

Marketing Innovation and Its Reflection on Improving the Marketing Performance in the Mixed Sector Hotels of Baghdad

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This research aimed to identify the impact of marketing innovation and its elements on the performance of the mixed hotel sector in Baghdad, represented by two hotels, the Cristal Grand Ishtar and the Babylon Warwick. A questionnaire was used as a tool to collect data. It was distributed to the research sample, which comprised 20 respondents from the Ishtar Hotel and 21 from the Babylon Hotel. SPSS was to test the research hypothesis. The researcher concluded that there were significant differences between the research sample of the two hotels in terms of the research variables marketing innovation and marketing performance. The most important recommendations were a need to adopt marketing innovation in the management of both hotels in order to improve marketing performance and remain competitive.

Key words: *Marketing innovation, marketing performance, mixed sector hotels, Baghdad*

Introduction

Many business organisations, including those in the hotel industry, seek to improve their marketing performance in order to survive in today's competitive environment. Therefore, excellence in performance has become an imperative, and to improve their performance, it is vital for organisations to adopt innovative ideas that lead to innovative products and services that will continue to meet the needs of their customers and contribute to increased productivity and profits as a result of generating increased demand.

These organisations require the adoption of innovative marketing in the form of new ideas and non-traditional marketing practice related to product, pricing, promotion, distribution, physical evidence, process and service providers. This must occur in a form that facilitates exchange relationships with customers (guests) and works to accelerate and contribute to earning their satisfaction and loyalty. To ascertain how important marketing innovation is for improving marketing performance, two hotels in the mixed hotel sector in Baghdad were examined – the Crystal Ishtar Grande, and the Babylon Warwick – to make comparisons between them.

A questionnaire was used as a tool for data collection. It included 36 questions that covered the research variables, and was distributed to 41 respondents, 20 from the Ishtar Hotel and 21 from the Babylon Hotel. A number of statistical methods were used to analyse the results.

Research Questions

The following research questions were addressed:

- RQ1:** How important is the marketing innovation of the hotel organisation?
- RQ1:** What is the reality of the application of marketing innovation by the hotel organisation?
- RQ1:** Does marketing innovation affect the performance of the hotel organisation?

The Importance of Research

This research is important for the following reasons:

- 1 It has determined the interaction between marketing innovation as the independent variable and marketing performance as the adopted variable.
- 2 It contributes to the understanding of sought-after hotel organisations regarding the application of marketing innovation to improve their performance.
- 3 It highlights the benefits of adopting the application of marketing innovation to improve the performance of hotel organisations.

Research Objectives

- 1 To provide a knowledge and field framework for the management of marketing innovation and performance improvement in hotel organisations.
- 2 To provide a database of data and information that will help the organisations investigated to activate and promote marketing innovation in order to improve their performance.

- 3 To assisting organisations to provide innovative and high-quality services through the adoption of an innovative marketing mix.

Research Hypothesis 1

The current research was based on two main hypotheses:

- H1:** There is a significant statistical significance relationship between marketing innovation and improving marketing performance.

Sub-assumptions

- 1 There is a significant statistical significance relationship between innovation in service and marketing performance.
- 2 There is a significant statistical significance relationship between innovation in price and marketing performance.
- 3 There is a significant statistical significance relationship between innovation in marketing promotion and marketing performance.
- 4 There is a significant statistical significance relationship between innovation in distribution and marketing performance.
- 5 There is a significant statistical significance relationship between innovation and the physical evidence in marketing performance.
- 6 There is a significant statistical significance relationship between innovation and the process in marketing performance.
- 7 There is a significant statistical significance relationship between innovation and service providers in marketing performance.

Research Hypothesis 2

Significant differences were found between the two samples in the two hotels, Crystal Ishtar Grande and Babylon Warwick, concerning the research variables (innovation, marketing and marketing performance), both in aggregate and in each area. The following assumptions were made:

- 1 There are significant differences between the samples for the two hotels in the variable elements of their innovation strategies.
- 2 There are significant differences between the two samples for each hotel in the marketing performance of variable dimensions.



