



The Role of Positioning Strategy: The Case of Star Category Hotel in Dire Dawa City Administration, Ethiopia

Dereje Tadesse¹

¹Dire Dawa Administration Tourism and Culture Bureau, Dire Dawa Ethiopia,
E-mail: dergetaddese@gmail.com, Phone Number: +251925311337

Abstract

This research examines the role of positioning strategy in the context of star category hotels in Dire Dawa Administration, Ethiopia. The study has conducted considering five-star category hotels in the city. A mixed-methods strategy is used to accomplish these goals, combining both qualitative and quantitative research techniques. Comprehensive interviews are carried out with hotel managers and industry specialists to obtain a deeper understanding of the frequently utilized positioning tactics. The hotelier need to focus on broadening positioning strategy types, regular review and update, implementing digital positioning, interacting with guest integrating positioning strategy with website content, search engine optimization, initiate online loyalty program, and manage reputation online and creation of social media alert system. The result indicates that currently only five hotels have made a bit effort to produce positioning strategy policy but even employees are not aware of it. The common practice is to adopt implicit positioning strategy like pricing, accessibility, attractiveness, security and range of service. From both customer and employees perspectives sample hotel has relative good status in affordability and value for money, safety and security system, location and accessibility. Besides, other strategy like image, unique product, digital positioning, segmentation, branch flexibility and competitive positioning has neglected. The brand attribute achieved are also examined based on data gathered from customer response, annual sale and revenue, hotel profile and review site. The finding has revealed that the mean value of hotel those adopted positioning strategy is higher than those which have not implemented the strategy across all comparative variable. The correlation test also indicates positive relation between positioning strategy and sample brand attribute or performance.

Keywords: *Competitive advantage, Dire Dawa City Administration, Ethiopia, market performance, positioning strategy, star category hotels,*

*Corresponding author: Dereje Tadesse. dergetaddese@gmail.com

1. Background of the Study

In today's highly competitive global market, top managers strive to address ever-changing customer demand and improve their organizational effectiveness through the execution of organizational strategies or capabilities that are linked to better performance (Oluwatoyin et al., 2018; Ayele, 2012). Positioning has been considered a strategic tool to deal with competitive pressure and enhance the growth of the organization (Kotler & Keller, 2010). The core point here is a well-positioned hotel that takes cognizance of the needs, wants, and aspirations of its guests would lead to improved performance (Fuchs and Diamantopoulos, 2010).

Thus, designing a strategy, which is a long-term management plan for running the business along a more customer-oriented approach like market positioning, will help enhance hotel performance (Tajeddini, 2010; Patel, 2015). This makes positioning strategy an important concept where firms develop a competitive advantage over others through the creation of a good standing in their services or products in the thoughts of their customers (Ibid; Owido, 2021). The main target of the positioning strategy is to compete and excel in particular areas through SWOT analysis of one's position, the needs of the customer, the market, the position of competitors, and a combination of unique resources with a high level of competence (Kotler & Keller, 2012).

An effective positioning strategy, executed with a firm's market orientation culture, will build a powerful brand, which means a well-positioned hotel would outperform competitors lacking positioning strategies (Fuchs and Diamantopoulos, 2010; Blankson et al., 2013). However, in the current dynamic business environment, ensuring competitive advantage is not achieved without a challenge. In practice, adopting positioning strategies, the hotel industry has been facing numerous challenges in the implementation of the strategies due to the ever-changing environment and the existence of many players operating in the same market (Bute, 2014). Thus, positioning strategies cannot be created or implemented successfully unless operational activities and strategic considerations are balanced (Fuchs and Diamantopoulos, 2010).

Likewise, the above reality creates multifaceted marketing challenges for the hotel industry: customer loyalty and retention, intense competition, segmentation, overlapping of brand positioning, high guest sophistication, innovation, websites, search engine, social media, trip advisor, projections and investment analyses, distribution channel management, technological advancement, and overall strategic management issues (Wang et al., 2009). Furthermore, as an

establishment that provides accommodation, meals, beverages, and other services for customers, the hotel industry, in particular, faces difficulty in managing intangible aspects of service components (Kilonzo, 2012; Tajeddini, 2010; Kuada & Hinson, 2014).

Hotels in the study area have been facing similar challenges; many service-related and marketing strategy issues are still visible, even in the capital city, Addis Ababa (Abrham, 2015). The hotel business in Ethiopia, as well as Dire Dawa City Administration, has been rapidly growing, particularly since 2007 (Hewan, 2019; Culture and Tourism Office of DDCA, 2022). Currently, Dire Dawa provides tourist-standard accommodations to visitors in more than 12 high-standard hotels, and a total of 93 licensed hotels are operating in Dire Dawa City Administration (Culture and Tourism Office of DDCA, 2022).

