



Integrated Marketing Communication for Tourism and Hospitality: A Case of Selected Star and Non-star Category Rwandan Hotels

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Abstract

This study set out to analyse the contribution of integrated marketing communication strategies to the overall operational efficiency of hospitality services in Rwanda using Kigali Serena, Milles Collines, Le Petit Prince and Splendid hotels as case studies. The methodology used in this research consisted of documentary search, interviews and survey. Semi-structured interviews were conducted with the four hotels (marketing) managers and a questionnaire was administered to a sample of hotel customers. The findings of this study reveal that due to the nature of services offered and the competition existing in the industry, Rwandan hotels' operations efficiency heavily relies on the ability of the manager to spot and seize opportunities by creating and sustaining productive relationships with potential customers. There is also a noticeable need for marketing communication planning and evaluation for hoteliers to know where to put more efforts and which most effective communication tools to use. For instance, it was noticed that most clients are acquainted with and attracted to hotels by word-of-mouth that is friends, colleagues and peers' recommendation. Word-of-mouth publicity is the most effective promotion tool in hospitality. Thus, Rwandan hoteliers ought to put more efforts into service quality improvement and customer-care perfection; and devise other strategies to win free word-of-mouth publicity.

Key words: Marketing, Tourism, hospitality, communication, hotel, Rwanda.

Introduction

Rwanda is a landlocked republic in equatorial Africa, situated on the eastern rim of the Albertine Rift, a western arm of the Great Rift Valley, on the watershed between Africa's two largest river systems: the Nile and the Congo. According to the Rwandan Tourism and Conservation Department of the Rwanda Development Board (RDB), "much of the country's 26,338 km² is impressively mountainous, the highest peak being Karisimbi (4,507m) in the volcanic Virunga chain dominated by the Volcano National Park. The largest body of water is Lake Kivu, but there are other numerous lakes around the country, notably Burera, Ruhondo, Muhazi and Mugesera, some of which have erratic shapes following the contours of the steep mountains that enclose them".

The natural beauty and scenic attractiveness of Rwanda makes it a long haul for tourists from all over the world. The influx and the constant presence of tourists in almost all regions of the country suggest a number of hotels to accommodate them. Indeed, though tourism and hospitality industries are emerging, Rwanda has recently registered a boom in the establishment of hotels. More than 85 hotels are counted, of which two are 5-star, four hotels are 4-star, eight are 3-star, sixteen are 2-star and one 1-star category hotels making a total number of 30 star category hotels. The rest are non-star category hotels.

A stiff competition is developing in the flourishing industry. Thus, every hotel is required to do their best to market themselves so as to increase their market share and attract more customers through good service delivery and effective marketing communication. Due to the rapid globalization in past 20 years resulting in a vastly more complex



marketing environment; businesses, including tourism and hospitality companies, are required to focus on satisfying their customers. Therefore, it is imperative for managers in this sector to examine and re-examine the impact created by their marketing strategies in order to constantly review their effectiveness and improve them. This study explores marketing communication strengths and weaknesses in a sample of four hotels including star category hotels (Kigali Serena Hotel “5 star” and Hotel des Milles Collines “4 star”) and non-star category hotels (Le petit Price Hotel and Splendid Hotel).

Many new and powerful entrepreneurs have recently entered the Rwandan hospitality industry. According to Tourism and conservation department of RDB, about 50% of the industry is less than 10 years old. This increase of entrepreneurs in hospitality made the industry more competitive than it had ever been. Though the number of customers has also increased due to increased number of tourists, some business people in the industry who were not used to competition are now required to make effort in the marketing of their products and services. This study compares and analyses marketing communication processes of Kigali Serena, Milles Collines, Le Petit Prince and Splendid hotels to determine its usefulness in attracting and retaining customers.

The main objective of this study was to find integrated marketing communication among selected star and non-star category hotels in Rwanda. The following are the specific objectives of this study:

- Assess the integrated marketing communication adopted by hotels in Rwanda.
- Compare marketing strategies adopted by various hotels.
- Find out the influence of marketing communication on star and non-star category hotels.
- Make recommendations for alternative marketing communication strategies to be used by Rwandan hospitality industry and how hotels can improve on those already used.

The mission of marketing is to keep the present customers for continuous growth while looking for new customers to purchase their products, (Kotler 2003). This objective is not easy to achieve given the nature of hotel service which is described as intangible, inseparable, perishable and heterogeneous (Holloway & Robinson 1999:10).

Therefore, this study looks at the marketing communication of Kigali Serena, Milles Collines, Le Petit Prince and Splendid hotels, the present situation of their marketing activities and how their marketing communication is being carried out in Rwanda. It also seeks to identify challenges hotels are faced with, and the most suitable and effective marketing communication strategies to recommend as solutions to overcome those challenges not only to Kigali Serena, Milles Collines, Le Petit Prince and Splendid hotels but also to other Rwandan hotels.

