ABSTRACT OF THE Ph.D THESIS ENTITLED

"INTERNET MARKETING IN THE REPUBLIC OF YEMEN, CURRENT POSITION AND PROSPECTS WITH SPECIAL REFERENCE TO TRAVEL AGENCIES AND HOTELS USING INTERNET IN SELECTED CITIES."

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1. Introduction

Many changes happened in the society and economy as a result of the developments in the field of information technology. Computers and electronic devices became capable of doing direct communication with each other’s, without conceding the distances between. This connection and communication is being achieved through international networks, the most important being the Internet. Customers, people and business organizations perceived the unique features which could achieve communication through joining the internet. People could communicate with sellers and searching about the products (goods, services) and they could plan and doing the process of buying by evaluating the several alternatives that are available on the internet and making a comparison between prices so that they could take buying decisions.

The information revolution forced organizations to increase their investments in the relatives fields like, hardware and software, also in the field of training staff and workers who are working in the field of information services. This revolution has lead to making several essential changes in the economic structure. Electronic marketing (e-marketing) describes the manner in which transactions take place over networks, mostly the internet. It is the process of electronically buying and selling goods, services and information.

The government of the Republic of Yemen perceived the importance of communications and information technology in the process of comprehensive economical and social development for achieving a better life for persons and societies. Thus their decisions, rules and recommendations are in harmony with this view, which included the instructions to expand the base of beneficiaries from the internet services and doing more and more to reduce the prices of subscription and make the connection to the net, easy for students, researchers and academicians especially with the spreading of the ownership of computers. Yemen has a huge tourism ingredient, where Yemen conceded from the rich countries in tourism resources. It is marked by unique natural and cultural features, which constitute a harmonized mix and these elements of tourism create an attractiveness guide satisfies a large segment of people who have a passion for tourism from different countries and across all ages.
2. Statement the Problem of the Study.

The internet network started entering business organization in the Republic of Yemen in 1996. But the benefit of services introduced by the internet network in the Republic of Yemen has not suitable the huge facilities provided by it especially in marketing services and products in the Republic of Yemen. Marketing is considered to be the basis of the business organization to effectively perform their function properly and continuously. It’s importance increases with the current aspects in the modern world such as the cut throat competition, world trade freedom and revolution in the field of information and communication. From all of these only the internet pays attention to open new marketing channels in the Republic of Yemen. Of grate importance is tourism marketing over the internet. Also, the government of the Republic of Yemen has passed many laws directing the domestic organization to enter the internet network. Accordingly the researcher is enquiring as to how the advantages in using the internet network in Republic of Yemen and the limitations which cause inefficiency of using the services of the internet and effect the local infrastructure adversely? Also, how the government laws and regulations about the internet are effective?

To solve the problem the researcher had undertaken the necessary studies which support the hypothesis of the study and trying to verify these hypothesis in order to reach the results which contribute to promote the process of marketing in the domestic organization especially in tourism i.e., hotels and travel agencies.

3. Research question.

This study tries to give answer to this question. What is the current position and prospects of internet marketing in the Republic of Yemen? And what are its elements?

4. Research hypotheses.

Beside on the research question, seven hypotheses were proposed to determine the current position of internet marketing in the Republic of Yemen and also determine the relevant elements. Thus, the seven hypotheses are as follows:-
H1: The laws issued by the government support the domestic organizations for entering the internet network.

H2: The staff in organizations, who use the internet and modern technology have the ability for the effective use of the internet network.

H3: The information infrastructure and the local network of communication is designed for effectively using the internet network.

H4: The financial and banking system constitute hindrances in the development and use of the internet marketing service.

H5: The internet network contributes to open the international market of travel and tourism.

H6: The domestic tourism organizations “Hotel and Travel agencies” get benefit from the various services of the internet network.

H7: The organizations of the travel and tourism in the Republic of Yemen “Hotel and Travel agencies” give great importance to the internet marketing in the future.

5. The objectives of the study.

The objectives of this study are as follows:

1. To test and analyze the hypothesis statistically.

2. To direct the vision and give attention to the services and benefits of the internet network from the marketing point of view.
3. To study the current position of the travel and tourism organization in the Republic of Yemen “Hotels and Travel Agencies” vis-à-vis the internet network.

4. To study the abilities of the marketing people in the travel and tourism organizations and how to further qualify them.