2. Statement of the Problem

There is general agreement that the concept of positioning has been one of the fundamental components in modern marketing management (Hooley et al., 2012). Competition and profitability pressures mean that firms must be responsive to market conditions. Therefore, for any organization to be successful in the long term, its operations must be completely different from those of traditional business counterparts (Bute, 2014). For instance, the study by Kilonzo (2012) indicates that the stiff competition among hotels in Nairobi, coupled with the entry of other players competing for the same services, enforces the hospitality business to adopt competitive strategies that guarantee their performance. Thus, like any business industry worldwide, hotels operate in a competitive and dynamic business environment. Therefore, developing a management framework to lead strategic positioning practice is critical for their competitiveness and successful performance (Nigel & Artur, 2018).

Literally speaking, hotels can set five competitive priorities, namely cost, quality, time, flexibility, and innovation, in light of positioning. However, setting the right competitive priorities does not happen overnight; rather, it demands companies to struggle for years (Thawatchai, 2014). Hence, positioning necessitates regular proactive efforts aimed at creating and maintaining the desired brand image. In this context, the prerequisites for proactivity are an organization's skills in predicting future changes in the environment, accompanied by an ability to initiate the right activities. This calls for caution and in-depth research to identify important changes in trends (Insch, 2012). Therefore, the hotel industry in Dire Dawa City Administration needs to set a positioning strategy with due regard to the prevailing situation. Despite the existence of several literatures on positioning, it remains one of the most complex concepts and is still subject to incomprehension (Saqib, 2020). There is little conceptual

framework to guide positioning research, and empirical studies of positioning are scarce (Fuchs, 2008; Chew, 2005). The concept of brand positioning strategies and competitive advantage is new in the literature of the hotel industry, especially in an African context (Kilonzo, 2012).

In Ethiopia, a couple of studies have been conducted on the hotel industry, such as Bezuye (2010), Alelign (2013), and Abraham (2015); however, their primary focus was on customer service delivery and customer satisfaction. Other studies by Lemlem (2018) and Hewan (2019) have tried to assess the marketing strategy practice of Addis Ababa hotels. Their findings show the use of the 7P marketing mix, geographical location, behavioral segmentation, and advertisement via the internet and media as tools of the positioning strategy. The studies have revealed the scarcity of budget, the rise in the cost of promotion, seasonality of the sector, high turnover rate of marketers, and lack of skilled manpower as challenges to marketing strategy. Furthermore, hoteliers narrowly utilize pricing and promotion as strategies, neglecting the broader scope of marketing strategy (Yitbarek, 2021).

The alignment of hotel positioning strategy with performance, the practice of digital positioning, the design and implementation, the reconciliation with operational activity, regular review and updates, and the relationship between positioning and overall performance have rarely been addressed by prior studies. In light of addressing the above gaps, the study will attempt to assess the role of positioning strategy of star-category hotels in Dire Dawa City Administration. Therefore, based on the above justification, the purpose of this study is fill these gaps by conducting a study on the role of positioning strategy of star-category hotels in Dire Dawa City Administration.

2. Literature review

2.1. Developing Positioning Strategy

As already discussed company in different methods or bases can be used in a competitive context to develop and implement positioning strategy. Depending on the capacity and customer interest the base of positioning can be cost, the manufacturing process, the type of product, and cultural symbols use (attributes), image and reputation, environmental factor and competitor (Chacko ,2011; Bhasin,2010)

However, developing of positioning strategy has not an easy task due to the existence of multifaceted marketing challenge for hotel industry: customer loyalty and retention, intense

competition, segmentation, overlapping of brand positioning, high guest sophistication, innovation, websites search engine, social media, trip advisor, projections and investment analyses, distribution channel management, technological advancement and overall strategic management issue (Wang et al, 2009)

The review of different study by Ayele (2012) indicate that in service industry positioning strategy can be developed by involving decisions about the product, the business environment (safety and security), customer service, pricing, and customer communication (information technology). Below is a review of them.

Product Positioning

According to Ries and trout (1986), the starting point for positioning strategy, according to the argument, is not what is done with the product or service but rather what is done to the prospects' minds. They stated that using a positioning strategy causes marketing to focus less on the product and more on the struggle for consumers' minds. Therefore, product positioning is a strategy built around the aspects of a product that can be seen as beneficial by customers. For the creation and implementation of a positioning strategy, distinctive product attributes are crucial. As a result, businesses can use product qualities as a foundation for developing and implementing positioning strategies. Hotels can develop positioning strategies by considering their location as a distinctive attribute.

