (c) paid inclusion. Aggarwal & Carroll (2010) supported the first two techniques and highlighted the importance of local promotion which includes the element of geographical location of the searched hotels. A destination-focused search engine strategy is beneficial in motivating consumers to do business transactions directly through the hotel website.

The study by Law and Huang (2006) showed different preferences. Only 11% of their 152 international respondents stopped at the first page of search results. Quite a big number of respondents (36.2%) looked until the third page, while the highest responses (44.7 percent)

stated that they would stop only until they found the satisfactory website. Despite this discrepancy, the authors concluded that SEM is indeed essential because large percentage (83.6 percent) of international travellers are users of travel or hotel websites and that Google is the web search engine to participate in if the hotels have to choose only one. In a study focusing on small- and medium-sized hotels, Murphy and Kielgast (2008) found that the majority of them have not embraced SEM effectively even though all agreed that it should be the way to go. They still very much depend on direct transactions with their travel agents and/or tour operators via emails and phone calls. In term of SEM sophistication, they are lagging behind their counterparts that are part of big chains. SEM in this regard is an opportunity for those types of hotels to efficiently expand their geographical target markets.

Website Evaluation

Ip et al. (2011) conducted a comprehensive review on 68 website evaluation studies in the fields of tourism and hospitality that were published between 1996 and 2009 with the purpose of classifying them into categories and analyzing each evaluation method's strengths and weaknesses. Such evaluations can be classified into three categories: (1) evaluation by phases, (2) evaluation by features, and (3) evaluation by features and effectiveness. Schmidt, Cantalops, and dos Santos (2008) had previously employed the mentioned three categories to investigate the relationships between the characteristics of hotel websites and website effectiveness. However, instead of using the term features, Schmidt et al. (2008) used characteristics. In the context of website evaluation, both terms can be used interchangeably.

Evaluation by phases. Schmidt et al. (2008) pointed out that website phases were also referred to as steps or layers, each consisting of certain features. Research using evaluation by phases deduces that the more experienced an organization is in e-commerce, the richer its website will be. A study on Singapore companies proposing a web adoption model in terms of level of characteristics is a good example of such an evaluation. The

authors, Teo and Pian (2004) used five levels based on the companies' objectives in using the Internet: (1) at level 0 only email addresses exist; (2) level 1 refers to simple web address just to establish an initial online presence; (3) level 2 relates to prospecting efforts, providing users with real product information; (4) level 3 represents business integration, linking to clients and suppliers; and (5) level 4 characterizes business transformation. In the review by Ip et al. (2011), it is observable that studies employing this evaluation method did not utilize any samples. They were all conducted as laboratory tests. The presence of a framework with certain website features or characteristics enables this evaluation method to decrease the complexity of website evaluation and makes it suitable for practical applications. The weakness of this method is, however, that it may not be able to keep up with the fast development of technology and website applications (Ip et al., 2011).

Evaluation by features. This method looks into the presence of website features or functionalities and does not entail an evaluation framework. It is therefore favored due to its flexibility in evaluating websites (Ip et al., 2011). This method evaluates website content, website design, and website content and design. True to its flexibility characteristic, the samples of evaluation studies reviewed by Ip et al. (2011) were wide-ranging: consumers, evaluators, hoteliers, IT professionals, managers, researchers, students, tourism professionals, users, owners, etc. A number of studies were also conducted as laboratory tests. It is acknowledged that a lack of standard benchmarking approach in agreeing to certain website features poses a risk of limiting the generalization of the method's results (Ip et al., 2011).

Evaluation by features and effectiveness. When websites are evaluated based on their features and effectiveness, the latter dimension brings in a practical relevance, an important aspect that is favored by industry practitioners (Schmidt et al., 2008). Effectiveness represents the relationship between website features or characteristics and the desired commercial outcomes (Scharl, Woeber, & Bauer, 2004). Morrison, Taylor, and Douglas

(2004) defined effectiveness as the ability to meet pre-set objectives measured by tangible outcomes. There are various means of constructing and measuring website effectiveness. Schmidt et al. (2008) suggested financial results and consumer purchase intentions. Lu, Deng, & Wang (2007) recommended four dimensions: (1) website ranking, (2) website traffic, (3) expert evaluation, and (4) user satisfaction. It is therefore evident that consumers are the major samples of such evaluation methods. This method can also be employed to address the weakness of evaluation by features. However, since financial results function as one of effectiveness indicators, it would be a challenge for independent researchers to acquire such data, unless they conduct the study in partnership with the concerned companies.