Community and Research Sample

The research community comprises six mixed hotels in Baghdad. The two hotels studied in this research are among these hotels, which feature tourist attractions and are a magnet for international delegates, giving them a good reputation for service delivery. The questionnaire was distributed to the members of this sample. The sample consisted of 45 questionnaires, of which 41 were returned and deemed valid for the analysis: 20 from the Ishtar Hotel and 21 from the Babylon Hotel. The proportion of these forms valid for analysis amounted to 91 per cent of the distributed forms.

Statistical Tools and Methods Used in Research

The tools used in the research were as follows:

- Theoretical references, represented by Arabic and foreign books, letters and university papers and the internet.
- A questionnaire, with 45 questionnaires distributed and 41 returned.
- Statistical methods: The data analysis was based on a set of means to find out the level of answers of the sample of the research and to test the hypothesis of research through the use of SPSS 22.

Previous Studies

Table 1 indicates some previous studies for the variables of marketing innovation and variable marketing performance.

Table 1: Previous studies

| No | Name of researcher | Title of research | The most important objectives | The most important recommendations |
|----|--------------------|---|--|---|
| 1 | Sarhaan, 2005 | Measuring the role of innovation and marketing innovation in achieving the competitive advantage of Jordanian banks | Develop a model that seeks to demonstrate the potential role of innovation and marketing innovation in achieving the competitive advantage of Jordanian banks. | There is a statistically significant relationship between innovation and marketing innovation and the competitive advantage of Jordanian commercial banks. |
| 2 | Khalout, 2014 | Marketing innovation and its impact on building customer loyalty | Explain the importance of innovative marketing and its importance in creating, maintaining and improving customer loyalty. | The development and adoption of marketing innovation in the field of goods and services ensures that the enterprise stays in the market. |
| 3 | Bou Kretah, 2011 | The effect of communication in raising marketing performance | Providing the most important techniques of promotional communication in the field of services and highlighting their importance in providing services. | The research organisation is a pioneer in the field of providing tourism services and it relies on personal communication, which makes personal sales very important. |
| 4 | Zengry, 2013 | The marketing performance of small and medium enterprises under environmental challenges | Highlights the effects of environmental challenges negatively or positively on the marketing performance of small and medium enterprises. | The adoption of modern tools, although a bit expensive, to minimise the impact of environmental challenges faced by small and medium enterprises to improve their marketing performance |



Marketing innovation

Marketing innovation has become a comprehensive process related to all aspects of business organisations and a starting point for their strategies. It is a purposeful process adopted by senior management and provides the possibilities and requirements for the embodiment of innovative behaviour. This topic will address the concept of marketing innovation, its importance and marketing mix innovation.

Kotelnikov (2003: 1) defines marketing innovation as ‘the process of transforming new knowledge into new products, making it a source of value creation, increasing productivity and a source of knowledge to meet the needs of the customer’ and as ‘adopting innovative ideas and presenting them in the form of useful goods and services or adopting a method of operations, and efficient organizations that have the potential to direct their innovations towards useful outputs to serve their customers’ (Robbins & Coulter, 1999: 404). Abu Juma (2003: 4) defines marketing innovation as ‘the innovation and development of the group of product operations, promotion, pricing and distribution in a way that facilitates and accelerates the relations of exchange with the customer in a dynamic environment’.

Importance of Marketing Innovation

Marketing innovation is important for achieving a competitive advantage for the organisation that distinguishes it from its competitors, as well as creating a good mental image for its customers.

Marketing innovation improves product quality by:

- working to satisfy the needs and desires of current and potential customers, both organisations and individuals
- preserving or increasing market share
- developing and accumulating personal skills in thinking and collective interaction through teams brainstorming.

It aims to increase the standard of living of all members of the society and to increase national production, especially if applied in the field of international marketing (Ireland Letal, 2006: 13; Jafour, 2016: 5).