Customer Service Positioning

Delivering high-quality goods or services that consumers enjoy is essential for a company's competitive edge in any field because clients won't wait to complain about the hotel's service instead, they'll go to a rival hotel where they can get better service. Johnson and Scholes (2002) suggested that the first step in developing a competitive strategy is evaluating and defining the value of the customer. The foundation of competitive advantage is the establishment of a strategy that enables the hotel to provide what customers value. This suggests that in a cutthroat market, customer satisfaction is the most crucial concern.

Customers have many options in the global economy to purchase what they desire. Additionally, they offer more for their money and have a wide range of preferences and tests. In these circumstances, businesses must produce and give what customers value rather than what they can supply. Companies can develop positioning strategies in the market based on

such customer service attributes, which in turn helps the companies gain competitive advantages, Brooksbank (1994). If businesses can provide what customers value, they can remain competitive in the market. This is the primary justification for businesses developing competitive strategies to compete in the market. Because of this, the hospitality industry's competitive strategy is heavily influenced by the needs and demands of the client in Dire dawa, Ethiopia.

2.2. Positioning According to Safety and Security

Uncertainty in the environment and concerns about safety and security are significant barriers to business operations across all economic sectors. Hemmington (2007), Terrorism is the most direct illustration of environmental uncertainty in the world and it has major impact on economic development of any region or country. Any economic sector functioning in the world cannot be out of such environmental uncertainties and it has a negative impact on the economic development in the World in general and in Hospitality business in particular. This is because the operation of the tourism industry and the hospitality business are directly related. Tourists travel to hotels, restaurants, and lodges, therefore any issues with tourist mobility uncertainties may have an impact on the hospitality industry. The hospitality sector is currently working to rebuild after the impact of terrorism on its operations. The hospitality industry competes on a worldwide scale, and terrorism's effects have an impact on how businesses operate. Another element that negatively affects the operation and profitability of the hospitality business is safety and security, Punpugdee (2005).

2.3. Positioning in Information Technology

One of the key environmental elements that affect how businesses operate in general and the hospitality sector in particular is technological growth and change. To manage their communication with overseas customers, hotels are relying more and more on information technology. Utilizing information technology, they coordinate lodging and table reservations. According to Pranicevic, Alfrevic and Stumberger (2011), Information technology (IT), which forms the backbone of information systems (IS), can be viewed as a complete set of management tools for the hospitality sector. They made the case that many marketing and customer relationship management techniques can be carried out online. Because of this benefit, information systems serve as the foundation for positioning formulation.

2.4. Price Positioning

According to Johnson et al. (2008) by developing a cost leadership strategy, businesses can position themselves at the company level. Businesses at the business level can develop cost leadership and differentiation strategies. As a result of developing a lower-cost leadership strategy, they can present themselves as a business that offers affordable goods and services. They can create this plan by employing various cost-cutting measures. According to Shaw (1992), positioning refers to the customers' estimation of the worth and value of a real or perceived product. According to the author, positioning is the process of separating a product from competitors and presenting customers with advantages. Based on their cost of doing business, hotels might promote themselves as lower price providers. They can base their positioning on price. The cost of a product might aid in the objective placement of the product class. Additionally, it can improve consumers' perceptions of value in the

3. Materials and Methods

In this study, a descriptive research design is employed to describe the current practice of positioning strategy among star-category hotels in Dire Dawa City Administration. A descriptive cross-sectional survey will be conducted to assess the positioning strategy of star-category hotels in Dire Dawa City. This design is suitable for the research based on data gathered from multiple businesses at a single at some time. Additionally, co-relational designs area adopted to examine the relationship between positioning strategy and competitive advantage achieved by star-category hotels in Dire Dawa City. The research approach for this study involves the utilization of both qualitative and quantitative methods. By combining both qualitative and quantitative approaches; this study aims to provide a comprehensive and well-rounded understanding of the role of positioning strategy practices in star-category hotels in Dire Dawa City.

Considering the small number of star category hotel entire population were selected employees who are working in the managerial position, marketing and supervisor of front office and related department are selected. Thus, the study's population consists of 217 employees of sample hotel. In this study stratified sampling method was applied. Stratified sampling is a sampling technique that involves dividing the population in to smaller groups or strata, and each individual hotel as a separate stratum. Since the population was the total number of employees in Star category hotels in Dire Dawa City. Thus, the total sample size for this study is calculated based on Yamane's (1967) formula; researchers will use a sample calculation formula from the entire population.

$$n = N / (1 + N(e^2))$$

Where N is the total number of population, n is the required sample size and e is the desired level of precision. Suppose that we require results with a ± 0.05 desired level of precision. Thus, the sample size for this study becomes

$$n = 472 / (1 + 472(0.05^2)) = 216.513 \approx 217$$

Since the each star category hotel stratum of the study have different size of population, the calculated sample size should be allocated using probability proportional to size sampling approach ($n_h = (n * N_h) / N$). Therefore, each star category hotels have the following samples.

