The impact of the Web on hotellerie in Capri

Contents:

I- Introduction

Internet, is now considered the standard tool to access information all over the world.

Any person who has a computer connected to the web, has a wide range of click away information, resources and services. This means that geographical and linguistic are less important barriers against global communication and for the global market.

No matter where you are, you can communicate with everyone as long as your contact has an Internet access.

Nowadays this global system of interconnected computers, is the greatest network in the world and it is easily used by immense mass of people.

Information technology (IT) is "the study, development, implementation, and management of computer-based information systems." (Baggio R, Antinioli Corigliano, M & Tallinucci(2007).The websites of a tourism destination. A network analysis).

Tourism is intrinsically international , and Internet is a major tool of its routes and management

This work addresses the way in which IT gradually impacts on hospitality and tourism sector.

"IT has profound implications for tourism and e-tourism reflects the digitization of all processes and value chains in the tourism, travel, hospitality and catering industries" (Buhalis, D. (2000). Tourism and Information technologies: Past, Present and Future, Tourism Recreation Research, 25(1), 41-58).

"E-tourism" determines the competitiveness of organizations by taking advantages of intranets for reorganizing internal processes, extranets for developing transactions with trusted partners and Internet for interacting with all stakeholders"(Buhalis, D. (2000). Tourism and Information technologies: Past, Present and Future, Tourism Recreation Research, 25(1), 41-58)

In this way, Information Communication Technologies (ICTs) are transforming tourism, globally generating "a new paradigm-shift, altering the industry structure and developing a whole range of opportunities and threats" (Buhalis , Tourism recreation Research Vol 30 (3), 2005).

E-tourism increases the need for businesses and IT management to work as "a creative, synergistic, and collaborative team instead of a purely mechanistic span of control."(Buhalis D, Marketing the competitive destination of the future-Tourism Management, 21(1):97-116, 2001).

Since the challenge for the value creation is increasing together, with the growing competitiveness between organizations it, is important to consider the value chain in a technological development project.

The concept of value creation through technology is heavily dependent on the alignment of technology and business strategies .

Under this perspective, technology "revolutionizes business processes", improving the overall value chain of a tourism organization, as well as strategic relationships with stakeholders.

The value creation for an organization is a network of relationships between internal and external environments whereas, for a tourism organization, is a network between tourism managers and their relationship with their customer services.

Therefore, tourism managers need to be updated for recent developments in IT, as web services becomes more sophisticated, helping industrial practitioners and policy makers in selecting, analyzing, implementing, and operating new IT systems

To this purpose a detailed analysis will look toward Information Management Systems.

With the rapid development of new and high information technologies, such as distributed artificial intelligence, data ware, data mining, and computer supported cooperating work, cooperative information systems appear to play a major role in various aspects in man's work and management. Establishing a cooperative information system on the Internet can unify different organizations, personnel, cultures and machines on a virtual platform; —Therefore, it plays an important role for modern tourism organizations to manage their information and knowledge.

However, constructing a cooperative information system on large network is a very sophisticated and difficult work .

First, a such kind system, involving hundreds, perhaps thousands of parts interacting with each other ,is so complex that the work to implement and manage it is very hard.

Second, the cooperative information system includes various kinds of information sources that often vary constantly over time in a dynamically changing environment. Such a system must dynamically and effectively process a great deal of complicated, incomplete, and inaccurate raw data from different sources in order to generate reliable information that effectively guide strategies and operative decisions.

Thus there is a pressing need for new models and techniques to support the developing and managing processes of such complex information systems.

The emphasis has been given to some hotels in Capri and to their efforts to reach consumers

So, the present work evidences how some techniques(Data Mining and Data Warehouse) can help organizing the activities of major luxury hotels in Capri, and be translated in competitive advantages.

The focus was given to six hotels: Villa Marina, Quisisana,, Punta Tragara, Scalinatella ,Casa Morgano, JK Place that are all the five or five stars Luxury-hotels in the island of Capri.

The range of views that were adopted in each hotel in order to attract customers, responds to different historical and traditional criteria that each structure jealously possesses.

In conclusion, the optimization of IT and its tailoring to a specific hotel structure and management, which takes into consideration the hotel specific features, should increase the hotel effectiveness (value for the customer) and efficiency (less costs for the suppliers).

Before the results are reported and discussed, the work is set more fully in the framework of available data, and the methodology applied is described in details.

II-Theoretical framework

In establishing a context for the research project, several theoretical areas within the literature need to be understood.

The literature was used to establish whether businesses have effectively integrated technological developments and how they did it, within tourism organizations .

"The emergence of ICTs have profound implications for tourism and e-tourism reflects the digitization of all processes and value chains in the tourism, traveler, hospitality and catering industries." (Buhalis, D. (2000)Tourism and Information technologies: Past, Present and Future, Tourism Recreation Research, 25(1), 41-58

The findings have been grouped into three categories to better understand recent IT applications in tourism from consumers' perspectives on a hand, technological development and suppliers on the other hand, which Buhalis and Law (2008) represent the "industries' stakeholders".

"There is a general consensus within the literature that consumer demand for the latest technological developments is undeniably growing at a rapid rate" (Gretzel and Yoo, 2008).

According to O'Connor (2008), "ICT is increasingly part of the decision making process for travelers. Moreover, ICTs will have a similar effect on transforming business that the diffusion of the World Wide Web had in the 1990s."

"Moreover, as travel is an intangible service that cannot be easily described, travelers often rely on word of mouth to decrease their uncertainty and perceived risk" (Gretzel and Yoo, 2008).

As a result, "current online technological developments have the strong potential to continue changing the tourism landscape and tourism business

will need to keep up with these trends to remain competitive" (Scheidegger, 2006).

And, for this purpose "ICTs should place users in the middle of their functionality and product delivery. Every tourist is different, carrying a unique blend of experiences, motivations and desires."(Buhalis, D. (2000). Tourism and Information technologies: Past, Present and Future, Tourism Recreation Research, 25(1), 41-58).

The population in general is travelling more frequently, becoming more linguistically and technologically skilled and can function in multicultural and demanding environment overseas.

"Experienced, sophisticated, demanding travelers require interaction with suppliers to satisfy their specific needs and wishes" (Buhalis, D. (2000). Tourism and Information technologies: Past, Present and Future, TourismRecreation Research, 25(1), 41-58

 The Internet empowers such "new" tourists with more knowledge, and encourages them to seek exceptional value for money and time (Enz and Withiam 2001).

"An implication of these online trends means that consumers are having more control over their travel decision making process"(Cox et al. 2007).

Hence, marketers have less control over what messages reach their audience.

"This loss of control does not necessarily have negative ramifications as user-generated web sites can build brand loyalty and it can be a way of forming a relationship with the traveler "(Cox et al. 2007).

"Tourism is an information-intensive service that suits digital delivery as it is typically targeted at customers that are not local"(O'Connor, Höpken and Gretzel (2008)

ICTs contents are currently the biggest online developments reshaping traditional tools of tourism businesses (Reactive, 2007).

"The traditional method of world of mouth is radically changing"(Buhalis, D. (2000). Tourism and Information technologies: Past, Present and Future, Tourism Recreation Research, 25(1), 41-58).

Starting on a general overview of these dynamics , the focus will be oriented on a more specific scenario: Italy .

 Under a national approach, thus, Internet has the ability to influence the consumer on his destination decision, rather than influencing his pattern once that his choice has been already taken(Istat 2007).

Searching for air fares and planning a trip itinerary were the most common activities amongst visitors to Italy.(Istat 2008)

Furthermore, travel and accommodation were the most popular products purchased on the Web in Italy.(Istat 2008)

New technologies have a deep impact on tourism sector and ask for a continuous effort for their adaptation.

Recent studies show that tourism organizations have failed to match consumer demand as businesses have not completely embraced online trends (Formica and Kohler,2008).

There appears to be a general consensus that the uptake of technological developments in the tourism industry is lagging and does not meet the level required to operate competitively in an increasingly ICT-driven industry (Bruan, 2004).

Although most Italian tourism organizations have websites, these websites have varying levels of interaction that are often unsuccessful at taking advantage of the latest online developments (Bruan, 2004).

Rashid's adoption framework is critical to this project as it proposes that there are four influences in the adoption of technology.

These include organizational, technological, individual and environmental aspects (Cited in Allan, Annear, Beck and Beveren, 2003):

Organizational factors such as size of the firm and management support were found to have an impact on uptake of new technologies.

Technological factors include the advantages, cost and compatibility of the innovation (Allan, Annear, Beck and Beveren, 2003).

Environmental factors consist of public policy and the pressure from competitors.

Lastly, individual factors are the business's knowledge of technology and their own innovativeness.

Starting from Rashid's adoption framework the belifs and views of different researchers have been reported:

In a study on ICTs uptake, Schegg, Liebrich, Scaglinone and Ahmad (2008) found that the presence of online technologies was low, and was restricted to innovative newcomers.

Traditional tourism businesses which comprise the bulk of the industry were slow to use the always new applications.

In particular, small and medium tourism enterprises (SMTEs) have been cited in the adoption literature as slow adopters of online trends in comparison to large organization who tend to adopt technological innovations quickest (Evans, Bohrer, and Richards, 2000; Bruan, 2004; Nodders, Mason, Ateljevic and Milne, 2003; & Mistilis and D'ambra, 2006).

Analysis of how SMTEs have coped with consumer demand for changing technologies is important as the overwhelming majority of tourism enterprises are small or medium in size (Buhalis, 2003).

According to Evans, Bohrer and Richards (2000), the challenges for larger organizations when employing new technologies consist of internal politics, organizational hierarchies and standardization of procedures.

On the other hand common barriers to technological adoption amongst small and medium firms include minimal understanding of the benefits and value of technology, an absence of strategic direction for ICTs and a lack of training and capital (Nodder, Mason, Ateljevic, and Milne, 2003). Additionally, SMTEs are especially sensitive to maintenance costs for ICTs (Evans, Bohrer and Richards 2000).

Bruan (2004) also argues that SMTEs are commonly resource and time poor. Their size acts as a primary barrier to effective ICTs usage and all of these factors make it particularly difficult for SMTEs to keep up with rapidly changing technologies.

Moreover, "varying levels of adoption not only exists for the size of the firm but also extends to the tradition of a destination" (Evans, Bohrer, and Richards, 2000).

Furthermore, destination organizations have been found to be slow adopters of technological trends (Cox et al. 2007).

 Evaluating new technologies' impact on tour operators and travel agents, it will be enhanced the reasons bringing them to perceive these changes as a threat (OECD, 2008).

Actually, there are also known cases of travel agencies that have benefits of these innovative instruments.

Gilbert (1990) discussed variations within Europe in the use of traditional travel agencies versus direct purchases and outlines factors such as

convenience, time, and the external environment that influence how journeys are purchased.

"Some factors may have a greater impact on others and there is no designated sequence or level of importance for these influences on technological uptake "(Allan, Annear, Beck and Beveren, 2003).

In conclusion, the literature seems to suggest that ICTs adoption amongst tourism businesses have been uneven and

There is general consensus within the literature that it is crucial to the future of tourism businesses.

However, there appears to be a host of barriers to uptake recent technologies including limited resources and technical competence for SMTEs.

Capri is the focus of this study:

It concentrates in itself the most important features of Italian Touristic Market: beautiful nature, ancient history and hearth

The island has a so ancient origin that it becomes an hard challenge to change an historical tradition: as already Charles Dickens wrote "in no island of the world there are chances of relaxing and enchanting as in Capri".

Capri will act as a test for the issues we analyzed in the theoretical framework.

In fact it is an exclusive touristic destination ,attracting people all over the world.

It is a good example of the structure of the Italian Touristic markets, given that it is mostly made of small and medium sized hotels.

Moreover it has the typical Italian traditional family owned structures ,with a management reluctance toward new technological innovations.