Functionality and usability. Another approach in conducting website evaluation is by investigating website functionality and/or usability. Functionality refers to the information richness or contents and features of a website, whereas usability deals with issues of design or ease of use (Yeung & Law, 2006; Chung & Law, 2003; and Law, Qi, & Leung, 2008). It is important to realize that excellence in functionality does not necessarily equate with website effectiveness. In that instance, the website is developed with technological sophistication in mind and not from the perspective of the customers. Due to its technological characteristics, this method is usually conducted based on expert evaluations.

Usability plays a very crucial role in increasing a website's efficiency and makes it more enjoyable for users to browse and transact (Yeung & Law, 2006). The components of usability are accessibility, navigation, readability, and download speed (Thelwall, 2000). Poor interface which represents inferior usability is regarded as the determinant of a website's unpopularity (Law et al., 2008). The authors further described that such unpopularity is a result of difficulties in operating and understanding the website, which consequently will prompt the users to leave. Most e-commerce websites drive away about 70% of visitors who otherwise could potentially be their customers simply due to poor

website usability (Lais, 2002). Website usability evaluation requires consumers as the sample because their perspectives are the focal point of the investigation. Such an evaluation approach cannot be done without users' involvement.

Conclusion

Website evaluation by features is identified as the most appropriate method for this study due to its flexibility, the possibility of conducting it in an independent test setting, and because it does not necessarily demand primary data collection. The previously employed methods for website evaluation by features should be modified by considering new features that have recently become consumers' concerns. In this Internet age, a hotel website should no longer be a brochureware. It is imperative for a website to offer online reservation, instant confirmation, and secure payment method functionalities, which reflect the issue of convenience and security demanded by customers in the extant studies.

A hotel website should first ensure that the issues of functionality and usability have been well addressed. A website must be technically sound and provides ease of navigation and ease of contact. These attributes greatly influence consumers' positive online experiences. The ability to gather consumers' contact information and profile is important for many purposes, such as marketing research, CRM, and targeted or generic marketing communications. Different pricing features that include rate parity, best rate guarantee, and BAR pricing, should be present as they will facilitate the building of consumers' confidence on placing reservations directly through a hotel's website. Social media cannot be ignored as it offers the power of word-of-mouth advertising. Finally, it would be pointless if after putting in much effort to ensure a hotel website has the right features, but consumers are unable to find it in the web. It is the reason why hotels should also consider destination-focused search engine strategies.

A check on the corporate website of international hotel chains such as Four Seasons Hotels and Resorts, Hilton Hotels and Resorts, Hyatt, InterContinental Hotels Group, Marriott, and Starwood Hotels and Resorts showed that these chains are excellent in using the Internet as their marketing tool. These chains' websites have all the important features identified from the literature review.

Part Three

Introduction

The literature review of different perspectives and types of website evaluation has identified the most appropriate website evaluation features and method for this study. In order to avoid the dominance of Internet marketing and its marketing mix perspective, this study will adopt a balanced scorecard (BSC) approach to formulate the measurement instrument for evaluating the websites of independent hotels in Singapore (Figure 1).

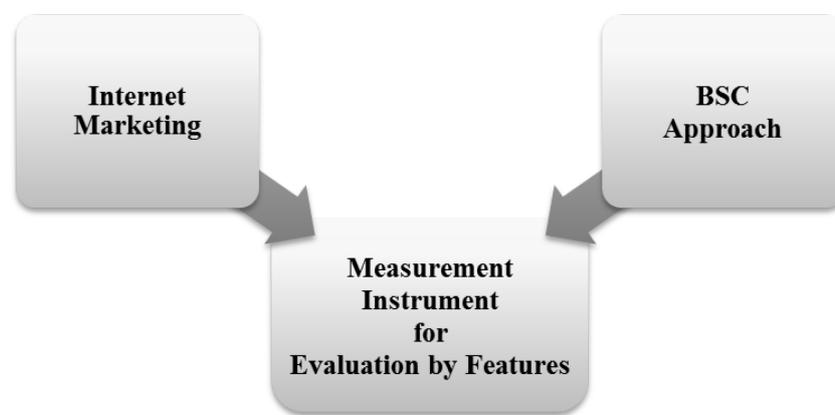


Figure 1. Internet marketing represents one perspective while BSC approach suggests another three perspectives to make the website evaluation balanced.