5. To contribute to development of international marketing in the domestic organization in accordance with the technical development in the economic world or the ways of using the modern techniques and improvement of the domestic marketing services.

6. To study the current position of communications and information infrastructure that is relevant to internet marketing.

7. To study the internet service costs in the Republic of Yemen and compare it with other countries.

8. To offer suggestions and recommendations about the effectiveness of using the internet network in the tourism marketing in local or international organizations based on result of the research.

6. **Rational and significance of the study.**

   The importance of this study considers the following indicators:

   - This study is considered to be the first study in the Republic of Yemen which studies the internet marketing and it’s prospects.

   - The internet network has great importance in our age and thus invites us to study its effects on the domestic marketing.

   - To know the latest internet net work technology and its effective advantages, in modern marketing.

   - This study aims to facilitate marketing of the products and services in domestic and international market.
• The new international market works according to the new rules, procedures and bases. To join the international market is not compulsory now but, in future it will be a must. Therefore it’s important at present.

• The results and recommendations of this research will contribute to the development of the internet marketing of the domestic organization.

• This research conducted in the Republic of Yemen which is one of the developing countries so that many other developing countries may get the benefit from it, if they want to enter the internet network, most particularly Arab World.

7. Research Boundaries (Scope of the study).

The research boundaries of this study divided as follows:

1- Time boundaries.

This research covered the period from 1996 the year of entering internet to Yemen till 2006.

2- Area boundaries.

This study conducted in the Republic of Yemen to study internet marketing in the travel agencies and hotels using internet in Sana’a, Aden and Taiz. These cities contain the main activities of tourism in Yemen and also these cities are the largest cities in Yemen and it distributed in different regions of Yemen, Sana`a is located on the north and it’s the capital of Yemen, Aden on the south and it’s the commercial city in Yemen, Taiz is located on the middle and it’s the capital of tourism in Yemen. So the researcher has selected these three cities.

3- Subject boundaries.

This research concentrated on the internet marketing in Yemen; it studied the infrastructure of internet, laws and legislations that are related to internet services, the
ability and training of the staff those dealing with internet, prices of subscriptions and facilities of internet marketing that offer to travel agencies and hotels in selected cities.

8. RESEARCH METHODOLOGY:

Research defined as a systematic method of finding solutions to a problem and it is “the process which includes defining and redefining problems, formulating hypothesis or suggested solutions, collecting organizing and evaluating data, making deductions and reaching conclusions and very carefully testing the conclusions to determine whether they fit the formulating hypothesis” (Clifford Woody). This study adopted descriptive vs. analytical approach to evaluate and analysis the problem of the study and collect the data and information that will be available about it to reach to the result and suggest the suitable recommendations to solve it. This research consisted of two main parts:-

First part:-

This part includes the theoretical study that is related to the subject of the study, for this purpose the researcher depended on collect related data and information from secondary sources like books, census, printed reports, magazines, websites and previous research and studies in order to build the theoretical fundamental for second part of this research, which is related to practical study.

Second part:-

This part included the practical study for the subject of the research. The researcher depended on collect the related primary data from its primary sources, which are represented by the population of research.

8.1 Sources of Data Collection.

To fulfill the set objectives of the study, both primary and secondary sources of data collection were tapped, the details of which are as under:
1- Primary Data:

The researcher adopted many instruments and manners to collect primary data for the study, which were as follow:

- **Field visits and preliminary exploration.**

  The researcher did many visits to several organizations that work in the field of travel and tourism, which are located in Sana'a city, Aden and Taiz. The researcher also visited several governments’ agencies like the ministry of communications and information technology, ministry of planning, ministry of parliament and laws affairs, ministry of tourism, higher committee of tourism, tourism promotion council, consultation council, national center for information, higher telecommunications institute, Yemennet, Tele Yemen and higher committee of post in Sana'a. From all of these visits, the researcher could collect the information he needs and also known the organizations that he will distribute the questionnaire to as sample of the study.

- **Personal interviews.**

  The researcher conducted group and personal meetings and interviews with several numbers of general managers, marketing managers and sales managers of local travel and tourism organizations that are the sample of the study, in order to know:

  - The current position of internet marketing in the organization and marketing as well.
  - The problems and difficulties of internet marketing as viewed by workers managers in this field.
  - To get answers to some questions asked by the researcher.

