

**The effect of e-marketing on customer satisfaction:
*The case of selected four star hotels in Addis Ababa***

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June, 2018

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A Thesis paper submitted to the department of Marketing Management in partial fulfillment of the requirement for the degree of Master of Art in Marketing Management.

June, 2018

Addis Ababa, Ethiopia

Addis Ababa University School of Commerce

Post Graduate Program

Board of Examiners Approval Sheet

This is to certify that the thesis entitled; The effect of e-marketing on customer satisfaction: The case of four star hotels in Addis Ababa; is prepared by Eyerusalem Melaku in partial fulfillment of the requirements for the award of the degree of Master of Arts in Marketing Management, with the regulation of the university and the accepted standards with respect to originality.

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Statement of Certification

This is to certify that Eyerusalem Melaku has carried out her thesis work on the topic entitled “Effects of e-marketing on customer satisfaction in the case of selected four star hotels in Addis Ababa” under my guidance and supervision. Accordingly, I hereby assure that her work is appropriate and standard enough to be submitted for the award of Master of Arts Degree in Marketing Management.

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Declaration

I, Eyerusalem Melaku, declare that the research paper entitled “Effects of e-marketing on customer satisfaction in the case of selected four star hotels in Addis Ababa” is my own and I have the courage to say, it is original research work that has not been produced by others in any other institutions or universities for any other requirements in any form. To this end, I acknowledge all sources of information that I used to produce the study appropriately.

Eyerusalem Melaku

Student researcher

Signature

Date

Acknowledgments

First and for most, I would like to thank the Almighty God for giving me all the courage and strength to complete this study. Next, I would like to thank my advisor Mr. Mulugeta G/Medhin(PhD) for his professional and ethical guidance in every step and process of conducting this research. His willingness to devote his time and to use his expertise in each point of discussion need to be appreciated and I am grateful for that. I would also like to acknowledge Inter-Continental Addis Hotel, Harmony Hotel, Jupiter International Hotel (Cazanchis location), Saro Maria Hotel, Friendship Hotel and Washington Hotel, who helped me in facilitating resources to approach their customers for the required data collection. I must also express my deepest gratitude for everybody who helped me in providing relevant literatures and being by my side during the data collection period which was the exhausting period of the study. Finally, I would like to give my special thanks to my family and friends for their unfailing encouragement throughout the year of the study.

Abstract

The purpose of this study was to examine factors that affect customers satisfaction on e-marketing services of the hotel industry. The study focused on five dimensions namely; Customization, Privacy, Global Accessibility of web pages, convenience and security which affect the e-satisfaction of the hotel customers. The study used mixed research approach to have a better insight and gain a richer understanding about the effect of e-marketing on customer satisfaction in the hotel industry from both the customers and the hotels point of view and the researcher has employed descriptive explanatory design to objectively answer the research questions. Both probability and non-probability sampling were used in the sampling technique. Purposive and convenience sampling, which are of non-probability sampling, were used to select the hotels and respondents among the e-marketing customers of the hotels respectively. Simple random sampling, which is of probability sampling, was used to select the hotels among the four star hotels. For achieving the study objective, 384 sample respondents were selected and data were collected in 5 point Likert scale questionnaire with closer assistance of the researcher. Additionally, the researcher has also used unstructured interview with the respective employees of the hotels to get assertive observations so that to get benefits of a mixed methods approach and to mitigate the bias in adopting only either quantitative or qualitative approach. The data, then, analyzed through descriptive and inferential statistics using linear regression. By the findings, out of the proposed five factors in affecting e-satisfaction of customers, the four factors namely; Customization, Privacy, Convenience and Security have found to be significant factors of e-satisfaction in the hotel industry and the remaining variable Global Accessibility of web pages was found to be statistically insignificant. Furthermore, on the basis of the research findings, appropriate recommendations along with implications for further studies have been forwarded.

Key words: *Customization, Privacy, Global Accessibility of web pages, convenience, security and e-satisfaction*

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Acronyms

ANOVA - Analysis of Variance

B2C-Business to consumer

B2B-Business to Business

POS-Point of Sale

SPSS- Statistical package for social science

VIF – Variance Inflation Factor

Chapter 1

Introduction

1.1. Background of the Study

In today's technology driven world, the evolution of internet has created a new phenomenon in our daily life, one of which is e-commerce, which makes life convenient for consumers and companies by connecting them each other. The information technology developments and the internet are growing rapidly and are viewed as a key driving force to the increase in the use of e-commerce services in the world (Madupu, 2006)

The race is on for contemporary marketers to under-stand and build connections with virtual communities of consumption before more net-savvy competitors can discover how to bond with them. Internet information access and interactivity are behind a fundamental shift occurring right now in the way people think about their purchasing and consumption activities. (Kozinets, 1999).

Marketing has faced a paradigm shift in 21st century through information technology developments. e-marketing utilizes the Internet as a communications and distribution channel. The beginning of the internet era opened up new possibilities and is helping companies to keep in touch with customers. On the other hand, the penetration of active internet users is growing through time.

e-commerce has a considerable impact on the business-to-business application, when a diverse group of enterprises become involved in the decision making process (Rama, 2004). The Internet era is opening a new pathway for the current marketing. The Internet has made all traditional modes of business outdated and generated new possibilities in business. Online marketing and technology uses the Internet as a medium to advertise and sell products and services.

According to Rama (2004), in the last two decades application of E-commerce is evolving from technology driven to more user-driven. Thus E-commerce has become synonymous with communication, strategy and business practices. E-commerce aids to exchange information and execute transactions among enterprises and individuals. It facilitates electronic adaptation of communication for business process via Electronic Data Interchange.

The hotel industry is among the service sectors which are growing faster and continuously providing a bright future in contributing to the economy of the country. Hotels are competing

each other in giving the best offerings to the customers and technology through their various tools in marketing their products and interacting customers.

Online community is an effective tool for building the relationship with consumers. Many hospitality firms (i.e., hotels and restaurants) have utilized online communities a new marketing channel to reach their consumers. (Juhee, 2011)

Most researchers so far investigated the e marketing effect on product marketing and not much has been done on service sectors rather than the banking industry. The hotel industry is one of the vital service sectors by which foreign currency is generated and source to significant contribution of the national income. Large number of hotels and restaurants in the world use internet as a platform for their online communities. Through social media, consumers share experiences with and suggest ideas to others while developing new relationships within their communities. For this reason, many hotel firms consider internet marketing a powerful tool to enhance consumer loyalty and satisfaction (Kasavana, 2008).

Coming to Ethiopia, which is full of historical and archeological sites and the capital city emerging as the conference center of Africa, the hotel industry is booming, the competition among the hotel firms is getting stiffer as the years passed by. Sustaining profitability and differentiating ones product and service is more challenging to the firms operating in the industry. Most of the hotels in Ethiopia offer more similar facilities. As a result of these, most of the foreign and local guests are becoming more dependent on the quality of service offered.

A hotel website stays open all the time and can be accessed by potential customers any time they want. In response to this e-business opportunity, many hotel organizations are establishing their own websites to facilitate the promotion and on line reservation which are found to be the main objectives for hotels.

This research is therefore intended to identify the general effects of e-marketing adoption on customer's satisfaction taking the case of four star hotels in Ethiopia and to implicate strategies to better utilize this vital tool so as to get in touch with potential customers.

1.2. Statement of the Problem

Due to the intangible nature of service, consumers in the hotel industry tend to value feedback based on other consumers' service experiences. Today's world is based on the Internet. It's tough for the consumers to envisage their life without the Internet because e-Marketing has revolutionized the market and the minds of the consumers, as they can browse through the Internet to source information for whatever and whenever they want (Abdlhakim, 2016)

Currently, the methods that suppliers are using to satisfy their customers information needs are not satisfactory, as per a preliminary assessment of websites, different business sectors in Addis Ababa have a website but the information is not detailed and most of them don't use the internet for exchanging purpose although the numbers of online information seekers are increasing gradually.

To increase company exposure and customer base, Internet marketing plays a vital role. Hotels exert high effort to build huge client basis and to realize this they use Internet marketing as a tool (Roman, 2015). e-commerce is of course the newest vehicles for streamlining business processes, but the question to be answered is how it is allowing customers to receive better service and level of satisfaction. The study will focus on how hotels develop online marketing to enhance satisfaction for their customers. Despite the proliferation of online communities in the hotel industry, it is rare to find one that calls itself an online hotel community in Ethiopia.

Globally researches have been made on various areas like e-satisfaction in on line shopping (Szymanski and Hise, 2000), The Effect of e-Commerce on Customer Satisfaction in Malasia (Ali, et al., 2003) impact of e-commerce in lowering operational costs and raising customer satisfaction (Sameer and Palo, 2006), online shopping customer satisfaction (Xia, et al., 2008), Internet marketing and customer satisfaction in emerging markets (Maktoba, et al., 2011) , Internet banking service quality and its implication one-customer satisfaction and e-customer loyalty (Muslim, 2016), Antecedents and consequences of customer loyalty in an online business-to-consumer (B2C) context (Srini, et al., 2002), The drivers of customer satisfaction in online shopping (Heiner, et al., 2004), Impacts of e-banking services on customer satisfaction (Sintayehu, 2015), Factors affecting intention to use e banking services at bank of Abyssinia (Esayas, 2016), The effects of e banking services on customer satisfaction and (Tsiion, 2016).

However, no big emphasis has been given for the service sectors (except banks), specifically in the hotel industry.

In addition, almost all studies availed in the e marketing concept have been done using electronic questioners and the researcher believes that the real data could be collected meeting the customers in person so that one can know whether the responses given by the respondents are being considered seriously.

Further, as e-marketing is at its infant stage in developing countries including Ethiopia, not much is done so far to explore effects of e-marketing on customer satisfaction, especially in the hotel sector; the researcher could not find any other study that specifically addresses the title under discussion. Thus, the role of e marketing on the satisfaction of customers is yet to be studied in the Ethiopian context.

Seeing these and other related limitations the researcher decided to work on this area so as to be a benchmark for further studies. The intention of the research is to understand the effect of e-marketing services being provided by hotels on customer's satisfaction taking the case of selected four star hotels. Therefore the purpose of this study is to analyze effectiveness of e-marketing on satisfaction of hotel customers in Ethiopia, specifically of the four star hotels.

1.3. Research Questions

1.3.1. Main Research Question

- How does e-marketing affect customer satisfaction in the hotel industry in Ethiopia?

1.3.2. Sub-research Questions

- How does customization of services provided by internet affect the customer's satisfaction?
- To what extent does Privacy affect the customer's satisfaction in the hotel industry in Ethiopia?
- How does accessibility of web pages affect the customer's satisfaction in the hotel industry in Ethiopia?
- To what extent does convenience to access hotel services through internet affect the customer's satisfaction in the hotel industry in Ethiopia?

- How does security in the e-marketing services of hotels affect customer's satisfaction in the hotel industry in Ethiopia?

1.4. Objectives of the study

1.4.1. General objective of the Study

The general objective of this study is to examine the effects of e-marketing on customer satisfaction in the hotel industry in Ethiopia.

1.4.2. Specific objectives of the study

Specifically, this study aspires to achieve the following objectives;

- To identify the effect of customization of services provided by internet on the customer's satisfaction in the hotel industry in Ethiopia.
- To examine the effects of privacy on the customer's satisfaction in the hotel industry in Ethiopia.
- To determine influence of the global accessibility of web pages on the customer's satisfaction in the hotel industry in Ethiopia.
- To examine the effect of convenience to access hotel services through internet on the customer's satisfaction in the hotel industry in Ethiopia.
- To determine the effect of security of e-marketing services on customer's satisfaction in the hotel industry in Ethiopia.

1.5. Significance of the study

This study will be very significant in assessing the effects of e-marketing on customer satisfaction. The researcher expects that this paper will provide viable information for assessment of related topics. In addition, the findings of this study will also be used as source of information for researchers and other concerned bodies who are working and interested to work in this area and will serve as a bench mark for researches who want to conduct researches on this and related areas.