Methodology

Sample and Sampling

As put forth by Sapsford & Jupp (2006) “sampling involves selecting a relatively small number of elements (characteristics) from a larger defined group of elements and expecting that the information gathered from that small group of elements will provide accurate judgement about the larger group.” The sample we selected for our research was made of four hotel managers from four hotels, and 80 hotels guests of those hotels including 25 from Kigali Serena Hotel, 25 from Milles Collines Hotel, 15 from Le Petit Prince and 15 from Splendid Hotel. The focus of this research was on four hotels including two big hotels in Kigali (the four-star Hotel des Milles Collines and the luxurious five-star Kigali Serena Hotel) and two smaller non-star hotels in the Southern province (Le petit Prince Hotel in Huye district and Splendid Hotel in Muhanga district). We used a



simple random sampling technique and we expect this sample to give us accurate insights into how Rwandan hoteliers market their products and services and communicate to their prospective customers.

Data Collection

Data collection consisted of collecting information about the research population and reviewing the literature about hospitality industry marketing in general and the use of IMC by Rwandan hotels in particular. Both the scanned literature and collected secondary data helped the researcher to fully understand what is happening in hospitality industry in terms of marketing communication.

Documentary search

This consisted of reading various documents including books, journals, other dissertations and online documents written in the field of tourism and hospitality products and services marketing; and especially hotel marketing. This aimed at gaining a thorough understanding of the field of study and it laid the foundation for data collection and analysis.

Questionnaire

A questionnaire was designed and administered to both managers (in charge of marketing) and customers of Kigali Serena, Milles Collines, Le Petit Prince and Splendid hotels. Questionnaires will help to know which strategies are used by the hotels' marketing department to reach potential customers, increase demand, maintain customers and create customer satisfaction.

Interview

Interview was used to get essential primary information on the structure of marketing plan for the hotel products and services which was the backbone of this study. Structured and semi-structured interview were used. General information obtained from the interview was the basis for research assumptions and analysis.

Data Analysis

All the data collected through interview and questionnaire were quantitatively and qualitatively analysed. The quality of products and services and the quality of marketing strategies was analysed. The quantity of generated demand, offered products and services, and the degree of satisfaction achieved in customers was as well analysed.

A comparative study was carried out on the data. Various marketing strategies were analytically compared to determine the best in different situations. Forecasted demand was compared with achieved demand and the contribution of marketing communication in this demand was analysed. Further, marketing communication of star category hotels was compared with that of non-star category hotels. This helped detect loopholes in the marketing strategies of Rwandan hotels and a framework for improving on it.

Presentation and Analysis of Research Results

The results of this research were mainly from two sources, namely, hotels (marketing) managers, and hotels guests. A questionnaire and interview were administered and conducted with both hotel managers and customers. The interview with clients aimed at finding out perceptions of hotel customers about various hotel marketing strategies. Whereas, interview with hotel marketing managers aimed at looking into if and how hoteliers formulate, implement and evaluate marketing communication strategies; and especially what impact all this has on their overall marketability.

This research being mainly qualitative, the results thereof are presented both in prose and tables, graphs and charts but statistical analysis is used where necessary.

A brief hotels description

This research describes the four hotels under study, and further analyses and compares their marketing communication strategies. The study was carried out on four selected Rwanda hotels. Kigali Serena Hotel, Hotel des Milles Collines, Le Petit prince Hotel and Splendid hotel. Hereinafter is a brief description of the hotels and their marketing communication related services as perceived and appreciated by clients.

Star Category Hotels' marketing communication

The interview with 50 customers of the five and four star category Kigali Serena and Milles Collines hotels and their marketing managers revealed that the factors influencing customer choice of hotel mainly include good service, influence of friends and peers, and other people's recommendation. The choice of a hotel is more based on good hotel service than on accessibility and prices. Nevertheless, word-of-mouth publicity proved to be the key to attracting and retaining customers.