Internet marketing. With the Internet as form of media, people around the world can interact with contents provided by companies, voicing their opinions, and providing suggestions and comments. They can even interact with other consumers forming interest groups (Schmidt, Cantalops, & dos Santos, 2008). Social media networking is a good example of this phenomenon. The application of the traditional marketing mix is thus inevitably affected by this new environment.

Product. The information-based service of a company's website can improve the basic information and extend the products offered (Schmidt et al., 2008). Online consumer surveys and the capability of real time information exchanges between consumer and service

provider can also turn into future product enhancement (Chaffey, Ellis-Chadwick, Johnston, & Mayer, 2006). In the effort to reduce uncertainty caused by service intangibility, consumers attempt to search for tangible evidences that will provide them with information and induce their confidence about the service (Kotler, Bowen, & Makens, 2006). The Internet offers great capability to make a hospitality company's products more tangible by providing images, videos, awards, accolades, news, and press releases.

Price. The importance of price segmentation or differential pricing is highlighted due to the Internet's ability to provide more accurate information pertaining to consumer identification, location and products desired (Yelkur & Neveda-DaCosta, 2001). Best available rate and rate parity and/or best rate guarantee have been identified as the influential factors for consumers to make a direct booking through a hotel's website. It is the incentive for consumers to not shop around for lower prices elsewhere, which is easily done in the web.

Promotion. Companies provide information about its products, services, and the company itself to the marketplace through their strategic promotions (McCarthy, 1976 as cited in Schmidt et al., 2008). Providing current and timely information influences customers, and contributes to building trust and good branding. Well-planned promotion is potential to gain publicity, which in return will induce trials by the consumers (Kotler et al., 2006).

Place or point-of-sale. The Internet offers the capability to function as a tool for simultaneous promotion and point-of-sale (Schmidt et al., 2008). The website can boost sales and perform business transactions online, which represents the importance of e-commerce. Without secure payment methods, instant confirmation and sales policies, the website will otherwise only operate as a brochureware.

Balanced scorecard (BSC) approach. BSC is considered as one of the most prominent tools to have emerged within enterprise management since the early 1990s (Morrison, Taylor, & Douglas, 2004). It was originally developed to circumvent the dominant

role of one-dimensional performance indicators such as profit or any other forms of financial measures (Kaplan & Norton, 1996). BSC approach does not intend to undermine the importance of financial dimension. It mainly advocates that the performance of an organization should be a multi-dimensional construct instead. The original BSC retains the financial perspective and includes three additional ones: (1) customer, (2) internal/business process, and (3) learning and growth (Kaplan & Norton, 1996). Hence the performance measurement is balanced.

A website's performance should therefore be evaluated using this similar approach in order to achieve more accurate and comprehensive results (Yuan, Morrison, Linton, Feng, & Jeon, 2004). The authors further mentioned that the modified BSC approach has been tested since the late 1990s and found to be a reliable measurement instrument. As the pioneer in using this method, Morrison, Taylor, Morrison, and Morrison (1999) evaluated the design and maintenance of a group of small Scottish hotels' websites by using technical, marketing, customer, and internal perspectives. The four perspectives were then specified into a set of critical success factors which represent criteria that a website must meet in order to be effective (Morrison et al., 2004). The same four perspectives were employed by Yuan et al. (2004) to evaluate the marketing effectiveness of small wineries' websites in a Mid-western U.S. state; and by Kim, Morrison, and Mills (2004) in examining the effectiveness of web-based marketing efforts of major city convention centres in the U.S.

In order to fit the diverse natures of the study in the hospitality and tourism areas, those perspectives can be substituted with the more appropriate ones. Ismail, Labropoulos, Mills, and Morrison (2002) replaced the internal with cultural perspective in examining the effectiveness of the European Union NTO websites in marketing their respective cultures. So and Morrison (2004) evaluated the Internet marketing effectiveness of East Asian NTO websites by using destination information instead of internal perspective.

Methodology

This study adopts the website evaluation by features method and incorporates the modified BSC approach into it. The process of evaluating started with the formulation of a measurement instrument whose items for examining the website features were collected from literature. This list of criteria was then used to evaluate the websites of independent hotels in Singapore based on Singapore Tourism Board's list of gazetted hotels for 2009.