1.6. Scope of the Study

The study has focused on the effect of e-marketing on customer satisfaction in the hotel industry based on selected four star hotels named, Inter Continental Addis Hotel, Harmony Hotel, Jupiter International Hotel (Cazanchis location), Saro Maria Hotel, Friendship Hotel and Washington

Hotel. It will provide a conceptual and theoretical appraisal on the nature of e-marketing and the factors which determine customer satisfaction in e-marketing. The factors used as measurement scale of customers satisfactions were selected based up on the models of Maktoba, et al. (2011), Ali, et al. (2003) Sameer and Palo (2006), Muslim (2016), Xia, et al. (2008) and Srini, et al. (2002) and the research did not include other factors if any. As the researcher is living in Addis Ababa, Ethiopia, four star hotels placed out of Addis has not been included for the purpose of convenience and finally as the researcher planned to collect data through questionnaire, the research has only consider the responses to be gained from customers who have been willing to give the required information as base of analysis.

1.8. Organization of the Study

This research study is organized into five chapters: Chapter one includes the introduction part which deals with the general overview about e-marketing and the hotel industry, statement of the problem, objectives of the study, scope and significance of the study. The second chapter deals with the literature review of the research topic. Research design, methods and data analysis tools are presented in chapter three. Chapter four discusses the data analysis and interpretation of the study and chapter five presents the conclusions, summary of major findings, forwarded recommendations and Directions for future researches.

Chapter 2

Review of Related Literature

2.1. Theoretical Review

2.1.1. Introduction

Ever since the introduction of e-commerce online trade has taken the world by storm. Empowered by the Internet, e-marketing quickly spread out to most businesses as companies found it to be an effective way of communication between parties, e-marketing, which can be simply defined as the exchanging of digitized transmission of electronic orders and transactions, is a cost-optimal way to promote and run a business.

Today, no marketing strategy is complete if it does not incorporate digital strategy and expression. Many unsuccessful online businesses fail to satisfy their customers because the expectation of the online customers is often higher and may even be different from that those of using traditional marketing. Marketing in the world of the Internet, therefore, presents new challenges to businesses and marketers world-wide.

2.1.2. The concept of e-marketing

The term 'Internet marketing' tends to refer to an external perspective of how the Internet can be used in conjunction with traditional media to acquire and deliver services to customers. An alternative term is 'e-marketing' which can be considered to have a broader scope since it refers to any use of technology to achieve marketing objectives and has an external and an internal perspective. This is more consistent with the concept of e-business which involves managing both internal and external communications. Digital marketing is another similar term, which is used by online marketing agencies and trade publications. (Chaffey, 2009)

e-marketing has broader scope while internet marketing just refers to internet thing like world wide web (www) and electronic mail, while e-marketing include all above plus tools like mobile phones, intranet and extranet and etc. On the other hand e-business and e-commerce have even broader scope in compare of e-marketing. e-marketing strategies involve existing utilities and combine them with communications and also data network to create a relationship with the firm and its customers by the communication happen in internet environment. E-marketing provides so many opportunities for the firms. (Goodarz, et al., 2012)

Internet marketing has been described simply as ‘achieving marketing objectives through applying digital technologies’. Thus, according to Chaffey (2009), this definition helps to remind that it is the results delivered by technology that should determine investment in Internet marketing, not the adoption of the technology. These digital technologies include Internet media such as web sites and e-mail as well as other digital media such as wireless or mobile and media for delivering digital television such as cable and satellite.

Differences between e-business, e-commerce and e-marketing

There are many terms with the e-prefix and many different interpretations. Within any organization, having a common understanding for terms such as e-commerce, e-business and e-marketing, and how they interrelate is important to develop a consistent understanding.

➤ What is e-commerce?

e-commerce is primarily about selling online or the ability to transact online. This includes e-tailing, online banking and shopping – which involve transactions where buyers actually buy and shoppers actually shop. Some suggest that e-commerce includes all online transactions such as a responding to an enquiry or an online catalogue search. e-commerce itself does not include the marketing nor the back office administration processes that are required to actually run a business (Chaffey, 2009).

Turban, et al. (2002) define e-commerce as, “an emerging concept that describes the process of buying and selling or exchanging of products, services, and information via computer networks including the internet”.

➤ What Is e-Business?

e-business is the continuous optimization of a firm’s business activities through digital technology. E-business is a new revolution where initiative is needed to fully utilize the capabilities of Internet technology in a specific business setting. Such an initiative has built the fundamental strengths of the organization that creates a huge competitive advantage among the competitors in the market. (Chia, 2014)

e-business has a broader perspective that it involves the automation of all the business processes in the value chain – from procurement or purchasing of raw materials, to production, stock holding, distribution and logistics, sales and marketing, after sales, invoicing, debt collection and many more.

➤ **What is e-Marketing?**

e-marketing is the future of marketing, it is quick, less costly and give accurate information on time.(Samreen and Maria, 2017).e-Marketing is the application of a broad range of information technologies for: Transforming marketing strategies to create more customer value (more effective segmentation, targeting, differentiation, and positioning strategies),more efficiently planning and executing the conception, distribution, promotion and pricing of goods, services, and ideas, and creating exchanges that satisfy individual consumer and organizational customers' objectives. Generally e-marketing is the result of information technology applied to traditional marketing.

According to Kotler and Keller (2009), e-business, e-marketing and e-commerce are differentiated as follows:

e-business describes the use of electronic means and platforms to conduct a company's businesses. e-commerce means that the company or site offers to transact or facilitate the selling of products and services online. e-commerce has given rise in turn to e-purchasing and e-marketing. e-purchasing means companies decide to purchase goods, services, and information from various online suppliers. And e-marketing describes company efforts to inform to buyers, communicate, promote, and sell its products and services over the internet.

Although the terms are seemed similar and used interchangeably, Chaffey and Smith (2008) differentiated e-business, e-marketing, and e-commerce as follows:

e-business has a broader perspective. It involves the automation of all the business processes in the value chain – from procurement or purchasing of raw materials, to production, stock holding, distribution and logistics, sales and marketing, after sales, invoicing, debt collection and more. e-business creates the ability to run a business online. This includes e-marketing and e-commerce. e-marketing is at the heart of e-business getting closer to customers and

understanding them better, adding value to products, widening distribution channels and boosting sales through running e-marketing campaigns using digital media channels such as search marketing, online advertising and affiliate marketing. It also includes using the website to facilitate customer leads, sales and managing after sales service. As with mainstream marketing, e-marketing is a way of thinking, a way of putting the customer at the heart of all online activities. Simply put, e-marketing is marketing online whether via web sites, online ads, opt-in e-mail, interactive kiosks, interactive TV or mobiles. It involves getting close to customers, understanding them better and maintaining a dialogue with them. It is broader than e-commerce since it is not limited to transactions between an organization and its stakeholders, but includes all processes related to marketing. e-commerce is primarily about selling online or the ability to transact online. E-commerce itself does not include the marketing or the back office administration processes that are required to actually run a business.

As Samreen and Maria (2017) explains that e-marketing has reached to the point where it becomes compulsory for companies to adopt it if they want to stay in the business world. With the high usage of internet customers demand and choices fluctuated very quickly and that is why e marketing has been adopted in today's advertisement agencies and sectors. With the use of e-marketing companies market their product or services throughout the world. The internet nowadays mostly used for the working purpose of business people or other educational people so the advertisement done on those webs are mostly sophisticated and not loud. E-marketing does both ways as per the demand of the customers. It can be too loud or too sophisticated as per the demand of the customers and businesses. With the use of e-marketing can advertise their product 24/7, because there is no time duration fix for internet marketing, and any customers can go to the internet at any time and any part of the world. If anyone wants to advertise their product online they can use different e-marketing tools like web, e-commerce, internet, content, website, advertising, mail, news, links, http, and other these kind of stuffs for doing online advertisement. The web marketing, electronic marketing, e-mail marketing, e-business relationship marketing, e-product and e-service marketing, mobile marketing all increase dramatically since past few years.

As Dina and Nensi (2015) described, although the website can be viewed as the basis for e-marketing activities in tourism there are several e-marketing tools that can be adopted by the

hotel industry and small tourism organizations use five basic e-marketing tools such as Internet marketing, e-mail marketing, mobile marketing, intranet marketing and extranet marketing, as well as different e-marketing forms. According to Ali, et al. (2003) Companies who use the Internet, not only for advertising, but also for e-mail and customer ordering, increase their hours of business on a global spectrum. Instead of a typical eight-hour day, businesses have increased their opportunities by providing 24-hour access for branch offices, business contacts and shoppers - access that is important in conducting business across different time zones or internationally. Expanding access indeed increase the number and coverage of potential customers.

2.1.3. The Ethiopian Hoteling Industry

A relative increase of investment is recently observed in the hotel & tourism sector. The hotel industry consists of many different services, including accommodation, restaurants, cafés and catering. The market for the hotel industry, especially classified hotels in a developing country like Ethiopia, is closely linked to the tourism industry, because a majority of consumers for the sector services come from international tourists. (Henok, 2015)

As globalization opens up markets, increasing mobility of people, information and capital on a global scale the world has seen strong growth in foreign direct investment and tourist flow which are the back bone for the hoteling industry (Roman, 2015). As global competition heightens, countries particularly developing countries are working hard to promote tourism as a driver sustainable economic development which in turn results in stiff competitions in the hoteling industry.

According to the World Bank report (2012) Ethiopia's tourism sector is growing from a low base of a minimal 1 percent share of Africa's tourism market, but it continues to underperform despite its potential. With 427,286 total tourist arrivals in 2009, Ethiopia's share of the African tourism market is a minimal 1 percent. Despite economic imbalances, such as the highest double-digit inflation in Africa and limited access to financing for the private sector, Ethiopia's tourism sector has been showing a positive trend and steady growth in tourism arrivals and receipts. In addition, according to (Kifle, 2012), as cited by (Orthodox, 2017), In Ethiopia, the hotel industry is growing at a high pace, but the industry is not without challenges, the main being poor quality of service.

Currently, As per the latest Hotels star rating which was designated by the Ministry of culture and tourism in 2015, there are 13 hotels designated as four star hotels in Addis Ababa, Ethiopia which are listed as follows:

1. DebreDamo Hotel
2. Intercontinental Addis Hotel
3. Dream liner Hotel
4. Jupiter International Hotel (Cazanchis location)
5. Saro Maria Hotel
6. Nazra Hotel
7. Harmony Hotel
8. Friendship Hotel
9. Nexus Hotel
10. Washington Hotel
11. Sarem international Hotel
12. Jupiter international Hotel (Bole location)
13. Tegen Guest Accommodation Hotel

Source: Reporter newsletter (printed on Sunday, October 28, 2008, E.C.)

2.1.4. The concept of e-Customer satisfaction

Customer satisfaction is a measure of how an organization's total product performs in relation to set of customer's expectations. (Hill and Alexander, 1996). It is one of the most central indicator when measuring and analyzing company's success possibility now and in future. (Katriina, 2009). Therefore, satisfaction is the result of an evaluative process that contrasts pre purchase expectations with perceptions of performance during and after the consumption experience (Oliver, 1980). The examination of consumer satisfaction in an online context(e-satisfaction) follows the growing consensus that in Internet retailing, as in traditional retailing, consumer satisfaction is not only a critical performance outcome, but also a primary predictor of customer loyalty and thus, the Internet retailer's endurance and success (Heiner, et al., 2004).

According to (Anderson, et al., 2003) Satisfaction is one of the most important consumer reactions in Internet shopping, and its importance is reflected in the ability to help build up customer loyalty. Customer satisfaction is a critical issue in the success of any business system, traditional or online. In a turbulent commercial environment, in order to sustain the growth and market share, companies need to understand how to satisfy customers, since customer satisfaction is critical for establishing long term client relationships. Thus a fundamental understanding of factors impacting customer satisfaction is of great importance to business. (Rajarajan, et al., 2016)

Customer satisfaction is measured at the individual level, but it is almost always reported at an aggregate level. Customer satisfaction is an ambiguous and abstract concept and the actual manifestation of the state of satisfaction will vary from person to person and product/service to product/service (Anderson et al., 2003). The state of satisfaction depends on a number of both psychological and physical variables which correlate with satisfaction behaviors such as return and recommend rate. The level of satisfaction can also vary depending on other options the customer may have and other products against which the customer can compare the organization's products (David, 2010).

2.1.5. dimensions of e-marketing

The increase of technologies in the business world marketer's job changes from billboard and print advertisement to more on e-marketing mediums. (Samreen et al., 2017) different studies show that e marketing strategy is not just developing a web site for advertisement but more than it. Different dimensions of e-marketing will be discussed here under.