And last but not least, is important to remind that on the island two new structures were built , with an innovative technological approach, completely different from the already existing.

One of those is the object of our case study: Villa Marina.

III-Methodology

As this is an exploratory research, a qualitative approach was adopted to investigate all aspects of the subject and to develop a set of critical variables. An additional research was used, then, to revise the theoretical framework and also to identify critical areas deserving further investigation. Primary research included both qualitative and quantitative methods;

As this is one of the most dynamic areas of both tourism and e-Commerce, the primary approach was based only on expert opinions. This action research led to the identification of a possible trends and provided the initial research field with up-to-today and fairly unbiased evidence.

All research activity was undertaken in Capri, one of the most exclusive island of the world.

The investigation was conducted using the following research tools: an unstructured interview-discussion and a questionnaire made to them.

Hence, the face-to-face discussion with a small number of experts helped to obtain more in-depth information and clarify points of debate. These experts included the actual tip managers of the major the 5 stars hotels in Capri.

This <u>unstructured</u> discussion enabled to gain reliable and qualified information and identify critical issues and variables on the core structure of the work.

This approach allowed to record their beliefs on the impact of the Web on their organizational processes, with a detailed view on benefits and limits that it brought on their structure in order "to built a perfect match between the needs of travelers and hospitality structures"(WTO 1995, Global Distribution Systems in the tourism industry, Madrid World Tourism Organization).

The top managers that took part into this survey as experts ontheir field represent the most renowned leisure hotels of the island:

- the hotel Quisisana, the traditional 5L stars hotel which is the best example of an established (more than a century old) top level worldwide recognized hotel.
- the 'Punta Tragara', small but very excusive one,
- the 'Scalinatella' and the 'Casa Morgano', two structures with the same familiar ownership and management, but with a different basic concept,
- the 'JK Place', a smaller and recently restyled boutique hotel
- the 'Villa Marina', the newcomer player in the field, opened only three years ago

Following the analysis of the unstructured interviews, a further round of quantitative research was undertaken, in order to further investigate findings of the previous survey.

Therefore it has been drafted a questionnaire, containing 14 questions, selected indicating the level of importance they gave to different attributes, evaluating the importance of the emerging Internet platforms ,its advantages and its limits.

The questionnaire is a re-adaptation of the model proposed by Buhalis (Buhalis, D. 1998. Strategic Use of Information technologies in the tourism Industry, Tourism management 19(5), 409-421).

The model has been foreseen to sample a well-proportioned cross-section of business types: systems suppliers, on line travel agents, product suppliers and GDSs/Leisure Travel Networks working in UK ,asking them to express their level of agreements to particular statements.

Hence, given the exploratory nature of the research, the limited number of interviews was considered a sufficient sample to provide a reliable for

interpreting the impact of the Web on each hotel, and how it would involved the need to re-organize their businesses.

The key results and discussion of findings from the questionnaire are analyzed in this section.

The discussion of the results is based on the objectives of the project.

In an additional research a detailed analysis of Villa Marina specific hotel was carried out.

The 'Villa Marina hotel case study, showed the way in which an hotel recently born use ICTs for building awareness and promotion through search engine optimization strategy.

To this aim all the records of the hotel were obtained and reserved in order to make a data analysis of the different tools that enable the hotel organization to have a global presence in an efficient and cost effective manner to build its "virtual size".

The findings of Villa Marina hotel were compared then, with the data collected from the other hotels in order to evaluate how the e-tourism revolutionize business processes, the entire value chain as well as strategic relationships with stakeholders.

Given that hotels in Capri are all seasonal, many data are presented in a three years perspective and in a season or month comparative pattern.

Chapter 1- The evolution of IT applications in hospitality and tourism industries

1.1 Two perspectives in comparisons

The intense competition in today's business environment means that tourism and hospitality businesses have to work hard to maintain and develop their competitiveness. The success of a business, to certain extent, depends on its ability to acquire and utilize updated information to assist its management and processes.

Hence, Information and Communication Technology assists organization to manage information dynamically and influences business competitiveness through assisting decision makers to make appropriate investments and decisions.

ICTs, thus, help to meet the demands for timely and accurate information by customers and the IT diffusion in the tourism and hospitality industries has recently increased at an unprecedented rate (Connolly & Lee, 2006; Singh & Kasavana, 2005).

This is evident by the ubiquitous presence of ICT systems that work cooperatively assisting managers to deliver quality services to their customers and to enhance operational efficiency and control costs.

Researchers have stated that ICTs, by acting as protectors and enhancers, directly influence the experiences and behavior of tourists (Kim & Ham, 2007; Singh, Kim, & Huh, 2006; Winata & Mia, 2005).

More strategically ICTs are gradually reshaping the fundamental structure of industry and society (Buhalis 2003), bringing toward an higher awareness

of customers' preferences, segmenting them on the base of similar variables and then building specific policies and strategies for each of them (Chathoth, 2007; Ham, Kim & Jeong, 2005).

Law and Jogaratnam (2005) further suggested that ICTs can transform the nature of hospitality products, processes, businesses, and competition, and that tourism and hospitality organizations that have failed to master the right IT systems would find difficulty in directing and managing their information-intensive businessess.

Hospitality and tourism are social phenomena, and industries associated with them are largely application oriented.

Researchers in this field have conducted, and will continue to make studies that generate innovative knowledge. As investment in ICTs and its adoption are now an indispensable components of tourism and hospitality business, serving as a tool for both enabling and inducing change.

As such, ICTs have recently drawn the attention of tourism and hospitality researchers worldwide.

"ICTs support consumer centricity, with consumers being able to use technology for selecting and customizing their products as well as to personalize their experience"(Niininen, Buhalis and March (2007)

It is advantageous for hospitality managers and for hotel managers, in particular, to be aware of the recent changes in IT and their relationship with customer service.

As ICTs' development becomes more sophisticated, hotel managers may find difficulty in selecting, analyzing, implementing, and operating new IT systems.

Business processes are designed to adapt themselves to policies' changes. Hence even if the scenario change, business process should be able to govern the operations of a specific system without the need to structure again all its steps.

The findings have been grouped into three categories to better understand recent ICTS' applications in tourism from consumers' perspectives on a hand, technological development and suppliers on the other hand, which Buhalis and Law (2008) represent the "industries' stakeholders." (Buhalis, D. (1998). Strategic Use of Information Technologies in the Tourism Industry, TourismManagement, 19(5), 409-421)

1.1.1 The Consumer perspective

Tourism organizations should collect customers information at each stage of service- before during and after a visit – in order to better understand consumer behavior choices, concerns and determinants.

Personalized services driven by advanced Customer Relationship Management systems should record customer preferences and requirements, for present and future usage.(Lehto, Kim, & Morrison,2006).

So systems need to be location, context and mood aware in order to provide sensible advice.

Proactive services may be offered based on the anticipated needs obtained from known/declared or previously experienced customer profiles.

Reactive services should be designed to meet the needs of customers following incidents or external environment factors.

To achieve customer centricity, organizations needs to integrate their systems and develop mechanisms for both recording customer reaction to stimulus and also to develop tools to allow consumers to customize their desired products to personal preferences.

Customer satisfaction depends highly on the accuracy and comprehensiveness of tourism information and the ability of organizations to provide tools for customization.

In this perspective, ICT enhances learning experiences and reduces training costs with the support of always new tools as CAI(computer assisted instruction) that helps especially to deliver training programs to employees. Moreover, Internet based technologies can also facilitate information changes between all types of employees. And this is particularly the case of

small and medium sized tourism enterprises that may not have the resources to undertake formal training.

In this perspective, industrial policy makers should also look at customer comments on blog and discussion forums in order to learn from each other's experience (Peters & Buhalis,2005).

Finally policies on customers' privacy protection in relation to ICTs' usage should be stated clearly.

Hence ICTs play an important role in each of the stages of the buyers' decision-making process: before any purchase is finalized.

These five features are clustered into: need recognition, information search, evaluation of alternatives, purchase decision, and post-purchase behavior, and will be explained, in detail, in the course of the chapter.

1.1.2Consumer Need Recognition

Every tourist is different, carrying a unique blend of experiences, motivation, desires.(Buhalis, D. and Laws, E. (2001). Tourism Distribution Channels, Continuum, London.)

ICTs should place users in the middle of its functionally and product delivery."Tourism organizations need to develop technology-supported personalized services to address individual needs." (Buhalis, D. (1998). Strategic Use of Information Technologies in the Tourism Industry, TourismManagement, 19(5), 409-421)

For these purpose, organizations should understand, at first, consumers' behavior and especially consumers' information search behavior.

And then develop, optimize search engine, and customize their websites to meet their needs.

Hence Internet has become one of the most important sources of consumer information (Zins, 2007), especially for young and better educated consumers (Beritelli, Bieger, & Laesser, 2007; Casanova, Kim &Morrison, 2005; Seabra, Abrantes, & Lages,2007).

However mature and senior travelers still prefer printed brochures as their major information source (Lin, 2005), and many travelers use the Internet in conjunction with offline information to plan a trip (Lee, Soutar, & Daly, 2007

1.1.3 Information Search

Research is an important function and planning in the hospitality and tourism industry. Morrison defines a research as "the function which links the consumer, customer, and public to the marketer through information." In essence, research is about "collecting information about a business, opportunities and making sense of the information gathered for the purpose of making intelligent business decisions"(Morrison 2007).

Most of the tourists use the web just to find information and to choose an ideal journey, but many of them prefer to book online when they have already been to a destination and they feel familiar with the place.

A recent survey conducted in the last July 2010 by Expedia, one of the most important web-based travel agencies, has showed that the 70% of Italians consult Internet before their trip.

Therefore, the 62% of these users focus their online research in the evaluation of all the information, and details about a specific destination.

On the other hand, the 58% of Italian tourists oriented their searches on the Web on special offers about accommodation and specific of it.

In detail, the survey has showed that the third feature they are interested in, is pricing details. In fact just a slower percentage of them focus their research on these features .(52%).
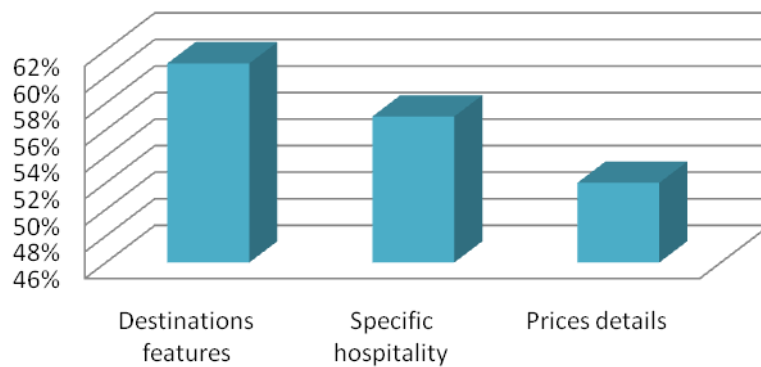
Table 1 Priorities in user's information search

Source: Expedia

Hence, all the tourism organizational perspectives have been changed:

Many travelers still treasure their established relationships with travel agents (Cheyne, Downes, & Legg, 2006); especially for customers that are interested to leisure hotels, and that are very demanding, travel agents and reservation agents are likely to be the best choice (Law, Chan, & Goh, 2007).They are not interested in the cheapest offer, as the "Best Available Rate", but they want the best. Hence they relate their preferences to an intermediary as insurance once they would reach the chosen destination.

