# MARKETING AND ORGANIZATIONAL PERFORMANCE IN SELECTED HOTELS IN KAMPALA- UGANDA

# A REASEARCH REPORT SUBMITTED TO THE COLLEGE OF ECONOMICS AND MANAGEMENT IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF BACHELORS DEGREE IN TOURISM AND HOTEL MANAGEMENT OF KAMPALA INTERNATIONAL UNIVERSITY

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MAY, 2018

## DECLARATION

I NALUBEGA SHARON, declare that this academic work is presented in original and has not been submitted to any other university or institution for any award.

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Date

14/05/15

# APPROVAL

I confirm that the work presented in this research Report was conducted under my own supervision

Signature:

Name of the supervisor.

Mr. Tumusiime Nicholas.

Date: 15/05/2018 . . . . . . . . .

## DEDICATION

I dedicate this study to my mother Mrs .Nakitto Birungi rose, Aunt Monica My Daddy Yiga Emma, my family and friends Daniel and Jalia and my supervisor Mr. Tumusiime Nicholas for ensuring that I am in school and completed this research work.

## ACKNOWLEDGEMENT

I appreciate the effort of my uncle and aunt for their tireless financial support, special acknowledgement to my supervisor Mr. Tumusiime Nicholas, and my friends who ensured that I acquired the skills, their devotion, guidance, commitment and dedication and the whole college at economics and management at Kampala International University.

# LIST OF ACRONYMS

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HR.	Human Resource
ONS	Open Network System
SPESS	Statically Package for Social Scientist
PR	Public Relations
DM	Direct Marketing
HRM	Human Resource Management
DEA	Data Envelopment Analysis
TQM	Total Quality Management
SHRM	Strategic Human Resource Management
MPA	Marketing Performance Assessments

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# CHAPTER ONE PROBLEM AND ITS SCOPE

#### 1.1 Background of the study

Historically, the concept of marketing emerged during the industrial revolution of the 18<sup>th</sup> and 19<sup>th</sup> centuries. This was a period of rapid social change driven by technological and scientific innovation. One result was that for the first time the production of goods was separated from their consumption. Mass production, developing transport infrastructure and growing mass media meant that producers needed to and could develop more sophisticated ways of managing the distribution of goods. In the marketing orientation error from the 1960s and onwards, most markets had become saturated. This means that there was now intense competition for customers. The sophistication of marketing management had therefore developed into what we now see in a modern marketing department. Marketers are involved at a strategic level with the organization and therefore inform the organization about what should be produced, where it should be sold, how much should be charged for it and how it should be communicated to consumers. Marketing management has emerged to become one of the most well-known research topics in the area of management practice. As marketing is essential towards achieving business success and hence gaining a competitive advantage, firms worldwide, regardless of their size and industry are incorporating marketing management into their management practice. Marketing is the process of planning and executed the conception, pricing, promotion and distribution of ideas and services to create exchanges that satisfies individual and organizational goals

Marketing as well as a distinct discipline was born out of economics around the beginning of this twentieth century, the primary focus was on transactions and exchange, however, the development of marketing as afield study and practice is undergoing re-conceptualization in its orientation from transaction to relationships (Kotler and Armstrong 2008, Gronrous, Ch 1994) the emphasis on relationships is opposed to transaction based exchange is very likely to redefine the domain of marketing. All marketing activities are ultimately evaluated in the basis of company's overall profitability as a key relationship marketing outcomes. Customer loyalty and positive customer word of mouth communication (Thurauth, He et al 2002) Jubber and Fahy 2006 mentioned that the relationship between marketing and firm performance is the process of creating, developing and enhancing relationship with customers and other stakeholders. It also refers to the development. Growth, maintenance individual

customers, supplier's employees and other partner for mutual benefit (Boone and Kurtz 2007).

Today, marketing efforts have been instrumental in commercializing ideas and inventions successfully in different Hotels in the world. Therefore, it could be fatal for Hotels to ignore the importance of marketing (cf. e.g. Yli-Kovero, 2006; Salminen, 2006). Kotler (1999) emphasizes the position of marketing to even argue that, in the future, marketing has the main responsibility for achieving profitable revenue growth for the company. Today cost-efficiency does not provide long-term competitive advantage for companies whereas marketing, when well conducted, does. Especially in the field of strategic marketing, benefits are still largely waiting for realization. Marketing has traditionally been viewed and treated more as an operational rather than strategic function in companies. It has focused on decisions related to analyzing and selecting target markets, product and brand development, promotion, and channels of distribution (Hunt and Morgan, 2001). This perhaps somewhat biased stand point presents marketing as a task of creating, promoting and delivering goods and services to consumers and businesses (Kotler, 2003).

It is generally accepted that acquiring a new customer may turn out to be considerably more expensive than building customer loyalty among firm's current customers (e.g. Kotler, 2003). This strongly speaks for the need for higher levels of customer orientation among companies. Similarly, to reward systems that base on short-term performance, short-term marketing focus may start working against longer-term market orientation, business performance and strategic intentions of a company. From strategic point of view, as Morgan, Clark and Gooner (2002) argue, marketing budgets should be seen as capital expenditure in building revenue generating marketing assets rather than overhead expenditure; marketing resources ultimately drive long-term marketing performance. It is not easy, however, for marketing managers to convince executives in the absence of valid, reliable, and credible marketing performance assessment (MPA) systems. In addition to corporate executives, also marketing managers are often unable to uncover and confidently support cause-and-effect relationships between marketing inputs, marketing processes and marketing performance outcomes. (Morgan, Clark and Gooner, 2002) Difficulty to assess the marketing performance is evident since it depends on external, largely uncontrollable factors, such as customers and competitors (Neely, 2002). Additionally, links to business performance are very often complex and may include some irrationality; for example, success sometimes bases considerably on luck. Thus, as the aggravated example shows, high performance of a product or a company may not have much to do with goodness of management.

It is nevertheless crucial to acknowledge the factors mainly affecting on goodness or badness of performance. If the company is doing poorly, it has to unravel the reasons for the current situation so that it can form a plan for a brighter future. On the other hand, a firm doing well must know what the most influential factors behind its success are because only accordingly it can sustain its competitive position also in the future. To emphasize the importance of understanding long-term value of company resources, Reed and De-Fillippi (1990) state that ambiguous causalities in relationship between competitive advantage in the market place and comparative advantage in resources may lead to allowance of dissipation of comparative resource advantage. Barney (1991) gives hope to firms not aware of their resource impact on competitive advantage and business performance arguing that it may be as hard for its competitors, too. He puts it: "it is difficult for firms that are attempting to duplicate a successful firm's strategies through imitation of its resources to know which resources it should imitate". Even though Bonoma and Clark (1988) argue that marketing's outputs are subject to so many internal and external influences that establishing causes-and-effect linkages is very hard, if not impossible, it is somehow alarming in the light of previous discussion how the connection between marketing efforts and business performance is still relatively vague for both academics and decision makers in business context. Increasingly, in order to survive and excel in today's heavily competitive environment, companies need to be able to define their real competitive advantages and focus on them. According to previous studies (e.g. Hooley et al., 2001; Fahy and Smithee, 1999), marketing capabilities and assets possess potential to be important sources of competitive advantage for companies. As a component of marketing orientation of a company, also innovation orientation that situates between internal and external views has been showed to influence performance (e.g. Matsuno, Mentzer and Özsomer, 2002). In addition, marketing with strong market orientation seems to be increasingly important for firms (e.g.Kohli and Jaworski, 1990).

This is due to strong inward focus of resource-based view of the firm which is at risk to ignore dynamic market conditions and nature of demand. Clearly, firms should thus start adapting principles of strategic marketing. Despite general acceptance of value creation of marketing activities, marketing practitioners have found it difficult to measure and communicate to other functional executives and top management the value created by investments in marketing (Srivastava, Shervani and Fahey, 1998). To bring light to the

prevalent situation, confirmatory statistical analysis basing on hypotheses from previous literature is a justified method to explore strategic marketing and its effectiveness.