3.1. Methods of Data Collection

The study employed closed-ended questionnaires, the questionnaires were closed-ended based on a four Likert scale measure of '4- High extent' '3- Moderate extent' '2- Low extent' '0- Not Sure'. Questionnaires were used as the main data collection instruments for the respondents. The questionnaires were used to collect information from hotel staff, Dire Dawa culture and tourism office and customers.

4. Data Analysis and discussion

Analyzing the data got from the field, the data was sorted, coded, and then analyzed statistically using SPSS. First, the demographic characteristics of the respondents were analyzed by use of frequencies and percentages. Simple linear regression Co-efficient analysis was used to test the relationship among the variables and regression coefficient models to determine the extent to which the independent variables impact on the dependent variable.

4.1. Descriptive Statistics for Demographic Variables

The first section of the questionnaire was demographic profile of the employees of the star category hotel. Accordingly, the following variables about the respondents were summarized and described in the subsequent table. These variables include gender, age, experience and the educational background of respondents. The below table shows that from all respondents 21.7 percent of them are males and the other 78.3% are females. This shows that majority of employees in star category hotel in Dire Dawa city are females and there are lower male employees. And also Out of the total 217 respondents, 137 of them fall in the age category of 18-29 comprising 63.1% followed by those in the age category of 30-49 with 70 respondents 32.3%, and those above 50 were very small constituting 10 and 4.6%.

Table 1. Descriptive Statistics for Demographic Variables

		Frequency	Percent
Gender	Female	170	78.3%
	Male	47	21.7%
	Total	217	100.0%
Age in years	18 – 29	137	63.1%
	30 – 49	70	32.3%
	>= 50	10	4.6%
	Total	217	100.0%
Educational Level	Below 12th grade	2	0.9%
	Diploma	139	64.1%
	First Degree	63	29.0%
	Second Degree & Above	13	6.0%
	Total	217	100.0%
Work experience	Less than 5 Years	150	69.1%
	5 - 10 Years	63	29.0%
	10 - 20 Years	3	1.4%
	Above 20 years	1	0.5%
	Total	217	100.0%

Source: Research Data (2023)

The above statistical data shows that majority of sample employees respondents in the age category of 30-49 with 70 respondents were at the productive age and understand positioning strategy. On the other hand, looking at the distribution of respondents in terms of educational level results showed that 0.9% of the respondents have less than grade 12, 69 present of the respondents have a diploma and 29 present of the respondents were first degree and the rest 6 present were Second Degree holders. Concerning of the work experience of the respondents; Around 69.1 present of respondents were less than 5 years, 29 present from 5 to 10 years, 1.4 present were between 10 to 20 years and the remaining 0.5 present were above 20 years of work experience respectively. Around 69.1% of respondents were less than 5 years; this indicates that most of the employees in star category hotel in Dire Dawa city has medium level of experience so they need intensive training and development program.

Background Information of Sample Star Category Hotel

The study sought to identify the demographic information of the star category of hotels in Dire Dawa Ethiopia and found out that date of award of star rate as follows.

Table 4. 3 Star Category Hotel in Dire Dawa City

N.o	Hotels	Years of Award Stars	Frequency	Percent
1	Samrat Hotels	2013g.c	58	26.7
2	MM Hotels	2017g.c	50	23.0
3	Cleopatra Hotels	2017g.c	36	16.6
4	Care Square Hotels	2013g.c	39	18.0
5	Triangle Hotels	2013g.c	34	15.7
	Total		217	100.0

Source: Research Data (2023)

The result in table 4.3 shows that Samrat 26.7%, Care Square 18.0% and Triangle Hotels 15.7% have been given four and one-star rate awards for each hotel respectively in the year 2013g.c. MM 23.0% and Cleopatra 16.0% hotels has been given the two and one-star rate award in the years 2017.

4.2. Multiple Linear Regression Analysis

Testing Statistical Model Assumptions

In order to draw correct estimation, using regression model to analyse the data requires certain assumptions to be fulfilled. Fulfilment of basic the assumptions are tested before the regressions were run (Chris Brooks, 2008). The five assumptions of multiple regressions are presented. Normality assumption, linearity and homoscedasticity, independence of residual tests (Correlation test) and multi co-linearity tests were presented on the study under this subsection.