2.1.5.1. Customization

Customization refers to the degree to which service or information is tailored to meet the needs of every individual customer (Lee, 2005). It is the ability of an e-retailer to tailor products, services, and the transactional environment to individual customers (Srini, et al., 2002). As discussed by Hira et al. (2009), Customization has become one of the key strategies for service marketers to differentiate themselves from their competitors in a highly segmented global service market. Customers recognize the benefits of online customization when they perceive the website to be useful and competent. Additionally, customers perceive customization websites to be more useful when the websites are secure for the information customers provide. Customers online are no longer faceless members of a broad target audience – they are individuals

who want to be addressed personally. Marketers can use the wealth of personal information available online to get benefit by targeting the relevant people precisely and personally (Roman, 2015).

As Cassidy (2002) explained Customer satisfaction can be increased through ease of use, greater efficiency of transactions, and personalized and customized services and Typically, Customer Relationship Management systems are integrated with the Internet to enhance one-to-one relationships and manage lead generation and qualification. Therefore, focus should be on personalization, customization, and precision selling.

2.1.5.2. Privacy

Privacy is defined as personal and possessions safety of customers and confidentiality maintained by service providers (Johnston, 1997). Xia, et al. (2008) discussed that privacy has a positive impact on customer's satisfaction on e-marketing practices. Also (Hira and Susan, 2009) suggested that in order to give the impression that websites are competent and useful, marketers may need to develop secure websites. Since customers must provide personal information during the data collection process in customized shopping, customers' concerns regarding their information will be inevitable. Therefore, marketers should endeavor to reduce such risk perceptions for individuals (Szymanski and Hise, 2000).

2.1.5.3. Accessibility of web pages

Many researches show that online marketing have some goals and objectives with which they have to deal with. Companies and organization use e-marketing technique for their customers and users to get them all up to date information at one point. As we know that e-marketing is available 24/7 shopping or advertisement, so they are not bound with time limit period. They don't have day/night or time issue. (Samreen and Maria, 2017) As compared to the traditional advertisement, they focus on number of time we click on their web as they increase their points, rather than their physical appearance. Through e-marketing and e-selling our economy and global economy has increased positively, money floating and foreign currency coming into our country has highly boosted up our countries economic level as well. (Gangeshwer, 2013). An effective web site has to be more than just flashy looking. Further, Maktoba, et al. (2011) also discussed that web must be inviting and communicate the information that the visitor is looking

to find. The content must be fresh and current. They added that there are two aspects to screen content: what is said and how it is said. Screen design is very subjective. What looks good to one person might not to another person. What looks easy to one person might not be easy to another person. Again, marketers should consider the customer in designing the site.

According to Xia, et al. (2008), it is also vital to strengthen the web site's transaction capability and make sure all operations can be completed online. This saves the customer's time and fully reflects the convenience of online shopping. For Web sites to be a success, it should be informative, entertaining, challenging, and unique. The homepage should be short, clear and simple to avoid wasting the customer's time. They should be Understandable and easy to search information needed. Moreover, it must continuously be up-to-date for most recent information about the company as customers like to see modification in the website (Rajarajan et al., 2016).

According to Cassidy (2002), designing the overall look and feel that the organization wants to portray with its e-business presence is critical. Many organizations spend millions of dollars selecting a company logo, company colors, business cards, and marketing brochures, and pay little attention to the accessibility and messages of their Websites convey. He argued that an organization's Web presence and design are as important, or more important, than many other methods to communicate a company with customers and it has a high effect on customers satisfaction.

2.1.5.4. Convenience

Convenience refers to the extent to which a customer feels that the web site is simple, intuitive, and user friendly (Srini, et al., 2002). Kalia, et al. (2016) explained convenience as important for new or existing consumers and consumers can experience of e-service is through the internet interface, therefore online business should design interfaces for convenience and ease of use. Convenience is the single most important benefits that outweigh any shortcoming of e marketing transactions and payments right from the comfort of home or office at the click of a button without even having to step out is a facility none would like to forego. Even non transactional facilities become much simpler on the internet (Johnson, 2005). According to (Palmer et al., 1998) as cited by Srini, et al. (2002), accessibility of information and simplicity of the transaction processes are important antecedents to the successful completion of transactions.

The quality of the website is particularly important because, for e-retailers, it represents the central, or even the only interface with the marketplace.

2.1.5.5. Security

Security has been a concern since the beginning of the Internet. Marketers should assume the worst and design strong protection with multiple layers when designing for security and they should consider security risks from external entities as well as internal authorized users either with malicious intent or unintentionally. (Cassidy, 2002) Organizations nowadays rely heavily on information technology and information security has caught a great deal of attention (Kwo, et al., 2003). Security is a major issue in general online shopping and the security of the website would be directly related to the trust of the website. (Hira and Susan, 2009). Consumers are starting to concern the level of security present when providing sensitive information online. Cheung and Lee (2005) stated security as a key barrier to Internet shopping and indicated the importance of security as its concern has a significant impact on consumer intention to shop online and has been a serious issue in online purchases and an impediment to the acceptance of online purchase. Security In many researches is proposed as another important website feature that helps enhance consumer satisfaction in Internet shopping.

The lack of consumer trust has been traditionally considered a major factor that impedes a more rapid development of the online transactions and commercial relationships and for this trust to be developed, online security and privacy must first be achieved. According to Jarvenpaa and Todd (1997). Because there is no face-to-face transaction, and payment is made by credit card before the goods are delivered, there is considerable uncertainty on the part of consumers. Security is one of the biggest obstacles to e-business. Online consumers do not disclose their personal and financial information until they are convinced the website is secure. Cassidy (2002) stated that security is critical to the success of e-business transaction. Thus websites should implement multiple features like security statement to assure secure online shopping. Further it was recommended that transaction integrity must be considered in website design and directory-level security, encryption, and digital certificates to be considered as options.

2.2. Empirical Review

As e-marketing is at its early stage of development there are only few studies specifically in the service sector. Therefore the researcher tried to discuss including studies made on the product sectors too. For the Ethiopian context, the researcher has taken studies conducted in the banking sector as a reference.

Maktoba, et al. (2011) conducted a research on Internet marketing and customer satisfaction in emerging markets in the case of Chinese online shoppers. The researchers used a total of 300 electronic mails and made their analysis depending on a total of 204 usable questionnaires. The researchers used electronic survey instrument to obtain data from Chinese online shoppers. The survey covered 15 composite items that could potentially influence the level of customer satisfaction related to online shopping experience. These, in turn, were further decomposed to six driving factors (convenience, product performance, customer services, security concerns, web site interactions, and web site sensory stimulations). By the results, they have found out nine most important items that are easily discernible: safe and fast delivery, provision of order information/product arrival information, security of the online payment, product quality, forum, chat room functions, easy to operate search engines, provision of differentiated products for comparison, detailedness of product information, and ease of ordering and payment. However, the results also revealed some subtle differences in consumer behavior to internet shopping between China and other developed countries in relation to payment methods. In most developed countries, the mature technology of credit cards smooth out some of the problems relating to methods of payment. In China, however, the case is slightly different because of the significant population of consumers still preferring cash payments.

On other research Sameer and Palo (2006) has studied impact of e-commerce in lowering operational costs and raising customer satisfaction. 58 completed surveys were received from these industries ranged from different companies engaged in various industries such as medical devices manufacturers, information technology companies, chemical companies, transportation industries, defense contractors, educational institutes, and a variety of manufacturing companies. The research showed that there is a direct correlation between the use of e-commerce and improved customer service. In particular, e-commerce has improved the availability of information, reduced processing errors, reduced response times, lowered costs of services, and has effectively raised customer satisfaction. And finally they came up with conclusion that

converting from manual, written or verbally communicated processes to electronic processes is becoming the expected method for B2C transactions and both companies and customers are enjoying the benefits of changing the way business is being conducted and recommended that all companies should start developing their strategies of using e-commerce to not only reduce operational costs, but also to improve the level of customer service they are able to provide and in turn the customer satisfaction.

Muslim (2016) by another research studied internet banking service quality and its implication one-customer satisfaction and e-customer loyalty. The study has been conducted in Saudi Arabia on 520 internet banking customers and the results confirmed that the all four dimensions (personal need (customization), site organization, user friendliness, and efficiency of website) are distinct constructs. The results also indicated that internet banking service quality consisting of four dimensions has appropriate reliability and each dimension has a positive significant relationship with internet banking service quality. The efficiency of banking website is the important aspect of internet banking service quality. The finding found that the relationship between internet banking services quality and e-customer satisfaction is significant.

Xia, et al. (2008) has conducted an empirical study on online shopping customer satisfaction in China and tried to identify factors that may influence Chinese customers' online shopping satisfaction, from the perspective of total online shopping experience. The study was conducted using field survey and e-mail survey with total number of 807 valid responses. And by the findings, eight variables (information quality, web site design, merchandise attributes, transaction capability, security/privacy, payment, delivery, and customer service) are found out being strongly predictive of online shopping customer satisfaction.

Srini, et al., (2002) has conducted a research on the antecedents and consequences of customer loyalty in an online business-to-consumer (B2C) context. And they used eight factors (customization, contact interactivity, care, community, convenience, cultivation, choice, and character) that potentially impact e-loyalty. They have collected data from 1,211 online customers in Greenfield using random sampling and found out all the factors, except convenience, impact e-loyalty. by this study, the researchers have revealed that convenience doesn't have significant impact on customer's loyalty and their satisfaction in return.

Sintayehu (2015) has conducted a research on impacts of e-banking services on customer satisfaction. He used seven factors (Reliability, Transaction efficiency, Customer Support, Service Security, Ease of Use, Performance and service content) as factors of customers' satisfaction in e banking services. He had collected data from 300 respondents and bank managers in commercial bank of Ethiopia and revealed that all the used factors have significant effect on e satisfaction. Further, the researcher has explained that the major problem faced by service providers in relation to e-banking is network failure due to poorly developed telecommunication infrastructure, lack of reliable power supply and lack of ICT knowledge from customers end.

Heiner, et al. (2004) has conducted a study to assess the drivers of customer satisfaction in online shopping. They used five factors (Convenience, Product offerings, Product information, Site design and financial security) to measure the online customers' satisfaction in Germany. The study was extended in two contexts; consumer satisfaction with Internet retail shopping and consumer satisfaction with Internet financial services sites. They have collected data from 350 online respondents in Germany using online questionnaire. By the results they have found out that convenience and site design are the most important and second most important drivers of e-satisfaction, respectively, for both the e-shopping and e-finance contexts and stated that the financial security concerns are very high for Web users globally.

Esayas (2016) has conducted a research to assess factors affecting intention to use e banking services at bank of Abyssinia. The study was conducted using questionnaires and interview methods on total respondents of 384. By the findings, perceived ease of use and trust are found to be significant factors in customers' intension to use e banking services. As the researchers discussed, the result implies that when consumers trust the security and privacy of e- banking, they are likely bound to use it.

By another study Tsion (2016) has conducted a research to examine the effects of e banking services on customer satisfaction. The researcher used a conceptual model to measure the effect of e banking service quality dimensions on customer satisfaction which used six dimensions (reliability, transaction efficiency, customer support, service security, ease of use & performance). 385 total respondents were selected from Commercial bank of Ethiopia, Dashen Bank, United Bank & Cooperative Bank of Oromia and by the results, the study showed that all

the factors (reliability, transaction efficiency, customer support, service security, ease of use & performance) has significant effect on customers satisfaction.

Ali, et al. (2003) has conducted a research entitled “The Effect of e-Commerce on Customer Satisfaction in Malaysia, the survey covered 300 internet users drawn from Klang Valley of Malaysia. By the result, the study indicated that there is a positive trend in increasing awareness of the benefits of Internet marketing. Some of them such as global access and the 24-hour availability of the Internet, convenience, increase product information, and the availability of special services in the Internet were recognized as ways of enhancing customer satisfaction. One significant obstacle expressed by the respondents in the research was the fear of payment in security in the Internet.