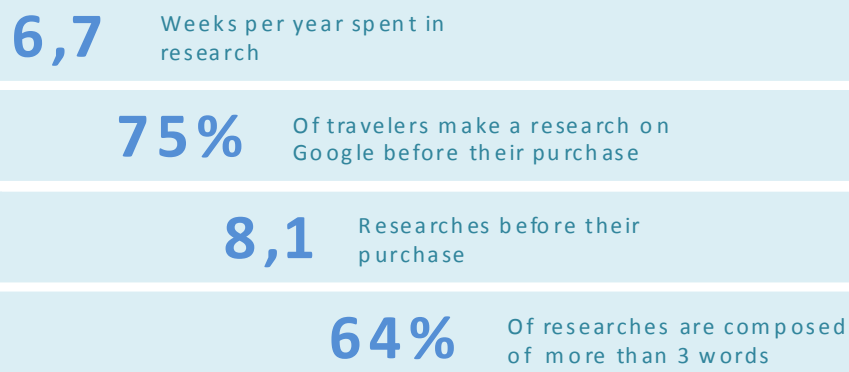In the Internet era, search engines play an important role in information searching (Ho & Liu, 2005).

Google search engine, in particular, is perceived as the most important tool to satisfy their needs(Law & Huang,2006).

In Italy more than 40% of website traffic is generated by a Google search. As shown from the picture, a tourist invests almost 7 weeks per year in research; he makes about 8 thematic researches before buying and builds its

research by inserting into the booking engine more than three words. It happens in the 64% of cases.

Searches are key features of decision making process

6,7	Weeks per year spent in research
75%	Of travelers make a research on Google before their purchase
8,1	Researches before their purchase
64%	Of researches are composed of more than 3 words

Statistically a tourist makes his purchase 33 days after his first visit on the website, and tends to buy a product already shown in his first research.

 The reasons bringing just a 25% of success possibilities to materialize his findings should be the result of an inaccurate research.

In detail, if a keyword chosen by a tourist does not appear immediately in the first page of his first interactive search, his work has been completely, wrong.

Looking at some data , in Germany the 27% of the users buy their travel online, while in Italy less than 10% of travelers, only.

More recently, mobile technologies have been tested, providing new and convenient ways for tourists to gather information from any location, and perhaps more significantly at the destination.

Mobile technologies support location based services, interpretation at the destination and dynamic interaction with tourism suppliers (Buhalis & Law, 2008).

ICTs can also assist in examining tourists' movements and their awareness toward new tools as for example Google Analytics.
But Lau and McKercher (2006) used Geographic Information Systems [GIS] to track the tourists' movements pattern within a destination.
This technique can have great benefits for tourism marketers, in understanding consumer behavior whilst at the destination and in developing strategies for creating tourism experiences.

1.1.4 Evaluation of Alternatives

Consumers use ICTs extensively to evaluate alternative travel opportunities and to compare and contrast offerings.

Using Meta Search Engines such as Kayak and Kelkoo, potential travelers can identify and evaluate products according to their preferences, filters and requirements (Buhalis, & O'Connor, 2005).

Choi, Lehto, and O'Leary (2007) stated that customers prefer information content to vary across different levels on Destination Marketing Organization (DMO) websites.

Today's travelers are keen to take control, finding and creating their own trip.For this purpose the Web 2.0 offers interesting opportunities for travelers.

The Web 2.0 shifts from the Web 1.0 booking-oriented web development, wave towards interactivity and integrating user generated content (UGC).

The possibility that customers are empowered to post comments, reviews, pictures and even videos on the Web allows to orient choices and preferences of other users that find convenient reading different opinions of other travelers on blogs and online forums.

 It enables to get more information, ideas, suggestions with the aim of increase customer's value.

1.1.5 Purchase Decision

ICTs also facilitate direct distribution, a critical function for increasing revenue.

"Tourism is a profit driven industry and ICTs should contribute to profitability"

More customers now purchase tourism products through websites, and perceive that a website's image and usability directly affects their purchase intentions (Chiang & Jang, 2006; Law & Cheung, 2006b; Law & Hsu, 2006). As such, understanding customer perceptions is crucial to the development of a successful website (Benckendorff, 2006; Davidson & Yu, 2005; Law & Ngai, 2005).

Additionally, the findings of Lu and Feng (2006) indicate that domestic tourists are less sophisticated than international tourists when purchasing hotel services and products, and that front desk and housekeeping services and room size are the most important factors that contribute to their perception of hotel standards.

1.1.6 Post-purchase Behavior

After travelers have returned home, they often like to share and exchange their travel experience.

The Web 2.0 has its effects also in this final step, but in a different perspective:

In fact, on a side as tourists enjoy sharing their travel diaries and photo albums once they were come back by their journey, on the other, travel diaries and photo albums will be precious to orient future choices of new travelers that have never visit those places and that need an insurance on all these destinations' features, An example could be given by blogs. In fact blog content affects readers' perception of the image of a destination. (Pan, McLaurin, and Crotts ,2007).

Hence review sites such as Tripadvisor or Holidaycheck.de and blogs are popular digital platforms for travelers to express their feelings and to rate their experience (Thevenot, 2007). Pudliner (2007) defined blogs in the tourism context as a form of conversation and communication among travelers. He discussed tourism in the three paradigms of tourism, namely as a language; a place of experience in space and time; and as an authentic experience. As tourists enjoy sharing their travel diaries and photo albums, Denk, Merkl, & Pesenhofer, 2007). This will be possible with new applications that emerge in the marketplace such as Microsoft's Photosynth application. After reviewing numerous travel blogs, Yeoman and McMahon-Beattie (2006) identified 16 trends that will shape the future of an information society, including broadband and mobile. Internet access, online marketing, and a cashless gaming culture. They predicted that by 2015, the majority of consumers will purchase holidays through the Internet, and that the digital society will change their purchase behavior. Blogs themselves have changed the face of communication, and may lead to corporations potentially losing control of information exposure. If managers do not closely monitor the digital society, they will not know their

customers' views and what is being discussed about their brand online (Dwivedi, Shibu, & Venkatesh, 2007).

Different data sources, such as blogs, online travel magazines, review sites, travel websites, and official tourism websites, project different destination images, often chaotic and uncoordinated, because they bring content from different sources and target different audiences (Choi, Lehto, & Morrison, 2007).

1.2 Technological development

The findings of previous research show that the adoption of ICTs can enhance the competitive advantage of a business (Eraqi 2006).

Hence, industry practitioners should apply well-developed data exchange formats to achieve better intersystem communications, and should use centralized knowledge bases for tourists to use as a one-stop channel. Websites should also cater for disabled users, and multiple language sites should be made available.

It is also imperative for tourism and hospitality businesses to develop internal in-house, ICTs resources and expertise to facilitate the communication between business managers and ICTs technicians.
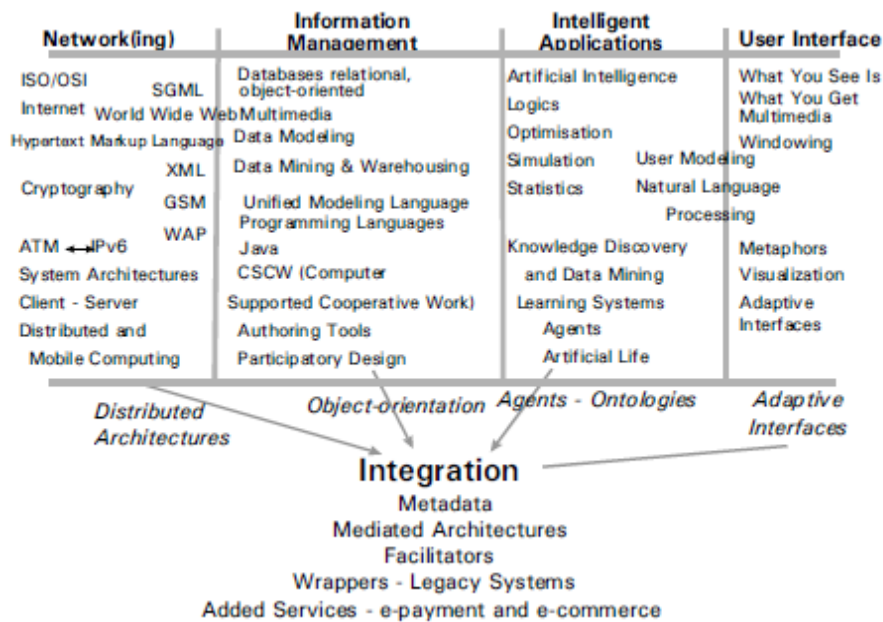
These professionals could collect, organize, and retrieve up-to-date and relevant technology information from the technical area and relate this information to managers. At the same time they should advise them on the latest technical developments and how they could be integrated into business decision making process, strategic and operational processes and consumer interactivity in order to develop their competitiveness.

These professionals could also inform the technical experts about the goals and missions that business managers, especially marketing managers, are targeting.

Hence, the role of the electronic data processing or information systems department should be changed from merely providing technical support to advising senior management on how to adopt IT in an agile way to achieve business goals.

Werthner and Klein (1999) have identified the most significant technological developments forcing a new wave of technological evolution.

In the fourth chapter a re-adaptation of this model will be provided, through the application of Data mining Process to the internal dynamics of Villa Marina hotel, the case study of this work.

Network(ing)	Information Management	Intelligent Applications	User Interface
ISO/OSI SGML	Databases relational, object-oriented	Artificial Intelligence	What You See Is What You Get
Internet World Wide Web	Multimedia	Logics	Multimedia
Hypertext Markup Language	Data Modeling	Optimisation	Windowing
XML	Data Mining & Warehousing	Simulation User Modeling	
Cryptography GSM	Unified Modeling Language	Statistics Natural Language	
WAP	Programming Languages	Processing	
ATM ←→IPv6	Java	Knowledge Discovery	Metaphors
System Architectures	CSCW (Computer	and Data Mining	Visualization
Client - Server	Supported Cooperative Work)	Learning Systems	Adaptive Interfaces
Distributed and	Authoring Tools	Agents	
Mobile Computing	Participatory Design	Artificial Life	

Distributed Architectures Object-orientation Agents - Ontologies Adaptive Interfaces

Integration
Metadata
Mediated Architectures
Facilitators
Wrappers - Legacy Systems
Added Services - e-payment and e-commerce

Table 2 Lines of technological evolution

(Source: Adapted from Werhner and Klein)

The underlying trend of all developments is the integration of hardware, software and intelligent applications through networking and advanced user interfaces.

In fact technological convergence leads developments and only blurred boundaries between systems exist to illustrate dependencies and relationships.

However, all technologies need improvements in order to enhance their speed, inter-operability, reliability and adaptation to the industry and consumer needs. Fast and reliable networks need to emerge to support media rich applications and online video presentations.

Information Management supported by object-oriented, relational databases are required to enable inter-linking between all the information kept by

organizations to generate synergies.

Data modelling and knowledge management must enhance the use of operational data in the decision-making processes and enable better informed operational and strategic choices.

Intelligent applications need to incorporate knowledge from all sections of organization, use simulation techniques and the processing of statistics to improve the quality of information used for decision making and enable organizations to adopt more proactive approaches to management and marketing problems. Knowledge discovery and data mining support management and marketing functions whilst learning systems and agents increasingly accumulate and use knowledge productively to support employees and organizations.

User-friendly interfaces enable non-specialists to use computers without extensive training. Adaptive interfaces and the visualization of computing functions simplify processes and empower users to take advantage of systems and applications.

 Finally, integration of all applications and systems support interoperability on different platforms and through different media. Werthner and Klein (1999: 29) define interoperability as 'the provision of a well defined and end-to-end service, in a consistent and predictable way.

Integration enables end-users to access a broad knowledge basis and empowers suppliers to appreciate the information as well as product and service needs of consumers and partners.

Perhaps the next major revolution will emerge in the form of Ambient Intelligence defined by ISTAG (2003) as 'a set of properties of an environment that we are in the process of creating'.