The results of the evaluation were tabulated to distinguish which hotels have done right with their websites and identify areas for improvement for all hotels, especially for those that did not yield satisfactory outcomes. Personal communication with representatives of three hotels that belong to the top performers list was conducted to support the findings and seek some insights about the effectiveness of their websites.

Measurement instrument. The detailed critical success factors that belong to the four perspectives of website evaluation function as the evaluation criteria (Figure 2). The website evaluation form used is a modified version of the forms developed by Mills and Morrison (as cited in Morrison et al., 2004) and by Yuan et al. (2004).

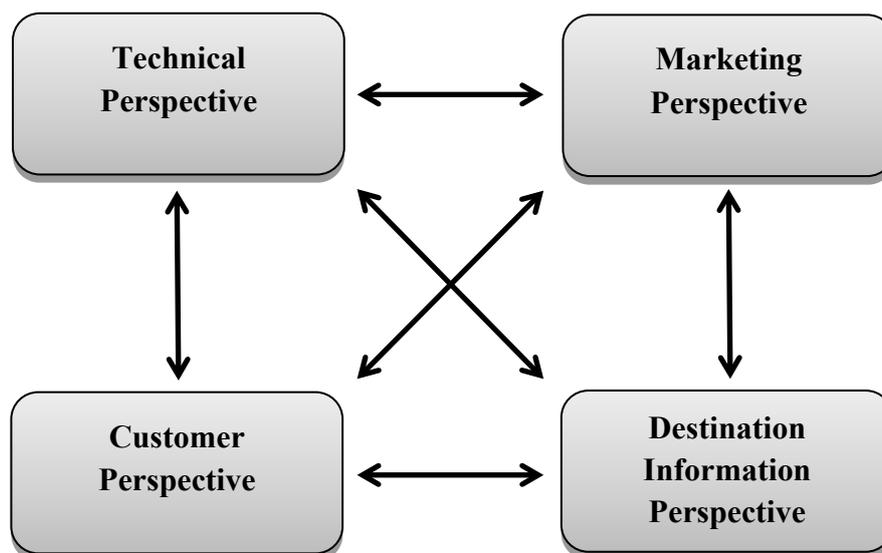


Figure 2. The four perspectives used in the website evaluation by features method as a result of the modified BSC approach.

Technical perspective. Among many website analysis and improvement tools available, NetMechanic was chosen due to its concise and easy to understand report (Keynote NetMechanic, 2010). It assesses the five criteria originally used by Morrison et al. (1999). They include link check, HTML check, browser compatibility, load time, and spell check. Two new criteria were added based on the findings in recent studies influenced by the advancement of information and communication technology: (1) link popularity, which refers to the total number of websites that link to a hotel's website using Google, Bing, and Yahoo search engines (The PC Edge, 2010); and (2) search engine optimization, which checks on which page the search results are shown, also using Google, Bing and Yahoo. Rating scores are given on a five-point Likert scale of 1 to 5, with 5 being the best. The critical success factors of this perspective are detailed in Table 1.

Table 1

Technical Perspective

Critical success factor	Description
Link check	Number of bad links present
HTML check	Average number of errors on 5 pages
Browser compatibility	Average number of errors on 5 pages
Load time	Average per second loading of pages
Spell check	Average number of words spelt incorrectly on pages
Link popularity	Average number of results shown by search engines
Search engine optimization	On which page the website first shown after a search

Note. 7 items to be tested with a maximum of 35 raw points. The maximum weighted score is 25 points. The form is modified from the standardized website evaluation form developed by Mills and Morrison (as cited in Morrison, Taylor, & Douglas, 2004) and by Yuan, Morrison, Linton, Feng, & Jeon (2004).

Marketing perspective. An effective website must be able to handle business transactions online in order not to be trapped in being a brochureware. All aspects of marketing mix are represented in the critical success factors of this perspective. Aligned with strategic purpose of marketing, which is to create and retain customers (Shoemaker, Lewis, & Yesawich, 2007), the marketing research and database is a new area that needs to be accordingly present. The critical success factors of this perspective are detailed in Table 2.