Hang (2015) has conducted a research on factors affecting customer satisfaction and trust in an e-commerce setting taking a case of manufacturing companies in Vietnam. The research has focused on identifying some factors affecting customer satisfaction and trust in an e-commerce setting among Vietnamese customers. The research examined various stimuli, namely, value factors as expressed in terms of product offer and price and service quality dimensions, including ease of use, website design (e -scape), responsiveness, customization, and assurance. A total of 407 sets of electronic questionnaires were collected and the data analyzed using the Pearson Correlation. By the result, the researcher has shown that ease of use, website design, responsiveness, customization and assurance have positive relationships with customer satisfaction and trust.

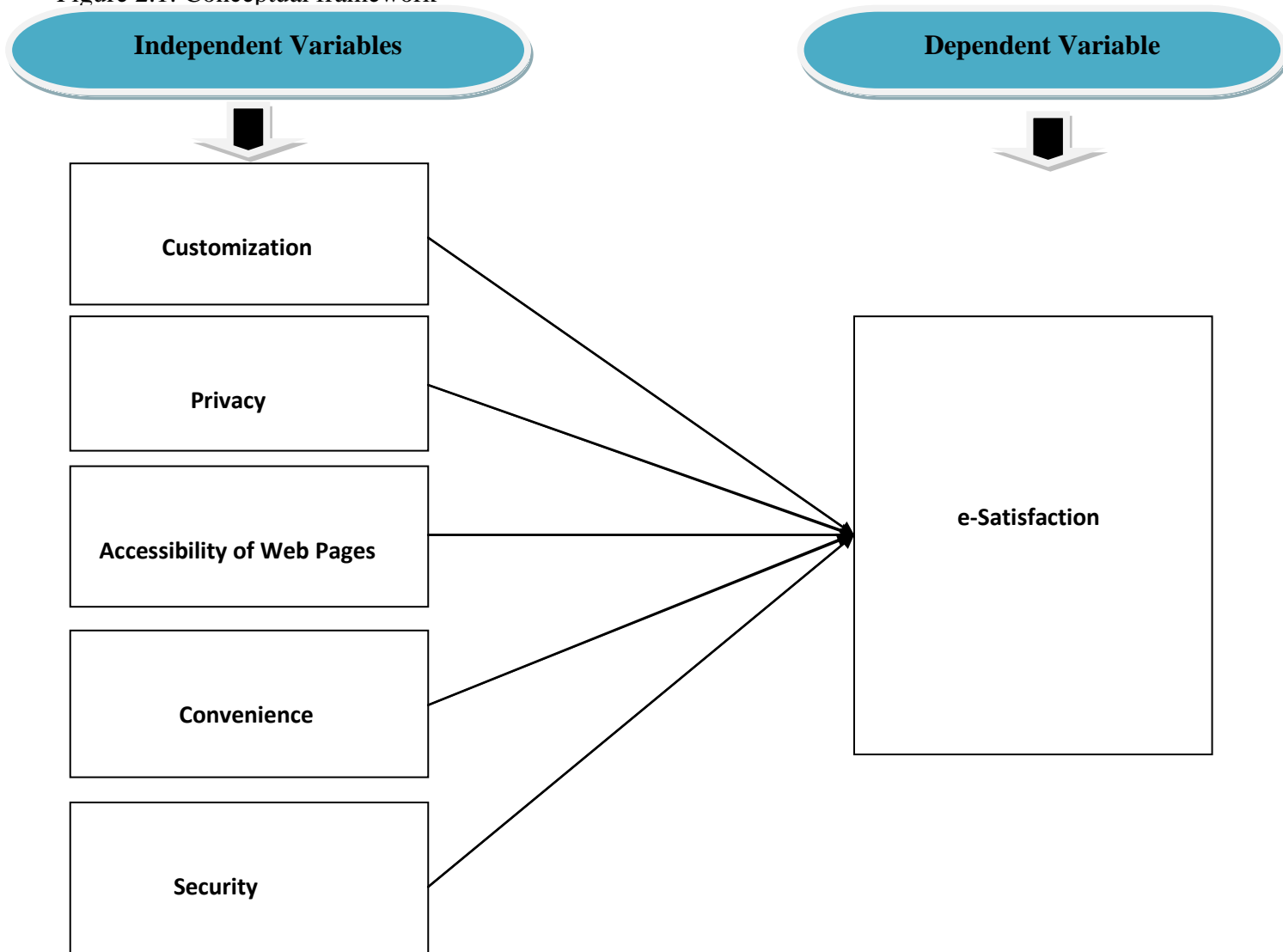
Generally, as stated in the literature section, different studies have been made previously all over the world on e-marketing but as it is yet on the early stage in Ethiopia, number of studies in this regard are limited and further studies are required to fill this gap in conceptualizing e-marketing effects in service sectors other than the banking industry.

2.3. Conceptual framework

2.3.1. Conceptual framework

Depending on the previously assessed related literatures, the researcher has selected the under explained factors as measurement scales for the study under investigation to determine the effects of e-marketing on satisfaction of hotel customers, the dependent variable will be the customer’s satisfaction.

Figure 2.1: Conceptual framework



Source: - Compiled by the researcher mainly based on Maktoba, et al. (2011), Ali, et al. (2003), Sameer, et al. (2006), Muslim (2016), Srini, et al. (2002), Heiner, et al. (2004), Sintayehu (2015), Esayas (2016) and Tsion (2016).

2.3.2. Hypothesis & Variable determination

Customization: Customization refers to the degree to which service or information is tailored to meet the needs of every individual customer (Lee, 2005). Customization has become one of the key strategies for service marketers to differentiate themselves from their competitors in a highly segmented global service market (Hira and Susan, 2009). Therefore,

H1: customization of e marketing services has a positive and significant effect on customer satisfaction in the hotel industry in Ethiopia.

Privacy: availability of policies upon accessing procedures to the collected information and the way the information of customers will be used and by who is being used (Cheung and Lee, 2005). Xia, et al. (2008) also discussed that privacy has a positive impact on customer's satisfaction on e-marketing practices. Therefore,

H2: Privacy has a positive and significant effect on customer satisfaction in the hotel industry in Ethiopia.

Global accessibility of web pages: The 24-hours availability of the hotels through the internet from anywhere, informativeness, and uniqueness, simplicity, Understandability and ease of accessing (Rajarajan and Vetriveeran, 2016). According to Rajarajan and Vetriveeran (2016) Web pages should be Understandable and easy to search information needed. Moreover, it must continuously be up-to-date for most recent information about the company as customers like to see modification in the website. Therefore,

H3: accessibility of web pages has a positive and significant effect on customer satisfaction in the hotel industry in Ethiopia.

Convenience: ease of access to get the services online (Cheung and Lee, 2005).Kalia, et al. (2016) also explained convenience as important for new or existing consumers and consumers can experience of e-service is through the internet interface Therefore,

H4: convenience has a positive and significant effect on customer satisfaction in the hotel industry in Ethiopia.

Security: refers to the website's ability in protecting consumer personal information collected from its electronic transactions from unauthorized use or disclosure. (Cheung and Lee, 2005).Therefore,

H5: security has a positive and significant effect on customer satisfaction in the hotel industry in Ethiopia.

Chapter 3

Research methodology

3.1. Description of the study area

The study has focused on four star hotels in Addis Ababa as they are abundantly available and moderately use e-marketing relative to the remaining stars.

3.2. Research approach

When conducting a research, there are different ways of approaching the problem. According to Creswell (2009), there are three approaches of research; quantitative, qualitative and mixed. The following discussions briefly presents the basic features of these research approaches. Quantitative research is a means for testing objective theories by examining the relationship among variables (Creswell, 2009). On the other hand, qualitative research approach is a means for exploring and understanding the meaning individuals or groups ascribe to a social or human problem with intent of developing a theory or pattern inductively (Creswell, 2009). Finally, mixed methods approach is an approach in which the researchers emphasize the research problem and use all approaches available to understand the problem (Creswell, 2003).

Hence, based on the above discussions of the three research approaches and by considering the research problem and objective, this study has used mixed research approach. Therefore, to have a better insight and gain a richer understanding about the effect of e-marketing on customer satisfaction in the hotel industry from both the customers and the hotels point of view, the quantitative method is supplemented by the qualitative method of inquiry in which quantitative type of data was collected through structured questionnaire from the selected hotel customers and interview has been made with the respective employees of the hotels to get assertive observations so that to get benefits of a mixed methods approach and to mitigate the bias in adopting only either quantitative or qualitative approach.

3.3. Research design

As explanatory studies are characterized by hypothesis which will specify the relationships between or among variables under the study, the research study is explanatory with the purpose of assessing the effect of implementation of e-marketing on customer satisfaction in the selected four star hotels. Since the study explains the relationship between the e-

marketing variables and customer satisfaction, the study also explains the relationship between independent variables (Customization, Privacy, Global accessibility of web pages, convenience, security and Sales Promotion) and the dependent variable (customer satisfaction). The study has predicted the influence of the independent variables on the dependent variable. However, as the study also includes the demographic details of the respondents, the research design will be descriptive and explanatory.

3.4. Population and sampling

3.4.1. Research population

A research population can be defined as a well-defined collection of individual or objects (unit of analysis) which are known to have similar characteristics that the researcher wishes to study. The unit of analysis may be an individual, object, organization, country or any other entity that the researcher wishes to draw scientific inference about (Mark, et al., 2007). Hence, the unit of analysis of this study is e-marketing customers of the selected four star hotels.

As per the latest Hotels star rating which was designated by the Ministry of culture and tourism in 2015, there are 13 hotels designated as four star hotels in Addis Ababa, Ethiopia which are listed as follows:

1. DebreDamo Hotel
2. Intercontinental Addis Hotel
3. Dream liner Hotel
4. Jupiter International Hotel (Cazanchis location)
5. Saro Maria Hotel
6. Nazra Hotel
7. Harmony Hotel
8. Friendship Hotel
9. Nexus Hotel
10. Washington Hotel
11. Sarem international Hotel

12. Jupiter international Hotel (Bole location)

13. Tegen Guest Accommodation Hotel

Source: Reporter newsletter (printed on Sunday, October 28, 2008, E.C.)

Among the above listed four star hotels the researcher has selected the under listed six hotels as a base for research population using simple random sampling method.

1. Intercontinental Addis Hotel
2. Harmony Hotel
3. Jupiter International Hotel (Cazanchis location)
4. Saro Maria Hotel
5. Friendship Hotel
6. Washington Hotel

Therefore, the target populations were the e-marketing customers of the above listed selected four star hotels.

3.4.2. Sampling technique

The research is conducted using both probability and non-probability sampling. Purposive and convenience sampling, which are of non-probability sampling, were used to select the hotels and respondents among the e-marketing customers of the hotels respectively. Simple random sampling, which is of probability sampling, was used to select the hotels among the four star hotels.

As four star hotels are abundantly available in the city (relative to the higher star rated hotels), and adopt e-marketing efficiently (relative to the lower star rated hotels), the researcher has chosen four star hotels as the base of research population using purposive sampling and simple random sampling method. In addition, in order to meet the research target, the respondents should be e-marketing customers of the hotels. Therefore, purposive sampling has been used to select the target customers as well. Finally the researcher has used Convenience sampling technique to select respondents among the e-marketing customers themselves.

3.4.3. Sample size

As the target population of the study was e-customers of the four star hotels in Addis Ababa, the sample frame used for this research was e-customers of the selected four star hotels that make reservations and transactions electronically through the internet. From the infinite number of the customers the sample will include 384 customers as suggested by Cochran (1963) that whenever the total number of population is infinite, the sample size is recommended to be 384 as described below. Accordingly the researcher selected this number as total number of sample size.

$$n = \frac{Z^2(pq)}{e^2}$$

Where,

n = is the minimum sample size required

p = is the proportion belonging to the specified category which is 0.5

q = is the proportion not belonging to the specified category which is 0.5

z = is the z value corresponding to the level of confidence required which is 1.96

e = is the desired level of precision which is 0.05.

$$\text{Thus, the minimum sample size} = \frac{(1.96)^2 (0.5) (0.5)}{(0.05)^2} = 384$$

3.5. Data source and types

Data can be collected from both primary and secondary sources. Primary data is a type of data, which is collected and accumulated specifically for the research project at hand. This can be collected from sources such as questionnaire and interviews. Secondary data involves the collection of information from studies that other researchers have conducted on a given issues or phenomenon (Creswell, 2009). Therefore, to achieve the objectives of this study, primary sources of data has been gathered from e-marketing customers of the selected four star hotels. Based on the research objectives, a five-point Likert-scale questionnaire was distributed to the selected four star hotel customers and semi-structured interview questions have also been

prepared to get additional and supportive information from the respective employees of the hotels.