This represents a new paradigm for how people can work and live together. According to the ISTAG vision statement, humans will, in an Ambient Intelligent Environment, be surrounded by intelligent interfaces supported by computing and networking technology that is embedded in everyday objects, such as furniture, clothes, vehicles, roads and smart materials - even particles of decorative substances like paint. Humans will live in an Ambient Intelligence Space in which there will be seamless interoperation between different environments – home, vehicle, public space, work, leisure space, tourism destination etc. This implies a seamless environment of computing, advanced networking technology and specific interfaces which should be aware of the specific characteristics of human presence and personalities; adapt to the needs of users; be capable of responding intelligently to spoken or gestured indications of desire; and even result in systems that are capable of engaging in intelligent dialogue
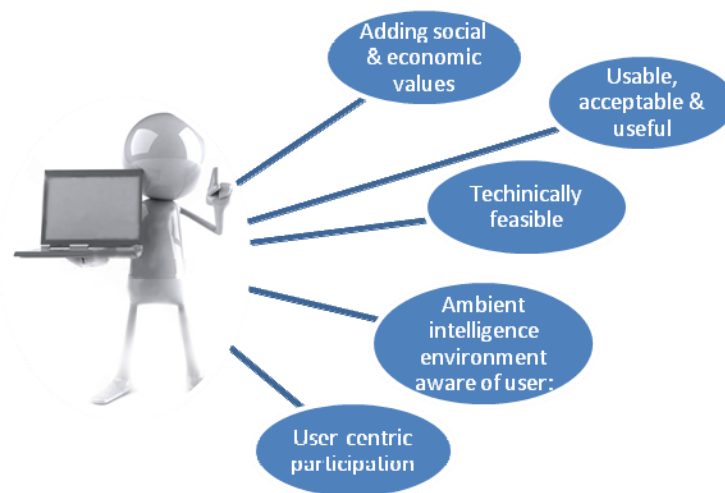
Table 3 User-centred, participative,Ambient Intelligence

(Source: ISTAT 2003)

Ambient Intelligence facilitates participation by the individual in society, in a multiplicity of social and business communities, and in the administration and management of all aspects of their lives, from entertainment to governance. It should be unobtrusive and interaction should be relaxed and enjoyable rather than involve a steep learning curve. To be acceptable, Ambient Intelligence needs to be driven by humanistic concerns, not technologically determined ones and should be controllable by ordinary people.

Pursuit of the Ambient Intelligence vision will require contributions from many streams of research to realize both 'ambience' and 'intelligence'. The development of the Ambient Intelligence space will depend not simply on

finding solutions to the research challenges for ambience and intelligence, but on the extent to which mechanisms can be found to ensure the successful, seamless, integration of components and their convergence into Ambient Intelligence systems.

There are a number of research domains or components in which significant progress must be made in order to further develop and realize the Ambient Intelligence vision.

Eventually Ambient Intelligence will enable the formation of virtual enterprises, the fluid configuration of business processes, and the seamless inter-operation of underlying information systems. This will support organizations that are willing and able to accept organizational changes to participate in several networks simultaneously without the need to radically alter their company cultures and preferred methods of working.

Whether people respond positively to the opportunities presented by Ambient Intelligence will depend heavily on the extent to which Ambient Intelligence complements rather than replaces existing methods of work and social discourse and the extent to which it requires fundamental changes to

organizational structures.

Therefore, Ambient Intelligence must be conceived holistically and as it needs to be realized through highly complex systems. Performing specific research, embodying results in particular technologies and products, and then seek to commercialize those products is an obsolete development process.

The technical complexity of modern systems based on ICTs requires that all aspects of the innovation chain integrate their efforts and hence the engagement of both the research and business communities to integrate the rapid co-evolution of the technology, the market, and social and administrative requirements that are critical for success (ISTAG 2003).

1.3 The Supplier perspective

 "Many managers and employees have still limited IT knowledge" (Law & Jogaratnam, 2005);

They generally do not have a clear understanding of how advanced IT can improve their business performance,and thus are not always capable to communicate with technical experts.

Limited technical IT knowledge, however, is not a sufficient reason for lagging behind.

To remain competitive, practitioners should explore the potential opportunities emerging through IT, and be proactive in recognizing the capability of technology.

To achieve these goals, tourism and hospitality managers should maintain good relationships with customers by using technology-assisted tools, irrespective of the size of their company.

For example managers should set up appropriate security policies for online payment, and should rapidly respond to email inquiries.

Hence centralized IT systems should be incorporated into the business environment, and in standardized procedures of coding.

The major consequence is to reduce the opportunities for suppliers to have direct human contact with customers.
For this perspective Stockdale (2007)proposed using self-service technology to handle customer relationship management (CRM) to deal with this issue.
And to maintain a close relationship between companies and customers, (Bai, Hu, & Jang, 2006).

The adoption of IT and relationship marketing (RM) could help tourism organizations   in   maintaining   competitiveness   and   improving   the

management of business relationships with customers (Álvarez, Martín, & Casielles, 2007).

Hence the hotel promotion on the Internet is generally regarded as being cost effective.

But websites are not only a marketing channel, but also a business platform.

A study conducted by Correia and Elliott (2006) showed that although mature travelers are viewed as a small homogenous group of customers, the market actually comprises many different types of people who are comfortable in using the Internet to purchase tourism products.

Successful websites must achieve a high hit and conversion rate, which is directly affected by consumer page clicking behavior, content, search engine optimization and web page management (Murphy, Hofacker, & Racine, 2006). By analyzing the activity log of their company's website, managers can better understand consumer clicking behavior and thus gain a competitive advantage in conducting business (Kamuzora, 2006).

One of the stronger effects that Internet has determined on tourism organizations has been their relationship with travel agents.

Changes in distribution channels involve different room allocation strategies with (Christodoulidou, Brewer, Feinstein, & Bai, 2007) travel agents (Kozak, 2006).

The agreement signed between hotels and travel agencies are always more, especially for an high customers target, as the one of a five stars and five hotel.

In fact this market segment needs all the comforts that just its loyal travel agent can offer him.

This customers' target, so demanding, considers Internet just as a tool to look at the pictures, or to enjoy special services offered by that individual hotel that the travel agency suggested to him.

Hence travel agent will be his only intermediary.

Actually , these strategies are likely to change further as virtual reality via Internet becomes an essential tourism marketing tool (Cooper & Macneil, 2005).

A comparison of websites with different business models revealed that the websites of local travel agents offer better room rates than online websites (Tso & Law, 2005). This indicates that consumers need to shop around to search for the best rate (Thompson, 2005). This is addressed my "best price guarantees" offered by most international hotel chains. However, mid-segment hotels still rely on traditional distribution channels due to their lack of knowledge of electronic distribution (Dabas & Manaktola, 2007).

1.3.1 Strategic management

"Performance and the maximization of profit" are the focus of each business.

Computerized yield management systems can help managers to increase their revenue and yields, improving profitability and financial performance (Emeksiz, Gursoy, & Icoz, 2006). Adopting IT has helped hotels to reduce their operations-related transaction costs (Chathoth, 2007), and the perceived performance of hotel managers has been shown to be positively associated with their interaction with IT and budgetary participation (Winata & Mia, 2005).

The customer booking decision model proposed by Chen and Schwartz (2006) confirmed that knowledge of demand influences willingness to book. In the Internet era, e-mail inquiries are normally the first form of communication between hotels and customers, and customers thus have a high expectation of receiving an e-mail response.

However, in a study conducted in Austria, 20% of hotels did not respond to electronic inquiries at all, whilst more than 25% took more than two days to respond to e-mails, and only one third answered all questions raised in the inquiry e-mails (Matzlera, Pechlaner, Abfalter, & Wolf, 2005). It was also found that larger tourism organizations provided better e-mail response rates than smaller organizations, and that employees in smaller organizations answered e-mails poorly (Zehrer & Pechlaner, 2006). Other research findings have revealed that the longer that a hotel has adopted a domain name, the better they respond to e-mail inquiries (Murphy, Schegg, & Olaru,2006). Having analyzed e-mail responses in 24 features, Murphy, Schegg, and Olaru (2007) recommended several areas that should be improved to enhance the quality of these responses.

1.3.2 Risk Management

With the heavy dependency on IT in the hospitality and tourism industries, system failure can have catastrophic consequences (Lu & Law, 2007). Knowledge-based systems can help managers to handle such crises more effectively (Mistilis & Sheldon, 2006). Making use of websites as a crisis communication channel also helps prevent the spread of diseases, and acts as a tool for stakeholders to share information during crises (Volo, 2007).

But the risks that the management finds in its implementation are several.

For example one of the most devasting involves the management of customer data.

In fact there are always many hotels that set up loyalty programs and promotional campaigns. But customers are required to register online through specific websites.

In fact it is demonstrated that in all of these steps only few companies display third-party privacy certificates to ensure that guests' data are protected from inappropriate use.

Another threat to consider involves the payment. It is one of the most important components of e-commence. Many are the hotels and the travel agency websites that allow to make online payment safe.

On the other hand, websites should provide secure transactions to protect consumers' data (Wu & Chang, 2006).

For example Chen (2006) proposed a model and listed the major determinants of consumer trust on a travel website. However nowadays a very small number of websites, especially the ones involving small hospitality business, used secure servers to handle online bookings (Hudson & Gilbert, 2006).

Hotel IT managers should not only consider external security (the Internet), but should also concern themselves with internal network security.

Cobanoglu and DeMicco (2007) confirmed that around 15% of hotels had reported virus attacks, of which 7.7% reported "Denial of Service" attacks.

Chapter 2- Tourism and e-Tourism in Italy

2.1 An overview of international patterns

The year 2009 was a difficult for International Tourism given the economic crisis that has hit both the advanced economies and the emerging ones, causing an inevitable influence also on tourist consume.

For the first time after years of growth, international arrivals diminished together with the tourist expenditure. On the contrary, domestic tourism in many countries increased under the effect to, promotional activities of the national governments put forward to provide incentives to their citizens to spend their holidays in their own country.

The trend of foreign tourism in Italy resembled that of other countries; incoming tourism suffered most in the first half of the year, whereas in the second half of 2009 a small recovery allowed to contain-losses.

The year 2009 was therefore a difficult year for tourism: the economic crisis, the advanced economies heavily, slowing down the growth of the emerging countries, thereby limiting the tourist sector for the entire year causing a consequent reduction of the international arrivals.

The data published by the World Tourist Organisation[1], estimate for 2009 a reduction of international tourism of 4.3%,–corresponding to a total of 880 million international arrivals missing in Italy.

The situation changed from region to region of traveller's origin , but all, except Africa, show signs of a downhill trend:

Europe registered a contraction of 5.6%, the North, Centre

and East Europe areas were hit heavily whereas the

Western and Mediterranean areas registered a less evident drop;

Asia and the Pacific area registered a decline   limited to1.7%,

thanks to a good recovery in the second half of the year; America registered -4,7%, largely because of the economic crisis

The Middle East, after years of growth, show   a reduction of international arrivals of 5.4%;

  In contrast Africa registered a growth of 3%, thanks in particular to a good performance of the sub- Saharan area.

In line with the trend of the international arrivals, the trend of the monetary income, that in 2009 -showed 5.8% decline.

  Similarly to tourist fluxes all the areas of the planet, except Africa, showed a negative trend.

 As far as air traffic is concerned , passenger traffic registered a fall of 3.1% in 2009 according to the preliminary data of ICAO (International Civil Aviation Organization); this appears alarming if you consider that, in the recent period, only in 2001, due to the attack of 11th September a decrease of 2.9% was registered.

A similar trend emerges from the data published by IATA (International Air Transport Association) relative to the first months of 2009: a 4.2% reduction of international traffic (measured in revenue passenger-km, RPK) compared to a 1.8% growth registered in 2008, was observed.