Table 2

Marketing Perspective

Critical success factor
Marketing information
Current and timely information
Detailed information on product configuration features
Globalization
Foreign language and/or special interest sites for foreigners
Market segmentation and target marketing
Business travelers
Leisure travelers
Families and/or children
Couples and/or honeymooners
MICE participants
Others (medical tourist, eco-tourists, long-term guests, locals, etc.)
Branding
Distinct logo and name
Theme carried throughout the site

Critical success factor

Making products more tangible

Photo gallery

Testimonials / awards / news releases posted

Marketing research and database

Join mailing list / RSS / customer survey or feedback form / newsletter subscription

Privacy policies

Social media

Partnership

Hyperlinks to partner organizations

Price

Presence of price segmentation

BAR pricing

Best rate guarantee and/or rate parity promised

Promotion

Any promotion mentioned

E-commerce

Reservation mask on the first page

Instant confirmation provided

Secure payment

Sales policies

Note. 25 items to be tested with a maximum of 25 raw points. The maximum weighted score is 25 points. The form is modified from the standardized website evaluation form developed by Mills and Morrison (as cited in Morrison, Taylor, & Douglas, 2004) and by Yuan, Morrison, Linton, Feng, & Jeon (2004).

Customer perspective. This aspect focuses on user friendliness and site attractiveness. The former criterion consists of ease of navigation and ease of contact components. The critical success factors of this perspective are detailed in Table 3.

Table 3

Customer Perspective

Critical success factor
Ease of navigation
Clear and effective navigation tools on each page
Home button available from all pages
Availability of a site map or index
Availability of a search engine for website content
Links to required plug-ins provided
Availability of non-graphics version for older PCs
Ease of contact
Direct email contact clearly available
Mailing address clearly available
Telephone number clearly available
Fax number clearly available
Site attractiveness
Clear and readable text
Clear and uncluttered pages
Sufficient contrast between background and text
Effective and esthetically appealing backgrounds

Critical success factor
Availability of pictures to reinforce text content
Other images used to improve esthetics of the site
Use of color to improve the visual appeal of the site
Appropriate length of page scrolling (horizontal and vertical)
Effective use of web page space
Good overall appeal of site

Note. 20 items to be tested with a maximum of 20 raw points. The maximum weighted score is 25 points. The form is modified from the standardized website evaluation form developed by Mills and Morrison (as cited in Morrison, Taylor, & Douglas, 2004) and by Yuan, Morrison, Linton, Feng, & Jeon (2004).

Destination information perspective. There is always a stream of first time visitors to Singapore, therefore it is relevant for hotel websites to provide basic along with important destination information. Regular visitors also need an update on such information. This aspect is well covered by international hotel chains, but typically often neglected by independent hotels. The critical success factors of this perspective are detailed in Table 4.

Table 4

Destination Information Perspective

Critical success factor
General travel information
Currency
Weather
Transportation options and/or how to get around information
Business opening hours
Other information relevant to the destination

Critical success factor

Location map of the hotel

Business traveler information

Corporate and government offices

MICE facilities

Leisure traveler information

Arts and culture

Entertainment and/or F&B outlets

Sporting and/or recreation

Shopping

Note. 12 items to be tested with a maximum of 12 raw points. The maximum weighted score is 25 points. The form is modified from the standardized website evaluation form developed by Mills and Morrison (as cited in Morrison, Taylor, & Douglas, 2004) and by Yuan, Morrison, Linton, Feng, & Jeon (2004).

In evaluating hotel websites by features, measurement scales for marketing, customer, and destination information perspectives were changed from a Likert format to dichotomous “0” or “1” statements to indicate the absence or presence of specific site features. This simple procedure is able to reduce the potentiality of evaluator’s subjectivity (Yuan et al., 2004). Each perspective, including the technical viewpoint, has weighted score of 25 points with a total weighted score of 100 points for the four perspectives combined.

Results

Out of 41 independent hotels in Singapore, three small hotels do not have own websites as they leverage the parent companies’ websites, and one hotel’s website was down during the time of evaluation. Details of the 37 hotels whose websites were coded from 1 to 37 are shown in Table 5. The results of the Singapore independent hotels’ website valuation are detailed in Table 6.

Table 5

Gazetted Hotels in Singapore

Room stock	All gazetted hotels	All independent hotels	Independent hotels tested	Tested hotel code
Small (< 201 rooms)	52	31	27	1 - 27
Medium (201 – 400 rooms)	34	7	7	28 - 34
Large (401 – 600 rooms)	24	3	3	35 - 37
Very large (> 600 rooms)	10	-	-	-
Total	120	41	37	-

Note. The category and number of hotels in Singapore in 2009 (Singapore Tourism Board, 2010). There is no official star rating in Singapore. Singapore Tourism Board classifies hotels based on their room stock.