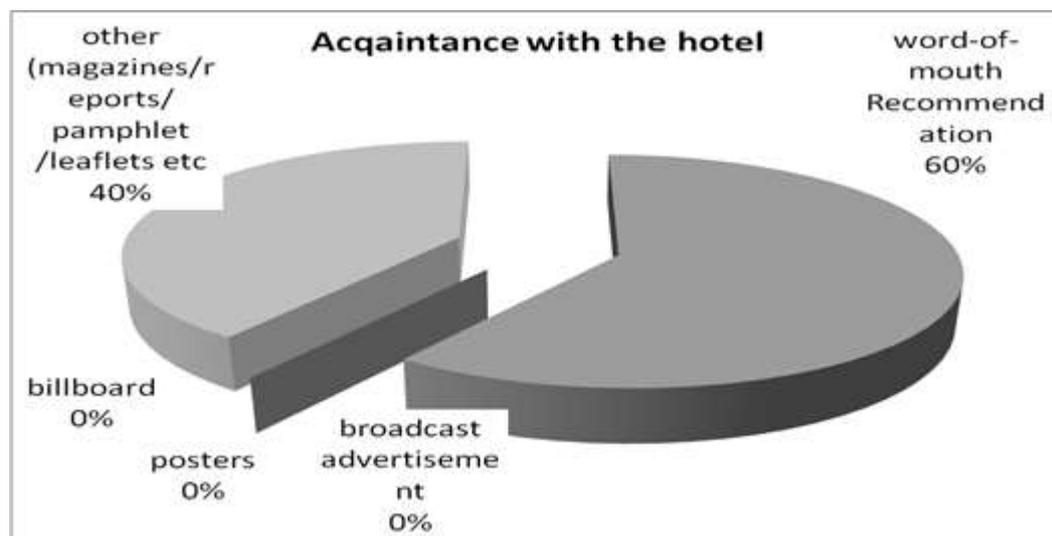
Serena Hotel

Kigali Serena hotel is a Five-star hotel in the centre of Kigali the Rwandan capital. It is the most prominent, luxurious and biggest hotel in Rwanda offering 148 rooms including 60 Standard Rooms, 37 Superior Rooms, 19 Deluxe Rooms, 18 Junior Suites, 7 Prime Rooms, 6 Executive Suites and one Presidential Suite. It also disposes various-size conference halls and offers restaurant services, spa, sports and many other facilities.

25 hotel guests of all walks of life accepted to respond to our questions. They include foreigners (85%) and local citizens (15%), business people (72%), government and other institutions officials attending functional meetings (12%) etc.

Hotel visitors' answers reveal very interesting facts. For instance, as the graph below shows, none (0%) of the respondents have known about the hotel through radio/TV broadcast advertisement, posters and billboards.

Figure 1: Knowing about the existence of a hotel (Serena Hotel)



Source: Primary data



This is partly because the hotel does not use these means of communication. On the other hand, 60% of the respondents have known about the through word-of-mouth publicity.

In addition, 72% of the respondents testified having stayed in another hotel in Rwanda before. 83% of those changed the hotel seeking better service. Thus, the quality of service obviously plays an unrivalled role in the overall marketability of a hotel.

Further, a hundred per cent of respondents affirmed they had an intention to come back to the hotel on another occasion. The reason is mainly (88%) because they liked the services. However, it is interesting to note that none of the respondents (0%) intends to make a repeat visit because of low prices. This means that Kigali Serena hotel's customers are less price-sensitive. This may be accounted for by the fact that Serena hotel's visitors are mainly corporate business people (72%) prestigious tourists (8%) and international and governments officials (12%).

In short, one can easily notice that the most important marketing communication tool that the hotel has is publicity. Word-of-mouth publicity apparently attracts more hotel customers than any other form of communication. Therefore, hotels should have a strategy for earning publicity.

Milles Collines Hotel

Hotel des Mille Collines is a four-star hotel with a fine setting and personalized service situated in a large exotic garden downtown Kigali, Rwanda. It has 118 rooms and offers all other services a modern hotel offers.

25 guests of Hotel des Milles Collines accepted to respond to our questions. The questions aimed at identifying which marketing communication tools are most effective in the hospitality industry. We also wanted to measure the role of communication in the overall marketability of a hotel. From their responses we draw interesting factual insights into understanding what hotel marketing requires and what marketing communication ought to focus more on.

The first fact is here that only 20% of Milles Collines hotel customers were staying in the hotel for the first time. The remaining 80% are second (12%) third (4%) fourth (16%) and more (48%) times of stay. This shows that customer loyalty is high in Milles Collines hotel. Similarly, of 22(88% of respondents) customers who stayed in another hotel in Rwanda, 20 (91%) testified having changed hotels because they were not satisfied with services in the hotels of their previous stays. Obviously, we can factually deduce that services are better at Milles Collines than in those other hotels.

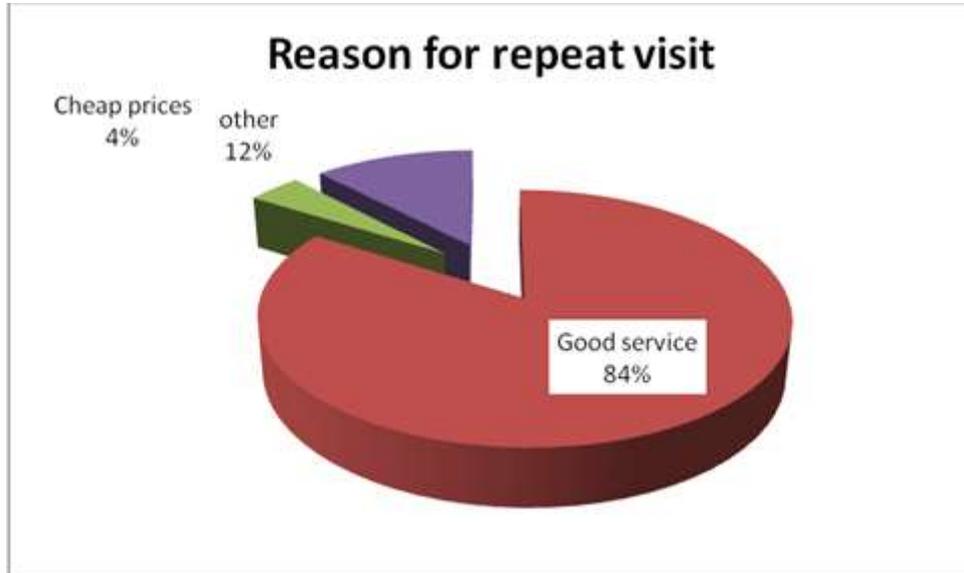
Moreover, it should be noted that 62% of the respondents (recommendation 28%, good service 20%, and friends and peers 24%) said that they chose to stay at Milles Collines for reasons related to appreciate service delivery. Likewise 84% were acquainted with the hotel through word-of-moth recommendation against 0% through advertisements (radio, TV, Posters, billboards...).