Finally, as far as the hotel performance is concerned, the data of Deloitte & Touch LLP, show a constant loss of RevPAR (revenue per available room); all areas of the planet registered heavy losses, from -12% of North Africa to -22.8% of Europe.
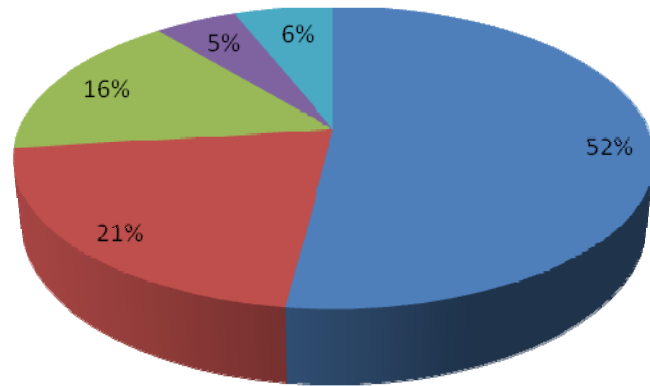
Figure 1 - International arrival by Country of origin, 2009

2.2 Tourism in Italy

Italy is consistently in the first position on the list of the most visited destinations, being in the 5th position among the destination of international arrivals and fourth for currency revenues (Istat,2009).

As a consequence of the international -financial crisis, Italy went through a difficult situation in 2009 which involved foreign tourism.

There was a major reduction of journeys abroad associated with an increase of domestic tourism, a contraction of tourist expenditures and a major shift toward self organized tourism and to last minute approach.

At first evaluation the 2009 ended with , relatively positive result for national destination: Italy remained a sought after destination.

Tourism organizations consistently evolving and put "new" tourists in the middle of this approach in the attempt to develop technology-supported personalized services to fulfill novel needs.

In this scenario once again, Internet had a major impact on self organized tourisms because tourists used Web technologies for their researches and bookings in the attempt to save money.

As a direct consequence of this phenomena in Italy there has been a decrease in the capacity of expenditure registered for what concerns the "already organized tourism" against a strong increase in the capacity of expenditure registered for what concern to the "self organized tourism", that is characterized by a rented-car trip, all over the Italian destinations.

Hence the Italian tourism shifted toward new trends largely impacting on national organizations and consisting of:

• short but frequent holidays

• closer destinations, often with own transportation rather than using paid transportations

• last minute solutions

• all inclusive packages, in particular for families with children

The sample surveys carried out by ISTAT and involving some Italian hotels show, as highlighted at an international level, a clear decrease of foreign arrivals at the beginning of the year with a relatively conserved tourist flux in the summer, whereas the values were positive towards the end of the year.
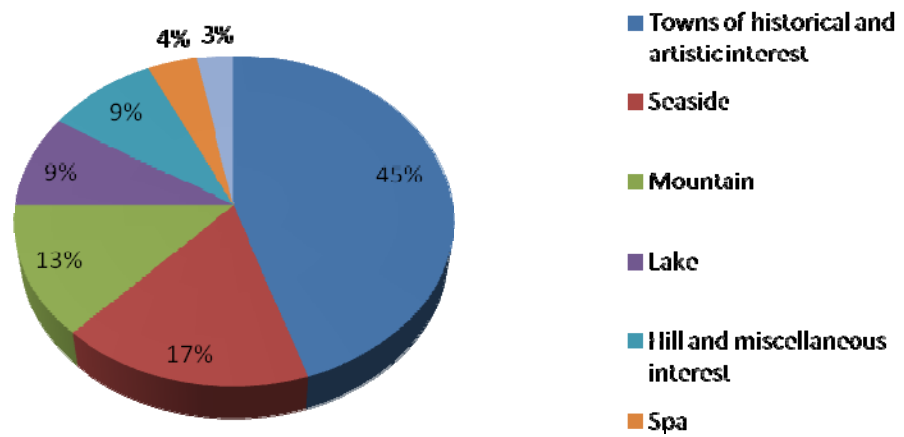

Figure 2-International arrival by type of location visited

2.3 E-tourism in Italy

A progressive part of population has access to resources through the internet.

E-tourism and internet are, therefore ,the two "keys catalysts for enabling dynamics, innovative, knowledgeable communities and organizations to communicate and interact with the outside world in order to import expenditures and benefits".(Buhalis,2003 Information technology for strategic tourism management)

In this scenario, ICTs provide a wide array of strategic opportunities and powerful tools for economic growth, redistribution of wealth and development of equal opportunities around the globe.

New tools gradually revolutionize tourism industries, favoring a dynamic interaction between tourism enterprises and consumers and, as a result, energizing the entire process of developing, managing and marketing tourism products and destinations(Buhalis,D.(2000) Tourism and Information technologies: Past, Present and Future, Tourism Recreation Research, 25(1), 41-58).

All stakeholders related to tourism and hospitality therefore, gradually see their role being changed and new opportunities and challenges are emerging.

Therefore, in the few decades, ICTs have deeply affected the way business is performed and the way organizations compete (Porter, 1985, 2001; Porter and Millar,1985).

Flexible strategies are, therefore, required at both strategic and tactical management levels to develop the "info-structure" for tourism organizations to manage their internal functions, their relationships with partners, and their interactions with all stakeholders, including

customers.(Buhalis.D.2005, Tourism Recreation Research, *Information Communication technology revolutionizing tourism,* Vol 30, 7-16).

Under this organizational approach, an extensive networking is growing between partner organizations providing "inter organizational systems with external partners" (Buhalis.D.2005, Tourism Recreation Research, *Information Communication technology revolutionizing tourism,* Vol 30, 7-16).

In detail, a number of third-party travel Web sites have loomed large in travel information distribution and travel reservations.

All these sites have strong financial clouts with some of the largest corporations. An example ─comes from Expedia in the United States (**Errore. Riferimento a collegamento ipertestuale non valido.** a great deal of Microsoft, and Travelocity (www.travelocity.com) that is owned by Sabre, one of the largest global distribution systems.

Synergies and interoperability increase efficiency, enhance responsiveness and make better informed decisions.

Online travel agencies not only make reservations available online but also use incentives to encourage travelers to book online, while saming costs for fancy locations of their offices

Nowadays web access is a key factor of tourism industries: there are 88,2%, against the only 11,4% of facilities that do not consider its value as a useful tool(Osservatorio Nazionale Del Turismo- Dati Unioncamere 2010)

Compared to the previous year, the percentage of structures adopting information systems has increased in -both hotels and non hotels categories, reaching the 84,6% in the second quarter of 2010 for all the facilities.

Online Tourism Facilities (%)		
	2009	2010
I Quarter	85	85,7
II Quarter	82	84,6
Online Tourism Facilities By Sector (%)		
	Yes	Not
Hotel	88,2	11,8
Non Hotel	81,4	18,6

There has been a very strong presence of e-channels for youth hostels (90,4%), holiday villages (87,9 %), agriturisms (83,7%), bed and breakfast location B&B (82%) in 2010.(Osservatorio Nazionale del Turismo 2010- Dati Unioncamere)

Online Bookings By Sector (%)					
		Owned Web Site	Portals	E-Mail	Total
Hotel		11,6	7,5	16,8	35,9
Non Hotel		11,1	6,5	20,3	37,9

Online Bookings By Sector (%)					
		Owned Web Site	Portals	E-Mail	Total
Hotel		11,6	7,5	16,8	35,9
	1 star	7,9	4,2	12	24,1
	2 stars	8,4	5,8	15,6	29,8
	3 stars	12,5	8,1	17,7	38,3
	4 stars	15,8	11,3	18,2	45,3
	5 stars	15	10,2	11,9	37,1
	Residence	13,1	6,7	22	41,8
Holiday Village		14,2	4,2	26,2	44,6
Agriturismo		13,7	5,4	21	40,1
Camping		12,4	3,7	20,6	36,7
B&B		9,1	8,6	20,3	38
Residence		6,3	1,3	14,7	22,3
Youth Hostel		20	8,4	19,2	47,6
Mountain Dew		5,3	0,5	16,9	22,7
Others		11,3	6,5	21,9	39,7

The analysis of the online booking behavior highlights the following scenario:

- the customer base that booked directly from the hotel owned website rose from 16,2 % in 2009 to 11,3% in 2010;
- the ratio of clients booking online through portals decreased from 7,8% in 2009 to 6,9% in 2010; however in 5 stars hotels it reached 10%;
- customers number booking via email is increased , from 17,1% in 2009 to 18,7% in 2010.

These results show how in the internet era the percentage of customer base that book their journey on the Web reached a total asking as 35%.

The email booking process is still the most tool used online by hotel customers, highlighting a reduced importance of the online intermediation process that needs the support of intermediaries such as Expedia or Booking.com, or a direct link with the hotel web site.

The only exception is the 5 stars hotels, where the most popular booking channel requires the support of the hotel own website.

2.3.1 The impact of new e-Mediaries in Italy

An huge impact of the Internet as a universal and interactive means of communication, and a parallel change in consumer behavior and attitude, have therefore shifted the traditional way tourism and travel products are distributed in a more efficient and effective way (Werthner and Klein,1999).

Increasingly, consumers can undertake their entire tourism product search and booking on-line and therefore the role of intermediaries has been changing dramatically.

Under this perspective the role of intermediated solutions provide a valid solution.

Facing with a tremendous pressure to survive, travel agencies have used various strategies to cope with the new reality. These strategies range from early denial of the Internet's impact to attempts to free themselves from the control of the traditional global distribution systems by setting up their own central reservation systems.

Traditionally the business of travel agencies was focused on providing free services to travelers, charging in return for commissions hospitality and tourism suppliers for the service they provide to travelers.

The travel distribution role has been performed by outbound travel agencies (OTAs), tour operators (TOs) and inbound travel agents or handling agencies (ITAs) (Buhalis and Laws, 2001). They were supported by Computer Reservation Systems (CRSs), Global Distribution Systems (GDSs) or tour operators' Videotext systems (Leisure Travel Networks) (Karcher,1997,1998; Bordat,1999)

Hence, Internet created the conditions for the emergence of new e-Mediaries, based on three e-Platforms, namely the Internet, Interactive Digital Television (IDTV) and mobile devices.

New e-Mediaries include a wide range of organizations including suppliers selling direct on the Internet by allowing users to access directly their reservation systems; web-based travel agents; Internet portals and vortals, and auction sites.

The expected proliferation of Digital TV and m-Commerce will gradually intensify competition further.

The proliferation of e-Mediaries followed a period of euphoria when a great member of players hoped that they will generate a high volume of profit by targeting the tourism industry. Supplier took advantage of the new opportunities and developed e-Commerce applications by allowing users to access directly their reservation systems. This included single supplier provisions, such as Marriott Hotels (www.marriott.com), Avis (www.avis.com) as well as multi-supplier web pages that emerged to support airlines disintermediating travel agencies (e.g. www.opodo.com, www.orbitz.com). In addition, several destinations developed Destination Management Systems (DMSs) to distribute their smaller properties and to present the destination as a holistic entity (e.g. www.tiscover.com, www.holland.com). A number of web-based travel agencies also emerged (e.g. Expedia.com, ebookers.com, Travelocity.com) whilst off-line agencies developed their on-line provision (e.g. www.thomascook.com, www.lunnpoly.com). Internet portals (e.g. Yahoo, Altavista, Excite) and vertical portals (or vortals) (e.g. www.ski.com, www.golfonline.com, www.tennis.com) also developed on-line travel distribution, often by sourcing their travel content from external online agents and suppliers. Media companies such as newspapers (travel.telegraph.co.uk) and television networks (www.cnn.com/travel) gradually integrated their off-line with their

on-line provision and expanded to include e-Commerce capabilities on their sites. On-line last minute agencies emerged to enable distressed inventory to be distributed efficiently (e.g. www.lastminute.com). Priceline.com reversed the pricing method and allowed passengers to search for suppliers that would be prepared to serve them for the amount of money that consumers specified. Finally, a number of sites (e.g. www.QXL.com, www.ebay.com) specialized in the sale of distress stock through auctions.

Although the scenario shows a progressive emergence of these new tools ,Italian users still do not prefer this intermediate solutions.

The proliferation of e-Mediaries confused Italian consumers more reactive on new not comprehensive tools.