Table 6

Weighted Score Results of the Website Evaluation

Hotel code	Technical 25 points	Marketing 25 points	Customer 25 points	Destination information 25 points	Total 100 points
1	12.14	11.00	18.75	12.50	54.39
2 ^a	17.14	6.00	18.75	6.25	48.14
3 ^a	15.71	6.00	17.50	4.17	43.38
4	13.57	11.00	17.50	8.33	50.40
5	13.57	12.00	20.00	12.50	58.07
6 ^a	18.57	4.00	15.00	8.33	45.90
7	20.00	18.00	20.00	16.67	74.67

Hotel code	Technical 25 points	Marketing 25 points	Customer 25 points	Destination information 25 points	Total 100 points
8	15.71	14.00	20.00	12.50	62.21
9	16.43	17.00	18.75	4.17	56.35
10 ^a	14.29	9.00	16.25	6.25	45.79
11	14.29	18.00	20.00	6.25	58.54
12 ^a	12.86	9.00	20.00	6.25	48.11
13	16.43	20.00	21.25	16.67	74.35
14	20.71	12.00	20.00	0.00	52.71
15 ^a	13.57	8.00	17.50	4.17	43.24
16	12.14	18.00	20.00	6.25	56.39
17	15.00	11.00	20.00	8.33	54.33
18 ^a	13.57	5.00	16.25	6.25	41.07
19	17.86	12.00	15.00	6.25	51.11
20	19.29	20.00	21.25	10.42	70.96
21 ^a	10.00	6.00	13.75	14.58	44.33
22 ^a	15.71	6.00	18.75	4.17	44.63
23 ^a	15.71	6.00	20.00	6.25	47.96
24	12.86	18.00	21.25	18.75	70.86
25	17.14	19.00	20.00	6.25	62.39
26	15.00	16.00	21.25	16.67	68.92
27	15.71	19.00	22.50	14.58	71.79
28	15.00	21.00	20.00	14.58	70.58
29	11.43	21.00	21.25	4.17	57.85

Hotel code	Technical 25 points	Marketing 25 points	Customer 25 points	Destination information 25 points	Total 100 points
30	12.86	19.00	21.25	14.58	67.69
31	18.57	12.00	20.00	12.50	63.07
32	17.86	20.00	20.00	12.50	70.36
33	20.00	15.00	18.75	4.17	57.92
34	17.14	21.00	21.25	18.75	78.14
35	13.57	18.00	20.00	12.50	64.07
36	17.86	22.00	21.25	20.83	81.94
37	17.86	22.00	21.25	10.42	71.53
Mean	15.60	14.11	19.36	9.97	59.03

Note. Total results greater than 70 points are shown in boldface.

^aBrochureware websites with no functionality of online booking that provides instant confirmations.

On average, the 37 websites performed the best on the customer perspective with a mean score of 19.36 out of the maximum 25 points. None of them scored below the passing point of 50% or 12.50, which means they are all good in term of website's user friendliness and site attractiveness. Close to 65% or 24 websites scored above the average.

On technical perspective, the websites performed relatively well with a mean score of 15.60. There were only four websites scored below the passing point, they belong to three small hotels and one medium-sized hotel. Because the majority of the websites that belong to small size hotels have an uncomplicated website design, they do not really face problems associated with technical Internet matters. The lowest scores were typically a result of failure in the search engine optimization and link popularity criteria. Hotel 36's website is the only one that achieved highest scores for both criteria.

One important issue to note is the e-commerce capability that is part of marketing perspective. Ten websites were considered as brochureware for that reason and did not manage to achieve the passing point of 50 or 50% of the composite score, where the four perspectives were summed. The owners of these websites are all in the category of small hotel. The rest of other websites managed to get higher than the total of 50 points with more than 51% or 19 websites scored above the average.

The destination information perspective was the weakest link with a mean score of 9.85 points out of the maximum 25 points. Majority of the websites only provided insignificant details of such an information. The two overall highest scoring websites, which belong to hotel 34 and hotel 36, are a good example of hotel websites offering comprehensive information on Singapore that will make a first –time visitor feel sufficiently equipped prior to leaving for the destination.

Overall, close to 73% or 27 websites out of the 37 websites tested passed the evaluation. The total score of 16 websites were above the mean score of 59.03, while 11 of them marginally passed by scoring below the average.