3.6. Data collection procedures

The researcher has collected primary data from customers using five-point Likert-scale questionnaire and from respective employees of the selected four star hotels using semi-structured interview questions. The questionnaire data collection was finalized in two months and the interview with the managers and marketing managers was also being held side by side with questionnaires data collection. In approaching and inviting customers to participate in the data collection, the researcher gets help from the receptionists of the selected four star hotels to differentiate e-marketing customers from non e-marketing customers.

3.7. Research Model

The objective of this study was to examine the effect of e-marketing on customer satisfaction in the hotel industry. Accordingly, to test the effect of e-marketing on customer satisfaction in the hotel industry, the researcher estimated a linear regression model in the following form based on previously reviewed literatures mainly, Maktoba, et al. (2011), Sameer and Palo (2006), Muslim (2016), Srini, et al. (2002), Heiner, et al., (2004), Sintayehu (2015), Esayas (2016) and Tsion (2016).

$$eCS = \alpha + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \beta_5X_5 + \varepsilon$$

Where,

eCS = Customer Satisfaction derived from e marketing transactions in the hotel industry.

α = Constant

β = Coefficient of estimate

X1= Customization

X2 = Privacy

X3 = Accessibility of web pages

X4 = Convenience

X5 = Security and

ε = The error term

Source: developed by the researcher mainly based on Maktoba, et al. (2011), Sameer and Palo (2006), Muslim (2016), Srini, et al. (2002), Heiner, et al. (2004), Sintayehu (2015), Esayas (2016), TSION (2016).

3.8. Data analysis

Statistical package for Social Sciences (SPSS) software was used because of its capacity to analyze quantitative/numerical data, which the research incorporated. The data which was collected using five-point Likert scale questionnaire was analyzed using descriptive statistics to describe the demographic characteristics of the respondents, purpose of visit, types of services they used, mean and standard deviation and inferential statistics were computed using linear regression model to see the effect of the independent variables (customization, privacy, accessibility of web pages, convenience and security) on the dependent variable (Customers satisfaction). Furthermore, tests of multicollinearity, normality and linearity have been conducted to check the normality and linearity of the data.

3.8. Reliability and validity

There are two major criteria which to be applied to evaluate the quality of the study. These are validity and reliability.

Validity: To test the questionnaire for clarity and to provide a coherent research tool, a review that will cover all the research elements are performed by academic reviewers specialized in marketing and Business as well as professional people working in the hotel industry.

Reliability: Cronbach Alpha reliability, the most popular test of consistency reliability, has been applied to measure strength of the correlation and coherence between questionnaire items. The closer Cronbach's alpha is to 1, the higher the internal consistency reliability (Sekaran, 2003). To estimate the reliability of the questionnaire a pilot sample of 30 people, 5 from each hotels, were selected and Cronbach Alpha was computed by SPSS software. Table 3.1 shows both the total and the pilot sample test result of reliability in the questionnaire.

Table 3.1: Cronbach Alpha Coefficient for each variable

Variables	Cronbach's Alpha	
	Pilot Sample	Total Sample
Customization	.783	.983
Privacy	.854	.956
Global accessibility of web pages	.754	.879
Convenience	.786	.972
Security	.830	.925
Customer satisfaction	.703	.862

Source: Own Survey, computed in SPSS, 2018

The above table illustrates that the values of Cronbach’s alpha for each of the questionnaire and the entire questionnaire. For the fields, values of Cronbach’s alpha ranged between 0.703 and 0.854 with overall Cronbach’s alpha value of 0.983 which is highly acceptable according to Malhotra, et.al. (2007) that the value of 0.60 is considered as the lower limit of acceptability for Cronbach’s alpha. Hence, this reliability statistics is above the minimum required threshold it showed that the high reliability of the questionnaire.

3.9. Ethical consideration

In order to keep the confidentiality of the data to be given by respondents, the respondents were not required to write their name and assured the anonymity and confidentiality of their response. The purpose of the study was disclosed in the introductory part of the questionnaire. Furthermore, the researcher has tried to avoid misleading or deceptive statements in the questionnaire and the questionnaires has been handed out up on their consent only. Lastly, All research works that have contributed in any way to this study are properly acknowledged and appreciated.

Chapter 4

Result and discussion

The primary focus of the study was effects of e-marketing on customer satisfaction in the hotel industry in Ethiopia. Therefore, this chapter presents the analysis of responses that were received via questionnaires distributed to customers of selected four star hotels. The researcher was able to get back three hundred eighty four (384) out of the 384 questionnaires administered which gives 100 % response rate. This was done in order to obtain a larger response rate. At the end, all the returned questionnaires were successfully processed for the analysis.

Therefore, in this chapter, the data collected from respondents were analyzed and interpreted using quantitative analysis which involves analysis of the demographical information of respondents and the descriptive and inferential statistics employed to test the hypothesis and to investigate the influence of independent variables on the dependent variable.

A total of 384 questionnaires were personally handed to the respondents with close follow up and guidance in filling the questioners. All respondents completed the questionnaires in suitable form. Several questions were asked related to the e-marketing service and their satisfaction level to the e-marketing customers of the selected four star hotels in Addis Ababa.

The basic assumptions are that e-marketing dimensions namely (customization, Privacy, accessibility of web pages, convenience and security) influence customer satisfaction. A multiple regression modeling approach was proposed as an effective method for studying the relationships. The result of this multiple regression model is analyzed and discussed in this chapter.

The statistical analysis of this study was done by SPSS software, version 20. And the results of the study were shown in inference and descriptive section. In descriptive section, tables, charts and statistics and in inference section, the result of multiple liner regression was analyzed.

4.1. Reliability Analysis

4.2. Descriptive Findings

4.2.1. Demographic Profile

The questionnaire included a segment on customer’s profile, as an assortment of demographic and other factors which likely to influence the degree of customer satisfaction with respect to the e-marketing services of the hotels. The demographic profile of the respondents is described in the under table.

Table 4.1: Demographic Profile e-marketing Customers of the selected four star hotels.

No.	Demographics		Frequency	Percentage
1	Age(years)	18-30	164	42.7
		31-45	154	40.1
		46-60	47	12.2
		above 60	19	5
		Total	384	100
2	Gender	male	185	48.2
		female	199	51.8
		Total	384	100
3	Education level	primary completed	20	5.2
		high school completed	28	7.3
		BA Degree	153	39.8
		MA	164	42.7
		Above MA	19	5
		Total	384	100
4	Occupation	salaries	162	42.2
		business man/woman	202	52.6
		other	20	5.2
		Total	384	100

Source: Own Survey, computed in SPSS, 2018

As shown from the above table the sample customers were mostly in the age group of 18-30 and 31-45 years which covers 82.8% of the total respondents and the gender distribution is almost equal which covers 48.2% and 51.8 % for male and female respectively. The respondents were predominantly Masters and BA Degree holders which cover 42.7% and 39.8% respectively.

Coming to the occupation of the respondents, much of the respondents were mix of business persons and salaried which covers 52.6% and 42.2% respectively from the total sample respondents under consideration.

4.2.2. Purpose of visit of respondents

As described in the following table, majority of respondents, which covers 47.4% of the total respondents visited the hotels for business purpose followed by leisure (32.6%) and personal purpose (20.1%).

Table 4.2: Purpose of visit of the e-marketing Customers of the selected four star hotels.

Purposes	Frequency	Percent
Business	182	47.4
Leisure	125	32.6
Personal	77	20.1
Total	384	100.0

Source: Own Survey, computed in SPSS, 2018

4.2.3. Nationalities of respondents

Further the researcher has also tried to know the nationalities of the respondents as international guests from abroad also get the hotels’ e-marketing services in the city. And by the findings majority of the respondents (78.6%) were Ethiopians followed by Americans (10.2%) and French (5.2%).

Table 4.3: Nationalities of the respondents.

Nationalities	Frequency	Percent
Ethiopian	302	78.6
France	20	5.2
German	2	0.5
Kenyan	19	4.9
Russian	1	0.3
Somali	1	0.3
USA	39	10.2
Total	384	100.0

Source: Own Survey, computed in SPSS, 2018

4.2.4. Type of electronic marketing service respondents use

The questionnaire was designed after checking which e-marketing modules are being offered by the hotels and as the respondents should only be e-marketing customers of the hotels the researcher was confirming whether the respondents are e-marketing users prior to filling questionnaires. The electronic payments refers to usage of debit and credit cards through POS machine, online reservation refers to booking services online from websites including external agents websites and email information exchange refers to communication via electronic mails.

Table 4.4: Type of e-marketing services used by respondents.

Type of e-marketing services	Frequency	Percent
Electronic payment	78	20.3
Online reservation	268	69.8
email information exchange	38	9.9
Total	384	100.0

Source: Own Survey, computed in SPSS, 2018

As shown in the above table, from the total respondents, online reservation has taken 69.8% being followed by electronic payments which cover 20.3% of the total respondents.

4.2.5. Mean and Standard deviations

Descriptive statistics (mean and standard deviations) of the respondents' scores were computed and analysis has been done by comparing these mean scores and standard deviations among respondents. The reason for using descriptive statistics is to compare the different factors that affect the level of customer satisfaction of the e-marketing services of the selected four star hotels by using the means and standard deviations values. In table 4.6, the respondents perception on the satisfaction of e-marketing service offered by the hotels and ranking was done on each variable.

Table 4.5 shows the mean value depicting the overall customer's satisfaction. Customer's satisfaction on e-marketing services is above satisfactory level with a mean value of 3.30 on a 5 point likert scale.

Table 4.5: Mean and Standard deviation

	N	Mean	Std. Deviation
customization	384	4.25	.854
Privacy	384	3.82	1.006
Global accessibility	384	3.99	.803
Convenience	384	3.55	.976
security	384	3.72	.984
Overall satisfaction	384	3.92	.970

Own Survey, computed in SPSS, 2018

The standard deviation 0.970 indicates that there was moderate variability in overall customer satisfaction in the data. The table also suggests that all e-marketing dimensions rated as above satisfactory. As far as the mean values are concerned, out of the dimensions of e-marketing customization (mean of 4.25), Privacy (mean of 3.82), accessibility of web pages (mean of 3.99), convenience (mean of 3.55) and security (mean of 3.72) have relatively major roles on customer satisfaction. As the above table depicted, all explanatory variables play a fundamental role in the customer satisfaction of the e-marketing services of the selected four star hotels.

4.2.6. Correlation Analysis

Pearson correlation test was conducted to know the degree of relationship between the independent variables i.e. customization, privacy, global accessibility of web pages, convenience and security and the dependent variable i.e. customer satisfaction. Based on the questionnaires which were filled by the customers of the selected four star hotels in Addis Ababa, the results of the correlation analysis between these variables are shown in table below.

Correlation measures the strength of the linear relationship between two variables. Thus, Pearson's correlation is used to identify whether there are relationships between the variables and to describe the strength and the direction of the relationship between two variables. According to (Malhotra, et al., 2007), the level of association as measured by Pearson's coefficient falls between -1.0 and +1.0, which indicates the strength and direction of association between the two variables. The interpretation of the result is as follows; a correlation result between 0 to 1 implies positive relationship, 0 (zero) for no relationship and 1 for perfect positive relationship, -1 for perfect negative relationship and between -1 to 0 indicate the existence of negative relationship. Though it indicates the existence of a positive or negative relationship, the strength of such a relationship is not high when the results fall below ± 0.61 (Hanuman, et al., 2011).