Furthermore, on average, 76% of respondents testified that they remember having received discounts, bonuses, refunds and free samples. Thus, Consumer promotions (such as free samples, coupons, premiums, refunds and rebates, contests and sweepstakes, bonus packs, price-offs) are very important and contribute to raising customer loyalty and help earn word-of-mouth publicity which is extremely important to marketing in service industry (Kotler 2003).

On top of this, 84% of respondents intended to come back to the same hotel on another occasion because of good service against only 4% who would return because of low prices. This confirms the idea that the number one strategy of marketing and sales focus primarily on offering high quality services rather than on price for this category of hotels.

In brief, responses of 50 respondents from Kigali Serena and Milles Collines hotels show that customers of this category of these hotels require personalised high quality service without which they are ready to look for another hotel. They are less price-sensitive but highly service quality sensitive. The figure below shows the difference.

Figure 2: Motivation to make repeat visits to the hotel (Milles Collines)



Source: Primary data

Therefore, more marketing efforts in this category should be put on service quality improvement to gain appreciation and word-of-mouth publicity.

Non-Star Category Hotels' Marketing Communication

Responses of our respondents from smaller non-star category hotels namely, Le Petit Prince Hotel and Splendid hotel show a difference in marketing needs between these two categories. These two hotels are located in small towns of the Southern Province, and therefore received different types of customers compared with their counterparts in the capital city Kigali. Their customers also have different expectations. However, there are some similarities. The fact is that most customers are attracted by word-of-mouth reference.

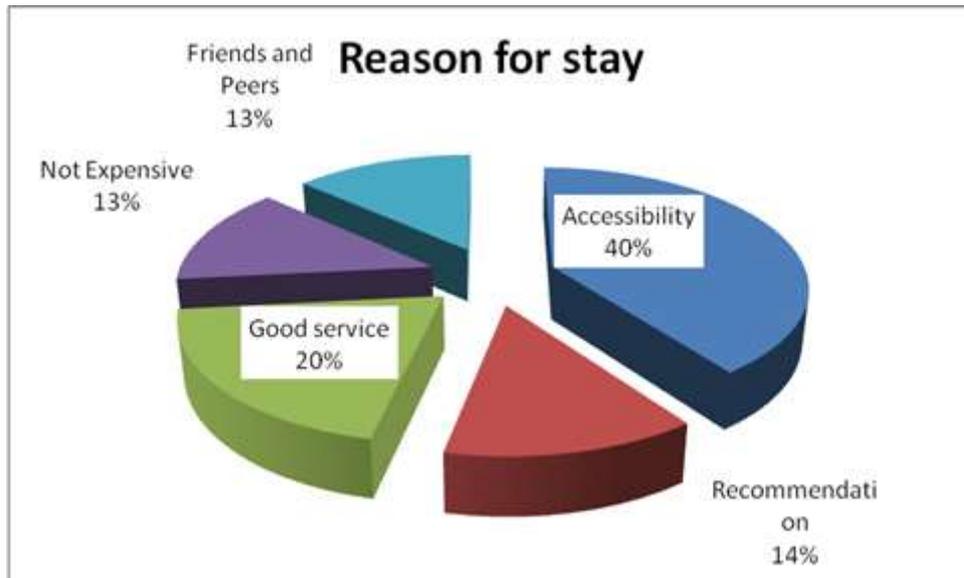
Le Petit Prince Hotel

Le petit prince hotel is a small hotel in the university town of Butare, Huye district, southern Province. It has 25 rooms, two conference halls, a restaurant and a bar. This table below shows how customers view service and marketing communication in Le Petit Prince Hotel. These are 15 customers' responses, which we think are generalisable to the whole hotel and to other hotels of the same category.

In contrast with the star category hotel most of the visitors of this hotel (53%) are staying for the first time, 47% being repeat visitors. It is also noticeable that 40% chose to stay there because it is the most accessible (nearby) hotel, 20% for good service and 13% are attracted by low prices.

This shows that customers in this hotel are a little more price-sensitive as shown in the graph on page 7 below.

Figure 3: Reason to travel and stay in hotel (Le Petit Prince)



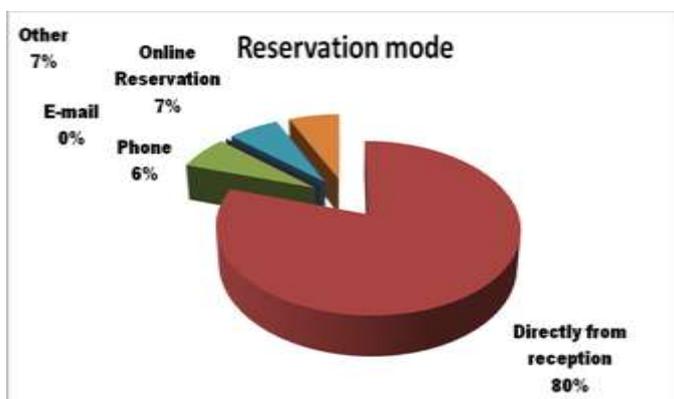
Source: Primary data

Nonetheless, it should be noted that 80% knew about the existence of this hotel through word-of-mouth reference, posters attracting only 13% while radio/TV broadcast advertisements and billboard earned no one. Though, this is so because the hotel does not use these advertising tools very often but it still emphasises the importance of word-of-mouth and service quality.