- **The survey instrument.**

  The researcher designed a special survey questionnaire for this study to collect data that are related to applied section of this study which depends on the known scales. The researcher benefited from some scales that used by (alzoubi, 1996), (alzoubi,1998), (alaali,1999), (almahmoudi,2001) and (alsaka,2000). Some of questions were put by researcher especially those who hadn't ready scales. The questionnaire consisted of seven positions distributed in to two parts that contained 35 questions. The
first part of the questionnaire gathered demographic information on the general manager, marketing manager and sales manager. The first part consisted of scale items that utilize a 5-point Likert type scales. The anchors included: strongly disagree to strongly agree. A self-administered survey questionnaire was used to collect data. The main part of questionnaire was delivered via the Yemen postal service to the randomly selected sample of travel and tourism organizations, and others were delivered by researcher. Several measures were employed in an effort to enhance the response rate. A cover letter that was signed individually in blue ink and contained the name and address of the respondent in an attempt to show personalization was attached to each questionnaire. A self addressed, stamped envelope was included in the package being mailed. Three weeks after the survey was mailed, a reminder postcard was sent to those who had not returned their survey.

2- Secondary Data:

Along with the primary data, the researcher has also compiled secondary data from various sources like books, researches, previous studies, statistical and issued reports, publications, magazines, journals, newspapers etc. For the purpose of collecting data, the researcher visited the following libraries, institution and offices:

1) Gokhale Institute of Politics and Economics, Pune.

2) Jayakar Library, University of Pune, Pune.

3) General library of Taiz University, Taiz Yemen.

4) General library of Sana'a University, Sana'a Yemen.

5) General library of the Ministry of Planning, Sana'a Yemen.

6) NIBM library, Pune.

7) British Council library, Pune.

8) British Council library, Sana'a Yemen.
8.2 Sample.

The population of this study is the organizations of travel and tourism in Sana'a, Aden and Taiz cities in the Republic of Yemen that are connected by internet network. Research population is the managers in the travel and tourism organizations connected by internet network till 2006 (general manager, sales manager, and marketing manager). The researcher gave attention to the homogeneity of population that the sample of this study was selected from it and the degree of accuracy.

First, a stratified sampling method was utilized to determine the number of respondents required from each city. Afterwards, a random sampling was used to select 100 respondents that were distributed in different cities 50 respondents from Sana'a city, 30 respondents from Aden and 20 respondents from Taiz city. The sample (mailing list) for this study was obtained from the statistical annual report of the ministry of tourism for the year of 2006, which contains information about the numbers of hotels, travel agencies, restaurants and other tourism amenities that are located in different cities and provinces. The minimum size of sample should be at least 100 to ensure appropriate result and to minimize the chance of getting good or perfect goodness-of-fit indices due to small sample size. However, large sample sizes, over 400, are also likely to be problematic because they are likely to result in poor goodness-of-indices. The targeted usable sample size for this study was set at 100.

8.3 Research Area.

The study was conducted in the travel and tourism organization in Sana'a, Aden and Taiz cities, in which these organizations were connected by internet network since 1996 till 2006.

9. Chapter Scheme of the Study

The present study has been divided into eight chapters.

Chapter-I Introduction:

Begins with a broad overview of the topic of interest and progressively narrows to the point of proposing question to be answered in the course of the research. This chapter also presents a justification for study, citing the problem to be addressed, the value of
addressing it, and the potential contribution to the existing body of knowledge, and review of literature,

**Chapter-II Research Methodology:**

This chapter gives a view of the research methodology, it explains the methods of data collection, coding, questionnaire, sample, area of the study and statistical tools that are used to analyses the data.

**Chapter-III Basic Concept of Internet:**

Begins with an introduction about internet network, its size, internet laws, and explains the nature and uses of net. Actual position of internet around the world and current position of it in the Arab world.

**Chapter-IV The World of Marketing: Important and Dimensions:**

It gives general view about marketing, its concept, important, history and development of marketing. Also explains the marketing mix.

**Chapter-V Internet Marketing:**

Gives information about internet marketing its definition, importance the nature of electronic transactions in action, traditional transactions and benefits of marketing on internet. This chapter also explains the different elements of internet marketing.

**Chapter-VI Current Position of Internet Marketing in Yemen:**

Explains the current position of internet marketing in the Republic of Yemen, history of it in Yemen, number of subscribers, infrastructure of communication, providers, prices, the structure of relatives' laws, projects, growth of internet and its limitations.