It seems that studies attempting to link strategic marketing and its consequences on firm performance have not been conducted too much and e.g. Cadogan*et al.* (2002) emphasize the need for further research in different countries to advantage universality of the previous results. Additionally, international or inter-industrial comparison studies are lacking almost entirely. This study takes these research gaps into consideration and attempts to fulfill them by analyzing "Marketing in the 21<sup>st</sup>Century" -data in order to find common regularities in the background of company performance in general and in different business environments. Indeed, one of the main objectives of this study is to provide comparisons for sample countries and selected groups which is why this study truly offers potential value-added to both science and business communities.

#### 1.2 Statement of the Problem.

In order to increase its customer base, to beat competitor products, and to increase its sales volume, hotels in Kampala carry out frequent marketing strategies such as advertising of their product to increase its sale volumes and thus they normally market using on-line marketing platforms like websites, Facebook pages, product Placement, radios, television, newspapers and giving brochures to the public. Despite the efforts of the marketing departments of hotels such as Africana, holiday express, Sheraton in Uganda, they have however met a couple of low backs along the way such as; Shortage of trained and experienced marketing personnel, the hotel industry is still Technology averse to an extent whereby Other industries outpace Hotel Industry in the adaptation of cutting edge technology, and failure to understand customer tastes and preferences which have led to low sales, low customer base, and thus low performance of these hotels to compete effectively on the world market. It is against this background that the researcher is intending to investigate the relationship between marketing and organizational performance in the selected hotels in Uganda.

#### 1.3 Purpose of the Study

The purpose of the study was to test the relevant hypothesis, identify the strength and weaknesses of the respondents in relation to marketing and organizational performance review literature and identify gaps there in valuable theory in the content of the study and generate new information.

## 1.4 Objectives of the Study

## 1.4.1 General Objective.

The primary objective of the study was to examine marketing and organizational performance in selected hotels in Kampala-Uganda by identifying precious hotel facility management.

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## 1.4.2 Specific Objectives of the Study

- 1. To determine the respondents profile in terms of gender, age, level of education, marital status and working experience.
- To determine the level of effectiveness of marketing in selected hotels in Kampala-Uganda.
- To determine the level of organizational performance in selected hotels in Kampala-Uganda.
- 4. To establish if there is a significant relationship between marketing and organization performance in selected hotels in Kampala-Uganda.

## 1.4 Research Questions

- (i) What is the respondents profile in terms of gender, age, level of education, marital status and working experience?
- (ii) What is the level of effectiveness of marketing in selected hotels in Kampala-Uganda?
- (iii) What is the level of organizational performance in selected hotels in Kampala-Uganda?
- (iv) Is there a significant relationship between marketing and organization performance in selected hotels in Kampala-Uganda?

#### 1.5 Hypothesis

The study had no significant relationship between marketing and organization performance in selected hotels in Kampala-Uganda.

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## 1.5. Scope of the Study

The study was focusing on marketing as a dependent variable and organizational performance an independent variable and effect at marketing on organizational performance.

#### 1.5.1 Geographical scope of the study

The study was conducted in selected hotels around Kampala of which a selection preference of three different hotels will be used that is to say Sheraton hotel Kampala located on Teraan Avenue in central division Kampala district as well as Hotel Africana in central division Kampala plot 2-4 Wampewo Avenue, whereas Holiday express hotel located in Nakasero Kampala Uganda. The above hotels have been chosen because of their convenience to the researcher and the willingness of the companies' officials and employees to provide relevant information to the researchers.

### **1.5.2 Theoretical Scope**

According to Theodosiou, Kehagias, & Katsikea, (2012), marketing as a science has a broader planning problem and this scope need to be broadened to encompass the nation that almost all types of organizations use marketing processes in addition they further emphasized that all respectable knowledge domains including marketing need to have a general all-encompassing theory and addresses all stake holders including marginalized ethnic groups-it is interesting to note that according to Burton (2001) this need for a general theory of marketing is raised more when the field is considered threatening to society and its value.

### 1.5.3 Content of the study

The study was confined in examining marketing and organizational performance in selected hotels in Kampala Uganda.

#### 1.5.4 Time Scope

The study of marketing and organizational performance was carried out for a period of four months which include the value of collecting, analyzing and interpretation of data from February to May 2018.

#### 1.6 Significance of the Study

The study will help to build on the researcher's knowledge and understanding of the study variables. It will also help the researcher to gain more skills of conducting research also help

the researcher while in office or pursuing further studies. It will also help them to appreciate the concept of marketing strategies.

The study findings will help to identify and highlight the weakness, strength, opportunities and threats of marketing in hotel Africana, Sheraton as well as holiday express hotel and how marketing influences organizational performance and program. This will help the hotels to recover customers after implementing the necessary marketing strategies and will be able to compete fully with other hotels both local and international.

The study findings will be to build on the body of the existing literature and knowledge. This will help to provide reference for future researchers and they will be able to carry out research with ease since this study will provide secondary data to the researchers.

The study is also expected to add knowledge on the existing knowledge about marketing management to the public. This will help the public recognize the organization and appreciate its performance.

### 1.7 Definitions of key terms

**Marketing** is the business function that identifies current unfulfilled needs and wants, defines and measures their magnitude, determines which target markets the organization can best serve, and decides on appropriate products, services and programs to serve these markets. Thus marketing serves as the link between a society's needs and its pattern of industrial response.

**Service:** a service is any act or performance that one party can offer to another that is essentially intangible and does not result in the ownership of anything.

**Organizational performance**: is the actual output or results of an organization as measured against its intended outputs (or goals and objectives.

Advertisement; is any paid form of non-personal presentation and promotion of ideas, goods or services by identified sponsor.

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### **1.8 Conceptual Framework**

The conceptual frame work below shows the relationship between the variable under study. The dependent variable is marketing under which the researcher examined advertising, public relations and website based marketing.

The independent variable will be organizational performance under which I examined customer loyalty, product market performance and return on investment.

The intervening variable was competition, economic conditions and government policies.

## Below is a schematic diagram that shows a conceptual frame work

# **Dependent Variable Organizational Performance** Marketing 1. Customer loyally 1. Advertising 2. Product market 2. Public relations performance 3. Website marketing 3. Return on investment 4. Personal selling 4. Productivity Intervening Variables Competition Económic condition Government policies **CHAPTER TWO** LITERATURE REVIEW

**Independent Variable** 

### 2.0 Concept, Opinions, Ideas from Authors /Experts

Marketing is the study and management of exchange relationships. Marketing is used to create, keep and satisfy the customer. With the customer as the focus of its activities, it can be concluded that Marketing is one of the premier components of Business Management - the other being Innovation

According to Richard et al 2009 organizational performance encompasses three specific areas of firm outcomes i.e. financial performance (profit, return on assets, returns on investments etc.), Product market performance (sales, market share) and Shareholder return (total shareholder.

Kinds of marketing. This refers to buyers-seller's communication in which the consumer controls the amount and type of information received from a marketer. Interactive techniques have been used for more than a decade. Organizational performance has been discussed in the number of academic literature in the service field and researchers found that delivering superior service quality is a perquisite for organizational performance (Parasuramen, Zathami et al. 2008).

Organizational performance comprises that actual output or results of an organization as measured against its intended outputs (goods and objectives) According to Richard et al. 2009

It comprises three specific areas of firm's outcomes like; financial performance (profits, return on assets, return on investments etc.), Product market performance (sales, market share) and Shareholder return (total shareholder return, economic value added etc. the term organizational effectiveness is broader. Specialists in many fields are concerned with organizational performance including strategies planner, operations, finance, legal and organizational development (Burnette, John J. 2004).

In recent years, many organizations have attempted to manage organizational performance using the balanced scorecard methodology where performance is tracked and measured in multiple dimensions such as: financial performance (e.g. shareholder return, customer service, social responsibility (corporate citizenship, community outreach, employee (stewardships), organizational engineering, and performance measurement system and performance improvement. Personal selling is a significant approach practiced by the hotels to target the domestic customers in the market (Ismail Sh.T. 2009).

