ABSTRACT

Electronic Distribution Channels (EDCs) were first used by hotels in the 1980s. Since that date their usage has been ongoing with new channels being continuously developed. Nowadays, EDCs are critically important to hotel marketing. There is a rich EDC literature, including a number of case studies, for chain hotels but little work that focuses on marketing consortia or non-affiliated (independent) hotels. Four main issues facing hoteliers in their use of EDCs are identified i.e. complexity; price transparency; the quality of hotel information shown on EDC and building relationships with customers. Various authors have highlighted the importance of managing EDC and applying a systematic approach to evaluate it at regular intervals. Existing management models and hotel distribution images have also been criticized as in need of updating to design a comprehensive EDC management model.

A comparative case study (first phase of research) of EDC exploitation in affiliated and non-affiliated hotels was undertaken in Wales, involving semi-structured interviews with hotel managers and website analysis. The results identified two key interrelated challenges for hoteliers: complexity and quality of information. Communication between EDC companies and hotels emerged in this phase as a significant issue facing hoteliers. These findings led to the development of an initial EDC performance evaluation flowchart to help hoteliers in exploiting EDCs. Followed by an initial EDC management model summarised the case study findings.

A phenomenological approach (second phase of research) was adopted to develop and generalize the results which are accommodated in the final EDC management model. In this phase, industry and expert panels were formed from: experts and managers belonging to: non-affiliated hotels; EDC companies; chain headquarters; marketing consortia head offices. Semi-structured interviews were held and self-administered surveys were distributed to the panel participants. Several future trends were identified, together with new channels which are anticipated to grow e.g. virtual travel communities (VTCs). These informed the design of the new hotel distribution model. The major shift in the final results was in the initial EDC evaluation flowchart. It was split to include four different areas: search engine optimization (SEO); hotel website; quality of hotel information shown on EDC; value for money. The final EDC performance evaluation toolkit was designed to accommodate the different needs of hoteliers (these differences were based on typologies; locations and financial abilities of hotels) and to help them fully exploit EDCs.