Another important point to note is that of 87% of guests who had stayed in another hotel in town before, only 38% of those changed because of good services. 23% changed because they simply liked the look of the hotel and about 39% had other reasons to change. Only 53% of the visitors intended to make a repeat visit, 50% of those being retained by good service while 38% are retained by low prices.

In addition, as the chart below shows, we also notice that 80% of the hotel customers made their reservations directly from the reception while 7% used telephone, 7% online reservation system and 0% e-mail.

Figure 4: Reservation mode (Le Petit Prince)



Source: Primary data

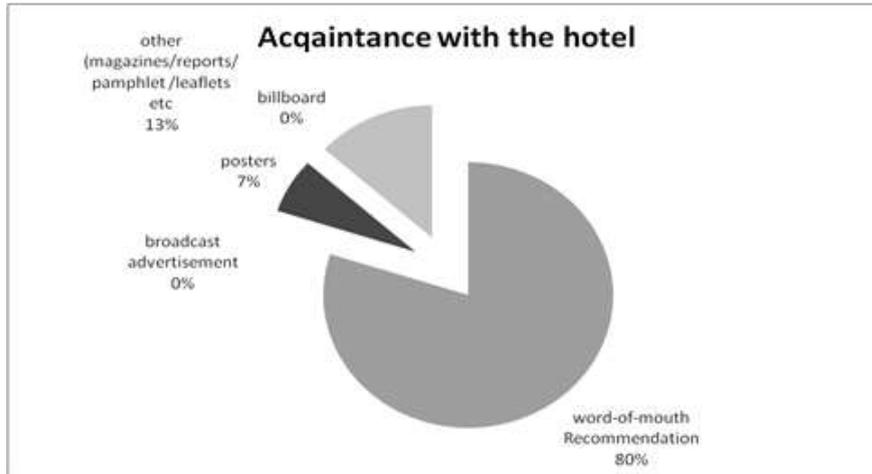
This shows that this hotel and probably many others in this category do not value internet as a powerful modern marketing tool to be utilised.

Splendid Hotel

Splendid hotel is small non-star hotel, which is however probably the best in Muhanga District of the Southern Province. It is located in central Nyamabuye town, a district town in Muhanga. It has 17 rooms only. Though, Splendid has beautiful view built on the plateau of the town, it struggles to get customers. Especially, with its expansion ambition it will have to market itself more.

The views of customers in this hotel are not very particular. They are a bit similar with those of the previous Le Petit Prince Hotel. In general customers are attracted by word-of-mouth (80%).

Figure 5: Acquaintance with the hotel by clients of Splendid Hotel

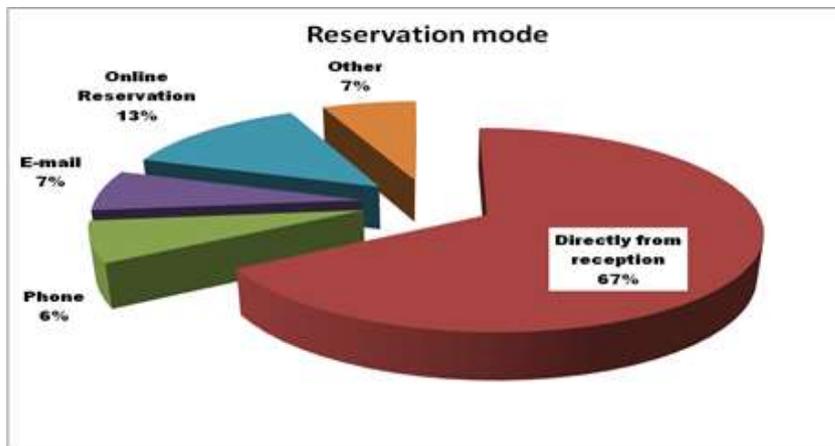


Source: Primary data

However there are slight differences such as the fact that of 67 % who stayed in another hotel in town 60% change because of service, 20% for liking (attractiveness of the hotel premises) and other 20% for various other reasons.

We can as well note that 87% intend to come back on another occasion, 54% of those are attracted by low prices while only 31 would make a repeat visit because of good services. Most of the customers (67%) of this hotel book directly from the hotel reception; phone, email, online systems and other means of reservation sharing the remaining 33%. This shows that the hotel's use of the internet as a marketing tool is not enhanced. The graph below shows the disparity on reservation modes used.

Figure 6: Reservation mode (Splendid Hotel)



Source: Primary data



Comparison of the four hotels' clients perception about marketing communication

The questions asked in the interviews and questionnaires administered to clients of the four hotels revealed interesting facts grouped together under six main themes:

- Number of visit
- Acquaintance with the hotel
- Reasons for choice
- Promotional services to clients
- Reservation mode used by clients
- Reasons for stay

Questions about these issues aimed primarily to know how hotels guest get informed about and make choice of their hotels. From their responses we can assess the impact of marketing efforts such as sales promotion, personal selling, advertising and public relations in pulling travellers to particular hotels.