Personal selling helps in developing the relations with domestic market. This approach provides a helping hand in establishing the increased level at activities from corporate world form the domestic locations. These activities provide the hotels with more attention from the domestic tourist and customers towards the lodging facilities of hotels. Personal selling approach is helpful for the hotels in improving their brand image in the market (Foster, Dennis L. 2002).

Advertising is defined as any paid form of non-personal presentation and promotion of ideas and goods, or services by an identified sponsor (Kotler and Armstrong 2010) although advertising is used mostly by commercial firms, it is also used by a wide range of nonprofit organizations, professionals social agencies that advertise their causes to various target publics (Phillip Kotler and Garry Armstrong).Selected Hotels in Kampala uses various forms of advertising such as persuasive, informative and reminder advertising (Jobber D and Tahy J. 2006).

This promotional approach involves online advertisement and print media base advertisement. The proper integration of facilities like rooms and other services accompanied by positive customer attributives is beneficial in establishing a positive market image in order to gain benefits and attract more number of customers it is important for hotel to represent their attribute more specifically and uniquely attsteil and grow (Armstrong G & Kotler PH. 2007).

Selected Hotels in Kampala also used media like visual, audio and print media. Visual media may include television, bill boards, posters, prices with company product name and broachers'. Print media may include newspapers, brochures, stickers, magazines, business cards, new letters and mobile vehicles .audio media includes radios. In the analysis above the researcher concurs with the above authors that advertising nonprofit organizations, professional ageńcies use advertising to advertise their cause to various target publics. On the other hand, Selected Hotels in Kampala also use promotion strategy. Promotions refers to what activities you do promote the product according to Kotler 2008.this can be through advertising, public relations, trade shows among others. Kotler also said that promotion also talked about the 4p's of marketing: promotion, place, product, and price. For example sales promotions like discounts, competitions, incentives, coupons, loyalty, public relations events, personal selling examples which hotels in Uganda use direct marketing like mail order catalogues, bulk mail, personalized letters, email, telemarketing, point sale displays, packaging like social media applications such as face book, blogging, company websites.

According to Phillip Kotler (2008) he defined segmentation is the sub dividing of market in to homogeneous sub set of customers where any subset may conceivably be selected as market target to be reached with distinct marketing mix. Selected Hotels in Kampala use various segmentation strategies such geographic segmentation, psychographic segmentation,

demographic segmentation and behavior segmentation in the development of their new product such as manufacture and marketing of edible oils and fats, laundry soaps and toiletries, powder and liquid detergents, household and industrial plastics, sweets and confectionery, personal care and hygiene products, food, beverages like Kyeyo juice, Aqua sipi water, sun seed oil, coffee like Movit coffee and Movit tea, cosmetics among others (Weinstein, A. 2004).

According to Phillip Kotler (2008) a product can be defined as anything that can be offered to market for attention, acquisition, use or consumption that might satisfy a want or need. Also Phillip Kotler said that product strategy is a plan for marketing a good that is founded upon an analysis of the nature of the intended market, how much market share is to be achieved, how the good is to be marketed and how much profit is anticipated and to develop a clear and realistic product strategy prior to the launch of a new product in to its intended market. Selected Hotels in Kampala have tried to use for example; product mix strategy, product line, product positioning, product design , product overlap, diversification among others in the development of their new products (Kotler, P, 2010).

According to Kotler (2008), he defined pricing strategy as a method which companies use to price their products or services. Selected Hotels in Kampala are examples of a large company which bases the price of their products and services on production, labor and advertising expenses and then adds on a certain percentage so they can make profit. There are several different pricing strategies, such as penetration pricing, price skimming, discount pricing, product life cycle pricing and even competitive pricing which Selected Hotels in Kampala have probably using in the development of their new products. In the analysis above the researcher concurs with the above authors that pricing strategy is the method which companies use to price their products (Nankervis, A. R., 2005)

According to Kotler and Armstrong 2010, defined target strategy as the selection of potential customers to whom a business wishes to sell products or service. Involves segmenting the market, choosing which segments of the market are appropriate and determining the products that will be offered in each segment. Selected Hotels in Kampala offer multiple products determine if the various segments should receive one generic product (such as in mass marketing) or if each segment should receive a customized product (multi-segment), based upon the market's diversity, maturity, the level of competition and the volume of sales expected. In the analysis above the researcher agrees with the above authors that target

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strategy is the selection of potential customers to whom a business wishes to sell their products.

According to Kotler and Armstrong (2010), defined positioning as marketing that aims to make a brand occupy a distinct position, relative to competing brands, in the mind of the customer. Selected Hotels in Kampala have tried to apply this strategy either by emphasizing the distinguishing features of their brand (what it is, what it does and how etc.) or they also tried to create a suitable image in expensive or premium ,utilitarian or luxurious, entry-level or high –end, etc. through advertising (Stanley, Richard T. 2012).

This approach involves endorsement of facilities and services by the demonstration of hotels as an effective member within the local community. Hotels make strong customer bases and public relations by involving themselves in functions and events at respective domestic levels (city and country etc.) it also facilitates the spreading of positive word of mouth regarding the lodging facilities and services at the hotels (Pizem& Ellis 1999).

Hotels adopt approach of direct marketing through the channel of travel agencies and public relation agencies. These agencies establish contacts with corporate houses and organize their meet in order to form lodging contract with them these agencies handle matters regarding direct marketing the packages of tours planned by travel agencies are part of this approach which promotes customer relation and corporate relation of hotels (Hollánd and Baker 2001). In gold et al 2000). The difference between a successful establishment and a mediocre one often boils down to an owner's commitment to building and sustaining relationship with clients and prospects while it's important to keep up traditional communication and this can be done through online forums-websites, blogs and social networks( Roger A. (2007) Blog tours are like book tours, but without all the flying and cheap hotels and fast food

temptations. They are great ways to get seen and discoursed outside your usual niche, all from the comfort of their own office, or home. Simply people contact bloggers at any specific blog site that fit the product or service they want and by doing this people get familiar with the service offered at hotels and get their emails address too. The high level of competition has been one of the most difficult challenges in the hotel inventory. It is affected in increasingly narrow margins and growing pressure to provide more and better service which has led to increasing costs, reduced customer loyalty and consequently a decrease in occupancy rate (Sigala 2005, Verduge et al 2009 Wang and Wang 2009, yi-wen and Edward

2010). In Uganda the hotel industry operates in a business environment that is characterized by aggressive competition making it vulnerable to international competition (awing et al 2005, business monitor international 2011)

Advertising is a very important source of information for tourists who have not visited the place before- commentaries posted on internet forums or in internet communities, where information about hotels as well as rating scores come from the people using a particular establishment are very vulnerable (Schmidt et al. 2008, Weinrichert at al 2012). Awareness is distinguished in terms of two dimension intensify and extent, intensify of brand awareness indicates how effortlessly consumers recall a particular brand through OSNS, the extent of brand awareness refers to the possibility of acquiring and consuming brand services and products through the utilization OSNS. (Weinrichert et al 2012) especially when the brand emerges in consumers' mind (Wu & lo 2009). However, in the context of hotels advertising online, rational and emotional appeals may have discrete but different influences on customers service expectations, their attitudes towards the website and their attitudes towards the hotels, which offer unique levels of personalized service and character (Aggett, 2007, trend de Wumbis 2005, Hu 2017, Melntosh and Siggs 2005 Weinrichert et al 2015 Sklair 2010).

Developing excellent service quality creates the opportunity to build an ongoing relationship with customers, the idea of this relationship can apply important in service since there is often direct contact between service provider and customers. Every marketing transaction involves a relationship between the buyer and seller in a transaction based situation. Here customers contacts are more frequent a company emphasis on customer service contribution to customer satisfaction (Armstrong and Kotler2007). When a company integrates customer service and quality with marketing, the result is marketing orientation. This creates a new level of interaction between buyers and sellers rather than focusing exclusively on attracting new customers; marketers have discovered that it pays to retain current customers.

Customer loyalty, most companies direct the greater part of their marketing activities at winning new customer. But while business need new customers, they must also ensure that they are directing enough of their marketing effort at existing customers, so we can describe the relationship as a ladder-hierarchy of loyally Christopher m et al 2002) loyal customers move from new customers to regular purchases then to loyal supporter.