Table 4.6: correlation analysis

		customization	Privacy	Global accessibility	Convenience	security	satisfaction
customization	Pearson Correlation	1	.266**	.293**	.351**	.273**	.638**
	Sig. (2-tailed)		.000	.000	.000	.000	.000
	N	384	384	384	384	384	384
Privacy	Pearson Correlation	.266**	1	.233**	.293**	.447**	.742**
	Sig. (2-tailed)	.000		.000	.000	.000	.000
	N	384	384	384	384	384	384
Global accessibility of web pages	Pearson Correlation	.293**	.233**	1	.237**	.285**	.562**
	Sig. (2-tailed)	.000	.000		.000	.000	.000
	N	384	384	384	384	384	384
Convenience	Pearson Correlation	.351**	.293**	.237**	1	.396**	.787**
	Sig. (2-tailed)	.000	.000	.000		.000	.000
	N	384	384	384	384	384	384
security	Pearson Correlation	.273**	.447**	.285**	.396**	1	.813**
	Sig. (2-tailed)	.000	.000	.000	.000		.000
	N	384	384	384	384	384	384
satisfaction	Pearson Correlation	.638**	.742**	.562**	.787**	.813**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	384	384	384	384	384	384

** . Correlation is significant at the 0.01 level (2-tailed).

Source: Own Survey, computed in SPSS, 2018

As the results shown in Table 4.7, the independent variables (customization, privacy, convenience & security) are significantly and positively correlated with the dependent variable: customization (r=0.638, p<.001), Privacy (r=0.742, p<.001), convenience (r=0.787, p<.001), and Security (r=0.813, p<.001). The results of correlation analysis shows that except Global Accessibility of Web pages(r=0.562, p<.001), all the independent variables were positively and significantly correlated with the dependent variable i.e. customer satisfaction at 99 percent confidence level (P<0.01). The finding on table 4.4 above further indicates that the highest significant relationship is found between security and customer satisfaction (r = .813, p < 0.01), however the lowest statistically significant relationship is found between global accessibility of web pages and customer satisfaction (r = .562, P < 0.01).

4.3 Inferential Analysis

Like the descriptive statistical methods, i.e. demographic and other related factors, the scale typed questionnaire has been entered to the SPSS software version 20 and inferential statistics methods such as: simple correlation and multiple regression methods has been employed to test the hypothesis.

Table 4.7: ANOVA

ANOVA ^b						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	217.028	5	43.406	226.815	.000 ^a
	Residual	72.338	378	.191		
	Total	289.366	383			

Source: Own Survey, computed in SPSS, 2018

The significant level in ANOVA table shows that the combination of variables significantly predicts the dependent variable. ANOVA that tests whether the model is significantly better at predicting the outcome than using the mean as a best guess; specifically, the F-ratio represents the ratio of the improvements in prediction that results from fitting the model, relative to the inaccuracy that still exists in the model. For these data, F is 226.815, which is significant at $p < 0.001$. This result tells us there is less than a 0.1% chance that an F-ratio is larger would happen by chance alone. Therefore, we can say that the regression model results in significantly better prediction of customer satisfaction.

4.3.2 Assumptions Testing in Multiple Regression

The basic assumptions should be satisfied in order to maintain data validity and robustness of the regressed result of the research under the multiple regression models. Hence, this study has conducted the assumption tests such as, multi-Collinearity, linearity, and normality.

Multi Collinearity

Multi Collinearity is checked using correlations between the variables in the model. Independent variables show at least some relationship with dependent variable (above 0.3 preferably). In this case all of the scales (customization, privacy, global accessibility of web page, convenience and security) with customer satisfaction correlate substantially (0.478, 0.560, 0.847, 0.641 and 0.452)

respectively. As it can be seen from the table these requirements are validated and there is no issue of Multi Collinearity.

Collinearity diagnostics on the variables as part of the multiple regression procedure is done using tolerance and variance inflation factor (VIF). Tolerance is an indicator of how much of the variability of the specified independent is not explained by the other independent variables in the model. If this value is very small (less than 0.10), it indicates that the multiple correlation with other variables is high, suggesting the possibility of multi Collinearity (Pallant, 2010) furthermore, the other value given is the VIF, which is just the inverse of the tolerance value (1 divided by tolerance). According to Pallant (2010), VIF values above 10 would be a concern, indicating multi Collinearity.

Table 4.8: Collinearity Diagnosis

Model	Collinearity Statistics	
	Tolerance	VIF
(Constant)		
Customization	.478	1.014
Privacy	.560	1.045
Global accessibility of web pages	.847	1.037
Convenience	.641	1.058
Security	.452	1.074

Source: Own Survey, computed in SPSS, 2018

The result shows that the tolerance value for each independent variable is (0.478, 0.560, 0.847, 0.641 and 0.452) respectively which are not less than 0.10; therefore, multi Collinearity assumption is not violated. This is also supported by the VIF value, which is 1.014, 1.045, 1.037, 1.058 and 1.074 which is well below the cut-off 10 as shown in the coefficient table.

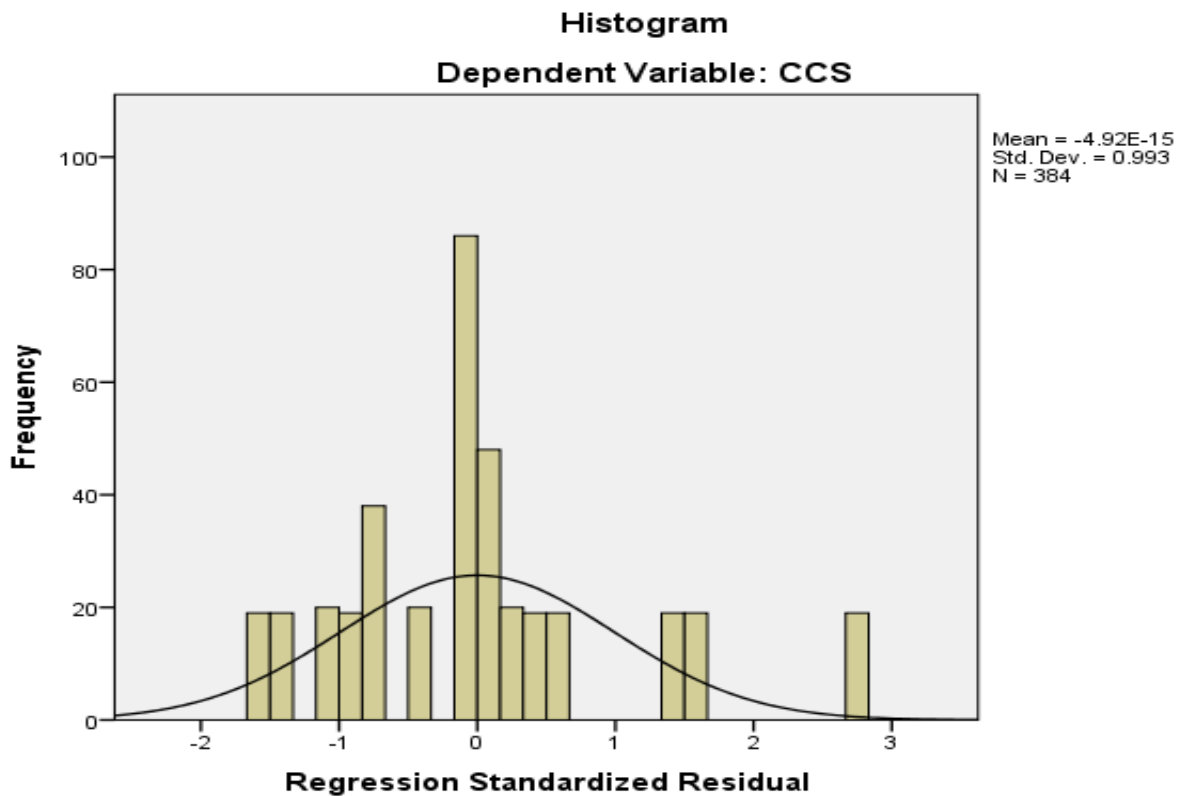
Normality, linearity of residuals: one of the ways that these assumptions can be checked is by inspecting the residuals scatter plot and the normal probability plots of the regression

standardized residuals that were requested as part of the analysis. These are presented in normal P-P Plots of regression standardized residuals graph. In normal probability plots the points will lie in reasonably straight diagonal line from bottom left to top right. This would suggest no major deviations from normality. The finding from normal P-Plot reveals no violation of normality assumptions.

Test of Normality

The study used both methods of assessing normality; graphically using Normal Probability Plot (P-P) graph and using Skewness and Kurtosis numerically. Figure 4.1 depicted that the scores are normally distributed.

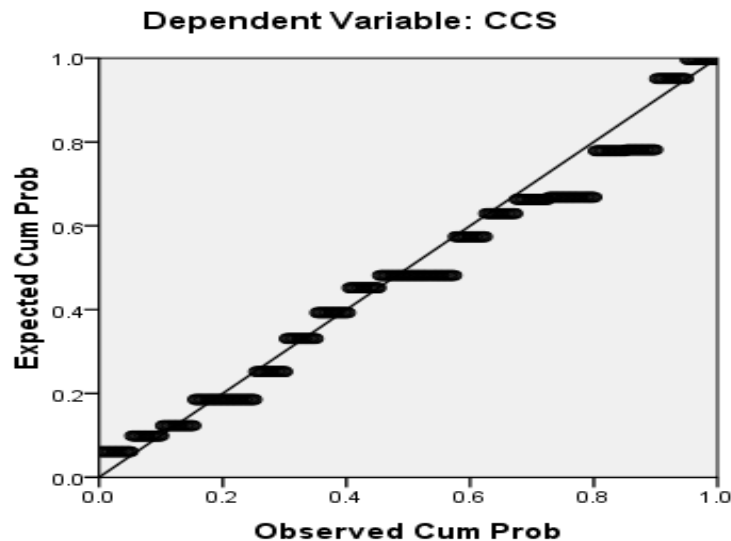
Figure 4.1: Frequency Distribution of Standardized Residual



Source: Own Survey, computed in SPSS, 2018

Figure 4.2: Normal Point Plot of Standardized Residual

Normal P-P Plot of Regression Standardized Residual



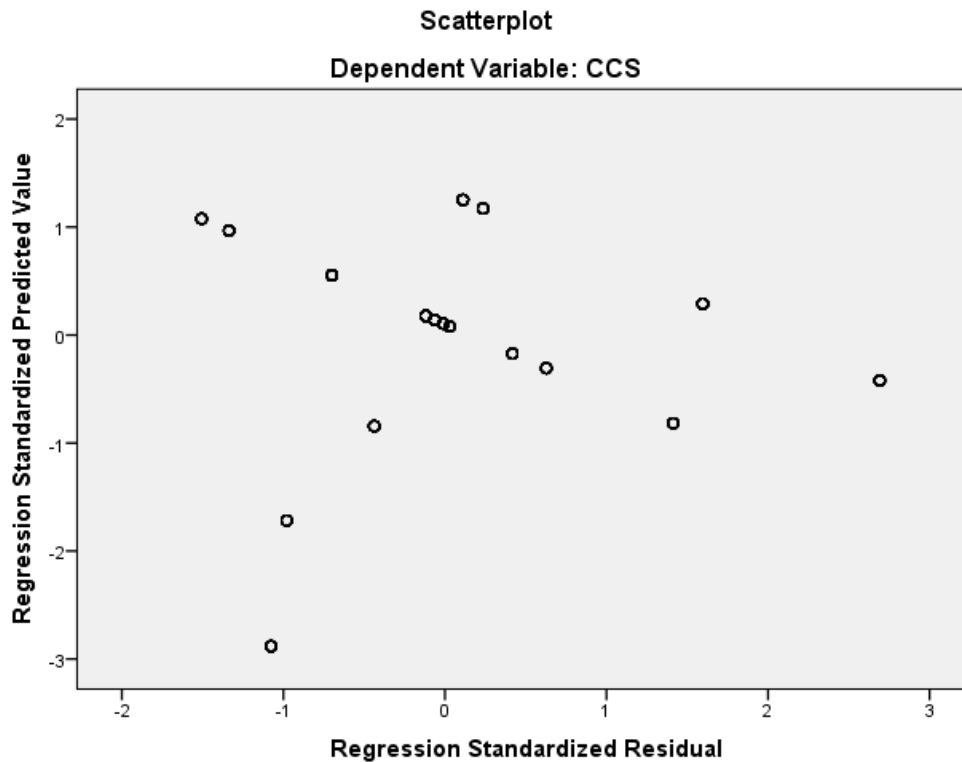
Source: Own Survey, computed in SPSS, 2018

In the Normal Probability Plot it will be hoped that points will lie in a reasonably straight diagonal line from bottom left to top right. This would suggest no major deviations from normality. The study applied Normal P-P Plot of regression Standardized Residual (See Figure 4.2) to test linearity. Since the points were symmetrically distributed around a diagonal line, linearity pattern was observed. Hence, the straight line relationship between the residuals and the predicted dependent variable scores depicted that linearity was achieved.