Number of visit

The number of times each of our respondents was staying in the hotel helps us to measure the level of customer loyalty among the four hotels. From the table below we can notice that customers tend to be more loyal in Milles Collines than in Serena Hotel as 48 % were staying in Serena for the first time against 20% in Milles Collines. Conversely, 4% in Serena were staying the fifth time and above while at Milles Collines 48% were in this category.

Table 1. Number of visits to the hotel

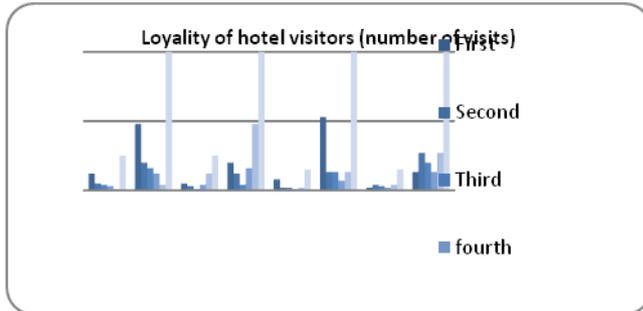
No	Number of stay in the hotel	Names of Hotels								Total number of respondents
		SE. H.		H.M.C		L.P.P.H.		SP.H.		
		Resp.	%	Resp.	%	Resp.	%	Resp.	%	
1	First	12	48	5	20	8	53	2	13.3	80
2	Second	5	20	3	12	2	13.3	4	27	80
3	Third	4	16	1	4	2	13.3	3	20	80
4	fourth	3	12	4	16	1	7	2	13.3	80
5	More (don't remember)	1	4	12	48	2	13.3	4	27	80
6	Total resp. for each hotel	25	100	25	100	15	100	15	100	80

SE. H. = Serena Hotel
 H.M.C.= Hotel des Milles Collines
 L.P.P.H.= Le Petit Prince Hotel
 SP.H.= Splendid Hotel
 Resp.=Respondents
 %= percentage

Source: Primary data

This table (1) also shows that the non-star category hotels guests in Petit Prince Hotel are a little less loyal (13%) than in Splendid (27%). However, the difference is not significant. One may rather say that hotel guests included a small number of loyal customers 13% in Petit Prince and 27% in Splendid and an almost equal number of switchers (and/or new customers) 53% first time visitors in Petit Prince and 13% in Splendid Hotel. Below is a graphical view of the customer loyalty in the four hotels.

Figure 8: Customer loyalty



Source: Primary data

Acquaintance with the hotel

It is quite interesting to see how travels get acquainted with the existence of hotels in the process of choosing one to stay in. Table 2 below reveals that most customers (in both categories of hotels) learned about the existence of their hotel for the first time through recommendation by friends, colleagues and peer groups. Surprisingly, almost none of the customers were informed by mass media such as written and broadcast advertisements, billboards and road posters. This is partly because, according to the hotels' marketing and sales managers, they do not use mass media for advertising. However, the reason may also be traced in the nature of hotels services in particular. It is sensible for a travel to believe their friends' advice in choosing a hotel than to rely on information from media.

Table 2. Acquaintance with the hotel

No	Acquainted with the hotel through	Names of hotels								Total resp.
		SE. H.		H.M.C		L.P.P.H.		SP.H.		
		Resp.	%	Resp.	%	Resp.	%	Resp.	%	
1	Recommendation	15	60	21	84	12	80	12	80	80
2	Broadcasting ad	0	0	0	0	0	0	0	0	80
3	Road posters	0	0	2	8	2	13	1	7	80
4	Billboard	0	0	0	0	0	0	0	0	80
5	Other (leaflets etc)	10	40	2	8	1	7	2	13	80
6	Total resp. for each hotel	25	100	25	100	15	100	15	100	80

Source: Primary data

Therefore, table 2 above shows that, for all categories of hotels, word-of-mouth publicity is more important than all other form of marketing communication to reach the customers for the first time.

Reasons for choice

A substantially bigger number of hotel customers are attracted to particular hotels by a reputation of good service (40% SE.H. and 20% M.C.H.) and friends' recommendation (28% for both SE.H. and M.C.H.) in star category hotels rather than by accessibility (40% and 53% for L.P.P.H. and SP.H. respectively) and lower prices (13% and 7%). This is



accounted for by the fact that star category hotel customers are generally less price-sensitive but more quality sensitive than their counterpart in small non-star hotels.

