

The impact of market targeting strategies on tourism services

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ABSTRACT

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This research aims to demonstrate the impact of market targeting strategies on tourism service in the Kingdom of Saudi Arabia. The descriptive analytical methodology is used. The study also uses regression analysis to examine the relationship between independent variables and dependent variable. The study reached a set of results, the most important of which is the limited services provided to customers in spite of the diversity of the needs and desires of customers from tourists and travelers with customers' needs and desires.

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1. Introduction

It is known that tourism development is a tributary and supporter of the economic development of the country in general and one means of achieving sustainable development as the tourism service is any activity or benefit that the tourism institution provides to its customers in order to fulfill the needs and desires that create drivers for the behavior of buyers, their attitude to service, the extent of service response and marketing strategies with those needs at any stage of the tourism product life cycle as it requires management of tourism institutions to adopt marketing strategies that enhances the degree of customer loyalty to the tourism product brand and does not allow competitors to influence the degree of loyalty required since competition is the quality of service offered by competitors and their reflections for service behavior in achieving an appropriate market position and market share where a marketing mix is directed to only one sector or a number of market sectors. This depends on the marketing efficiency and accurate follow-up to the market. The tourism institution analyzes the characteristics and needs of customers in order to be able to define strategies for dealing with the market which is determined in advance by choosing one of the three strategies, unified marketing strategy, diversified marketing strategy, focused marketing strategies, which represent marketing strategies in general for different types of service and production institutions as the total costs decrease and the size of the customers increases due to the enhancement of the service in the minds of the customers. The quality of the service is improved through research and development and tightening control over them and the use of these strategies depends basically on the material and human capabilities of the tourist institution as well as the existence of markets which can accommodate these services to achieve the goals of the tourism organization which includes achieving profit and

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growth to obtain a competitive advantage and to acquire a market share and then distribute and diversify the risk. The marketing strategies adopted by tourism organizations in the Kingdom of Saudi Arabia will be studied and their suitability for achieving their goals.

2. Study Problem

The proposed study of this paper is to determine the most appropriate strategies for management of tourism organization to target and tourism market in Saudi Arabia. The study seeks to test the following main hypothesis:

H₁: There is a relationship between market targeting strategies and tourism service provided by tourism organizations in the Kingdom of Saudi Arabia.

From the main hypothesis, we derive the following sub-hypotheses:

H₁₁: There is a relationship between the unified marketing strategy and the tourism service.

H₁₂: There is a relationship between the diversified marketing strategy and the tourism service.

H₁₃: There is a relationship between the focused marketing strategy and the tourism service.

This study was conducted in the hotel sector in Al-Kharj city in the Kingdom of Saudi Arabia over the period from August 2019 to February 2020

The study population consists of tourism organizations in Al-Kharj Governorate in the Kingdom of Saudi Arabia (hotels - travel and tourism agencies). 50 managers of tourism organizations and managers of marketing and sales were randomly selected as a sample of and a questionnaire was distributed to them. The Five-Likert scale was used in this questionnaire. The study includes the following variables;

Dependent variable: tourism services provided by tourism organizations in Al-Kharj Governorate.

Independent variables: targeting the three tourism market strategies (unified marketing strategy, diversified marketing strategy and focused marketing strategy).

A questionnaire was prepared to measure the impact of market targeting strategies in the tourism service for tourism organizations in Al-Kharj Governorate. The sample of the study is by setting three variables that represent the marketing strategies of tourism organizations to measure the variables of the study and to know the nature of the variables and their dimensions and define the policy which faces service activity in tourism organizations. For the purposes of arbitrating the questionnaire list and to ensure that it achieved the goal for which it was set, a form was reviewed by specialists in management and marketing at King Khalid University, King Faisal University and Prince Sattam bin Abd University and specialists in the field of statistical analysis and programming were consulted in order to make coding questions. The study tool was also distributed to a pilot sample (Pilot Study) from the study population for the sample (tourism organizations in Al-Kharj). The number reached 15 people working in hotels and travel & tourism agencies in Al-Kharj Governorate and their observations were taken in the formulation of the study tool. The researcher verified the stability of the tool by calculating the Cronbach alpha coefficient to check the internal consistency of the questionnaire paragraphs related to the independent variables and the dependent variable. Its total value reached (0.86), which is an acceptable percentage (See Table 1).

