

Chapter 8

Apps in Hospitality and Tourism:

Conceptualization of Branded Apps in Building Traveler Satisfaction and Loyalty

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ABSTRACT

The development of Apps usage in the tourism industry is along with the rise of relevant technologies that has affected the tourism industry all around the world. In order to build a competitive brand, firms are forced to implement the information technology related functions in their core business model. This chapter mainly focuses on the impact of Apps implementation in hospitality and tourism sector and conceptually propose that how branded Apps could yield tourist satisfaction and loyalty. Apps awareness, Apps quality and Apps image are proposed as several indicators of traveler's satisfaction and loyalty. The chapter argue that branding makes a business advantage; the brand follows indication of quality and assurance to the buyer and also special characteristics that could inspire consumers to buy products or services that are branded.

INTRODUCTION

One of the key research topics is considered to be brand equity for customer-based view in marketing management context in the late 1990's and early 2000's; therefore, it has been identified as a significant element build a competitive advantage and marketing approaches for distinction (Ferns & Walls, 2012; Kim, Kim, et al., 2008). Brand equity is a valuable, yet fragile, firm asset (Buil et al., 2013; Seo & Jang, 2013). The relationship between satisfaction and brand equity is very vague (Wong, 2013). The literature regarding brand equity, specifically about hospitality and tourism, commonly lacks in research (Oh & Hsu, 2014). Furthermore, equity of a brand is the main index for brand achievement. Realizing this and developing equity of a brand is definitely crucial for operators (Buil et al., 2013).

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Branding makes a business advantage; the brand follows the indication of quality and assurance to the buyer and also special characteristics that could inspire consumers to buy products or services that are branded (Lee & Back, 2010). Previous studies have investigated about the correlation among variables, for instance, consumer satisfaction as well as consumer loyalty, and found that there is a shortage of analysis regarding equity of brand and brand loyalty, which are influenced by customer satisfaction (Nam et al., 2011). Thus, by using the hospitality notion in service delivery businesses can easily motivate the interplay among receivers and suppliers, where provisions affect an intricate blend of food, beverage and also accommodation (Teng, 2011).

Branding has existed for many centuries as a method of differentiating the goods of one producer from another (Sheng & Teo, 2012). The topic of customer loyalty has received attention since the 1990s when relationship marketing became popular; perhaps, businesses are attempting to find out different methods in order to improve the effectiveness of loyalty marketing (Yoo & Bai, 2013). It is very difficult and expensive to gain a new customer due to advertising, and promotion and as such, it is better to retain and serve the current customers (Power et al., 2001). Customer loyalty is described as an individual's repeated purchase or visitation behavior while including the emotional pledge (Yoo & Bai, 2013). The focus on brand equity is on the advantages of powerful brand equity, which is called the buffering point of view (Seo & Jang, 2013). The hospitality organizations have admitted that the scope of marketing is to collect as many new customers as it is feasible (Ajzen et al., 1980).

Therefore, to build a competitive brand, firms are forced to implement the information technology related functions in their core business model. This chapter mainly focuses on the impact of Apps implementation in hospitality and tourism sector and conceptually propose that how branded Apps could yield tourist satisfaction and loyalty. Apps awareness, Apps quality, and Apps image are proposed as several indicators of traveler's satisfaction and loyalty.

APPS IN TOURISM AND HOSPITALITY SECTOR

The fast development of information communication technologies and the expansion of the internet have changed industry structures around the world (Ma et al., 2003). Perhaps, impacts even more on the tourism industry than on any other (Amin et al., 2014; Bhat & Shah, 2014; Daliri et al., 2014; Rezaei & Amin, 2013). Similarly, the internet has played a fundamental role in reshaping the means through which information related to tourism is transmitted as well as the plans people draw in preparation for travel and how they consume it (Buhalis & Law, 2008).

Today, the tourism industry is one of the major users of internet technology (Yuan et al., 2003). In order to provide reliable and accurate information, for example, travel agencies, use IT for reservation, accounting, and inventory management functions (Alavi et al., 2016; Rezaei et al., 2014; Shahijan et al., 2015; Standing et al., 2014). Likewise, the internet has been the major source of information for tourists around the world (Anwar et al., 2014). According to McCabe et al. (2012) tourists are expecting to know what is available to a destination, book travel, accommodation and visitor attractions, find relevant information before and during the trip, capture and share experiences. Therefore, the apps tourism help facilitate those interactions and most importantly will free up the precious time as well as save the tourists from frustration.

Apps tourism refer to mobile apps that are specifically targeted at tourists such as Airbnb, Tripadvisor, Skyscanner as well as those used in a typical travel context, for example Google map, Money, Instagram

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