The marketing mix

The previous research has identified two marketing combinations, one for commodities, with four components (product, price, promotion and distribution). The other service consists of seven elements (7Ps), four elements representing the commodity mix plus three elements (the physical directory, the process and the service providers). Elements of the service mix are addressed here, as this research deals with the hotel sector.

Product innovation

This is the most important and important element in the mix, in terms of the organisation's current and future objectives and its market competitors (Alaq, 1999: 816). Product innovation plays a key role by creating new products or services for the market, making modifications or additions to existing products and improving them to differentiate them from other products (Little Eagles, 2014: 110). It requires the marketing department of the hotel organisation to collect information about its customers, in order to understand and identify their needs and expectations. It also involves building knowledge of possible opportunities in the market and then developing the product and its components to identify and determine the technical specifications in line with those needs and expectations of the predicted (Student 2014: 343). Daboul and Ayoub, 2003: 240 and Ezzel et al. (2006: 295) identified five types of services:

- 1 new services provided by the organisation to its customers
- 2 innovating and delivering a full service to new and prospective markets
- 3 expanding the service line by increasing the number of service lines through which the service is provided
- 4 improving the service provided and either developing new features of the service or offering them in new markets
- 5 changing style, including change in decoration and logos.

Price innovation

The price is one of the most difficult marketing decisions taken by the hotel organisation because of its close relationship with the product (service) and prestige. Price is often the first thing the customer takes into account when making a decision to buy, as determining the right price works to find a balance between the desire of the guest to get the value and the need of the organisation to cover expenses achieve a profit margin. Innovation creates a competitive advantage for the organisation, and can be achieved by the customer (the guest) deciding the price to be paid for the service purchased. This type of price innovation is a basis

for achieving excellence and challenging competitors. In this area, it is possible to refer to some examples of the service pricing process:

- 1 The customer decides the price of the product (service).
- 2 Pricing is based on unit price.
- 3 Pricing is based on a peak price and beyond.
- 4 Pricing is based on psycho-psychological factors (Aldmour, 2005: 257; Armstrong, 2005: 291).

Innovation in Promotion

Promotion is a marketing activity that involves an artificial communication process through which the service, its characteristics, the persuasion and the reminder of its benefits to motivate and influence the target audience for its purchase are defined. It is described as a form of artificial contact with existing and prospective customers for the use of hotel services. Promotion is used to achieve the following objectives:

- 1 create awareness and interest in the service and the organisation that produces it
 - 2 provide service delivery and a description of its benefits
 - 3 build good relationships with customers (guests) and convince them of the benefits of the service provided
 - 4 correct errors in customers' perceptions of the service provided to them
 - 5 Enhance the competitive position of service between their competitors in the target market (Pride & Ferrell, 2000: 436; Maala and Tawfiq, 2008: 31).
- Innovation in promotion can be achieved a number of means, discussed below.

Innovative promise

The creative message is presented in terms of the advantages and benefits of the product (service). The innovative message is created in light of these promises. For example, the fashion company Simplicity provides a solution to the problems of fashion facing modern women today. The company promises to patrons that it will end the suffering of searching for clothes of an appropriate style, size and price.

The Batronat company has simplified the process of buying a suit to the extent that it is possible to order and receive a modern suit within hours and at a cost less than at retailers. The experience and quality mean the company's clothing has now become a fashion item in itself.

Innovative style

The innovative strategy should include a dramatic, professional or fun visual or readable statement. Movement, rhythm and colour are essential additions.

Innovation in personal sales

Using personal innovation, such as getting information about current and potential customers and responding to their queries and objections, is a way to increase the likelihood of a successful sales process (Wausau, 2010: 446-447).