Top ten performers. Ten websites performed very well yielding composite scores greater than 70 points with two top websites that belong to hotel 34 and hotel 36 scored 78.14 and 81.94 respectively. These two hotels scored competently in all four perspectives used in the evaluation.

The websites of these hotels can therefore be used as a point of reference for other websites that did not achieve as well for future improvement. In alphabetical order, they are: (1) Goodwood Park Hotel, (2) Hotel 1929, (3) Link Hotel, (4) Naumi, (5) Royal Plaza on Scotts, (6) Siloso Beach Resort, (7) The Inn at Temple Street, (8) The Scarlet Hotel, (9) The Sentosa Resort and Spa, and (10) York Hotel.

Comments from hotel representatives. Three personal communications were conducted with the representatives of three hotels, which are part of the top ten performers, to support the results of this study.

Hotel 1929. The hotel represents small-sized hotels in Singapore with number of rooms below 201. The hotel's website was developed approximately 2.5 years ago and it has been performing very effectively as a marketing tool. Its website bookings have been growing with a constant increase every year reaching the current ratio of 70% of the total bookings received. Due to this high ratio of website bookings, the hotel's cost of distribution is considered very low. Even though there is a potential to grow even higher with this website booking ratio, the management prefers to keep the other 30% of booking ratio for long-term partners that include corporations and online travel agents (C. Wee, personal communication, August 5, 2011).

Goodwood Park Hotel. The hotel is in the category of medium-sized hotels with number of rooms between 201 and 400 rooms. The hotel's General Manager initiated the revamping of the website about one year ago. Since then, the ratio of direct bookings received through website has been increasing from negligible number to the current state of close to 7%. Due to the potential of these website bookings, the management assigns a team, which is led by the Revenue Manager to closely monitor and manage the website booking performance. "Direct online bookings should be the major focus in the future. It offers the lowest cost of distribution channel. The plan is to improve the website effectiveness and to look into the seamless customers' experience from browsing, booking until they are here staying in our hotel" (L. Wee, personal communication, August 2, 2011).

Royal Plaza on Scotts. The hotel is in the large hotel category with number of rooms between 401 and 600. The hotel revamped its website in December last year, and by now the ratio of website bookings has reached 23%. The management confirmed that this relatively

high ratio of website booking help reduce the operating costs of the hotel. The management takes social media seriously and uses it for update of marketing information and promotional purposes. The hotel currently has more than 30,000 Facebook fans. “Trust makes the chances of conversion from browsers to bookers high; that is the reason why the hotel implements the best rate guarantee” (M. Y. Hamzah, personal communication, August 5, 2011). Royal Plaza on Scotts is the only independent hotel in Singapore that offers this rate guarantee strategy.

Recommendations for Future Research

Combining evaluation by features and by effectiveness is worthwhile considering for future research. The identified website features based on literature can be tested against the tangible and measurable outcome of effectiveness such as financial results (Schmidt et al., 2008) or other outcomes such as website rankings, website traffic, and user satisfaction (Lu, Deng, & Wang, 2007). Evaluation by effectiveness will typically need collaboration with one or more particular hotels that are interested to measure their websites’ performance because the hotels’ internal data is compulsory in this instance.

Recommendations

In this Internet era and globalization, the existence of brochureware is certainly unfavorable, the small independent hotels should strive to improve their e-commerce capability by providing instant confirmation and secure payment methods via their website. Since independent hotels do not have the economy of scale to develop their own system, they can easily make use of third party’s booking engine companies in the hospitality and tourism industry as what the three hotels: Hotel 1929, Goodwood Park Hotel, and Royal Plaza on Scotts do.

Generally, the destination information perspective needs to be improved. At this point, the information provided is not taken seriously. As a comparison, the big international chains such as Accor Group, InterContinental Hotels Group, Starwood Hotels & Resorts, and

Marriott are very good in this area. The information provided is concise but significant. By visiting their properties' websites, visitors can basically book a room and get the necessary information pertaining to the destination they are going.

Best rate guarantee is a pricing strategy that the independent hotels need to consider in order to induce trust and influence more consumers to book directly through their respective hotel websites. When it is clearly indicated, consumers will receive an assurance that there will be no lower publicly available rates of the hotels in question in the web. The previously mentioned international chains are again good examples of the implementation of best rate guarantee concept.

