Chapter 22

The Impact of Integrated Marketing Communications on Hotel Brand Equity: Does National Culture Matter?

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ABSTRACT

The Integrated Marketing Communications (IMC) approach appeared as a response to the need for more sophisticated marketing communication discipline in a confusing tourism marketing environment. This chapter examines the impact of IMC on the hotel brand equity dimensions, i.e. brand image, perceived quality, and brand loyalty. Moreover, it estimates the moderating effect of national culture on the relationships examined. The study is approached from the customer perspective and uses survey methodology to assess guests’ perception of IMC and brand equity in the hotel contexts. In particular, 335 hotel guests participated in the empirical investigation while staying in high-quality hotels in Rome, Italy. The findings reveal that IMC exerts a positive impact on hotel brand equity. Furthermore, the inter-relationship exists between the three dimensions of hotel brand equity. In general, national culture does not exert a significant impact within the posited model.

INTRODUCTION

During the last decade the Integrated Marketing Communications (IMC) approach has received a great interest within the marketing and branding literature (Delgado-Ballester, Navarro, & Sicilia, 2012). The advocates of IMC believe that the concept is “the major communications development
of the last decade of the 20th century” (Kitchen, Brignell, Li, & Jones, 2004a, p. 20), “absolutely imperative for success” (Shimp, 2003, p. 6) that “evidently, is here to stay” (Kitchen et al., 2004a, p. 19). Undoubtedly, the IMC acceptance is growing rapidly (Kitchen & Schultz, 2009) since both academics and researchers have recognized significant challenges in its future (Fitzpatrick, 2005) and competitive advantages it can provide.

However, further contributions are needed to consolidate this new approach (McGrath, 2005). The IMC literature suggested that future research should concentrate on business practice (Kitchen, Schultz, Kim, Han, & Li, 2004b), that is, in organizations themselves, rather than in the agencies which service their needs (e.g. Eagle, Kitchen, & Balmer, 2007). In particular, there is little empirical evidence on IMC in hotel companies (Šerić & Gil-Saura, 2011), where the need for integration has proven to be as necessary as in other industries (Hudson, 2008). In addition, it seems that consumers’ perceptions of marketing communications are often forgotten in IMC research (Gould, 2004), as a considerable amount of literature has centered on managers opinions regarding the IMC implementation, rather than on customer perception of integration (Šerić & Gil-Saura, 2012b). This is why we decide to examine IMC in the hotel context, while adopting a consumer-centric approach.

Moreover, academics and practitioners in the field of marketing and branding have supported the notion that IMC plays an important role in building and maintaining stakeholder relationships, and in leveraging these relationships to create customer-brand equity (Keller, 1993; Duncan & Moriarty, 1998; Duncan, 2002; Anantachart, 2004; Madhavaram, Badrinarayanan, & McDonald, 2005; Baidy & Maity, 2010; Delgado-Ballester et al., 2012; Šerić & Gil-Saura, 2012b). The most recent literature suggests that further research is necessary to show a greater alignment between the brand and IMC when generating customer loyalty (Kitchen & Schultz, 2009). Besides, there is a need to consider the impact of message consistency on brand equity creation in a specific context (Delgado-Ballester et al., 2012).

If we centre on the hotel environment, we observe that previous studies into marketing communication effects on brand equity have mainly focused on the impact of advertising (e.g. Israeli, Alder, Mehrez, & Sundali, 2000; Daun & Klinger, 2006). Although these contributions are important, we believe that considering communication effects only in terms of advertising is limited as it is usually not the only marketing communication tool which can create and manage brand equity, nor the most important one (Keller, 2009). Therefore, we believe that the holistic view of IMC should be taken when examining how marketing communications affect brand equity and its dimensions.

In addition, a great body of literature showed that differences between national cultures exist and that they have a considerable impact on customer behavior. However, a meticulous research on culture in the hotel context carried by Chen, Cheung, and Law (2012) reveals that there is hardly any empirical evidence on the culture issues in the marketing field in general and regarding the constructs studied in this chapter in particular.

Thereby, the purpose of this study is to fill the existing gap in the literature by assessing guests’ perceptions of IMC and brand equity and testing the impact of perceived IMC on the dimensions of customer-based brand equity that were found significant within the hotel context. In addition, it intends to examine the role of national culture on this impact, as well as the differences that might exist in guests’ evaluations according to their national culture.