Innovation in distribution

The distribution of marketing activities in the field of services is successful if it can serve both the service provider and the customer (the guest), and shorten the speed required and the distance between them through the flow. Customer service should be for the purpose of satisfying their needs and desires at the right time and place as appropriate. The delivery of the service to the customer through the use of distribution channels represents the path taken by the product (service) from the hotel organisation to the customer (guest). This supports the fact that the distribution channel of most services is direct, compared with that for material goods (Idris & Morsi, 2005: 317; Abu Juma, 2003: 229).

Innovation in physical evidence

Physical evidence represents the environment in which the service is produced and provided to the customer. In other words, it represents the appearance of the external hotel, furniture, decoration, lighting, etc. It also includes goods that facilitate the service process. The physical evidence is a strong point for the hotel organisation. By highlighting the physical evidence, the organisation can hide something tangible during the marketing of its services. Therefore, hotel service providers resort to employing and using the physical evidence to create a positive image of the hotel and its services to customers (Gronroos, 1980: 57; Palmer 1997).

Innovation in the process

The delivery of the service to the customer (guest) is a key element of the marketing mix of the hotel, and it plays a role in the success of marketing the service. The service request function is important in every market, as it is a direct link to the customer (guest). The relationship between the service provider and the customer, as well as the creative skills of the service provider, has a positive impact on the customer's perception of the hotel (Cranfield, 2000: 223; Hoffman & Bateson, 1997: 226).

Innovation in service providers

Service providers are among the most important elements of the hotel marketing mix as they are the main element in the production of the service and its delivery to customers (guests). The satisfaction of the customer through a dual interaction between the external environment of the hotel and its internal organisational structure, and the importance of individuals in the marketing of hotel services, have led to increased interest in internal marketing by attracting, motivating and training staff to improve their performance and develop their skills and methods of providing service to suit the expectations of current customers (guests) and gain their satisfaction and loyalty, thus attracting repeat business as a result of excellent service (Ajrama, 2005: 26; Kotler, 1997: 453).

Marketing Performance

Hotel organisations seek to achieve distinct levels of marketing performance in the business environment in order to survive and continue in their competitive environment, and that excellence in performance has become vital due to the variables of the surrounding environment. Marketing performance is the basis for any organisation to increase the revenues that contribute to the continuation of its work, and this is what drives managers to pay attention to marketing performance.

Concept of Marketing Performance

Before dealing with marketing performance, performance can be defined as ‘the degree to which an individual, team or organisation reaches the goals planned for them efficiently and effectively’ (Sayed Mustafa, 2002: 415); it is also known as ‘the organisation’s ability to survive, adapt and grow under the strategic objectives it seeks to achieve, especially strategic success’ (Al-Dosari, 2010: 39). In terms of marketing performance, Kotler and Armstrong define it as ‘comparing the performance of the organization with the performance of its competitors to identify its strengths in order to strengthen it and identify its weaknesses in order to reduce them in order to achieve competitive advantages’. Marketing performance is described as ‘the expression of the marketing outcomes or outcomes that the marketing function seeks to achieve within a certain period of time’ (Yahyaoui & Abdel-Samad, 2012: 63; Gharabawi et al., 2007: 269).

Importance of Marketing Performance

Marketing performance is an indicator of the profitability and market share of the hotel organisation because it builds a mental niche that resonates with its current and potential customers. It also improves the financial performance of the hotel organisation (Jobber &

Fahy, 2003: 14; Abu Fara, 2001: 63) and is a central focus in assessing the success or failure of a hotel organisation's decisions and marketing plans.

Marketing performance indicators

The views of researchers differ when it comes to determining the dimensions of marketing performance, so we have tried to select the most common indicators in line with the research variables.

Sales volume

The volume of sales is low during a certain period (week, month, year, etc.), which represents the number of transactions with guests achieved by the hotel organisation. This reflects the degree to which the organisation can satisfy the demands of the target market. The size of the services provided by the hotel organisation is contrasted with the services of competitors, as a greater volume of sales indicates improved marketing performance. Sales, whether in terms of value or quantity, are considered one of the objectives of the marketing program and can be estimated in light of the circumstances and possibilities of the current situation of the hotel organisation. By directing promotional activities and the development of programs and policies to implement and achieve this goal, sales can be increased. Sales and growth are the dominant success measures, followed by market share and profitability contribution, and the preferences of guests.