I. Normality Test

Test for normality, its determining whether the data is well modelled by normal distribution or not. Test for normal distribution could be checked by graphical (Histogram or dot plot) method of tests. The normality assumption assumes a critical role when the study is dealing with a small sample size, data less than 100 observations (Gujarati, 2004).

Even though the normality assumption not a treat since the observation or sample size of the study is larger enough, more than 100 observations, the researcher test is using normal probability plot (NPP). The decision rule is, if the fitted line in the NPP is approximately a straight line, one can conclude that the variables of interest are normally distributed (Gujarati, 2004).

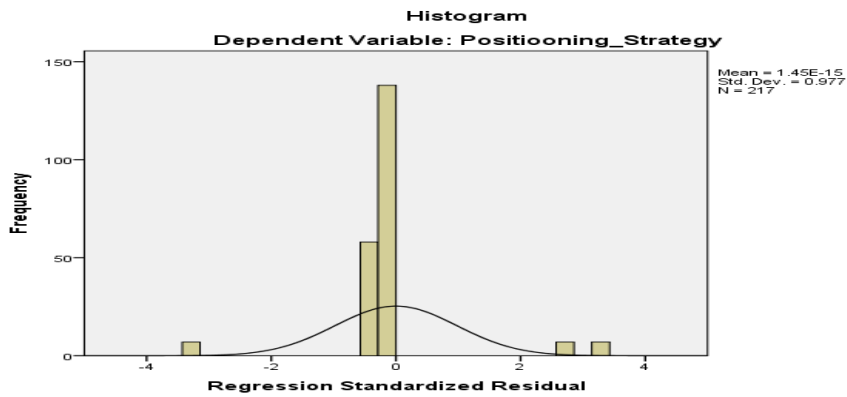


Fig. 4. Histogram

Source: Research Data (2023)

The histogram of the residuals is almost normally distributed. This means that the normality assumption of the error term is not violated.

II. Homoscedasticity/ Correlation test

The model errors are generally assumed to have an unknown but finite variance that is constant across all levels of the predictor variables. This assumption is also known as the homogeneity of variance assumption. It means simply that, the variance of Y for each value of X is constant in the population. This can be checked by visual examination of a plot of the standardized residuals (the errors) by the regression standardized predicted value. The following scatter plot was obtained from the average results of the dependent variable positioning Strategy and independent variables to see whether homoscedasticity is really a pressing problem of this particular study. Both assumptions can be checked by the scatter plot diagram shown below.

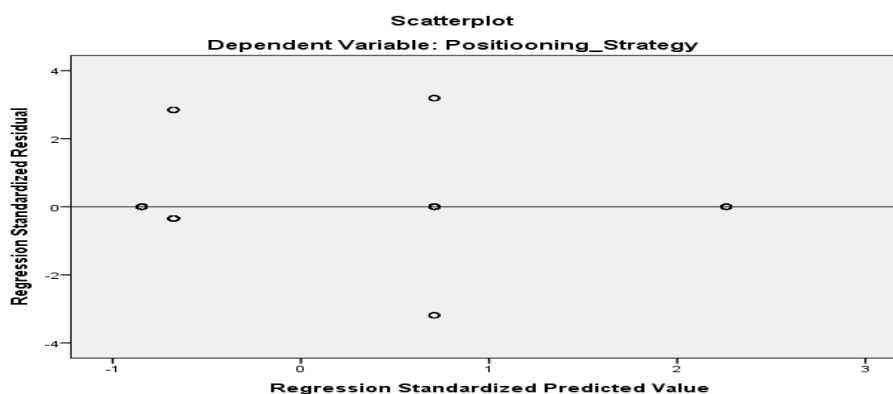


Fig. 2. Scatter plot

Source: Research Data (2023)

It can clearly be seen that the plot of the residual is scattered (does not show any pattern), it is evenly distributed to the line residual=0. This is an indication of the variance of the residuals being constant (homoscedasticity) i.e., there is no heteroscedasticity.

Regression Analysis Results

To investigate whether the hypothesized independent variables have any influence on the dependent variable of positioning strategy in star category hotels of Dire Dawa city and to estimate the level or magnitude of their contribution, a multiple linear regression analysis was employed. The Model Summary, the ANOVA test and the Beta coefficient were conducted.