**Chapter-VII Data Analysis:**

Deals with analysis of the different positions of the questioner and also gives view about the test of hypothesis.
Chapter-VII Findings and Recommendations of the Study:

It consists of the summary, conclusions based on the analysis of data in the foregoing chapters and suggestions.

10. Major Findings of the Study.

The major findings of the study are:

1- The financial and banking system constitute the main hindrance for starting internet marketing on the travel and tourism organizations.

2- Local internet providers (Teleyemen, Yemennet) need higher techniques in order to use the services of internet in better manner.

3- Local laws and legislations that are relative to internet and information technology need more revision and development in order to be in line with the new developments in the field of information technology.

4- Internet network is considered as a unique marketing tool for business organizations of any size, so that the business organization must put the plans which push the organization to internet network and its services, or it will be outside the international competition.

5- Subscription of travel and tourism organization in internet network through local telecommunication is easy, but network structure and prices are not suitable.

6- Internet network is an easy marketing tool, which has two dimensions and entering it may be positive or negative for organization, so that the organization must be careful when they use the service of internet in marketing through the correct entering to this new marketing channel.

7- The workers in the field of marketing in travel and tourism organizations need periodical training and learning about the new techniques in the field of information technology and it must teach them foreign languages especially English.

8- Information systems in local travel and tourism organizations are suffering from weakness in structure, and inefficiency in use.
9- Local business organization can’t make their homepage on internet through Yemennet in an easy way in order to start marketing in a proper manner.

10- Internet network contributes in developing and increasing the services of travel and tourism organizations as a result of international competition.

11- Internet network contributes in decreasing the marketing problems and increasing the sales for the travel and tourism organizations.

12- Marketing through internet network in the local travel and tourism organizations doesn’t integrate with traditional marketing, which has resulted from the ambiguity of two concepts.

13- Present management manner in the local travel and tourism organizations doesn’t emphasize using internet in marketing. This has resulted in absence of training for higher level manager of travel and tourism organizations and about the new concepts in the digital world.

11. **Major Recommendations of the Study.**

   The major recommendations of the study are:-

1- Information and communications' lows and legislations in the republic of Yemen are good for this period, but it must develop and revise for future development in the field of information and communications technology.

2- Local internet providers must reduce the daily cost of internet using, which will lead to encourage the travel and tourism organizations to enter and use the service of internet network.

3- Doing periodical training in the organization or out side the organization for marketing and sales people in the organizations, and those dealing with the internet network in order to keep them in line with the new development in the information and communications technology.
4- The government of Yemen must develop the structure of information and support it by modern techniques, so that the information development will be easy and the country can enter the age of information.

5- The ministry of communication must develop the local communications networks according to the new digital techniques and it must also develop the ability of covering the new and mounting numbers of subscribers in the coming period.

6- The local financial and banking institutes must revise and develop the financial and banking systems in Yemen to make use of internet in the processes of selling, purchasing and payment easy. That will be happened through entering the modern techniques like, ATM card, e-chiqe and e-Bill.

7- Entering the services of ATM in the whole governorates, towns and stations and not only in specific locations in specific governorates.

8- The local travel and tourism organizations must give more attention to the role of internet network in the process of decision making because it supplies the organization with new data and information that make process of decision making easy and correct.

9- The local travel and tourism organizations must give more attention to the news networks and information banks that are available on the internet network in order to make the necessary information for the process of decision making available at a wanted time and place.

10- The local travel and tourism organizations that haven't started internet marketing yet, must start planning for the process of internet marketing and enter the services of internet to the organization.

11- Necessity of integration of internet marketing, in the local travel and tourism organizations with the processes of traditional marketing in order to achieve the wanted targets and reaching to target markets and achieving larger market share.

12- It must develop and modernize the recent management systems in the local travel and tourism organizations in order to enter the marketing through internet for the local organizations to achieve higher efficiency in their performance.
13- We must think in a good manner before using the internet network, because we can't change our lives directly in one day in order to be in the main subject of internet marketing, where the internet is one tool from the many tools in our live, and its not the only thing but it's important thing, and we must know it and understand our position about.

14- The development of internet marketing in Yemen must come through development of new teams and groups of work as when are in governmental units or private organization but between them, these units draw the pictures of thinking and plan the future plans in order to achieve our policies in a good manner and plan good entering to the internet world for local organizations and insist on the local organizations to make their plans to integrate marketing between traditional marketing tools and internet marketing with out domination from one or other.