

ISSN : 2348 - 4101



International Journal of
**Socio - Economic
and
Environmental Outlook**

Journal of the EPRA Trust

Vol-1

February

2014-15



MARKET ORIENTATION PRACTICES OF HOTELS IN UAE

Dr. Shohab Sikandar Desai*

**Assistant Professor, American University in the Emirates Academic City, Dubai, United Arab Emirates.*

ABSTRACT

This study presents some dimensions of the market orientation of firms in the hotel industry that have been classified according to their competitive positions. Kotler (1996; 2000) has classified firms into four competitive positions as: Market Leader, Market Challenger, Market Follower, and Market Nicher. According to academic literature, there are three components of market orientation (1) Customer Orientation (2) Competitor Orientation (3) Inter-functional coordination. 'Customer orientation' refers to a company-wide commitment to continuous information gathering relating to customer's needs to deliver superior value to customers. 'Competitor orientation' involves constant monitoring of competitors' actions and capabilities in order to develop strategies that will match or counter the strategies used by competitors. 'Inter-department or inter-functional coordination' refers to the nature of relationships among different functional units, market agents and authorities. The objectives of this study are twofold: to examine the market orientation of firms in the hotel industry and to determine whether market orientation of firms varies with a competitive position of firms. Hotels based in the Emirates of Dubai, Sharjah and Ajman have been selected for study. Primary data have been collected from a sample of 150 UAE-based hotels on the competitive position/market orientation linkage. Major findings of the study are: The sample companies revealed significant differences in their level of market orientation. The market leaders showed stronger market orientation compared to both the challengers and followers.

KEYWORDS: Marketing Practices, Competitive Position, Market Orientation, Customer Orientation