Table 1

The coefficient of stability of Cronbach Alpha for the study variables

Variables	Alpha Cronbach laboratories
Unified Marketing Strategy	0.89
Diverse marketing strategies	0. 83
Centered Marketing Strategy	0. 88
Total value	0.86

3. Literature Review

There are quite few studies which addressed the topic of market targeting strategies and their relationship with tourism services. Joud (2018) emphasized on the role of the market targeting strategy in determining the nature of the banking services provided to customers and demonstrated a correlation between the type of market targeting strategy and the quality of the service provided. While Ali (2015) emphasized the need to follow service institutions in the transportation sector to define a clear strategy to target and enter the market which works to provide the appropriate service for the target segment of the service by transportation institutions. Wodad (2018) recommended the need to use clear and implementable marketing strategies which depend on sound strategic planning and monitoring the implementation at every stage with regard to internal and external factors which effect on the institution as it must be emphasized to provide a marketing mix capable of satisfying the needs and desires of the institution customers. Kasmallah (2017) emphasized the need to improve and develop the capabilities

of marketing devices by adopting modern methods in promoting tourism services and setting an integrated long-term marketing strategy to contribute to the development of tourism services organizations and separating the budget of the department's promotion management and making it independent. Jawad (2018) investigated the existence of a relationship between the expansion in the marketing of tourism services electronically and the quality of this service in tourist companies and that there is a relationship between the type of marketing strategy used and the tourism service provided to customers. Ibrahim (2017) emphasized the importance of the type of marketing strategy that service institutions follow in the banking sector in reaching customers and working to satisfy their needs and desires better than competing banks with services consistent with the nature of the needs and desires of customers to achieve loyalty to the bank, and make the customer a permanent customer. As for the study of Hoseen (2014), it recommended the necessity of paying attention to internal and external market research in order to improve the bank's position in relation to competing banks in terms of the share in deposits, loans and banking services market with the need to work on a good division of the market and provide appropriate services for each segment. While the study Nail (2015) concluded that there is a relationship between the type of university service provided and the nature of the marketing strategy pursued by universities and emphasized on the need to pay attention to educational service pricing according to the nature of the service and the type of target market segment and work to renew the educational services provided in line with the target market's need with interest in embedding the university's brand image in the minds of customers. The study by Al-Hazmi and Al-Khatib (2020) emphasized on the importance of providing a tourist marketing mix in the Saudi Al-Kharj Governorate capable of satisfying the needs of each segment of the target market as well as paying attention to the quality of the services provided. The study by Al-Hazmi (2020) recommended the need to pay attention to the physical characteristics of tourism services provided in the city of Al-Kharj and work to strengthen the relationship between the tourism service provider and customers through the use of a clear and specific marketing strategy which helps to provide high-quality services capable of meeting the needs and desires of tourists. Al-Hazmi (2018) study also stressed on the need to pay attention to the quality of tourism services provided to tourists in Al-Kharj city by providing a marketing mix capable of attracting tourists to tourism facilities in the city. While the study by Al-Hazmi and Al-Khatib (2016) emphasized the importance of preparing a promotional strategy for tourism institutions operating in Al-Kharj city capable of reaching various segments of tourists who want to pay a visit to Al-Kharj city and create a tourist demand for tourism services in Al-Kharj.

Through reviewing the previous studies, we find that it addressed the topic of targeting strategies of the market in different sectors other than the tourism sector and in different ways. From here, it is clear that this study differs from other previous studies and the extent of its uniqueness in terms of the objective, time, and region covered.

4. The results

The results of the descriptive analysis of the study variables are discussed below, and these results include the arithmetic mean and the standard deviation for the answers of the study sample items of workers in the travel and tourism sector in Al-Kharj Governorate in the Kingdom of Saudi Arabia on the questionnaire expressions related to the type of strategy targeting the tourism market in the governorate. It was divided into three axes according to the strategies used are as follow:

Table 2
The mean and the standard deviation of a unified marketing strategy

No.	Paragraph	Mean	Sd. Devotion	Application Degree (Approval) *
1	The management of the tourism institution provides its services to all its customers, regardless to their differences.	4.199	1.321	High
2	The tourist institution provides the same service to all customers.	3.616	1.196	High
3	The tourism Institution department designs one advertising message for all customers.	3.023	1.049	High
4	The tourism institution has distinguished human experiences.	3.844	1.198	High
Total		3.672	1.198	High

* (1 - less than 2.8) weak, (2.8 - less than 3.6) medium, (3.6-5) high.