Market share

All organisations seek to expand their share of the target market and identify the reasons for fluctuating sales to determine whether these factors relate to the organisation itself or external factors. The hotel organisation examines the impact of its market share on the profits realised to ensure the optimum use of its available resources. The product considers the market share as an indicator of the quality, prevalence, acceptability and continuity of the business relationship. All organisations seek to maintain their market share as it is one of the most important indicators of the success of marketing and production activities. The following are the most important indicators of market share:

- Total market share is expressed as a percentage of the organisation's sales to total market sales.
- Market share is measured by comparing the sales of the organisation to the sales of the top three organisations in the same service industry sector.
- Organisations compare their market share with sales relative to the sales of market leaders in the same industry. The higher the market share of the

organisation, the likely it is to become a leader in the market (India, 2005: 65; Kotler & Keller, 2006: 697; Stey, 2015: 6; Wheelent & Hunger 2000: 201).

Profitability

The main objective of most organisations is to achieve high rates of profit, because organisations without profits cannot continue to work and cannot compete with other organisations in the business environment, so achieving profits by meeting the needs and desires of customers reflects this goal. The basis of marketing activity, and the achievement of profits, have an effective impact in terms of improving the marketing performance of the hotel organisation, as it can grow and remain strong in the face of competitive conditions (Abu Ghneim, 2007: 127; Matar, 2002: 65).

Customer Satisfaction

The measurement of marketing performance is very important because customer satisfaction provides the organisation with justification for survival and growth, and because not being able to achieve that satisfaction may mean the organisation is unable to continue to compete. In light of the current challenges of technology development and the proliferation and expansion of multinational organisations as a tool of globalisation, which has led to changes in the tastes and needs and desires of customers, it is imperative that organisations take customer satisfaction into account, because it strengthens loyalty and leads to repeat business.

There are three levels of customer satisfaction:

- If the performance is greater than the expectations of the customer, the customer will feel happy.
- If the performance is equal to the customer's expectations, the customer will be satisfied.
- If the performance is lower than the customer's expectations, the customer will feel dissatisfied, which will lead to them shifting to competitors (Al-Awadi, 2010: 130; Kotler & Keller, 2009: 136).

The Practical Aspects

Analysis of the Level of Search Variables

Table 2 shows the level of the responses of the research sample of the Kristal Ishtar Hotel and the Babylon and Warwick Hotel using the arithmetic mean, standard deviation and relative importance.



Analysis of the variable marketing innovation

Table 2 shows the marketing innovation variable and its components for the two hotels. The total calculation ratio of the Ishtar Hotel's marketing innovation variable was 3.42, which is greater than the average mean of 3 with a standard deviation of 0.553 and a relative importance of 68.4 per cent (3.7%). This indicates that the level of significance of this variable for the sample of the Babylon Hotel is higher than that of the Ishtar Hotel. The computational circles and the relative importance of sub-variables (service innovation, innovation in price, innovation in promotion, innovation in distribution, innovation in physical evidence, innovation in process and innovation in service providers) when compared between the sample of the two respondents. were higher for the Babylon Hotel than for the Ishtar Hotel.

Table 2: The arithmetic mean, the standard deviation and the relative importance of the sample examined for both hotels