According to (Kotler 1988) marketing is a social and managerial process by which individuals and groups obtain what they need and want through creating and exchanging products and value with others. Marketing is used by hotels to establish interactive relations with the potential customers complete information should be accessible on the website of the hotel regarding the quality of service being provided along with this website should also serve the facility of online reservation and cancellation accompanied by facility at printable brochure (forester 2008) mainly this approach is used to deliver a meaningful message regarding the services of hotel to its customers. the address of the hotel should be present on websites of various travel agencies it helps the customers to find hotels according to their requirements (Ec-Ansary2006).Every customer interaction with a business reaches the moment of truth when a good or service is provided to the customer. Buyer-seller relationship following external and internal marketing. Defines a point at which the company keeps its promises (Zethmal v et al 2006.

Online marketing can be conducted that with the help of various strategies and approaches used in marketing mix a good image and well renowned brand name of hotels can be established in market. It can also be said that a proper integrated framework of different components of marketing mix is essential for hotel management to measure and forecast its growth. Depending upon the current market situation, the marketing approach using online base marketing is effective due to its accessibility to the potential customers from international and domestic market.

The online marketing approach thus plays an important role in the development and progress of hotels in the competitive market. In order to maintain a better performance level in the market and financial image of the hotel, it is important that the employees perform their best for the hotel (D'Annunzio-Green et al 2004).

It is important that the hotels should include different human resource policies which are appropriate in human resource strategy. It is because hotels industry provides employment to many numbers of people in different areas. (Kearn2003)

Distribution of flyers is a carpet-bombing method of cheap advertising where hotel marketers find areas that they would like to do business in and distribute flyers to all the public within reach, the flyers should be belief and to the point highlighting the services they offer and providing contact information offering a free appraisal, upon a discount never hurts.

Most supermarkets, public spaces and malls offer free bulletin board space for announcements and advertisement. This is a hit or miss method, but posters should be reasonably visible and have removable table that the customers can present form a discount. This is one of the most powerful selling points for any product or service. One a surface, value additions are very similar to couponed and free appraisal but they are aimed at increasing customer satisfaction and widening the gap between the hotel and competitors they include point cards and retinal reward.

Marketing through advertising can help and be a most powerful marketing tool. Follow-up questionnaires are one of the best source of feedback for how to maintain market share. However the following can also be techniques used e.g. cold calling it's a face to face conversation, internet like social media such as face book twitter among other (Jobber D and Tahy J. 2006).

Political Climate: Politics are an important factor in international travel. As regions undergo change, uncertainty or in some cases violence and war, travel can slow or cease altogether. For example, Uganda long was a fantasy destination for tourists around the world. The revolutions of 2011 changed all that, and tourism to the area dropped as a result. Major political events occur around the globe, and the travel industry must adjust accordingly. Marketing efforts can be built around political events if they are not as all-encompassing as the Uganda example, or they can divert attention to new, replacement destinations to address the current situation while attending to the wishes of the traveling public.

Innovation and Productivity: A number of researchers have focused on the relationship between innovativeness and profitability or productivity in hospitality branches. Wang and his team's (2012) investigation of 588 hotels in Taiwan employed a structural equation model for the test and analysis. Their results showed that total quality management (TQM) positively affects hotel performance. Market orientation also positively affects hotel performance. Market orientation has the mediating effect between TQM and hotel performance. External environmental factors are a true moderator between TQM, market orientation and hotel performance. Sandvik, Duhan and Sandvik (2014) demonstrated that innovativeness is in itself a powerful tool for competing in markets. They showed that innovativeness positively influences market advantage and market advantage positively influences business profitability. Chen and Soo (2007) demonstrated that technological growth contributes the most to growth in productivity, while labor and capital have little effect. In fact, more capital appears to retard productivity growth, while hotels find it costly to upgrade their existing capital stock with more modern equipment.

Currency Fluctuations: World currencies move up and down, directly affecting the cost of travel for millions of people. When the dollar is down against a given currency, travelers get less for their money, and when it is up travelers get more. The same goes for marketing. When international destinations launch marketing campaigns in foreign markets, currency values are always a consideration. They help determine the target demographics of a given ad, the distribution methods to be used, the fit and finish, and even the marketing message (Kim Y. 2003).

Travel Trends: Travel trends develop in the same way as other popular culture styles. Travel trends are moved by economics, events, new development and the other unforeseen factors that influence most style-driven trends. Trends affect the places to which people travel and the way those places position themselves in the market via marketing. Trends can create completely new categories and types of travel to meet the needs and wants of the traveling public.

Marketing should attempt to seize on new trends and link them to destinations and product so there is a carryover effect. Marketing should also compensate in areas that no longer fit the trend by changing the message, the approach and sometimes even the target market (Lovelock H Christopher., 2007).

Managerial Efficiency: Data envelopment analysis (DEA) is often used for analyzing comparative performance in the hotel industry (Jones, Howcroft& Drake, 1997; Brown &Ragsdale, 2002; Hwang & Chang, 2003; Sigala, 2004; Barros, 2005; Neves & Lourenco, 2009; Yu & Lee, 2009). Hwang and Chang (2003) used DEA to measure hotel managerial efficiency change in hotels in Taiwan. Their results revealed that there is a significant difference in efficiency change due to differences in customers and management styles. In addition, they showed that the managerial efficiency of international tourist hotels in Taiwan is related to the level of internationalization in these hotels. Neves and Lourenço (2009)

highlighted that a focused strategy performs better than a diversification strategy; the scale efficiency is higher than pure technical efficiency and a decrease in the size of the companies would have a positive effect on the average efficiency level of the industry.

Geographic Location: Geographic location is one of the most important factors for hotel performance. Rigby and Brown (2013) investigated Canadian manufacturing firms and showed that virtually all plants reap productivity benefits from being located in places where occupational distribution of workers matches the demand for labor by occupation. However, these benefits tend to be larger for small and young businesses. Knowledge spillovers measured by own-industry plant counts within a radius of 5 km also generate productivity gains for smaller and younger establishment; those that are not part of multi-establishment firms and have been created by greenfield entrants rather than incumbent firms. Yang, Wong and Wang (2010) investigated the choice of hotel location with several location attributes, including agglomeration effects, public service, infrastructure, and road and subway accessibility to tourist sites. Their results showed that accessibility by road and subway and agglomeration effects play an important role in the hotel's choice of location (Kreither 2005).

Product Line: The travel product that a given travel agency or seller carries plays a large role in the marketing that is developed around that product. For example, if you specialize in fun and sun destinations, your marketing will not touch on arts and culture as much as an agent who covers the European product market. Within each product line are more specific determining factors including product quality and exclusivity. For example, if your fun and sun product consists of five-star luxury resorts instead of small independent hotels and B&Bs;, the marketing you produce should be glossier and more targeted at a high-income demographic than it would otherwise be (Kotler, Philip (2008).

Government Investment: The funding that local, state and national governments set aside for tourism and travel marketing plays a huge role in the amount and the direction of that marketing around the world. While a large portion of travel marketing is funded by private companies such as hotel chains and airlines, it's also driven by government entities who wish to bring in traffic (Malhotra, Marsh.K. 2007). The annual budgets as determined by politicians dictate what will be spent, while the tourism boards establish how. Economic successes can lead to increased or decreased investment depending on the point of view of the locality. Some governments wish to bank of tourism for continued success, while others

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hope that investment in tourism will get them out of the doldrums (Perreault, William Jr. 2010).

### **2.1** Theoretical perspectives

With respect to Resource base view and contingency theory which will guide the present study. Marketing can be viewed as organizational capabilities which are used by organizations in attracting and gaining customers which may lead to competitive edge and improved organizational performance. Following the logical assumption of resource base view which states that firms that possess capabilities and resources which are difficult to imitate, unique and rare stand a chance in achieving competitive edge and sustainable organizational performance. Contingency theory seeks to understand how organizations can align their internal and external capabilities and resources (Theodosiou, Kehagias, & Katsikea, 2012). Contingency theory assumes that for an organization to improve performance it has to align it resources with those of the external environment.