From the results of Table 2, we find that questions 1-4 express the unified marketing strategy, where the total average of the paragraphs reached (3.672) and with a standard deviation (1.198). Paragraph (1) has got the highest arithmetic mean (4.199) and a standard deviation (1.321), and this indicates that the tourism institutions in Al-Kharj provide their services to all customers regardless to their differences, and the result of paragraph (3) has got the least average (3.023) and with a standard deviation (1.049), which means that the management of tourism institution in Al-Kharj designs a single advertising message for all customers.

Table 3
The mean and the standard deviation of a diversified marketing strategy

No.	Paragraph	Mean	Sd. Devotion	Application Degree (Approval) *
5	The tourist institution has divided its market.	3.003	0.910	High
6	The institution adopts the recommended approach (designing the service according to the needs and desires of the customers).	3.652	1.023	High
7	The tourism institution allocates its capabilities to each market separately.	3.831	1.128	High
8	Prices of the tourism services of the institution vary according to the target market segment.	0.201	0.725	low
Total		3.489	1.096	High

* (1 - less than 2.8) weak, (2.8 - less than 3.6) medium, (3.6-5) high.

From Table 3, we find that questions 5-8 express the various marketing strategy, where the total average of the paragraphs has reached (3.489) and with a standard deviation (1.096) and paragraph (7) has got the highest arithmetic mean (3.831) and a standard deviation (1.128) and this indicates The tourism organizations in Al-Kharj allocate their capabilities to each market separately, and the result of paragraph (5) has got the lowest average (0.201) and a standard deviation (0.725). This means that the prices of tourism services provided to customers of tourism facilities in Al-Kharj do not differ according to the market segment targeted.

Table 4
Arithmetic mean and standard deviation of focused marketing strategy

No.	Paragraph	Mean	Sd. Devotion	Application Degree (Approval) *
9	The tourism institution targets a specific segment of the market.	3.210	1.027	High
10	The competitive market in which the institution operates is limited.	4.112	1.394	High
11	The financial and human tourism institution possibilities are limited.	3.865	1.211	High
12	The risks are high so a certain segment of the market is served.	3.929	1.289	High
Total		3.896	1.197	High

* (1 - less than 2.8) weak, (2.8 - less than 3.6) medium, (3.6-5) high.

According to Table 4, we find that the questions 9-12 express the focused marketing strategy, where the total average of the paragraphs has reached (3.896) with a standard deviation (1.197) and paragraph (10) has got the highest arithmetic mean (4.112) and a standard deviation (1.211). This indicates that the market in which tourism institutions operate in Al-Kharj is a limited competition, and the result of paragraph (9) has got the lowest average (3.210) and with a standard deviation (1.027). This means that the tourism organizations management in Al-Kharj is targeting a specific segment of customers within the tourism market.

Table 5
Arithmetic mean and standard deviation for the tourist service

No.	Paragraph	Mean	Sd. Devotion	Application Degree (Approval) *
13	The services of the tourist institution vary according to the customers.	3.019	0.908	High
14	The institution is constantly improving and developing its services.	3.642	1.196	High
15	The tourism institution works to provide new and distinguished services always to its customers.	3.214	1.089	High
16	We offer new benefits in our services to customers.	2.901	0.802	low
17	The institution works to exclude services that do not meet the needs of customers.	3.218	1.094	High
Total		3.185	1.042	High

* (1 - less than 2.8) weak, (2.8 - less than 3.6) medium, (3.6-5) high.

From Table 5, we find that the questions from 13-17 express the tourist service, as the total average of the paragraphs has reached (3.185) and a standard deviation (1.042), where paragraph No. (14) has got an arithmetic mean (3.642) and a standard deviation (1.196), and this indicates that the tourism institutions in Al-Kharj are always developing their services, and the result of paragraph (16) has got at the lowest average (2.901) and with a standard deviation (0.802). This means that the management of tourism organizations in Al-Kharj does not provide new benefits nor advantages in its services provided to customers.

Here we test the validity of the main hypothesis in this study, which states there is a significant relationship between market targeting strategies and the tourism service provided by tourism institutions in the Kingdom of Saudi Arabia. The three sub-hypotheses related to this hypothesis are related to the strategies of targeting the tourist market. The Pearson correlation coefficient was used to determine the extent of a relationship between the independent study variables and the dependent variable, and the regression coefficient to determine the type and direction of this relationship and the level of significance. Table 6 shows the results of the statistical analysis to test the validity of these hypotheses.