Table 4. 4 Models Summary Analysis

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.903 ^a	.816	.807	.31350

A. Predictors: (Constant), High RatingP, Unique Product, Competitive P, Variety, Geographic coverage P, Quality, Attraction, Individualized Ser, Safety P, Segmentation

B. Dependent Variable: Positioning Strategy

Source: Research Data (2023)

The model in the above table shows how much of the variance in the measurement of Positioning strategy is explained by the model. Based on this, model coefficient of determination or R^2 obtained indicates that 80.7% of the variation in the measure function (Positioning strategy) can be explained by independent variables.

I. One-way ANOVA Analysis

ANOVA (Analysis of Variance), used to compare whether the mean of one dependent variable differ significantly across the categories of another independent variable. ANOVA provides, the result of test of significance for R and R^2 using an F-statistic.

The F-test in the ANOVA table confirmed that the model developed is statistically significant ($F=91.154$ with p-value of 0.000 and since the p-value is less than the significance level of 0.05). This indicates that the variation explained by the model is not due to chance. This means that the dependent variable (Positioning Strategy) is a significant predictor of at least one of the independent variables. At least one of the independent variable significantly affect the independent variable since $P=0$ which is less than $\alpha=0.05$

As it is stated earlier in this chapter, this study aims to identify the most contributing independent variables in the prediction of the dependent variable. Thus, the strength of each

predictor (independent) variable influence on the criterion (dependent) variable can be investigated. The regression coefficient explains the average amount of change in dependent variable that is caused by a unit of change in the independent variable. The larger value of Beta coefficient that an independent variable has, the more support to the independent variable as the more important determinant in predicting the dependent variable (i.e. Positioning Strategy).

Table 5. ANOVA Table

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	89.588	10	8.959	91.154	.000 ^b
Residual	20.246	206	.098		
Total	109.834	216			

A. Dependent Variable: Positioning_Strategy

B. Predictors: (Constant), High-RatingP, Unique-ProductP, CompetitiveP, VarietyP, GeographiccoverageP, QualityP, Attraction, IndividualizedSer, SafetyP, SegmentationP

Source: Research Data (2023)

Table 6. Coefficient Table

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.215	.089		2.423	.016
	Quality	.777	.107	.666	7.291	.000
	Attraction	.385	.199	.303	1.931	.055
	Safety	-.277	.219	-.217	-1.262	.208
	Unique Product	-.385	.180	-.332	-2.135	.034
	Variety	-.608	.264	-.424	-2.305	.022
	Segmentation	1.331	.318	1.034	4.191	.000
	Geographic coverage	.392	.284	.308	1.384	.168
	Individualized Ser	.331	.151	.272	2.189	.030
	Competitive	-.223	.066	-.169	-3.388	.001
	High Rating	-.831	.078	-.768	-10.58	.000

a. Dependent Variable: Positioning Strategy

Source: Research Data (2023)

Among the ten independent variables, in the multiple regression analysis revealed that Quality Customer Service positioning, unique product features positioning, Variety of service, Segmentation or user positioning, Individualized service, Competitive positioning and the hotel received high rating for generating unique guest experiences have a significant effect on Positioning Strategy. By the p-value of (P=0.000, P=0.000, P=0.000, P=0.000) respectively which is acceptable (p<0.05).

5. Conclusions

First objective results conclude that positioning about the product, the business environment (safety and security), customer service, pricing, and customer communication (information technology) has a positive effect on positioning on star categories of hotels in Dire Dawa. The following conclusions have been drawn based on the discussion and analysis made on chapter four. The city has long history hotel service practice, accommodations are operating at profitable level and investment also expanding overtime the data from investment office shows there are many hotels under construction and 13 Hotel license issued to be constructed recently. The employment and economic impact of hospitality industry is also encouraging; however, the aggregate effect is still minimal when compared to other regional African cities.

The practice of online booking is meagre due to restriction on foreign national to open travel and tour business and banking industry, limited digital infrastructure which reduce an opportunity of online payment. With regard to positioning strategy practice it has clearly revealed that many of city hotels have no specific positioning strategy practice. The city tourism office itself has not yet developed positioning strategy that is aligned with other sector like trade, industry and hospitality industry in the city administration. The few hotels that tried to adopt positioning strategy practice also failed to fulfil the main aspect of the Hotel positioning strategy practice in the study areas.

Currently hotelier has accustomed to adopt implicit positioning strategy like pricing, accessibility, attractiveness, security and range of service. Based on employee perspective quality service, price, physical attraction, location, safety and security are among positioning practised. However, the employee disagrees with the implementation other positioning strategy practice like image, unique product, digital positioning, segmentation, flexibility and competitive positioning in the hotel.