| To | Variables | Babylon Warwick Hotel | | | Hotel Cristal Grand Ishtar | | |
|----|---------------------------------|-------------------------|--------------------|-----------------|----------------------------|--------------------|-----------------|
| | | Relative importance (%) | Standard deviation | Arithmetic mean | Relative importance% | Standard deviation | Arithmetic mean |
| 1 | Marketing Innovation | | | | | | |
| A | Innovation in service | 83 | 0.421 | 4.15 | 72 | 0.495 | 3.60 |
| B | Innovation in price | 71 | 0.518 | 3.55 | 65 | 0.583 | 3.25 |
| C | Innovation in promotion | 77 | 0.472 | 3.82 | 69 | 0.564 | 3.45 |
| D | Innovation in distribution | 66.4 | 0.568 | 3.32 | 65.6 | 0.576 | 3.28 |
| E | Innovation in physical evidence | 75.2 | 0.482 | 3.76 | 69.6 | 0.560 | 3.48 |
| F | Innovation in the process | 68.8 | 0.558 | 3.44 | 67.2 | 0.572 | 3.36 |
| G | Innovation in service providers | 72.8 | 0.488 | 3.64 | 70.4 | 0.521 | 3.52 |
| | Marketing innovation overall | 73.4 | 0.434 | 3.67 | 68.4 | 0.553 | 3.42 |
| 2 | Marketing performance | | | | | | |
| A | Sales volume | 77.2 | 0.474 | 3.86 | 70.4 | 0.521 | 3.52 |
| B | market share | 74.4 | 0.472 | 3.72 | 62.8 | 0.632 | 3.14 |
| C | Profitability | 73.6 | 0.512 | 3.68 | 65 | 0.587 | 3.25 |
| D | Customer satisfaction | 76.8 | 0.463 | 3.84 | 73 | 0.498 | 3.45 |
| | Marketing performance overall | 75.5 | 0.481 | 3.78 | 67.8 | 0.557 | 3.39 |

Analysis of the variable marketing performance

Table 2 shows the variable of the marketing performance and the sub-dimensions of the sample for both hotels. The total calculation ratio for the Ishtar Hotel’s marketing performance is 3.39, which is greater than the mean of 3, with a standard deviation of 0.557 and relative importance of 67.8 per cent (75%). This indicates that the significance of this variable for the sample of the Babylon Hotel is higher than that of the Ishtar hotel. This is confirmed by the overall mean of the Babylon Hotel (3.78), which is larger than the mean, with a standard deviation of 0.481 and a relative importance of 75.5 per cent. The computational arithmetic and the relative importance of sub-variables (sales, market share, profitability and customer satisfaction) when compared between samples of respondents, showed that the level of importance was higher for the Babylon Hotel than for the Ishtar Hotel.

Testing the Effect Between Search Variables

Table (3) indicates the effect of the variable of marketing innovation and its elements in the marketing performance variable of the Crystal Grand Ishtar Hotel.

Table 3: Results of the effect of the variable of marketing innovation on the marketing performance of the Crystal Grand Ishtar Hotel

| Dependent variable: Marketing performance | | | | | |
|--|---------------------------------|-------|----------------|-------|-------|
| | | F | R ² | B | P |
| Independent variable | | | | | |
| A | Innovation in service | 18.89 | 0.512 | 0.715 | 0.000 |
| B | Innovation in price | 20.62 | 0.534 | 0.742 | 0.000 |
| C | Innovation in promotion | 19.62 | 0.522 | 0.732 | 0.003 |
| D | Innovation in distribution | 15.02 | 0.455 | 0.654 | 0.005 |
| E | Innovation in physical evidence | 16.64 | 0.487 | 0.682 | 0.004 |
| W | Innovation in the process | 12.60 | 0.412 | 0.573 | 0.010 |
| G | Innovation in service providers | 16.27 | 0.475 | 0.677 | 0.004 |
| Total marketing innovation | | 25.09 | 0.582 | 0.762 | 0.000 |

The value of the innovation in service has a significant effect on the marketing performance variable. The calculated value of F (18.89) is greater than the periodic F at a significant level (0.01) with degrees of freedom 1.18. The value of R² was 0.512, indicating that 51.2 per cent of the dependent variable, marketing performance, was explained by innovation in service and the remaining amount, 48.8 per cent, is due to other factors that represent random error not included in the regression model. The model also reached the value of the regression

coefficient (0.715), which indicates that the change of single unit in the value of innovation in service will result in a change in the value of marketing performance by 0.715. In the same context, the results of Table 3 show that there is a significant effect on the other elements of marketing innovation (innovation in price, innovation in promotion, innovation in distribution, innovation in physical evidence, innovation in process and innovation in service providers) (2, 3, 4, 5, 6, 7). The results of Table 3 also indicate the achievement of the main hypothesis, which states that there is a statistically significant effect relationship of marketing innovation in performance improvement.