Table 3. Reasons for choice of hotels

No	Motivation to come to the hotel	Names of hotels								Total resp.
		SE. H.		H.M.C		L.P.P.H.		SP.H.		
		Resp.	%	Resp.	%	Resp.	%	Resp.	%	
1	Accessibility	2	8	5	20	6	40	8	53	80
2	Recommendation	7	28	7	28	2	13.3	3	20	80
3	Good service	10	40	5	20	3	20	2	13	80
4	Not expensive	1	4	2	8	2	13.3	1	7	80
5	Friends and peers	5	20	6	24	2	13.3	1	7	80
6	Total resp. for each hotel	25	100	25	100	15	100	15	100	80

SE. H. = Serena Hotel
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 SP.H.= Splendid Hotel
 Resp.=Respondents
 %= percentage

Source: Primary data

However, friends and peers seem to play the same important role in attracting customers in both categories of hotels. 20%, 24%, 13% and 7% of customers for the four hotels respectively made their choice by consulting their friends who had been to the hotels before.

Promotional services to clients

The role of promotional services to clients such as discounts, bonus, refunds and rebates, contests and sweepstakes, coupons and free samples etc. in attracting customers and building their loyalty, is difficult to measure. However, the fact that a quite big percentage of our respondents (as shown in table 4 below) remember having received some of these promotional free services proves that they are very important.

Table 4. Promotional services to clients

No	Clients services	Names of hotels							
		SE. H.		H.M.C		L.P.P.H.		SP.H.	
		Resp.	%	Resp.	%	Resp.	%	Resp.	%
1	Discounts	22	88	20	80	10	67	10	67
2	Bonus	21	84	18	72	12	80	6	40
3	Refund	18	72	14	56	5	33.3	4	27
4	Coupon	2	8	6	24	2	13.3	0	0
5	Free samples	5	20	7	28	2	13.3	2	13

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 SP.H.= Splendid Hotel
 Resp.=Respondents
 %= percentage

Source: Primary data

Reservation mode used by clients

Table 5 shows a substantial difference between star and non-star category hotels in terms of the reservation mode preferred by their customers. Most customers of non-star category hotels 80% in Petit Prince Hotel and 67% in Splendid come directly to the hotel reception without booking. The remaining percentages of customers use phone (7%, 7%), E-mail (0%, 7%) internet (7%, 13% for Petit Prince and Splendid respectively) and other modes to make their reservation. On the other hand, most customers in star category hotels use online reservation systems to book (32% in both Serena and Milles Collines hotels).



Table 5. Reservation mode

No	Reservation Made through	Names of hotels								Total resp.
		SE. H.		H.M.C		L.P.P.H.		SP.H.		
		Resp.	%	Resp.	%	Resp.	%	Resp.	%	
1	Direct from reception	10	40	9	36	12	80	10	67	80
2	Phone	3	12	2	8	1	7	1	7	80
3	Email	2	8	2	8	0	0	1	7	80
4	Online	8	32	8	32	1	7	2	13	80
5	other	2	8	4	16	1	7	1	7	80
6	Total resp. for each hotel	25	100	25	100	15	100	15	100	80

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 SP.H.= Splendid Hotel
 Resp.=Respondents
 %= percentage

Source: Primary data

Reservation systems and their convenience for customer use, especially internet based ones, constitute a powerful distribution facility for hotel to reach prospective customers. Rwandan hotels are increasingly getting benefits from the advances in modern communication technologies in this regard. Nevertheless, it seems that smaller non-star category hotels are not taking full advantage of this facility.

Reasons for visit

It is essential for hoteliers to know about things which make people travel to their areas. Rwandan hotels customers are mainly travelling for business, as tourists (for holiday rest and leisure), for studies, as governments and other organisations' officials on official visits or attending various functional meetings and for many other reasons. From table 6 below we realise that Serena hotel capitalises on attracting business travellers (72% of its clients are on business). Milles Collines hotel gets more tourists (40%) and officials (36); whereas, the non-star Petit Prince and Splendid hotels get more business travellers (33% and 40% respectively) with the remaining travel motives sharing the remaining percentages.

Table6. Reasons for stay

No	Reason for stay	Names of hotels								Total resp.
		SE. H.		H.M.C		L.P.P.H.		SP.H.		
		Resp.	%	Resp.	%	Resp.	%	Resp.	%	
1	Business	18	72	5	20	5	33	6	40	80
2	tourism	2	8	10	40	4	27	2	13	80
3	official visits	3	12	9	36	1	6.67	1	7	80
4	Studies	0	0	0	0	1	6.67	2	13	80
5	other	2	8	1	4	1	6.67	4	27	80
6	Total resp. for each hotel	25	100	25	100	15	100	15	100	80

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 Resp.=Respondents
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Source: Primary data

Hotel managers' perceptions and strategies of marketing communication

Table 7 in appendices gives a comparative synoptic view of the four hotels' marketing strategies, making it easy to compare the marketing communication in star category and in non-star category hotels. The striking facts about these hotels, which are actually not



different from the reality in other Rwandan hotels, are that they do not advertise heavily. They hardly ever use the mass media to reach the general public. According to the marketing managers, this is partly because these types of promotions are extremely expensive and especially for the big star hotels because most of their customers would not be reached by the media. Their view of the mass media is supported by Kotler (2003: 2) when he says that “most ads are a waste of the companies’ money and my time.” The author continues to argue that companies should ask this question before advertising: ‘would advertising create more satisfied clients than if our company spent the same money on making a better product, improving company service, or creating stronger brand experiences?’ I wish that companies would spend more money and time on designing an exceptional product, and less on trying to psychologically manipulate perceptions through expensive advertising campaigns; the better the product, the less that has to be spent advertising it (Kotler, 2003). “The best advertising is done by your satisfied customers”.