From the viewpoint of sample customer, the survey result regarding brand attribute competitiveness achieved by sample hotel indicate positive response for affordability and value for money, safety and security system, individualized service, location and access, facility and service efficiency. Contrary to the employee's attitude the quality of service of sample hotel has received positive response from the customer perspectives but not for physical attraction. From both customer and employee's perspectives sample hotel has relative good status in affordability and value for money, safety and security system, location and access.

6. Recommendations

The absence of a clear, participatory positioning strategy or policy framework at the city administration level and in particular to the positioning of individual hotel and lack of awareness among stakeholders in general are among the challenge. Having a positioning policy by itself is not an end game, but designing aligned positioning frameworks based on collaboration with relevant actors, active involvement of staff and hotels stakeholders and regular update in accordance with prevailing conditions and realities will possibly help to achieve desired positioning strategy objectives. The positioning strategy should go beyond mere production of document focusing on implementation, regular review and updates.

Poor knowledge of staff about some cultural characteristic of major inbound tourist are said to affect the provision of individualized service. Thus provide training to the hotel staff regarding the characteristic of major inbound tourist group discussed on this study. The hotel staffs need to be aware of positioning strategy and customer characteristics of inbound visitor. Despite the existence safety and security system positioning, still improvement required with regard to emergency information, procedures and contacts for assistance clearly communicated in English incorporating pictograms, fire plan, alarm system sprinkler, smoke detector, and peephole in door, electronic key and safety chain on door

Improvement also required with regard to creating first and last impression, utilization of standard operating procedures to reinforce consistency of services to attain desired performance. The result of review site underscores the need to provide prompt response to customer online complaint, and the practice of asking for review (check-out process, on checkout desk and follow-up email, also required improvement.

7. Limitation of the Study

Researchers are viewed negatively, usually respondents think negatively about researchers. This study however emphasized to the respondents that the study was purely for academic purposes and also encouraged them to volunteer willingly. The hindrance of time due to the busy schedules for the responses was handled by ensuring that the researcher attains sufficient time and concentration aimed at developing effectiveness in the system of collection of data, respondents were reached using emails, and questionnaires were filled in their appropriate time.

Acknowledgment

The author extends heartfelt appreciation to the management and staff of star category hotels in Dire Dawa Administration for their willingness to participate in this study and for their valuable insights and cooperation during the data collection process. Gratitude is also owed to local tourism and hospitality offices for providing relevant background information and documentation that supported this research.

Conflict of Interest

The author declares that there is **no conflict of interest** regarding the publication of this article. The research was conducted independently, with no financial or personal relationships influencing the outcomes or interpretations of the findings.

References

- Aladag OF, Köseoglu MA, King B, Mehraliyev F. (2020). Strategy implementation research in hospitality and tourism: Current status and future potential. *International Journal of Hospitality Management*.
- Bezuye, Zegye (2010): Comparative assessment of the management of Global and Ghion; Unpublished M.A thesis AAU.
- Blankson, C., Cowan, K., Crawford, J., Kalafatis, S., Singh, J. and Coffie, S. (2013), A review of the relationships and impact of market orientation and market positioning on organizational performance.
- Blankson, C. (2015): Positioning strategies and incidence of congruence of two UK store card brands. *Journal of Product & Brand Management*.
- Brown, J.R., Ragsdale, C.T., (2002): The competitive market efficiency of hotel brands: An application of data envelopment analysis. *Journal of Hospitality and Tourism Research*.
- Cai, L.A., Hobson, J.S.P., (2004): Making hotel brands work in a competitive environment. *Journal of Vacation Marketing*.
- Chew, C. (2005): Strategic marketing planning and positioning in voluntary nonprofit organizations-empirical findings and implications for British charitable organizations.
- Day, G. S. (2014): The capabilities of market-driven organizations. *Journal of Marketing*