Wright et al. (1992, p. 303) have mentioned that "One of the original and more popular theoretical models used in the SHRM literature is the Behavioral Perspective". As they explained, this theory focuses on the mediator effect on the relationship between strategy and firm performance. As Wright et al. (1992, p. 305) empathies "Another set of popular theoretical models being applied to SHRM research is the use of cybernetic systems models". An agency/transaction cost theory approach to examining the problems of human exchange are based in the fields of finance and economics (Wright et al., 1992, p. 308). "The implications of the institutional perspective for SHRM are important" (Wright et al., 1992, p. 314). The best practice approach to managing people is based on Universalist principles that assume some HRM practices are appropriate for all organizations (Armstrong, 2009). According to this there is a universal prescription or 'one best way' or a general pattern that can be adopted by various organizations to manage their people, without considering organizations circumstances. Another important issue is although the best practice approach has considerable support, this approach is also criticized by different perspective in the literature. Further, the resource based view Purcell (1999) argues that organizations should use their resources, including intangible assets such as human resources to promote their overall model and to be better than their competitions. Another important part to be mentioned here is the contingency school has criticized Best practice. However, it is clear that there is no universal prescription of HRM practices that should be employed in each different context. In contrast to the Universalistic or best practice approach, the best fit approach adopts a contingency approach. The linkage between strategy and HRM has received extensive attention from contingency school of thought. By considering all these it can be concluded that by empathizing Wright et al. (1992, p. 316) explanation on important of theory for a researcher, "unless SHRM research becomes strongly grounded in theories of organizations, others may view the prescriptions of SHRM as being similar to burning down a house in order to cook the pig (Please see the Annex 1 for the story). After considering all the relevant theories the highly relevant and recommended theory for this research is RBV while other theories facilitating and supporting.

Traditional research on strategic management suggests that firms need to seek a strategic fit between the external environment, for example opportunities and threats, and internal resources, for example strengths and weaknesses (e.g., Andrews, 1967; Itami, 1987). However, considerable emphasis has usually been given to a firm's competitive environment and its competitive position (Das & Teng, 2000). Considering the source of sustainable competitive advantage of a firm, it is widely accepted that the dominant viewpoint in the strategic management theory throughout the 1980s was the CFA presented by Porter (1980). His conceptual framework was mainly based on the structure-conduct-performance paradigm of the theory of industrial organization (Bain, 1959; Mason, 1949). It is no exaggeration to say that Porter (1980) specifically brings a concept of 'competition' for the first time in strategic management theory.1) The most innovative part of his work in this field is that he constructs a consistent framework for thought so as to examine concrete questions like "how will a firm able to get a competitive advantage over its competitors?"

However, a series of empirical surveys have failed to support the link between industrial structure and the performance of a firm. Some studies show the variance in firm performance between industries is substantially less than that within industries (e.g., Jacobson, 1988; Hansen & Wernerfelt, 1989; Rumelt, 1991). Others also identify systematic and significant performance differences among firms which belong to the same strategic group within an industry (Cool & Schendel, 1988). Research has suggested that the internal resources of a firm rather than the external environment around the firm are possibly the primary source of performance differences among firms. This result is bringing a growing number of researchers to the RBV of strategic management to explain the differences by focusing their

attention on resource heterogeneity in an industry and the source of sustainable competitive advantage of the firms.

The RBV suggests that the resources possessed by a firm are the primary determinants of its performance, and these may contribute to a sustainable competitive advantage of the firm (e.g., Hoffer & Schendel, 1978; Wenerfelt, 1984). According to Barney (1991), the concept of resources includes all assets, capabilities, organizational processes, firm attributes, information, knowledge, etc. controlled by a firm that enable the firm to conceive of and implement strategies that improve its efficiency and effectiveness (Barney, 1991; Daft, 1983).

## 2.2 Related studies

Empirical evidence revealed that the relationship between marketing and organizational performance has been studied (Hooley, Greenley, Cadogan, & Fahy, 2005; Kengpol & Tuominen, 2006; Morgan, Katsikeas, & Vorhies, 2012; Morgan, Vorhies, & Mason, 2009; Morgan, Zou, Vorhies, & Katsikeas, 2003; Vorhies & Morgan, 2005). However, the result of the study varies (Morgan et al., 2012; Morgan, Slotegraaf, & Vorhies, 2009). Some researchers revealed a positive relationship between some dimensions of marketing and organizational performance. Some studies revealed no significant relationship between some dimensions of marketing capabilities (Morgan, 2012; Morgan et al., 2012; Morgan et al., 2012). Due to variations in the results on marketing and organizational performance necessitates the introduction of a moderating variable in other to strengthen the relationship that exists between marketing capabilities and organizational performance.

Researchers have also studied the moderating role of technological turbulence on organizational performance which is a dimension of external environment which consists of competitive intensity, market turbulence and technological turbulence (González Benito, González Benito, & Muñoz Gallego, 2014; Liu et al., 2013). The present study focus is on technological turbulence. Technological turbulence as a moderating variable is important due to the frequent change in the mode of doing business due to the advent of change in technology. Previous researchers focused on competitive intensity and market turbulence while neglecting the effect of technological turbulence as a moderating variable (Turkmans & McCormack, 2009). The present study proposes the use of technological turbulence as a moderating variable in other to strengthen the relationship that exists between marketing and organizational performance. Moderators helps in strengthen and clarifying misleading relationship on the relationship between marketing capabilities and organizational performance.

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# CHAPTER THREE METHODOLOGY

#### 3.1 Research Design

The study was descriptive which was undertaken to ascertain and be able to describe the characteristics of variables and of interest in the situation and analytical based on qualitative and quantitative data both from primary and secondary sources. The study was based on the views of respondents to make conclusions and recommendations.

#### 3.2 Study Population

The target population was the customers and staff of the hotels of Sheraton Kampala, Africana and Holiday Express Hotel Kampala Uganda.

#### 3.3 Sample Size

The study involved 200 respondents from Sheraton Kampala, Africana and Holiday Express Hotel of which 100 respondents represent Hotel Africana, 50 from Holiday express and 50 respondents from Sheraton Kampala hotel as seen in Table 1. These employees were selected because the majority of them engage in the routine work of the establishment. Slovene's formula was used to determine the minimum sample size for the study. The formula is given as.

 $n = \frac{N}{1+N(e)2}$ 

Where

n = required sample size

N = the known population size (200)

e = the level of significance (0.05)

Therefore in order to get the sample size

 $n = \frac{N}{1+N(e)^2}$   $n = \frac{200}{1+200(0.05)^2}$   $n = \frac{200}{1.5}$ 

## <u>n=134</u>

A sample size of 134 respondents was selected to participate in the study.

Categories	Target population	Sample size	
Hotel Africana	100	84	
Sheraton Kampala	50	25	
hotel			
Holiday express hotel	50	25	
Total	200	134	

## Table 1: Sample size distribution

Source: Primary data, 2018

#### 3.4 Sampling Procedure

The researcher used stratified, random and purposive sampling techniques to collect data from various categories of the survey population, in stratified sampling, the researcher shall first identify the population according to the defined strata, or sub groups determine the required sample size and lastly she selected the required sample respondents using random sample from each sub group.

A stratified random sampling technique was adopted because it enable the researcher to achieve the desired representation from various sub groups in the survey population as sample size with purposive sampling technique, cases that have the required information with respect to study variables was handpicked following the level of experience as the basis criterion.

Purposive sampling technique allowed the researcher to use respondents that have the required and actual information, with respect to the study objectives, questions and hypothesis.

There were preceding interviews on management and questions collected with or without response selection of respondents will base on purposive sampling. The main concern was taken to ensure that all respondents are represented in the study.

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#### **3.5 Data Sources**

The methods of data collection were questionnaires and interview guides.

#### 3.5.1 Primary Data

The study uses primary data sources. Primary data was obtained by the use of questionnaires, interview guides and document analysis.

#### 3.5.2 Secondary data

The researcher used secondary sources with an aim of comparing secondary data with responses to the primary data gathering in order to get a meaningful and objective interpretation of finding. Secondary data involved a review of existing literature such as internal reports, previous research dissertations, internal memos, minutes of meetings, journals, textbooks and the Internet as regards marketing and organization performance.