Testing the relationship of influence of the variable of marketing innovation in the marketing performance of the Grand Ishtar and the Babylon Warwick Hotels.

Table 4 indicates the effect of the variable of marketing innovation and its components in the marketing performance variable for the Babylon and Ishtar Hotels.

Table 4: Results of the effect of the variable of marketing innovation in the marketing performance of the Cristal Grand Ishtar and the Babylon Warwick

| Dependent variable: Marketing performance | | | | | |
|--|---------------------------------|----------|----------------------|----------|----------|
| | | F | R² | B | P |
| Independent variable | | | | | |
| A | Innovation in service | 31.73 | 0.625 | 0.872 | 0.00 |
| B | Innovation in price | 37.51 | 0.664 | 0.753 | 0.00 |
| C | Innovation in promotion | 35.42 | 0.655 | 0.821 | 0.000 |
| D | Innovation in distribution | 25.42 | 0.572 | 0.663 | 0.002 |
| E | Innovation in physical evidence | 23.57 | 0.554 | 0.712 | 0.003 |
| W | Innovation in the process | 26.83 | 0.585 | 0.665 | 0.001 |
| G | Innovation in service providers | 34.49 | 0.645 | 0.842 | 0.001 |
| Total marketing innovation | | 41.27 | 0.685 | 0.891 | 0.00 |

The value of the innovation in service has a significant effect on the marketing performance variable. The calculated value of F (31.73), which is greater than the periodic F, is at a significant level (0.01) with the degrees of freedom (1.19) indicating the realisation of Hypothesis 1. A total of 62.5 per cent of the dependent variable (marketing performance) was explained by innovation in service and the remaining 37.5 per cent was due to other factors that represented the random error, which did not fall within the regression model. The regression coefficient (B) (0.872) indicated that the change of one unit in the value of innovation in service would result in a change in the value of marketing performance T (0.872).

In the same context, the results of Table 4 show a significant effect on the other elements of marketing innovation (innovation in price, innovation in promotion, innovation in distribution, innovation in physical evidence, innovation in process and innovation in service providers) In the marketing performance variable and thus achieve the sub-assumptions (2, 3, 4, 5, 6, 7).

The results of Table 4 also support the first main hypothesis, which states that there is a significant statistical significance relationship between marketing innovation and improved marketing performance.

Testing the hypothesis of differences between the research sample

The Kruskal-Wallis test was used to measure the differences between the two search types of the Ishtar and Babylon Hotels in the search variables.

Testing the hypothesis of differences between the research samples in the innovation variable

Table 5 shows the differences in the variables of marketing innovation and its components.

Table 5: Differences in the variables of marketing innovation and its components

| Variables | Hotel name | Arithmetic mean | Level of significance P | Lab values |
|---------------------------------|------------|-----------------|----------------------------|------------|
| Innovation in service | Ishtar | 3.60 | 0.00 | 19.63 |
| | Babylon | 4.15 | | |
| Innovation in price | Ishtar | 3.25 | 0.00 | 16.25 |
| | Babylon | 3.55 | | |
| Innovation in promotion | Ishtar | 3.45 | 0.00 | 17.44 |
| | Babylon | 3.82 | | |
| Innovation in distribution | Ishtar | 3.28 | 0.07 | 3.65 |
| | Babylon | 3.32 | | |
| Innovation in physical evidence | Ishtar | 3.48 | 0.003 | 14.53 |
| | Babylon | 3.76 | | |
| Innovation in the process | Ishtar | 3.36 | 0.03 | 7.16 |
| | Babylon | 3.44 | | |
| Innovation in service providers | Ishtar | 3.52 | 0.002 | 11.32 |
| | Babylon | 3.64 | | |
| Marketing innovation | Ishtar | 3.42 | 0.00 | 22.12 |
| | Babylon | 3.67 | | |