Homoscedasticity

Homoscedasticity is the extent to which the data values for the dependent and independent variables have equal variances, as Saunders, et al. (2009) noted. Based on the explanation by Field (2009), at each level of the predictor variables, the variance of the residual terms should be Constant which means the residuals at each level of the predictors should have the same variance, therefore checking for this assumption is helpful for the goodness of the regression model. Field (2009) suggested that we should plot the standardized residuals, or errors (ZRESID) on the Y axis and the standardized predicted values of the dependent variable based on the model (ZPRED) on the X axis to get the homoscedasticity result.

Figure 4.3: Scatter Plot of Standardized Residual



Source: Own Survey, computed in SPSS, 2018

According to Garson (2012), homoscedasticity help as to check for the relationship under investigation is the same for the entire range of the dependent variable and lack of homoscedasticity is shown by higher errors (residuals) for some portions of the range, which can be seen on the scatterplot. In this regard, as Field (2009) describes, the graph of *ZRESID and *ZPRED should look like a random array of dots evenly dispersed around zero, if the assumption of homoscedasticity has to be met. Likewise, as shown in the above figure, the points are randomly and evenly dispersed throughout the plot and there are no obvious outliers on this cloud of dots which are spaced around zero. Therefore, we can conclude that the assumptions of random errors and homoscedasticity have been met.

As Field (2009) and Garson (2012) noted, many statistical procedures assumed that the sampling distribution is normally distributed and so, if the sample data are approximately normal then the sampling distribution will be also. In this regard, it is useful to test for normality of the sample data. Therefore, it was checked for the data to see if they are normally distributed through quantify aspects of a distribution (i.e. skewness and kurtosis) and presented as follows.

Table 4.9: Kurtosis and skewness

	N	Skewness		Kurtosis	
	Statistic	Statistic	Std. Error	Statistic	Std. Error
customization	384	-.252	.125	-.129	.248
Privacy	384	-.161	.125	-.289	.248
Globalaccessibility	384	-.067	.125	-.196	.248
Convinience	384	-.152	.125	-.871	.248
security	384	-.274	.125	-.120	.248
satisfaction	384	-.145	.125	-.495	.248

Source: Own Survey, computed in SPSS, 2018

According to Garson (2012), as a rule of thumb, for normality skew should be within the +2 to -2 range, when the data are normally distributed. Some statisticians also prescribe +1 to -1 as a more stringent criterion when normality is critical. In this regard, as shown in the above table, the skew value is perfectly fit within the limit and ranges between -.274 and -.067; which is very close to zero. Considering the notion of Field (2009), ‘the further the value is from zero, the more likely it is that the data are not normally distributed and vice versa’, the data, therefore, in this research, is said to be normally distributed. Furthermore, as Garson (2012) suggests, kurtosis should be within the +2 to -2 range when the data are normally distributed, while some statisticians prescribe +1 to -1 as a more stringent criterion when normality is critical. Taking both options in to consideration, when we look at table 4.8, the kurtosis value is perfectly fit within the limit and ranges between -.871 and -.129. Therefore, we can conclude that, abnormality of the data distribution cannot be a problem for this study.

4.3.3 Multiple Regressions Analysis

Regression model was applied to test how far the e-marketing has effect on the customer satisfaction. Coefficient of determination R^2 is the measure of proportion of the variance of dependent variables about its mean that is explained by the independent or predictor variables. It is conducted to investigate the effect of independent variable on the dependent variable and identify the relative significant influence; i.e. Independent variable (customization, privacy, global accessibility of web pages, convenience, and security) to the dependent variable; i.e. customer satisfaction in the hotel industry. Higher value of R^2 represents greater explanatory power of the regression equation. The proposed hypotheses were tested using multiple regression analysis. The results of the regression analysis are depicted in the following table.

Table 4.10: Regression coefficient analysis of the model

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.755	.124		6.090	.000
Customization	.146	.056	.143	2.626	.009
Privacy	.243	.068	.259	3.590	.000
Global accessibility of web pages	-.031	.084	-.028	-.366	.714
Convenience	.147	.044	.162	3.346	.001
Security	.605	.035	.665	17.158	.000

Source: Own Survey, computed in SPSS, 2018

H1: customization has positive and significant effect on customer satisfaction.

The result of multiple regression analysis of the above table clearly indicates that in hotel industry customization has significant influence on customer satisfaction ($p < 0.01$). Besides, the value of beta in hotel industry ($\beta = .143$) shows the positive effect of customization on customer satisfaction. This implies that a one unit increase in customization of e-marketing services results in 0.143 unit increase in customer satisfaction of hotel industry. Therefore, the above proposed hypothesis is accepted.

H2. Privacy has positive and significant effect on customer satisfaction.

The result of multiple regression analysis in table 4.9 above clearly indicates that privacy has significant effect on customer satisfaction ($p < 0.01$). Also, the value of beta in privacy ($\beta = .259$) demonstrates the positive effect of privacy on customer satisfaction in the hotel industry. This implies that a one unit increase in privacy of e-marketing services results in 0.259 unit increase in customer satisfaction of hotel industry. Thus, the above proposed hypothesis is well accepted.

H3: Global accessibility of web pages has positive and significant effect on customer satisfaction.

The result of multiple regression analysis in the table 4.10 above clearly indicates global accessibility of web pages has a negative and insignificant influence on customer satisfaction ($p > 0.1$). Besides, the value of beta in hotel industry ($\beta = -.028$) shows the negative effect of global accessibility of web pages on customer satisfaction that of the hotel industry. This implies that a one unit increase in global accessibility of web pages results in 0.028 unit decrease in customer satisfaction of hotel industry. Thus, the above proposed hypothesis is rejected.

H4: Convenience has positive and significant effect on customer satisfaction.

The result of multiple regression analysis in table 4.9 above clearly indicates that convenience has a positive and significant influence on customer satisfaction ($p < 0.01$). Besides, the value of beta in hotel industry $\beta = .162$, shows the positive effect of convenience on customer satisfaction. This implies that a one unit increase in convenience of e-marketing services results in 0.162 unit increase in customer satisfaction of hotel industry and vice versa. Thus, the above proposed hypothesis is well accepted.

H5. Security has positive and significant effect on customer satisfaction.

The result of multiple regression analysis in table 4.10 above clearly indicates that security has significant effect on customer satisfaction ($p < 0.01$). Also, the value of beta in privacy ($\beta = .665$) demonstrates the positive effect of security on customer satisfaction. This implies that a one unit increase in security of e-marketing services results in 0.665 unit increase in customer satisfaction of the hotel industry. Thus, the above proposed hypothesis is well accepted.

Table 4.11: Model Summary

Model Summary ^b									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.866 ^a	.750	.747	.43746	.750	226.815	5	378	.000

Source: Own Survey, computed in SPSS, 2018

Overall, the given table revealed that all independent variables except the global accessibility of web pages accounted for about 75% of the contribution for customer satisfaction ($R^2 = 0.747$).

Thus, 74.7% of the variation in customer satisfaction can be explained by the five dimensions and other factors may limit contribution of e-marketing to the customer satisfaction which accounts for about 25%, as shown in the table.

From the above finding we can develop the following regression model

$$eCS = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + e \dots\dots$$

$$Y = 0.755 + 0.143X_1 + 0.259X_2 + 0.162X_4 + 0.665X_5 + e \dots\dots$$

eCS = Customer Satisfaction derived from e- marketing transactions of the hotel industry.

α = Constant

β_0 = Coefficient of estimate

X1= Customization

X2 = Privacy

X3 = Accessibility of web pages

X4 = Convenience

X5 = Security and

ε = the error term

4.4. Interview Responses

Interview was forwarded for the respective hotel staffs response in order to triangulate results with customers' responses as supplementary information. The selected four star hotel managers, marketing managers and other nearly related staff members had been participated in the interview to have a better insight on overall customer satisfaction.

During the data collection process the researcher could observe that currently all the hotels under investigation (Intercontinental Addis Hotel, Harmony Hotel, Jupiter international Hotel (Cazanchis Location), Saro Maria Hotel, Friendship Hotel and Washington Hotel) are offering full e-marketing services starting from the online advertisement to reservations and concluding transactions. However almost all the respective respondents have reported that the poor networking service of ethio-telecom, which is the sole telecommunication service provider in the country, is affecting their e-marketing activity which in turn affects their customers' satisfaction.

As per the response gained from the hotels, they are doing their best to provide tailor made services for customers preparing short term packages for travelers and classifying online payment modes into different mechanisms which will also make them feel secured regarding the payment process. Further the marketing manager assured that they are working with banks to provide easy payment process through POS machines and their website is open and free to be accessed by any customer. However the major problem reported by the customers was that the frequent network failure is creating difficulty whether to visit websites or to reserve online, said the marketing manager.

Further, it was explained by the officers that most of their customers are satisfied with the e-marketing services of their hotel. However, despite the hotel's effort to improve access for their customers by delivering these services, they are well aware of that some problems are encountered by customers which makes them dissatisfied such as network failure during online reservation and visiting website, due to service breakdown from the country's sole telecommunications service provider, ethio-telecom, and internal network problems of the local banks during payment process.

As per the responses, it was explained that customers will expect the hotels to be responsive to their needs over e-marketing; therefore they are seeking to address these needs and increase their level of satisfaction. In addition, as per the feedbacks gained from their customers, it can be said that somewhat their customers are satisfied by the e-marketing services they are offering and the technology has given more satisfaction and reduced the visit of the hotels every now and then for reservation purpose. Customers can finish any process like choosing their preference, reservation anytime and anywhere at their convenience. However, due to various reasons, mostly ethio-telecom's network failure, customers have faced difficulty because the target services couldn't be delivered as exactly as promised. And the respondents reported that they are trying their best to take the leading role in the industry regarding the e-marketing services and customers are satisfied in all aspects of the e-marketing activities but the majority of the complaints are laid at the feet of ethio-telecom, These may need manual intervention by the hotels' customer service personnels and it was observed that the hotels has a standby team to deal with these issues.

Generally, as per the responses gained from the respective officers of the selected four star hotels, the practices of e-marketing services provided by the hotels are getting a positive feedback even though such technologies are at the early stages in the country and the major problem reported by the respondents was the poor network facility of the country and the frequent interruption of networks due to different reasons like poor infrastructure and socio-politics problems in the country which currently is solved in the last few months.

4.5. Discussion of Findings

Customization

The researcher has conducted the research based on five hypotheses in relation with the five factors and the result revealed that customization has positive and significant effect on customer satisfaction with a mean value of 4.25 and a coefficient estimate of 0.143 which means that keeping other independent variables constant, a 1 unit increase in customization of e-marketing services has a result of increasing customers satisfaction by 0.143 unit. Interview responses from the hotels respective officers has also confirmed that the more customized the e-marketing services, the more they get positive feedback from their customers and so that they update their service modules frequently. The result is consistent with the findings of Srimi, et al. (2002), Maktoba, et al. (2011) and Lee, (2005) that customized e-marketing services on hotels such as classifying offerings in to different groups so that every customer can have the services as per their needs and wants.

Privacy

The study has also revealed that privacy has positive and significant effect on customer satisfaction with a mean value of 3.82 and coefficient estimate of 0.259 which means that keeping other independent variables constant, a 1 unit increase in Privacy of e-marketing services has a result of increasing customers satisfaction by 0.259 unit which is also assured by the respective employees of the selected four star hotels interview response that privacy has a positive effect on their customers' satisfaction as they have observed from their feedback. The interview result also supported this result that The result is consistent with the findings of Muslim (2016), Xia, et al. (2008) and Srimi, et al. (2002) that the more the customer's privacy is guaranteed, customers will have the inspiration to use the e-marketing services in confidence.

Global accessibility of web pages

Global accessibility of web pages is found insignificant with coefficient estimate of -0.028 and P value of 0.714 which is statistically insignificant. However, Muslim (2016), which was conducted on e-banking customers satisfaction, has found that the relationship between e-banking services quality and e-customer satisfaction is significant. According to the finding Global accessibility of web pages has a significant impact on e-service quality and in turn on customer satisfaction. The result has shown a positive significant relationship with internet banking service satisfaction and he concluded that the efficiency of banking website is the important aspect of customer satisfaction on e-banking. The possible cause to get the reverse result here might be related with the sectors difference that as hotel customers are more flexible than the banks'. As hotel customers are free to switch from one to the other, the difficulty to use the website may not be an issue unlike the bank customers who are expected to be a permanent customer to use the e-service.