## 3.6 Data Gathering procedures

#### 3.6.1 Interviews

Interviews was conducted during data collection from which the researcher had to ask questions and respondents answer from selected zones. The interviews were supplemented with document analysis of various sections or branches and used especially with the general human resource development and employee performance which also led the interviewer to the respective operational supervisor. Therefore the researcher carried out a face to face interview with these interviewees.

## 3.6.2 Questionnaires

These are efficient data collection tools where the researcher knows what was required and how to measure the variable of interest. Only closed ended questions with liker scale was given to the cross section of respondents which in turned facilitate effective data gathering. The researcher adopted this type of Questionnaires because questions asked in it are easy to complete, analyze quantitatively and responses obtained through the use of this kind of questionnaire can be compared easily to different items hence making it easy for the researcher to detect the trend just by glancing at the responses.

### **3.7 Document Analysis**

Secondary data from materials such as textbooks, newspapers, journals and internet will be used to back up primary information and relate the findings to other approaches already in existence. The method used document checklists and guides to get views from other writers which was instrumental especially in comparison analysis and literature review.

#### 3.8 Data procedures

The researcher requested for an introduction letter from the college of management of Kampala International University which was address to the authorities for permission to conduct the study. The researcher and her research assistants administered the questionnaires and a contact person will be taken for follow-up. The questionnaires will be distributed to respondents and customers to be filled. After one week, primary data will be collected through questionnaires which they will go ahead to analyze data.

#### 3.8.1 Before data gathering

The researcher obtained an introductory letter from the school/college of Kampala international university, seeking for permission to conduct the study from the selected hotels in Kampala Uganda and allow the researcher to get access to both staff and customers of the selected hotels

### 3.8.2 During the data gathering

Due to the nature of work and busy schedule of some prospected respondents, the researcher. through research assistants scheduled appointments for respondents and thus the researcher availed herself to give necessary explanations on some questions where need be.

#### 3.8.3 After data gathering

After some weeks, primary data was collected through questionnaires that respondents returned back to the researcher to allow her to go ahead and analyze the data.

### 3.9 Data Processing and Analysis

Data analysis involves editing, categorizing and tabulating the collected data sets. Frequencies and percentage distribution was used to determine the profile of the respondents.

#### 3.8 Ethical considerations

In the context of research, according to Saunders, Lewis and Thornhill, (2001), ethics refers to the appropriateness of your behavior in relation to the rights of those who become the subject of your work, or are affected by it". The following ethics will be observed in the research study:

**Informed consent:** Participants were given the choice to participate or not to participate, and furthermore will inform in advance about the nature of the study.

**Right to privacy:** The nature and quality of participants' performance was kept strictly confidential.

**Honesty with professional colleagues:** Findings were reported in a complete and honest fashion, without misrepresenting what had been done or intentionally misleading others as to the nature of it. Data was not fabricated to support a particular conclusion.

**Confidentiality/Anonymity:** Confidentiality or anonymity was practiced which made participants give more open and honest responses.

#### 3.10 Limitation of the study.

The study encountered the following limitation:

Most of the sections/departments in the hotels are very busy hence research data collections might not be easy.

Some respondents voluntarily refused to respond to some questions fearing that management may victimize them. However, this was minimized by the researcher via cultivating and instilling a sense of trust in the minds of respondents and assuring the confidentiality.

Difficulty in accessing the respondents due to their busy schedules, however the researcher needed to use multiple skills like call backs, re- arranging appointments and extensive mappings.

There was lack of co-operation from respondents, and because of the economic hardships in Uganda, people may ask for money so as to give information to overcome this, the researcher

worked hand in hand with the management of hotel Africana, Sheraton and holiday express hotels Kampala, who assisted in explaining the purpose of the research to the respondents such that they respond to the questionnaires and interviews of no cost.

# CHAPTER FOUR PRESENTATIONS INTEPRETATIONS AND ANALYSIS OF DATA

4.0 profile of the respondents

In this study, the searcher described the respondents' profile in terms of gender, age, marital status, level of education and experience in the selected hotels of Kampala-Uganda.

Respondents profile	category	Frequency	Percentage (%)
	Males	70	52.23
Gender	Females	64	47.76
	Total	134	100
	20-25	40	29.85
	26-30	32	23.88
	31-35	28	20.89
Age	36-45	16	11.94
	46-50	12	8.95
	50 and above	06	4.47
	Total	134	100
· · · · · · · · · · · · · · · · · · ·	Certificate	13	9.70
	Diploma	34	25.37
,	Degree	47 ,	35.07
Education level	Post graduate	12	8.95
	Masters	20	14.92
	Others	08	5.97
	Total	134	100
	0-3 years	19	14.17
Experience	4-5 years	17	12.68
	5-6 years	31	23.13
	6 years and above	67	50.00
	Total	134	100

## Table 2: Respondents profile

Source: primary data 2018

The status of respondents according to their gender stated that the majority of the respondents were male making up to 52.23% of total respondents included in the study, while females represented 47.76% of the total respondents interviewed in this study.

In regard to the age group of the respondents, majority of the respondents were of active age group of 20 -25 years with percentage of 29.85%, followed by 26-30 years with 23.88%, then 31-35 years with 20.89% and 36-45 years with a percentage of 11.94% followed by 46-50 years with 8.95% and then 50 years and above with 4.47%. This therefore implies that the information obtained is fairly reliable since the potential for marketing and organization performance is highly among individuals of 20 -25 years and 26-30 years of age.

The level of education of respondents, according to the data reviewed that some of the respondents' had attained certificates of education with a percentage of 9.7%, followed by Diploma of 25.37% and the majority of the respondents with the bachelor's degree with a percentage of 35.07% and post-graduate with 8.95% and 14.92 of the respondents had masters in the education while others had a percentage of 5.97%. The experience of the residents in the selected hotels of Kampala – Uganda was significantly different with the majority of the respondents with percentage of 50% having more experience for more than 6 years, followed by 5-6 years' experience with a percentage of 23.13%, 4-5 years with 12.68% and the least experience of 0-3 years with a percentage of 14.17%

## 4.1 The level of effectiveness of marketing in selected hotels in Uganda

Effectiveness	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Decreased sales volume	24	05	03	01	02
Low customer base in the organization	16	08	02	01	01
Low productivity	11	06	02	03	01
Decreased return on investment	10	07	06	02	02
Increased competition	09	07	04	01	00

 Table 3: Effectiveness of marketing in selected hotels in Uganda

Source: Primary Data, 2018.

According to the respondents, majority of respondents strongly agreed that decreased sales volume of the organization is one of the effects of poor marketing on organization performance in selected hotels in Kampala Uganda. In regard that low customer base in the

organization. 10 respondents strongly agreed, while 02 respondents were neutral. 11 respondents strongly agreed on low productivity while only 01 strongly disagreed.

As regards to low customer base in the organization, majority of the 16 respondents from selected hotels in Kampala strongly agreed, followed by 08 respondents who agreed, while 02 were neutral and the only 01 Disagreed and 01 respondent also strongly disagreed.

For the factor of low productivity, 11 respondents strongly agreed that is has that poor marketing techniques used by the hotel have led to low productivity of hotels in Kampala and these were the majority, while 06 respondents agreed, 02 were neutral and 03 disagreed while the rest 02 strongly disagreed

Increase competition is the last the last effect of poor marketing on organization performance and the total of 09 respondents strongly agreed while 07 respondents agreed and some are neutral respectively, while only 01 strongly disagreed on increased competition as an effect of poor marketing on organization performance in selected hotels in Kampala Uganda.

Causes	Respondents	Percentage
Shortage of trained and experienced marketing personnel	10	7.46
Failure to understand customer's tastes and preference	16	11.94
Low customer base	24 .	17.91 .
Technology averse	14	10.44
Poor communication skills	22	16.41
Poor management	22	16.41
Under organizations structure	06	4.47
Staff shortage	20	14.92
Total	134	100

4.2 Causes of poor organization performance in selected hotels Kampala Uganda

Table 4: Causes of poor organization performance in selected hotels in Kampala Uganda

Source: Primary Data, 2018.