Table 6
Results of correlation and regression analysis between study variables.

Dependent variable	Independent variables	r	B	R ²	t(value)	Sig.
Tourism Service	Unified Marketing Strategy	*0.609	0.33	0.162	3.631	0.006
	Diverse marketing strategies	**0.590	0.30	0.150	3.510	0.009
	Centered Marketing Strategy	**0.652	0.34	0.172	3.841	0.000

* Significant correlation at the level of significance 0.05.

** Significant correlation at the level of significance 0.01.

Table 6 shows the following:

- There is a positive and statistically significant positive correlation relationship between the independent variable (unified marketing strategy) and the dependent variable (tourism service), where the correlation coefficient reached (0.609), which indicates that the relationship between unified marketing strategy and tourism service is a direct relationship and that the value of this relationship is 0.609 it is significant at a level of significance less than 0.05. Also, the regression coefficient B=0.33, which means that the relationship between the two variables is a direct one. That is, there is a relationship between the unified marketing strategy and the quality of the tourism service provided. The value of the test (t) reached 3.631, which

is significant at a level less than 0.05, and this confirms and supports a positive correlation relationship with statistical significance between the strategy of standardized marketing and tourism service. The determining coefficient (R^2) indicates that the independent variable (Unified Marketing Strategy) explains 16% of the dependent variable, which is tourism service. Thus, this confirms the hypothesis.

- There is a positive correlation relationship with statistically and moderately significant significance between the independent variable (diversified marketing strategy) and the dependent variable (tourism service), where the correlation coefficient reached (0.590), which indicates that the relationship between diversified marketing strategy and tourism service is a direct relationship and that the strength of this relationship is 0.590 which is Morale at a level of significance less than 0.05. The regression coefficient $B=0.30$, which means that the relationship between the two variables is a direct relationship, meaning that there is a relationship between the diversified marketing strategy and the quality of the tourism service provided. The value of the test (t) reached 3.510, which is significant at a level less than 0.05, and this confirms and supports a positive correlation relationship with statistical significance between diversified marketing strategy and tourism service. The determining coefficient (R^2) indicates that the independent variable (diversified marketing strategy) accounts for 15% of the dependent variable, which is tourism service. According to the foregoing, it confirms the hypothesis (the second sub-hypothesis).
- There is a positive and statistically significant positive correlation relationship between the independent variable (focused marketing strategy) and the dependent variable (tourism service), where the correlation coefficient has reached (0.652), which indicates that the relationship between diversified marketing strategy and tourism service is a direct relationship and that the value of this relationship is 0.652. It is significant at a level of significance less than 0.05. Also, the regression coefficient $B=0.34$, which means that the relationship between the two variables is a direct relationship. Means that, there is a relationship between the focused marketing strategy and the quality of the tourism service provided. The value of the test (t) was 3.841, which was significant at a level less than 0.05. This confirms that there is a positive correlation with statistically significant between focused marketing strategy and tourism service. The determining factor (R^2) indicates that the independent variable (focused marketing strategy) explains 17% of the dependent variable, which is tourism service. Thus, the last hypothesis is also confirmed.

Overall, the main hypothesis and all three sub-hypotheses are confirmed.

5. Conclusion

Through reviewing the results of the study, the tourism institutions working in Al-Kharj Governorate must reformulate and design their advertising messages to suit different market segments in line with their needs and desires. How much should they work on designing a marketing mix consistent with the wishes of customers and work to fragment their tourism market and work to diversify the prices of their services provided in accordance with the different segments in the target market and in accordance with the nature of the service provided, and must not rely on a single market segment by highlighting the benefits and benefits found in its services and able to better satisfy the customers' needs from competitors in nearby cities and tourist destinations and to work to diversify services and provide new services that are compatible with changes in the tastes and desires of customers, tourists and travelers, as well as commitment to the efforts to continuously improve the services provided regardless of the strategy used to reach the target market in order to ensure that the principle of total quality is achieved in the services provided, and tourism organizations in Al-Kharj must update the means and methods of providing the service and pay attention to the physical characteristics of tourism facilities, and they must give the tourism service great interest in choosing the strategy which affects its future development and progress. How much it must adopt the marketing concept is based on satisfying the customers' needs and desires when designing the services, which would be provided to the tourism market.

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