On the other side, the supply side itself rushed to ensure that their products were represented in all distribution channels and realized the difficulty and high expenses of doing so.

Consumers are so excited about the new freedom and choices they find in the "e-commerce marketplace" that they still prefer a direct touch with the hotel itself

Hence, intermediate channel use—remained-pretty lower in the II Quarter of 2010 since only the 31,8 % of the Italian Tourism Organizations use it.

To quantify its usage, anyway, it   will enhanced that the most frequent intermediation channel still remains the traditional non online, but face-to-face Tour Operator (62,9%), followed by traditional non online Travel Agency (61,5%).

Nowadays   even if the online intermediation channels are a   strong alternative against the traditional ones , their usages remain   still low (41,5%) and constituted by online travel agencies and most of third parties related websites.

Intermediate Channel Usage (%)	II Quarter 2009	II Quarter 2010
Yes	35,8	31,8
No	64,2	68,2
Total	100	100

Intermediate Distribution Channel Used(%)	
Tour Operators	62,9
Travel Agencies	61,5
IDS	41,5

 Many customers use more than a single channel

To have a wider view, there's a higher use of these intermediation channels in the hotels sector (43,4%), compared to only the 21,9% in the non-hotels sector.

Among the categories of products: hotels are more likely to use the intermediaries in booking lakes (42,4%), thermal (44,2%), and cities (39,8%) locations.

Intermediate Channel Usage (%) By Sector		
	Yes	No
Hotels	43,4	56,6
Non-Hotels	21,9	78,1

Intermediate Channel Usage (%) By Product		
City	39,9	60,1
Mountain	23,3	76,7
Thermal Bath	44,2	55,8
Lake	42,4	57,6
Seaside	33,5	66,5
Countryside	26	74
Other	25,6	74,4

Although the large use that tourism organizations make of these channels, it still has a negative trend compared to the same period of 2009.

Tourist segments 2010

The business customer base accounts for 17,1% of the total and—it encompasses 9,1% of individual business tourists, 2,3% of business groups, 1% of people attending conventions. The business tourism is mostly concentrated in the cities and the facilities hosting this type of clients are the four stars hotels.

The leisure customer base accounts for families that are the most important part of the customer base at the seaside and mountains, while couples are the main player of the remaining areas of the service. Leisure groups of clients are more concentrated by thermal baths and mountains

Chapter 3- Tourism and e-Tourism in Capri

3.1 An overview of Capri

In Capri there are 142 hospitality industries, the vast majority of which (87,5%) include hotels, whereas a (growing) minority encompasses private houses and bed and breakfast (B&B), whose number increased from 8 to 78 units in 2009.

Since its touristic origin over 100 years ago, the natural hospitality in Capri was directed toward a high customer target. Still now of the overall beds more than half located in four or five stars hotels (24,7% in five stars and 36,7% in four stars).

However this distribution is relatively dynamic, although the trend is quite consistent. It should be considered that in the last decade new hotels have been started and others died or changed. The final balance is positive as the total number of hotels in the last 10 years in the island has increased of 8 units.

In addition, a migration of individual hotels across the five star classification system also occurred and some hotels scored better and other scored worse. Specifically, the number of five stars hotels was increased by 7, In parallel also 3 and 4 stars hotels increased in number, whereas those classified in the lower score (namely 2 stars) decreased in number. This pattern suggests that investments have been put forward to increase the quality of services with the aim of improve the quality of offer and also increase the revenues of local enterprises.

On the other hand, one star hotels passed from 6 to 9.

Another feature that largely contributed to the overall scenario is the location of individual hotels, that shifted from Capri toward Anacapri.

Capri is the traditional touristic location, easily reachable by tourists and also offering the wast majority of turist targets (beaches, seaspots etc) and other facilities, restaurants, bars (the world well recognised "piazzetta" and its bars) and restaurants. Anacapri in contrast provides an entire different opportunity, targeting older tourists seeking rest and silence in a very beautiful nature. The shift of tourists flux from Capri toward Anacapri is also the result of a difference in costs, which are generally lower in the latter.

The results of this thesis were focused on Capri area.

3.1.2 Dynamics of tourist fluxes in the last ten years

The already mentioned trend is the result of two different components that largely impacted on the tourism of the island, as shown in figure .

As shown in fig 3, in the period 1999 to 2008 tourist arrivals and presences have registered an increase of almost 20%.;
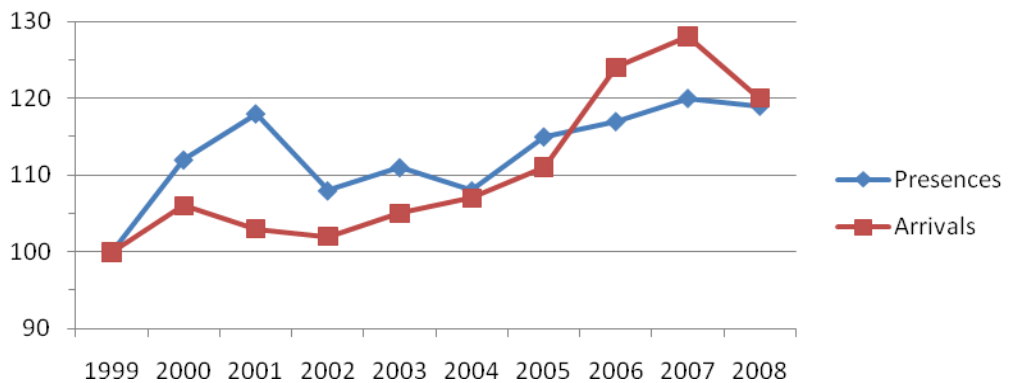

Figure 3 Trend of arrivals and presences on the island, 1999 – 2008

The arrivals increased from 134000 in 1999 to 161000 in 2008; but the presences at the end of 2008 have registered an amazing reduction, due to the impact of a strong crisis. This suggest that the trend is toward a shorter stay of individual tourists on the island. Interestingly analyzing the data by Country, and   -specifically- according to the Italian vs non Italian (foreigners) origin of tourists, a slightly growing trend is observed until 2005, when there is a 3 years peak of tourist arrival, followed by a sharp decrease in 2008, possibly due to the dollar/euro exchange rate, that favoured the euro in the last 2 years (see fig 4). Comparatively, the flux of Italian visitors continues to increase progressively as judged by arrival numbers.
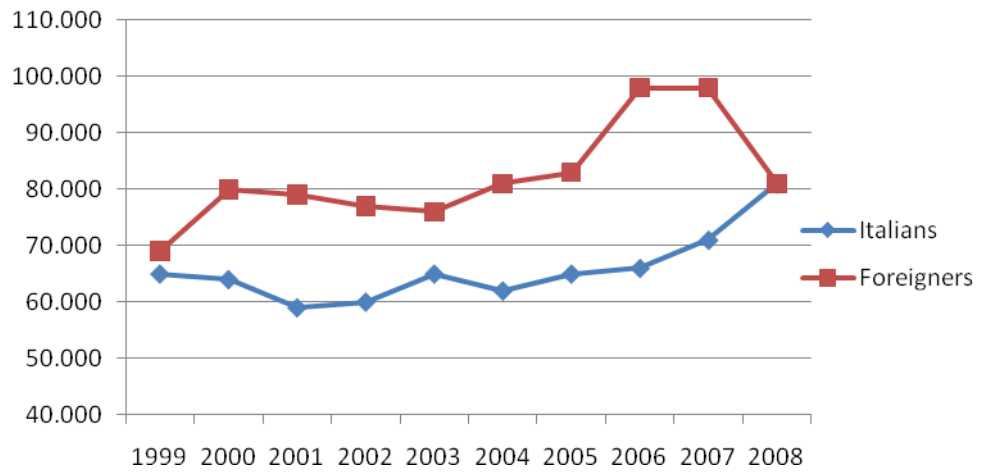
Figure 4 Arrivals of Italians and Foreigners, 1999 – 2008

The length of stay and its time course modifications provide interesting results in Italian and foreign tourists. A rapid increase of such parameter was observed in Italian visitors at the beginning of 2000, which rapidly felt from almost 4 to 3 days. A different pattern is observed for foreign tourists, whose mean stay is increased in the last 3 years. At the last observation, the length of stay is around 3 days, being similar in Italian and non Italian visitors (fig 5).
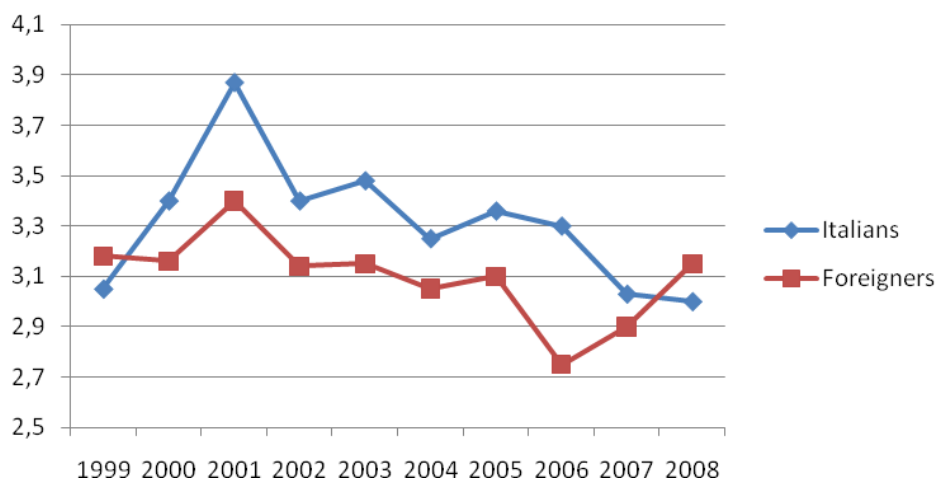
Figure 5 Average length of stay of Italian and foreign tourists

This changes impact on hotel category distribution, as Italian tourists prefer cheaper hotels or B&B, on the other hand foreigners are more oriented toward a leisure/luxury category of hotel.

A more precise analysis of the Country of origin of foreign tourists obtained in 2008, shows the following data:

A major presence of US tourists approaching one third of total (30,4%). Japanese are also a major population with its 10% whereas European s are scattered with 3 large countries of origin: Great Britain, France and Germany (fig 6)
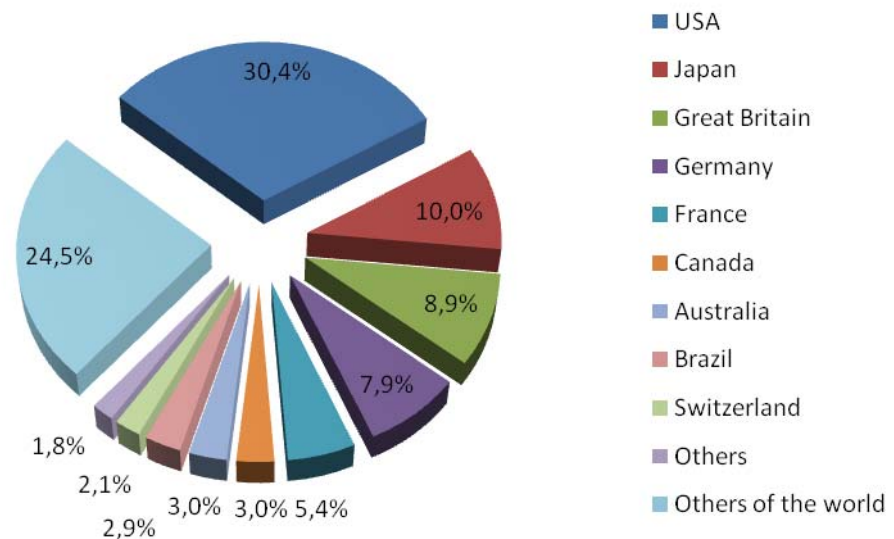
Figure 6 Distribution of arrivals by country of origin, 2008

In terms of touristic pattern per category of hotel, a major role of extra tourism industries have been registered in the last three years, although traditional hotels still are the preferred location., since more than 90% of travellers decide to chose an hotel in the wide range of opportunities that accommodation offers.