The majority of the respondents (17.91%), regarded low customer base as the major cause of poor organizational performance in the selected hotels in Kampala, Uganda where by most departments fall to work to the expectations of the hotel standards. In addition to this, another group of respondents from selected hotels in Kampala suggested that Poor communication skills and Poor management are also other reasons why hotels are performing poorly and this was at 16.41% response rate. Staff shortage was also recognized by 14.92%

of respondents followed by Failure to understand customer's tastes and preference at 11.94% as other causes of poor performance of hotels like; Holiday express, Sheraton Kampala, and hotel Africana.

However, minority of respondents were on the opinions that under organizations structure might also qualify to be a factor influencing poor performance of their hotels, and was at only 4.47%, followed by Shortage of trained and experienced marketing personnel and Technology averse which were at 7.46 % and 10.44% respectively.

# 4.3 Strategies that can be adopted to improve marketing and organizational performance in hotels.

**Table 5:** Strategies that can be adopted to improve marketing and organizational performance
 in hotels.

Strategies	Respondents	Percentage
Advertising	28	20.89
Branding of products	16	11.94
Personal selling	14	10.44
Promotions	12	08.95
Use of media	25 .	18.65
Target market strategy	· 13 ·	9.70
Positioning	02	1.49
Excellent service quality	24	17.91
Total	134	100

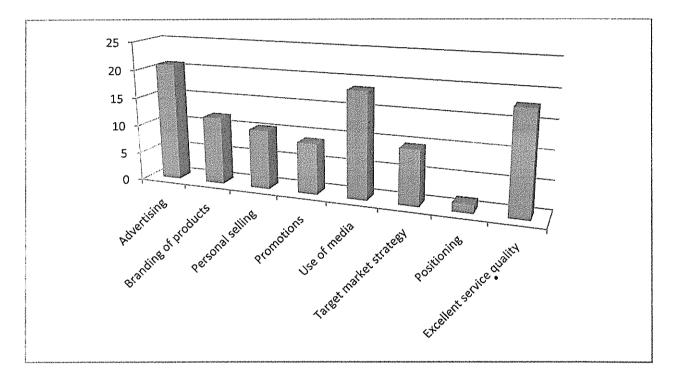
Source: Primary Data, 2018.

The findings from table 5 above show that majority of respondents suggested that advertising is the major strategy that can be adopted to improve marketing and organizational performance within hotels like holiday express, Sheraton and hotel Africana in Kampala with a response rate of 20.89%, followed by Use of media at 18.65%. Provision of excellent service quality was also recognized as another strategy to expand on the market base and increase on hotel's performance and this was at 17.91%. 11.94% of respondents were on the

opinion that marketing and organization performance can be improved through branding of hotel products especially in terms of variety of food delicacies offered by these hotels.

However, minority of respondents suggested that Positioning might also be effective as regards improving on hotel marketing and performance and this was at only 1.49%, followed by Personal selling and Promotions which were both 10.44% and 8.95%, while the rest of the respondents were on the opinion that targeting market strategy can also be effective in marketing the hotel in Uganda, which was at 9.70% response rate as illustrated in the figure below;

Figure 1: Strategies that can be adopted to improve marketing and organizational performance in hotels.



Source: Primary Data, 2018.

#### CHAPTER FIVE

#### SUMMARY OF THE FINDINGS, CONCLUSION AND RECOMMENDATIONS

#### 5.1 Profile of respondents

The study indicates the profile of respondents in terms of gender, stated that majority were males making up to 52.23% of total respondents included in the study, while females represented 47.76% of the total respondents interviewed in this study.

In regard to the age group of the respondents, majority of the respondents were of active age group of 20 -25 years with percentage of 29.85%, followed by 26-30 years with 23.88%, then 31-35 years with 20.89% and 36-45 years with a percentage of 11.94% followed by 46-50 years with 8.95% and then 50 years and above with 4.47%. This therefore implies that the information obtained is fairly reliable since the potential for marketing and organization performance is highly among individuals of 20 -25 years and 26-30 years of age.

In regard to level of education, according to the data reviewed that some of the respondents' had attained certificates of education with a percentage of 9.7%, followed by Diploma of 25.37% and the majority of the respondents with the bachelor's degree with a percentage of 35.07% and post-graduate with 8.95% and 14.92 of the respondents had masters in the education while others had a percentage of 5.97%.

In regard to experience, majority of the respondents with percentage of 50% having more experience for more than 6 years, followed by 5-6 years experience with a percentage of 23.13%, 4-5 years with 12.68% and the least experience of 0-3 years with a percentage of 14.17%.

#### 5.2 Discussion of the Findings

## 5.2.1 Findings on the level of effectiveness of marketing in selected hotels in Uganda

The findings revealed that decreased sales volume of the organization is one of major factors that influence poor marketing on organization performance in selected hotels in Kampala Uganda. In regard that low customer base in the organization.

The findings revealed that low customer base in the organization is also another factor that determines the level of effectiveness of marketing in selected hotels in Uganda as stipulated by the majority respondents from selected hotels in Kampala.

The findings also revealed that poor marketing techniques used by the hotel have led to low productivity of hotels in Kampala as suggested by the majority of respondents.

Lastly, the findings further revealed that increase in competition also tends to affect poor marketing on organization performance basing on the opinion of majority of respondents from the hotels Kampala Uganda.

#### Level of organization performance

#### 5.2 The Causes of poor organization performance selected hotels in Uganda

The majority of the respondents (17.91%), regarded low customer base as the major cause of poor organisational performance in the selected hotels in Kampala, Uganda where by most departments fall to work to the expectations of the hotel standards. In addition to this, another group of respondents from selected hotels in Kampala suggested that Poor communication skills whereby research evidence suggests that the frequency, quality and accuracy of downward communication moderates employee role ambiguity (Zeithaml et al., 2008) and hence increases job satisfaction, and Poor management are also other reasons why hotels are performing poorly and this was at 16.41% response rate. Staff shortage was also recognized by 14.92% of respondents followed by Failure to understand customer's tastes and preference at 11.94% as other causes of poor performance of hotels like; Holiday express, Sheraton Kampala, and hotel Africana.

However, minority of respondents were on the opinions that under organizations structure might also qualify to be a factor influencing poor performance of their hotels, and was at only 4.47%, followed by Shortage of trained and experienced marketing personnel and Technology averse which were at 7.46 % and 10.44% respectively.

The findings from table 4.3 above show that majority of respondents suggested that advertising is the major strategy that can be adopted to improve marketing and organizational performance within hotels like holiday express, Sheraton and hotel Africana in Kampala with a response rate of 20.89%, followed by Use of media at 18.65%. Provision of excellent service quality was also recognized as another strategy to expand on the market base and increase on hotel's performance and this was at 17.91%. 11.94% of respondents were on the opinion that marketing and

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organization performance can be improved through branding of hotel products especially in terms of variety of food delicacies offered by these hotels.

However, minority of respondents suggested that Positioning might also be effective as regards improving on hotel marketing and performance and this was at only 1.49%, followed by Personal selling and Promotions which were both 10.44% and 8.95%, while the rest of the respondents were on the opinion that targeting market strategy can also be effective in marketing the hotel in Uganda, which was at 9.70% response rate as illustrated in the figure below;

# 5.2.1 Findings on the strategies that can be adopted to improve marketing and organizational performance in hotels.

The findings revealed that advertising is the major strategy that can be adopted to improve marketing and organizational performance within hotels like holiday express, Sheraton and hotel Africana in Kampala as cited by Schmidt et al. 2008, Weinrichert at al (2012) that advertising is a very important source of information for tourists who have not visited the place before-commentaries posted on internet forums or in internet communities, where information about hotels as well as rating scores come from the people using a particular establishment are very vulnerable.