- D. Parajogo, (2007): The Relationship between Competitive Strategies and Product Quality, Industrial Management and Data Systems.
- Ethiopia Ministry of Culture and Tourism (2010): Annual Report of Hotel status in Ethiopia.
- EyopKetema,(2010):An Assessment of the Marketing Strategy for Mobile Services of Ethiopian Telecommunication Corporation
- Farah Farhiya, (2015): Strategic Positioning as Sources of Sustainable Competitive Advantage at the Norwegian Refugee Council, Dolo Ado- Ethiopia.
- Fuchs, C. (2008): Brand positioning through the consumers' lens, Unpublished PhD thesis.
- Fuchs, C. and Diamantopoulos, A. (2010), Evaluating the effectiveness of brand-positioning strategies from a consumer perspective.
- GalgaloShongoloBute (2014).Positioning strategies and growth of hotels in Lamu County Kenya.
- Harrison, J. (2017): Strategic Analysis for Hospitality Industry, Cornell Hotel and Restaurant Administration, Journal of Management in Hospitality.
- Hewan ,(2019):Assesement of Marketing Strategy Practice in Four Star Hotel in Addis Ababa.
- Hooley, G., Greenley, G., Fahy, J., & Cadogan, J. (2001).Market-focused resources, competitive positioning and firm performance.
- Hooley, G., Nigel, F.P. and Nicoulaud, B. (2012), Marketing Strategy and Competitive Positioning,Prentice Hall/Financial Times, London.
- Hu F and TrivediR, (2020): Mapping hotel brand positioning and competitive landscapes by text-mining user-generated content, International Journal of Hospitality Management.
- Jitpaiboon, Thawatchai, (2014): The Study of Competitive Priorities and Information Technology Selection: Exploring Buyer and Supplier Performance, Journal of International Technology and Information Management.
- Kazmi, A., (2007): Knowledge management for strategic management: nothing more, nothing less,Pranjana: The Journal of Management Awareness,
- K. Kumar and U. Kumar, (2004): A Conceptual Framework for the Development of a Service Delivery Strategy for Industrial Systems and Products, Journal of Business and Industrial Marketing.

- Kotler, P. and Keller, K.L., (2012): *Marketing Management*, 14th ed., Pearson Education, Upper Saddle River, NJ.
- Kuada, J. and Hinson, R. (2014): *Service Marketing in Ghana*, Adonis and Abbey Publishers, London.
- Lazerson, M. H., (2015): *Organizational growth of small firms: An outcome of markets and hierarchies?*, *American Sociological Review*.
- Lemlem, (2018): *Assessment on Marketing Strategy of Selected Hotel in Addis Ababa Practice in Four Star Hotel in Addis Ababa*.
- Lewis, R.C., (1981): *The positioning statement for hotels*, *Cornell Hotel and Restaurant Administration Quarterly*.
- M. Porter, (1980) *Competitive Strategy:- Techniques for Analyzing Industries and Competitors*,
- M. Porter, (1991): *Towards a Dynamic Theory of Strategy*, *Strategi Management Journal*,
- Natasha Saqib, (2020): *Positioning – a literature review*.
- NascimentoFilho, F. B., Flores, L. C. S., &Limberger, P. F (2019): *Restaurant positioning based on online travel reviews (OTRS)*. *RevistaBrasileira de PesquisaemTurismo*, São Paulo
- Nigel, P. &ArturB., (2018): *Managing Framework Guiding Strategic Thinking in Rapidly Changing Markets*. *Journal of Marketing Management*.
- Oluwatoyin, A.M., Olufunke, A.P. and Salome, I.O. (2018) *the Impact of Market Orientation on Performance of Selected Hotels in Ondo State, Nigeria*. *Open Journal of Business and Management*, 6, 616-631.
- Patel, K. K., (2015): *A case study on strategic positioning of Vistara: Analysis and forecasting way ahead IES Management College and Research Centre, Mumbai, India*, *Journal of Business and Management*.
- Plumeyer, A., Kottemann, P., Böger, D., Decker, R., (2017): *Measuring brand image: a systematic review, practical guidance, and future research directions*.
- Natasha Saqib.(2020): *Positioning – a literature review*, Department of Management Studies, University of Kashmir, Srinagar, India
- Stella NyamburaKilonzo, (2012): *Brand Positioning Strategy and Competitive Advantage of the Five Star Hotel in Nairobi*.

- Tajeddini, K. (2010): Effect of customer orientation and entrepreneurial orientation on innovativeness: evidence from the hotel industry in Switzerland, *Tourism Management*.
- Teferi, (2021): Determinants of competitive advantage: -The case of hotel sector in Debre-berhan, Ethiopia.
- Urde, M. and Koch, C. (2014): Market and brand-oriented schools of positioning, *Journal of Product and Brand Management*
- YetbarekTaye, (2021) The influence of competitive strategy on star rated hotel performance in the case of Addis Ababa, Ethiopia. Presented in partial Fulfillments of the requirements for the degree of masters of marketing management.
- Zulkiffli, S. N. A., & Perera, N. (2011). A literature analysis on business performance for SMEs: Subjective or objective measures?



Harla Journal of Sustainable Development in Business and Economics gives access to this work open access and licensed under a Creative Commons Attribution-NonCommercial 4.0 International License.

[\(Creative Commons Attribution-NonCommercial 4.0 International License\)](https://creativecommons.org/licenses/by-nc/4.0/)