After an analysis of patterns per category it is possible to evaluate a total predominance for the higher category expressed by tourists.

In 2008 the 67,4% of tourists have chosen at least a four stars hotel with peaks of 75% for foreigner tourists.
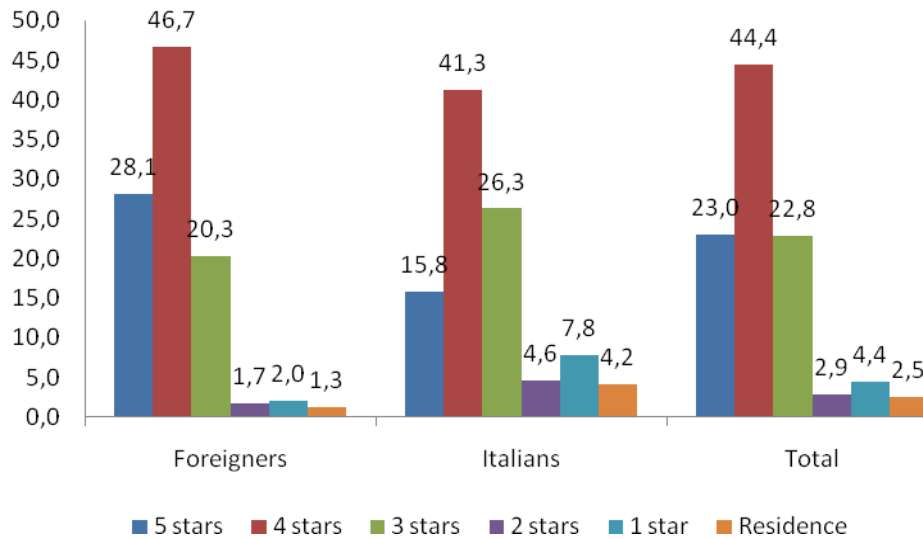
Figure 7 Hotel category chosen by Italian and foreign, 2008

The pattern of arrivals in the last decade, showed a major increase for hotels in the highest classes and a variable trend for the cheaper hotels. This pattern is the result of a combined result matching demands with offer, which was confirmed by the results of interviews to hotel managers, who admittedly set up their strategies depending on the demand sides. If most luxurious hotels are progressively more sought after with an increase as high as 77% within an increase of "only" 15, 4% of global hotel visitors in the same period, it is also true that on the other hand even 1star hotel have certified an higher gap, with an total result of 62%.
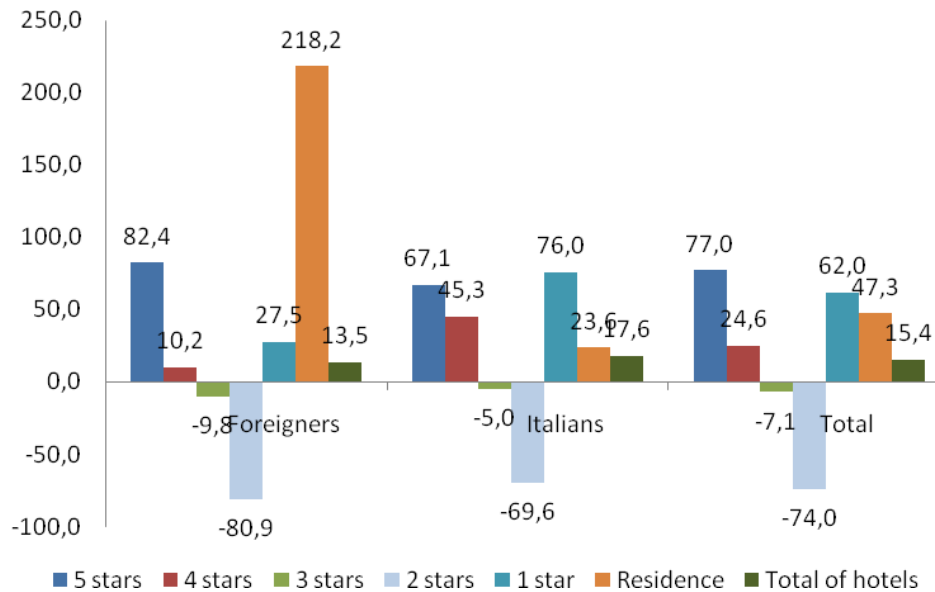
Figure 8 8 Hotel category chosen by Italian and foreign, 2008

The best appeal of the five stars hotels is also confirmed by their occupancy rate. It is interesting to evaluate how a luxury hotel are able to reach an occupancy rate close to 100% in the high season, although it should be considred that their opening period is generally limited to that period only. On the contrary an opposite trend is registered by residences that with their constant occupancy rate during all the year represent a category that does not depend on seasonality but that never reach an occupancy rate exceding the 40% , even in August.

It is always more evident that the two preferred options for tourists deciding to spend a journey in the island are: total luxury in a way, and "no frills" on the other.

3.2 Tourism in Capri

Tourism is the key factor of the economy of the island..

In fact in 2010 Capri confirms its leading position, even contradicting the pessimistic expectations of different patterns, worldwide.

In the 2008 in particular, a big crisis strongly affected the image of the island, involving most tourism organizations to readjust their businesses since they consider the 2008 as a big threat for the integrity of the entire island.

Hence they understood that they should have made big efforts to keep Capri's tradition unchanged.

So tourism organizations adopted new policies to reach this aim.

New strategies recorded an increase of tourists number of 3,9% only in the 2009.

Thus, even in a dramatic frame the island continued to maintain its appeal unaltered.

A traveller wants to visit Capri at first for one reason:

Because "Capri is Capri", an exclusive place that at least once in a life should be visited, for its beauty, its atmosphere and its weather.

And, the experience to visit the island will be determinant to attract always new tourists.

The newcomers constitute a very high percentage of the travellers interested in the island.

 In fact the world of mouth is one of the key component of the tourism of the island.

To quantify its importance the world of mouth is the second component impacting not only on the attractiveness of the island but it is also

considered the second distribution channel in terms of importance, to bring a customer to book his journey there.

And at the same time if that customer will be satisfied, he will come back once again. So a cycle will be set up and it will be "profitability driven." (Buhalis, D. (2000). Tourism and Information technologies: Past, Present and Future, Tourism Recreation Research, 25(1), 41-58)

In fact the 54,7% of customers book a room in a hotel just because they have already been there the previous year (Censis 2008).

There is a sort of "myth of Capri" that continues to survive because the island is considered by many famous characters part of the history.

Hence tourism organizations have to work hard to maintain its image so strong, avoiding inflation risk.

Actually, the power of a brand image is not necessary a positive component because tourism organizations always do many efforts to maintain unchanged the exclusiveness of the island.

But anyway this challenge has been reached and the island has been able to compare favourably with these adversities:

The 71,7% of travellers remain satisfied by their first journey there.

At the same time, its data record also that Capri does not surprise customers as in the past.

The reasons of such a result have different connotes..

Many bring the origin of this statement back to the impact that ICTs tools have had on their users.

"Internet has enabled or accelerated the creation of new forms of human interactions through instant messaging, personal blogs, forums, and social

networking"(Zhou Zongqing, the E-Commerce and Information technology in Hospitality and Tourism,2002).

In fact printed material such as newspapers, magazines and catalogues, have been reshaped into websites, blogging, and Web feeds, allowing them to see on their PC exactly what they expected once they would arrive there, thanks to the support of images, pictures and information.

In this way the traditional culture of the island, feeds on readings and myths, will be destructed and will become a mere product, always more standardized that has to respect the standards that the mass requires.

3.3 E-Tourism in Capri

To have a clear idea of the impact of ICTs on tourism there, it has been conducted a recent research that enhances how this island has been the destination "most clicked" on a web portal, such as "Caprionline" .

This web portal is a brand new website for holiday makers eager to book their hotel on Capri, direct with the property of choice, online.

The new portal has been created to showcase the best of Capri's boutique hotels, luxury resorts and small independent hotels: "unique properties guaranteed to appeal to travelers keen to create their own personalised itinerary and experience both authentic hospitality of the island and world-class service" (Gianni Chervatin, founder of Caprionline).

The network receives more than 700.000 visits by single users each month.

Gianni Chervatin, founder of the company, enabled to quantify more precisely the number of "click" that his website recorded, since 2005 to 2010.

The chart below is the result of Caprionline's revelation, year after year.

It enables to catch 3.000.000 visits that his website received byindividual travelers interested in having information on Capri, as a possible destination of their future trip.

For the 2010 it has been made a forecast, given that the data have been drawn until October 2010 , so the next two months have been come bringing up to date the same ones of the same period, but of 2009.

These are his findings: and are the result of values recorded respectively by three different web sites "Capri.net," "Capri.it," "Capri.com", that are the core structure of the scenario of the island.

Capri online clicks (capri.net, capri.it, capri.com)
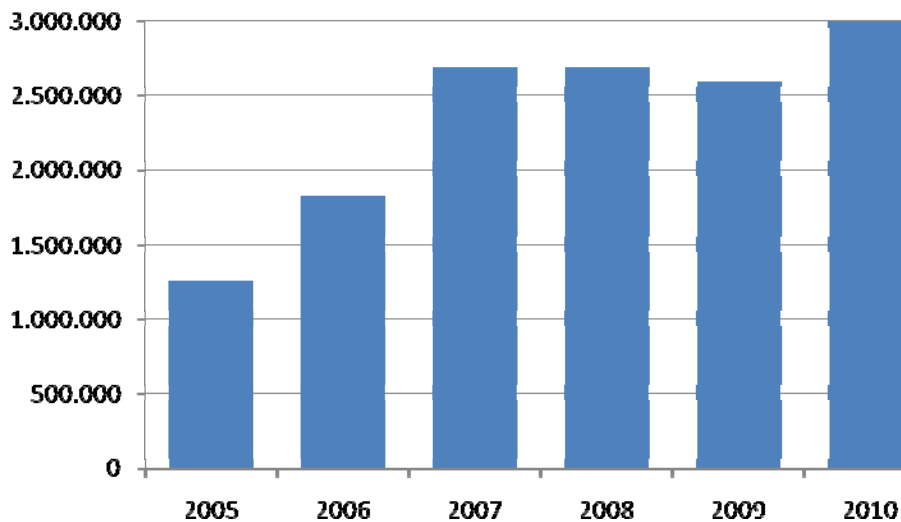
"How many of these clicks will be concretized and will bring an online user to book an accommodation here, is something that I do not know with accuracy ,"explains G. Chervatin , but of course these findings are the proof of how the Web impacts on hotelleries in Capri".

Another source that confirms this pattern is an Italian touristic web portal: "Hotel.com":

The data from "Hotel.com" website show that in September 2010 the percentage of clicks made by its users to discover some accommodation's details in the island increased of 428%, respect to the same findings of the previous September 2009.

So, a more comprehensive approach is provided to enhance tourism distribution needs, and identify the factors that influence the behavior and motivations of the consumers on one hand, and on the other hand to recommend the best channel management practices by the major top managers of the island.

Systematically the comparison between traditional channels and the electronic use (e- use) of a range of distribution channels brings to the formulation of hypothesis on the best channel management approach (Pearce 1999).

For this purpose, the second part of this study will show a comparative data analysis of six hotels, to evaluate the different impact that ICTs have had on reservation channels for each hotel.

The analysis is dated September 2010, so all the results have been recorded recently.

3.3.1 The impact of e-Tourism in luxury hotels in Capri

It has been considered vital to the purpose of this research to examine more in detail the views of six top managers of five, and five stars, hotels in Capri to capture their perceptions on advantages and disadvantages that ICTS determined on a steady scenario such a Capri.