There are significant differences between the two samples in the components of the marketing innovation variable, which is at a level of significance less than the level of 0.01 represented by elements of innovation in service, innovation in price, innovation in promotion, innovation in distribution, innovation in physical evidence, innovation in process and innovation in service providers, and at a level of significance less than the moral level of 0.05 for innovation in the process, while there are no significant differences between the two research samples regarding innovation in distribution. The significance of this variable is greater than 0.05. This indicates the acceptance of sub-hypothesis 1, which states that there are significant differences between the research samples of both hotels in the elements of marketing innovation, except for the variable of innovation in distribution. On the overall level of marketing innovation, there are differences. The mean level of significance of this variable is less than the moral level of 0.01, indicating the acceptance of the second main hypothesis, which states that there are significant differences between the two research samples for both hotels in the total innovation variable.

Testing of the hypothesis of differences between the researches samples in the variable marketing performance:

Table 6 shows the differences in the variable marketing performance and its distance to the existence of significant differences between the two samples of both hotels in all dimensions of the variable marketing performance, which is at a level of significance less than the level of morale of 0.01; this supports sub-hypothesis 2, which states that there are significant differences between the two research samples of both hotels in the dimensions of marketing performance.

Table 6: Values of the Kruskal-Wallis coefficient for the moral differences of the variable marketing performance and its dimensions

| Variables | Hotel name | Arithmetic mean | Lab values | Level of significance |
|-----------------------|------------|-----------------|------------|-----------------------|
| | | | | P |
| Sales volume | Ishtar | 3.52 | 13.83 | 0.004 |
| | Babylon | 3.86 | | |
| Market share | Ishtar | 3.14 | 17.33 | 0.000 |
| | Babylon | 3.72 | | |
| Profitability | Ishtar | 3.25 | 16.17 | 0.001 |
| | Babylon | 3.68 | | |
| Customer satisfaction | Ishtar | 3.45 | 15.62 | 0.002 |
| | Babylon | 3.84 | | |
| Marketing performance | Ishtar | 3.39 | 19.54 | 0.000 |
| | Babylon | 3.78 | | |

On the overall level of marketing performance, there were also significant differences between the research sample for both hotels. The level of significance of this variable is less than the moral level of 0.01, supporting the second main hypothesis, which states that there are significant differences between the two research samples for both hotels in the overall marketing performance variable.

Conclusions and Recommendations

Conclusions

- 1 The management of the Babylon Hotel is concerned with the variable of marketing innovation and all its elements in a way that exceeds the management of the Ishtar Hotel, which significantly reflects the marketing performance of the two hotels.
- 2 The management of the Ishtar Hotel pays less attention to the variable of innovation in price than the rest of the marketing innovation elements.
- 3 The management of the Babylon Hotel takes care of the variable of innovation in distribution less than it does the rest of the elements of marketing innovation.
- 4 There is a significant effect of the variable of marketing innovation and all its components in the marketing performance variable of the two hotels.
- 5 There are significant differences between the two hotels in relation to the research variables (marketing innovation and marketing performance) overall.

Recommendations

- 1 The management of the Ishtar Hotel needs to be more concerned with the variable of marketing innovation and its elements if it wants to improve its marketing performance and be competitive.
- 2 The management of the Ishtar Hotel should create a balance between the value of the guest and the profit margin obtained.
- 3 The management of the Babylon Hotel should adopt new and innovative ways of distributing its services in order to achieve its speed of flow and reach the guests concerned to ensure their satisfaction.
- 4 There is a need to adapt the marketing innovation aspects of management style of business organisations in general, including the two hotels studied, in order want to improve their marketing performance and remain competitive.



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