This was followed by Use of media as another the strategy that can be adopted to improve marketing and organizational performance in hotels because Selected Hotels in Kampala use media like visual, audio and print media. Visual media may include television, bill boards, posters, prices with company product name and broachers'. Print media may include newspapers, brochures, stickers, magazines, business cards, new letters and mobile vehicles .audio media includes radios. In the analysis above the researcher concurs with the above authors that advertising nonprofit organizations, professional agencies use advertising to advertise their cause to various target publics Every customer interaction with a business reaches the moment of truth when a good or service is provided to the customer. Buyer-seller relationship following external and internal marketing, defines a point at which the company keeps its promises according to Zethmal v et al (2006).

The findings also revealed provision of excellent service quality as another strategy to expand on the market base and increase on hotel's performance as contended by (Armstrong and Kotler (2007) that developing excellent service quality creates the opportunity to build an ongoing relationship with customers, the idea of this relationship can apply important in service since there is often direct contact between service provider and customers. Every marketing transaction involves a relationship between the buyer and seller in a transaction based situation. Here customers contacts are more frequent a company emphasis on customer service contribution to customer satisfaction.

The findings further revealed that marketing and organization performance can be improved through branding of hotel products especially in terms of variety of food delicacies offered by these hotels as contended by Jobber D and Tahy J (2006) that marketing through advertising can help and be a most powerful marketing tool. Follow-up questionnaires are one of the best source of feedback for how to maintain market share. However the following can also be techniques used e.g cold calling it's a face to face conversation, internet like social media such as face book twitter among other. Thus Kotler (1988) contends that marketing is used by hotels to establish interactive relations with the potential customers complete information should be accessible on the website of the hotel regarding the quality of service being provided along with this website should also serve the facility of online reservation and cancellation accompanied by facility at printable brochure (forester 2008) mainly this approach is used to deliver a meaningful message regarding the services of hotel to its customers.

#### 5.3 Conclusion

Organizational performance in selected hotels like Sheraton, holiday express and hotel Africana has been seen to improve over time as a result of the effective marketing and promotion techniques utilized by these hotels. Organizational performance denotes the outcomes of various organizational practices and procedures which occur in the course of its day to day operations. It is proposed that organizational performance is impacted by various factors such as skill set of employees, marketing techniques and organizational systems.

Thus a well-conceived and properly implemented marketing plan is the foundation for hotels' success. Therefore, it is very important to note that, effective marketing strategies play important role in the service delivery of like Sheraton, holiday express and hotel Africana.

It is also vital to check on what competitors are providing and then decide on setting product objectives and identifying target customer groups. The product or service provided by you should be able to fit into and adapt to the chosen target market profitably. The sales and promotional campaigns invested in should be worked upon by first calculating the proper pricing of the products and services and the effectiveness and efficiency of the associated distributors and agents.

#### **5.4 Recommendations**

The address of the hotel should be present on websites of various travel agencies it helps the customers to find hotels according to their requirements

Hotel managers need to pay significantly more attention to the communication of marketing (and other organizational) strategies and objectives to employees so that they understand their role and importance in the implementation of the strategies and achievement of marketing and organizational objectives (GroÈnroos, 2001).

Hotel managers need to find appropriate marketing mechanisms for their particular organizations and the task in hand.

Improved research will enable hotels to develop more effective customer retention strategies by identifying both their "at risk" and most valuable customers. In doing so these firms will increase customer retention, acquire profitable customers and create more effective cross-selling and upselling strategies.

Hotels in Uganda should develop more focused marketing and sales campaigns this will enable enables marketers to plan marketing programs and campaigns and closely monitor results—using skills they already have. Marketers will receive a complete, current view of their customers, and insight into customer attitudes and behavior through this approach and hence build on the company competitive advantage.

Dissemination of important information related to corporate performance and direction of the organization must be communicated to the employees for an agile market oriented behavior. Group meetings or open forum conference calls must also be a part of organizational activities for dissemination of important information, related to overall corporate performance, appraisals and to retain their employees and transfer of trust level among them. Results also suggests to managers that they should put more focus on establishing loyal relationship with their employees

by motivating them and making them realize that they are the asset of the firm, but amazingly this type of motivation is lacking in the retail industry within the county and needs a serious attention of managers.

Organizations should focus on creating shared value to enhance their performance, including economic and societal value, or on improving economic and social conditions in the communities in which they operate (Porter & Kramer, 2011). Porter and Kramer underline that creation of shared value requires many actions such as re-conceptualizing products and markets, redefining productivity and enabling local cluster development thus focusing on the creation of strong inter-organizational relationships.

## 5.5 Areas of Further Research

The following are suggested areas of further study:

- Market Orientation and Organizational Performance in selected hotels in Uganda
- The Impact of Marketing-Sales Relationship on Business Performance in selected hotels in Uganda
- The Effect of Marketing Strategies on Corporate Performance of selected hotels in Uganda

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#### APPENDICES

#### **APPENDIX I: QUESTIONNAIRES**

Dear respondent;

I am NALUBEGA SHARON, student at Kampala International University pursuing a bachelor's degree in tourism and hotel management conducting a study on marketing and organizational performance. The research is purely for academic purposes. The researcher will hold confidential any information given and under no circumstance will any one's name appear as an individual. I kindly therefore request that you fill in the questions as instructed respectively.

Tick the appropriate box according to you where applicable. Fill in the information in the space provided.

A) Respondent's particulars.

## 1. Age bracket

20-25		26-	30		
31-35		36-	-45		
46-50		50 and above			
2. Gend	ler of respo	ondents			
Male	,	Female			4
3. For h	iow long ha	we you served in this	s organizati	on?	
0-3years	5	4-5years	5-6 years		6 and above
4. Level	l of educati	on of respondents			
Certifica	ate		Diploma	ı 📃	Bachelors
Postgrad	luate		Masters		Others
5. Does	poor mark	eting exist in your H	lotel?		
Yes			No		

If yes, the following are some of the causes of poor marketing. Please rate them according to your level of agreement by indicating a number in the box provided.

1 Strongly ograa	2 1 0000	3. Not sure	1 Disagrag	5 Strongly
1. Strongly agree	2. Agree	5. Not sure	4. Disagree	5.Strongly
disagree				] .
(i) Shortage of trained	and experienced	marketing pers	onnel	_
(ii) Failure to understa	nd customer's tas	tes and prefere	nce	]
(iii) Low customer bas	e			]
(iv)Technology averse				]
(v) Poor communication	on skills			
(vii) Poor management	t		-	×
(vii) Under organizatio	ons structure			]
(viii) Staff shortage				
If there are any other c	auses of poor mai	keting please,	mention them	
·6. In your own view,·	does poor marke	ting affect org	anizational pe	rformance?
Yes	*	No		*
If yes, the following a	re the effects of p	oor marketing	on organization	al performance. Please
rate this according to y				
1. Strongly agree	2. Agree	3. Not sure 4	. Disagree 5	. Strongly disagree.
(i) Increased competitie	on			
(ii) Low customer base	L I			
Iii) Low productivity				

I/. If there are any other effects of poor marketing on organizational performance please, mention them.

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7. Given the magnitude and intensity of poor marketing on organizational performance, the following are some of the strategies that can be adopted to improve marketing and organizational performance in your hotels.

i.Advertising	
ii.Competitive	
•	
iii.Branding of products	
iv.Personal selling	
v.Promotions	
vi.Use of media	
vii.Target market strategy	
viii.Positioning	
ix.Excellent service quality	
x.Online marketing	

Basing on your experience in this hotel, may you please propose more strategies that can be adopted to improve marketing and organizational performance?

# THANK YOU FOR YOUR RESPONSE AND TIME.

# **APPENDIX II: BUDGET**

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ITEMS	COST/AMOUNT (Ugshs)
Stationary	20,000
Questionnaire administration	50,000
Transport	50,000
Typing and printing	30,000
Binding	20,000
Miscellaneous	50,000
TOTAL AMOUNT	220,000

# APPENDIX III: WORK PLAN FOR THE RESEARCH PROJECT

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TIME	ACTIVITY	PERSON IN CHARGE
JAN – FEB 2018	Proposal writing, Developing research instruments and submission	Researcher and supervisor
MARCH – APIRL 2018	Proposal review and pilot tasting of tools	Researcher
May 2018	Data collection	Researcher