Conclusion

The majority of independent hotels in Singapore, almost three of four hotels, get it right in developing, utilizing, and maintaining their websites. These websites have the presence of sufficient amount of features that are known to be contributing towards website effectiveness. Ten hotel websites that did not make the cut are all in the small-sized hotel category. Their websites do not exploit the potential of the Internet by only functioning as brochureware. A check with three hotels, which are part of the top ten performers, showed that their websites are indeed effective. These three websites produce relatively high ratio of website bookings and have the lowest cost amongst other distribution channels that the hotels use.

All hotels' websites are considered user-friendly and attractive. Almost 90% of the websites face no technical problems, partly due to the simple design of the majority of small-sized hotels' websites. The destination information perspective is identified as an area of improvement for most hotels alongside contemporary aspects of the marketing perspective, such as social media, search engine optimization, and marketing research and database functionalities.

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Appendix

Name of Hotel:
URL:
Date of
Evaluation:

Hotel Code
1

Overall weighted points: ___ / 100

TECHNICAL PERSPECTIVE	1	2	3	4	5
Link check (<i>number of bad links present</i>)					
HTML check (<i>average number of errors on 5 pages</i>)					
Browser compatibility (<i>average number of errors on 5 pages</i>)					
Load time (<i>average per second loading of pages</i>)					
Spell check (<i>average number of words spelt incorrectly on pages</i>)					
Link popularity (<i>average number of results: Google/Bing/Yahoo</i>)					
Search engine optimization (<i>result shown on 5th or NIL / 4th / 3rd / 2nd / 1st page</i>)					

Total raw points (max 35): ___
 Total weighted points (max 25): ___

MARKETING PERSPECTIVE	0	1
Marketing information		
Current and timely information		
Detailed information on product configuration features		
Globalization		
Foreign language and/or special interest sites for foreigners		
Market segmentation and target marketing (provision of specific information relevant to):		
Business travelers		
Leisure travelers		
Families and/or children		
Couples and/or honeymooners		
MICE		
Others (medical tourists, eco-tourists, long-term guests, locals, etc.)		
Branding		
Distinct logo and name		
Theme carried throughout the site		
Tangibilizing of products		
Photo gallery		
Testimonials / awards / news releases posted		
Marketing research and database		
Mailing list / RSS / customer survey or feedback /newsletter subscription		
Privacy policies		
Social media		
Partnership		
Hyperlinks to partner organizations		
Price		
Presence of price segmentation		
Best available rate pricing		
Best rate guarantee and/or rate parity promised		
Promotion		
Any promotion mentioned		

E-commerce		
Reservation mask on the first page		
Instant confirmation provided		
Security (https, thawte, VeriSign, SSL, etc.)		
Sales policies		

Total raw points (max 25): ____
Total weighted points (max 25): ____

CUSTOMER PERSPECTIVE	0	1
Ease of navigation		
Clear and effective navigation tools on each page		
Home button available from all pages		
Availability of a site map or index		
Availability of a search engine for website content		
Links to required plug-ins provided		
Availability of non-graphics version for older PCs		
Ease of contact		
Direct email contact clearly available		
Mailing address clearly available		
Telephone number clearly available		
Fax number clearly available		
Site attractiveness		
Clear and readable text		
Clear and uncluttered pages		
Sufficient contrast between background and text		
Effective and aesthetically appealing backgrounds		
Availability of pictures to reinforce text content		
Other images used to improve aesthetics of the site		
Use of color to improve the visual appeal of the site		
Appropriate length of page scrolling (horizontal and vertical)		
Effective use of web page space		
Good overall appeal of site		

Total raw points (max 20): ____
Total weighted points (max 25): ____

DESTINATION INFORMATION PERSPECTIVE	0	1
General travel information		
Currency		
Weather		
Transportation options and/or how to get around		
Business opening hours		
Other information relevant to the destination		
Location map of the hotel		
Business traveller information		
Corporate and government offices		
MICE facilities		
Leisure traveller information		
Arts and culture		
Entertainment and/or F&B		
Sporting and/or recreation		
Shopping		

Total raw points (max 12): ____
Total weighted points (max 25): ____

REMARKS
Major strengths
1.
2.
3.
Suggestions for improvement
1.
2.
3.

Note. The form is modified from the standardized website evaluation form developed by Mills and Morrison (as cited in Morrison, Taylor, & Douglas, 2004) and by Yuan, Morrison, Linton, Feng, & Jeon (2004).