Another interesting fact is that none of the four hotels uses a private marketing agency; none of them advertises on billboard, none of them measures the contribution of marketing communication to sales and revenue, and they evaluate the effectiveness of their IMC by using intuition only. This shows that Rwandan hotels do not aggressively seek to increase customers and market share.

On top of this, all the four hotels experience a steady increase in marketing expenditures. This presumably signifies that there is an increasing competition which causes an increasing need for marketing communication among Rwandan hotels.

They all have basically the same peak and lean seasons. The period around April is a lean season for the four hotels because it is the official genocide commemoration and mourning period where visits and businesses are almost put to a halt. And the period around December and January is the peak season for Rwandan hotels basically because it is a festive season (for Christmas and New Year) when many people take their holidays and travel a lot. The four hotels also have almost the same strategy of dealing with seasonality. They reduce prices during lean season and increase promotional activities. They as well all have a strategy of dealing with customer complaints and they use them to improve service quality.

However, the two categories differ considerably on a number of issues regarding marketing in general and marketing communication in particular. First of all, the star category hotels have a separate marketing department with a marketing manager; they conduct marketing research and segment their prospect market into main segments. They also direct their marketing communication efforts towards specific segments. Their customers mainly come from abroad and especially include corporate businesses and international and government institutions. Whereas, the non-star category hotels do not have nor do any of the above. Their customers are mainly Rwandans travelling from region to region inside the country. In addition, another interesting mismatch is about the use of the internet. The star-category hotels each own a website with a web master and they have a big database of customer emails while the non-star category hotels neither have a website nor an email database. Star-category hotels also have a periodic (annual) marketing plan/promotional strategy and they do conduct promotional campaigns to boost sales but the non-star category hotels do not.

Finally, both star and non-star category hotels do not have a specific strategy of earning word-of-mouth publicity apart from improving service quality while we noticed in customers’ perceptions that most customers are brought to the hotel by word-of-mouth references, peers and friends’ recommendation. However, researchers tend to agree almost unanimously that word-of-mouth publicity is extremely important while it cost very little and in most cases nothing. Kotler (2003:186) for example, stated that “companies have been turning increasingly to word-of-mouth marketing. They seek to identify



individuals who are early adopters, vocal and curious, and with a large network of acquaintances. When a company brings its new product to the attention of such influential persons, they carry on the rest of the work as 'unpaid salespeople.'" Rwandan hotels ought to do the same.

Conclusion

To conclude, both star and non-star category have got strengths and weaknesses in their marketing plans and practices. They ought to increase their media coverage for their marketing communication. They should as well plan their IMC and evaluate its effectiveness by measuring its contribution to the increase in sales and revenue. In addition, they should have a comprehensive strategy of earning word-of-mouth publicity and increasing customer satisfaction and loyalty. This can be achieved not only through high quality personalised service, but also by attracting and maintain a network of influential customers (Kotler 2003).

This study helped us to understand that, in Rwandan hotels, most of the marketing communication is done randomly and intuitively without prior planning. A periodic marketing audit should be conducted to systematically examine and analyse the market environment, strategies and activities to determine problem areas and opportunities, before laying down marketing communication strategies and plans.

Moreover, it was noted that Rwandan hotels do not use mass media (radio, TV, newspapers, posters, billboards) and internet media to advertise and promote their services. Though unskillfully planned and inappropriate advertisements can result in a waste of resources (Kotler, 2003); Rwandan hotels should carefully adopt advertising and promotional tools to increase their sales if they are to remain competitive in the present highly competitive era. This study also revealed that most customers (about 80%) are acquainted with and decide to stay in particular hotels through word-of-mouth reference by friends, peers, colleagues and family members. Therefore, it is advisable for Rwandan hoteliers to devise a comprehensive strategy of earning word-of-mouth publicity from customers. Public relations, which are not normally used by hotels as a marketing strategy, could be an effective way of building and maintaining customer relationships and help to earn publicity. Kotler (2003), states that public relations¹ are much better at establishing credibility.

Furthermore, the internet is not effectively used especially by smaller non-star category hotels whereas it presents ample marketing communication opportunities to be seized. The website, online reservation systems, email are nowadays becoming powerful marketing communication tools that hotels should take advantage of. Non-star category Rwandan hotels ought to include marketing in their management programmes to account for all the above mentioned gaps.

In short, Rwandan hotels can improve on their marketing agendas by increasing media coverage, setting up a strategic plan for word-of-mouth publicity and including public relations in their marketing communication mix. As competition increases as a result of globalisation, liberalisation and increased customer requirements, Rwandan hotels should look for strategic sales partnerships, increase sales knowledge for their employees, as well as have a regular systematic framework of improving service quality towards more customer satisfaction and loyalty.

¹**Public relations** refer to the umbrella function that manages the communication between an organisation and its publics to build and enhance healthy relationships to the benefit of all parties involved. *The conundrum of public relations versus marketing: Clarifying the differences in terms of relationship management.* Ursula Ströh. Graduate Institute of Management and Technology, Australia.



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