Convenience

The finding on effect of Convenience is that it has positive and significant effect on customer satisfaction with mean value of 3.55 and coefficient estimate of 0.162 which means that keeping other independent variables constant, a 1 unit increase in convenience of e-marketing services has a result of increasing customers satisfaction by 0.162 unit. The interview result has also brought a consistent result with the questionnaire response that convenience has a positive effect on customers satisfaction. These results are consistent with Maktoba, et al. (2011), Muslim (2016) and Heiner, et al. (2004) which have found convenience as significant factor of customer satisfaction on e-marketing. However, Srini, et al. (2002) has found that convenience doesn't have significant impact on customer's loyalty and their satisfaction in return.

Security

Security has also positive and significant effect on customer satisfaction with a mean value of 3.72 and a coefficient estimate of 0.665 which means that keeping other independent variables constant, a 1 unit increase in security of e-marketing services has a result of increasing customers

satisfaction by 0.665 unit which was also supported by the interview responses gained from the respective officers of the selected four star hotels in the city. The result is consistent with the finding of Maktoba, et al. (2011), Sintayehu (2015), Heiner, et al. (2004), Tsion (2016) and Xia, et al. (2008) that security is found to be a significant factor significant factor of customer satisfaction on e-marketing as every transactions made on the e-marketing are off the personal contact between the two parties and customers need to get a confirmation about their safety.

Generally the overall result is depicted in the following table.

Table 4.12 Summary of the overall outcome of the research hypotheses

<i>Hypothesis</i>	<i>Result</i>	<i>Reason</i>
H1: customization of e marketing services has a positive and significant effect on customer satisfaction in the hotel industry in Ethiopia.	Accepted	$\beta=0.143$, $p<0.01$
H2: Privacy has positive and significant effect on customer satisfaction	Accepted	$\beta=0.259$, $p<0.01$
H3: Global accessibility of web pages has positive and significant effect on customer satisfaction.	Rejected	$\beta=-0.028$, $p>0.01$
H4: Convenience has positive and significant effect on customer satisfaction	Accepted	$\beta=0.162$, $p<0.01$
H5: Security has positive and significant effect on customer satisfaction.	Accepted	$\beta=0.665$, $p<0.01$

Source: Own Survey, computed in SPSS, 2018

To summarize, all hypothesis developed based on the research objective and the conceptual framework, were tested. Moreover, aiming in validating the hypothesis testing, several assumptions were checked. Accordingly, the hypotheses were tested through appropriate statistical procedures and the results obtained from the statistical analysis are said to be successful in achieving the desired objective and in answering the research questions.

Chapter 5

Conclusion and Recommendation

5.1. Conclusion

Customer satisfaction is the major factor contributing to success of service sector. e-marketing has become a major facility sought after by the existing and potential customers. All the service sectors depend on customer and their satisfaction and hotels are in no exception. One of the ways for achieving high customer satisfaction and gaining the loyalty of customers is to offer high quality services.

In this research the level of satisfaction of customers with the different dimensions of e-marketing pertaining to the theoretical model was evaluated. Accordingly, the major findings are presented as follows:

- ❖ Descriptive analysis results revealed that the majority of respondents using e-marketing services are in the age group of 18-30 and 31-45 years which covers 82.8%, occupationally business persons and salaried are the majority users educational wise the respondents were predominantly Masters and BA Degree holders. Customer's satisfaction on e-marketing services is above satisfactory level with a mean value of 4.0594 on a 5 point Likert scale. Out of the e-marketing service quality dimensions customization (mean of 4.248), Privacy (mean of 4.171), Global Accessibility of web pages (mean of 3.989), convenience (mean of 4.0260) and Security (mean of 3.9422) are the major factors to improve customer satisfaction on e-marketing services.
- ❖ Customization has a positive and significant relationship with customer satisfaction in the hotel industry in Ethiopia in agreement with the hypothesis having beta value of 0.143. This implies that a 1 unit increase in Customization of services will lead to increase in the satisfaction of customers by 0.143 units.
- ❖ Privacy has a positive and significant relationship with customer satisfaction in agreement with the hypothesis having beta value of 0.259. This implies that a 1 unit increase in privacy of e-marketing services will certainly lead to increase in customers satisfaction by 0.259.
- ❖ Accessibility of web pages found to be insignificant with customer satisfaction in e-marketing services in contradiction with the hypothesis having beta value of -0.028 at

$P > 0.01$ which implies that global accessibility of web pages doesn't have any effect on customer satisfaction in the hotel industry.

- ❖ Convenience has a positive and significant relationship with customer satisfaction in agreement with the hypothesis having beta value of 0.162 which implies that a 1 unit increase in convenience of e-marketing services will result in increase of customer satisfaction by 0.162 units.
- ❖ Security has a positive and significant relationship with customer satisfaction in agreement with the hypothesis having beta value of 0.665 which implies that a 1 unit increase in convenience of e-marketing services will result in increase of customer satisfaction by 0.665 units.
- ❖ Both The hotels and the customers are suffering from frequent disruption of e-marketing services due to poorly developed telecommunication infrastructures.

5.2. Recommendation

The analysis of this work includes implications for the hotels as far as the satisfaction level of their customers with different aspects of the e-marketing services is concerned. Therefore, based on the study results, the researcher would like to forward the following recommendations for the concerned bodies.

- As Customization, Privacy, security and convenience dimensions have highly significant effect on the level of satisfaction, the hotels better to focus on these dimensions to bring higher level of satisfaction to their customers.
- In order to increase satisfaction of customers, it is better to increase the confidence of their customers as well as develop their skills and knowledge to use e-marketing services by employing different guidelines to use e-marketing services so that they can increase user friendliness of such services and that will help customers to be more familiar with the e-marketing services.
- As privacy is has a positive and significant effect on customers satisfaction, it is better to implement a secured e-marketing module which can provide a confidential interaction between their sites and the users.

- As hotel customers are not nation bounded, it is better to work with both local and international banks to have a moderate and secured payment system so that satisfaction can be increased by achieving the security need of customers.
- Finally, in order to resolve service interruptions and weak network facility, it will be better for the hotels to work with ethio-telecom. In addition, As such technology needs well developed ICT infrastructures, the respective government bodies should work to develop and expand ICT infrastructures.

Further, during the data collection period, the researcher has observed that the number of e-marketing users is limited and the hotels should promote their services using different marketing mechanisms to increase awareness and usage of such services.

5.3. Direction for future research

- As indicated in the literature, there is lack of theoretical grounds and models in conceptualizing e-marketing effects in service sectors other than banks. In this regard, researches should be conducted aiming at model specification and theory development on effects of e-marketing on other service sectors other than banks and It is recommended for future researchers to conduct on the effect of e-marketing on customer satisfaction on other sectors as well.
- Moreover, this study was conducted solely in Addis Ababa and the composition of the sample may not be analogous to the whole hotels in Ethiopia. Therefore; additional studies in different regions of the country are needed to investigate the hypotheses.
- Finally, this study investigates the dimensions of e-marketing services that have major effects on customer satisfaction in the hotel industry. Variables included in the study were not exhaustive and future researches should be carried out to determine the effect of other variables which are not identified in the present study but affect customer satisfaction regarding e-marketing services.

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APPENDIX

Appendix-A Questionnaire for Customers

Addis Ababa University School of commerce

Marketing Management: Post Graduate Program

This questionnaire is designed to carry out a research on the effects of e marketing on customer satisfaction in the hotel industry in Ethiopia specifically and its main purposes are: to find e marketing service dimensions that have the effect on customer satisfaction among the four star hotels in Ethiopia and as partial fulfillment of the requirements for the degree of Master in Marketing Management.

The data will be used only for academic purpose and your response is not forwarded to other 3rd party and it is kept confidential, please answer each questions with no fear of consequence. No need of writing your name

I thank you in advance for your cooperation.

Please feel free to contact me @ any time for further clarification if any!

Eyerusalem Melaku

Tell: +251913875256

Email: melakueyerusalem@gmail.com

If you have any question regarding the questionnaire please contact me using the above mentioned address.

Part I Background Information

Please put (X) mark in front of your choice box that express yourself

1. Gender: Male Female

2. Age: 18-30 31-45 46-60 Above 60

3. Current education level:

- Primary High school Diploma
- BA degree Master Degree Above Masters Degree

4. Occupation:

- Unemployed Student Salaried
- Business man/woman Other

5. Purpose of visit:

- Business Leisure
- Transit Personal

6. Nationality: _____

7. Which type of electronic marketing service do you use?

- Electronic payments Online reservation
- e-mail information exchange Other , please specify, _____

Part Two – Customer’s Opinion on their e marketing Services Experience

Please put (X) mark for response of your responses about the questions provided.

No	Dimensions	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
		1	2	3	4	5
1. Customization						
1.1	The e marketing services of the hotels meet the personal needs of customers.					
1.2	Every customer can choose his/her desired service without confusion in the website.					
1.3	Information in the website are useful and competent for each of my needs.					
1.4	The website makes purchase recommendations that match my needs.					
1.5	This website enables me to choose services that are tailor-made for me.					
1.6	The advertisements and promotions that this website sends to me are tailored to my situation.					
1.7	This website makes me feel that I am a unique customer.					
1.8	I believe that this website is personalized to my needs.					
2. Privacy						
2.1	e marketing services provide security for transaction data and privacy.					
2.2	Private information is not disclosed to external parties.					
2.3	Reaching hotels through e marketing tools enhances my effectiveness.					
2.4	I am comfortable with the privacy of my personal information when using e marketing services					
2.5	I trust online site of the hotel					
2.6	I feel safe regarding my personal information when using e marketing.					
3. Global accessibility of web pages						
3.1	It is easy to find information in the websites,					
3.2	It is easy to finalize transactions online.					
3.3	The language in websites display is easy to understand.					
3.4	Information and texts are clear and easy to understand,					
3.5	Instructions are clear to understand,					
3.6	Websites can be accessed any time anywhere.					
3.7	The website has a search tool that enables me to locate services.					
4. Convenience						
4.1	e marketing provides complete help function					
4.2	e marketing transactions decreases hassles of searching for the best					
4.3	I find it easy to use e-Marketing tools (e.g. the Internet, e-Mail, and					

	Mobile) to get the hotel services.					
4.4	Navigation through this website is very intuitive.					
4.5	A first-time customer can make a purchase from this website without much help.					
4.6	It doesn't take a long time to transact at this website.					
4.7	The hotel website is a user-friendly site.					
5.Security						
5.1	e marketing keep accurate record of transaction.					
5.2	No safety problem happens during using e marketing service.					
5.3	e marketing tools make me feel safe on keeping my private financial information confidential.					
5.4	I feel safe when marketing electronically.					
5.5	I can check validity and detail of past transaction every time.					
6. Customer Satisfaction						
6.1	I am satisfied on the customization of services in e marketing.					
6.2	I am satisfied on the privacy of transactions in e marketing.					
6.3	I am satisfied on the global accessibility of web pages to use the e marketing services.					
6.4	I am satisfied on the convenience to use e marketing services.					
6.5	I am satisfied on the security of transactions in e marketing.					

*e-marketing refers to variety of platforms such as on line reservation, e mail marketing, social media marketing the likes whereby customers access hotel services like reserving and checking online, payment authorization, viewing record of transactions, etc.

Thank You!!!

Appendix B-Interview questions for Managers and Marketing managers

Addis Ababa University School of commerce

Marketing Management: Post Graduate Program

Instrument for the face to face interview on the effect of e-marketing on customer satisfaction in the hotel industry in Ethiopia .

1. What is the effect of customization of your e marketing services on customers' satisfaction?
2. What is the effect of Privacy of your e marketing service transactions on customers' satisfaction?
3. What is the effect of accessibility of your hotel web pages on customers' satisfaction?
4. What is the effect of Convenience of your e marketing services on customers' satisfaction?
5. What is the effect of Security of your e marketing services on customers' satisfaction?
6. Have you ever faced any complaints from customers regarding the e marketing services?
7. What are the major problems in e marketing activities to satisfy your customers?