In the following step this study will also allow to evaluate the effectiveness of modern e-Tourism platform, affecting the competitiveness of all tourism organizations, through a comparison of individual policies that each hotel adopted for this 2010.

So, for what concerns the first part of the analysis, their answers have been reported in two charts on a 1 to 5 scale (where 1 is the lower score and 5 is the higher one).

Similarly to Sheldon (1997) and Buhalis (1998) the respondents felt that Internet has given access to a great number of people offering ,at the same time, more opportunities to develop closer relationships with customers, and a greater flexibility.

Flexibility is one of the key component in the new environment.

 For this proposal looking at the chart, it will be clear the high grade they expressed to the attribute "Greater flexibility and convenience".

	Villa Marina	Quisisana	Punta Tragara	Scalinatella	Casa Morgano	JK Place	Mean
Greater flexibility and convenience	5	5	4	4	4	5	4,50
Increased penetration and reach customer base	5	5	3	3	3	5	4,00
Lower distribution costs	4	3	2	1	1	4	2,50
Increased customer interaction	5	5	1	1	1	4	2,83
Easier to identify target and customer base	4	5	1	1	1	1	2,17
Globalization of product	5	5	5	5	5	1	4,33
Use of multimedia	3	2	4	4	4	4	3,50

In fact "new technologies, such as broadband communications, wireless applications and artificial intelligence are certainly changing the landscape of conducting business" (Buhalis,D 2000, Marketing the competitive destination of the future. Tourism Management 97-116)

 Moreover, most of them agree that ICTs reduce administration and production costs by integrating internal data and processes.

"Operational and communication costs can be reduced by integrating operational systems, maximizing internal efficiencies, decreasing back office labor costs, reducing number and length of personal communication" (Tourism Recreation Research Vol. 30, 2005);

Of course by their perspective this is expensive to develop, because it requires expensive initial investments.

In fact the adoption of e-procurement is a complex process that is affected not only by external factors, but also by internal ones.

"If the implementation lacks of a basic preparation" explains Samuel Porreca,, the general manager of JK Place Hotel," it would determine high costs of adoption".

And with the heavier dependency on ICTs for hospitality and tourism industries, systems' failure can have catastrophic consequences (Lu & Law, 2007). Hence, it should be useful to implement some knowledge based systems to help managers to handle a such crises more effectively.

Actually several studies have been focused on attitudes and perceptions toward Internet implementation in the lodging industry among small and

medium-sized tourism enterprises (SMTEs) (Sellitto & Burgess, 2007), and its integration in sales process (Gregory, Kline, &Breiter, 2005).

Many of those testified very close views compared to the literature ones.

Although more SMTEs are now "online," the information they provide on their websites is of poor quality and outdated (McGrath, 2007; Buhalis & Kaldis, 2008). Similarly, the comparisons between the 5 stars hotels in Capri showed that each of them have websites and e-mail communications with customers. But at the same time, it records different perceptions toward their reliance on Internet as a tool to communicate and transact with customers .

"The relationships with customers is the result of a strong commitment we built together. The devotion toward their issues, the absolute careful to satisfy their needs, can be reached just with a direct contact, explains Nicolino Morgano ,owner and general manager of "Scalinatella" and "Casa Morgano".

"We don't sell beds, we sell experiences and emotions" and for these purposes we need a face-to-face with our guests", continues Mr Morgano, emphasizing the term "Guest" instead of the term "Customer".

"They are our guests, and they have to receive the right welcome since the moment they call to make a reservation, to the moment they leave the hotel".

Therefore, Internet by their believes could also be a threat if it is not used in the correct way because it could determine the risk to cross over the relationships with the hotel itself .

Hence most of respondents agree with Mr Federico, the director of Punta Tragara, that explains how a manager should build the capacity "to get emotionally the guests in, through Internet", anticipating a sense of beauty that they will feel, just once they will get in.

In this perspective websites could also be considered not only as a mere channels but also as a business platforms.

Used in a correct way, they could help to achieve a high hit and conversion rate, directly affected by "consumers page clicking behavior", content, search engine optimization, and web page management. (Murphy, Hofacker & Racine,2006).

	Villa Marina	Quisisana	Punta Tragara	Scalinatella	Casa Morgano	JK Place	Mean
Lack of human contact during the transaction	1	3	5	5	5	1	3,34
Lack of face-to-face up-sell/cross-sell opportunities	3	3	5	3	3	1	3
Volatile customer base	1	3	5	1	1	1	2
Security issues	1	3	5	4	4	1	3
Danger of standard rather than tailor-made product	2	3	5	5	5	2	3,67
Allenation of potential customer	2	3	5	5	5	2	3,67
Difficult to market effectively	3	3	5	5	5	3	4
Difficulty of keeping records up-to-date	2	3	3	3	3	3	2,83

Tabella 1 - Disadvantages of internet distribution

Hence, by analyzing the activity log of their hotel's web sites , managers can better understand consumer clicking behavior and thus "gain a competitive advantage in conducting their business"(Kamozura 2006).
Hence "Information Communication Technologies (ICTs) "altered the industry structure and developed a whole range of opportunities and threats"(Buhalis,2008" Information Communication technology Revolutionizing Tourism").
Just revolutionizing the tourism industries that they will be able to implement this change.

In fact customer satisfaction depends highly on the accuracy and comprehensiveness of an hotel and its ability to provide new tools for their customization;

"Consumers not only require value for money but also a personalized choice of products by customizing the layout of hotel rooms, the channels available on the TV, or the drawings on the wall" (Heung and Chu 2000)

Most of respondents, thus, agree that internet could be a big barrier to provide a so personalized offer, given the lack of human contacts during the transactions.

At this purpose, a glance at the impossibility of a direct touch coming by the use of two sales strategies: the up-selling and the cross-selling.

The up-selling is a sales techniques in which a salesperson induces a customer to purchase more expensive items, up grading, in an attempt to make more profitable sales. The cross-selling, on the other hand, is the practice of selling additional products or services to an existing customer, in the attempt to increase his satisfaction but in charge of an higher priceand thus being anyway very careful in saving the relationships that hotel management built ,progressively, with him.

The two approaches involve the risk for top managers to overcome the existing relationships with their customers. So it is important to ensure that additional products or services sold to them, could increase the value they get from that specific solution.

So both require a direct touch between demand side and supply side.

In this sense, Internet could be considered a barrier, not easy to exceed that needs strong skills and expertise by its management to be

Besides, risk management could also involve some security issues:

With the increase of hotels that introduce loyalty programs and promotional campaigns, customers are required to register themselves online through specific websites.

However a study conducted by o' Connor (2007) showed that only few companies display third-party privacy certificates to ensure that guests' data are protected from inappropriate use.

But "security issues" involve also the payment component;

A study made in 2006 by Hudson and Gilbert identified that only a very small number of websites of small hospitality businesses uses secure servers to handle online bookings..

And in addition to payment, most of the interviews agree that for what concerns "terms and conditions" of the hotel reservations, many transactions can be completed without costumers having to express their acceptance.

In conclusion most respondents are afraid of the impact that new technologies had on their traditional scenario.

They also recognize a damage of "standards rather than tailor-made products", a big "difficulty to market effectively" , and a difficulty of keeping records up-to date".

They felt, in fact, that the Web offers less opportunities to suppliers to differentiate their market products and service development, and to customers to choose more personalized offers..

At the same time they don't recognize a big threat in keeping records up-to-date, but on the contrary they agree that internet took advantages of it

"Omnipresent personal computers make it easier to save things that previously it would be trashed" (Ian H, Witten, Eibe Frank, 2005.Practical machine learning tools and techniques),

Ubiquitous electronics record different decisions.

"We swipe our way through the world, every swipe a record in database; the World Wide Web overwhelms us with information; meanwhile every

choice we made is recorded. And, as the volume of data increases, inexorably, the proportion of it that are understood, decreases.

Lying hidden in all is data is information, potentially useful information, that is rarely made explicit or taken advantage of" (Ian H, Witten, Eibe Frank, 2005.Practical machine learning tools and techniques),

There is a huge amount of information locked up in databases- information that is potentially important but has not yet been discovered or articulated. Data mining is the extraction of implicit, previously unknown, and potentially useful information from data.

This process, functional to provide a basis for suppliers to assess their best strategies, has been described in the next chapter and applied to the internal dynamics of Villa Marina hotel.

3.3.2 The luxury hotels strategies in Capri

The mission of a tourism organization is, "Quite simply . . . to make the right quantities of the right product or service available at the right place, at the right time."(Wynne et al. (2001, p. 425).

There are three essential steps that tourism organizations should follow in reaching their purposes: (Stern and El- Ansary (1988)

1. Adjust the discrepancy of assortments and thereby supporting economies of scope
2. Routinize transactions to minimize the cost of distribution
3. Facilitate the search processes of customers

In this second section, a more comprehensive look on policies adopted by the six hotels 'top managers, has been followed in order to identify most important factors bringing consumers toward a preferred offer , on one hand, and to recommend the formulation of hypothesis on the best management approach, on the other.

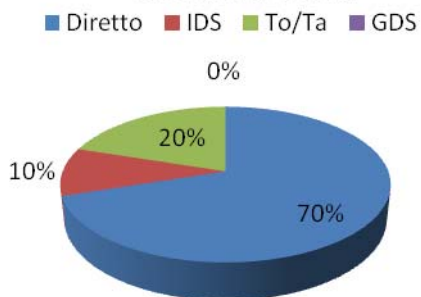The labels of different channels has been reported in the Appendix I, at the end of this work.

Quissana
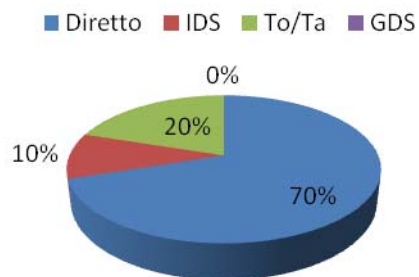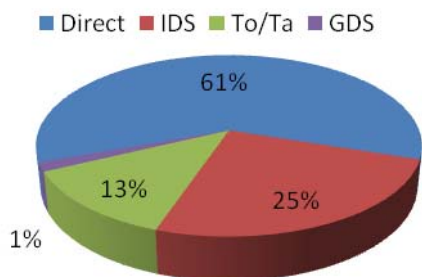
Diretto IDS To/Ta GDS

- 46%
- 15%
- 3%
- 36%

Punta Tragara

Diretto IDS To/Ta GDS

- 10%
- 50%
- 10%
- 30%

Scalinatella

Diretto IDS To/Ta GDS

- 0%
- 20%
- 10%
- 70%

Casa Morgano

Diretto IDS To/Ta GDS

- 0%
- 20%
- 10%
- 70%

Villa Marina

Direct IDS To/Ta GDS

- 61%
- 25%
- 13%
- 1%

JK Place

Diretto IDS To/Ta GDS

- 35%
- 5%
- 30%
- 30%
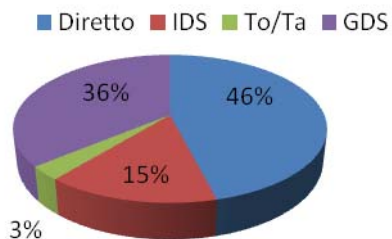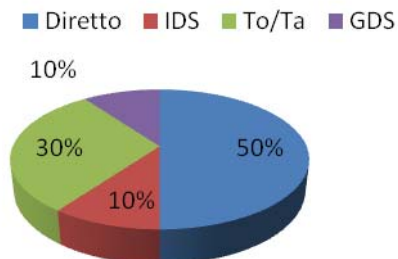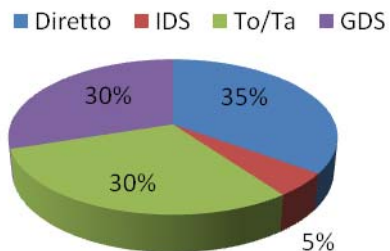
In brief these findings enhance a clear gap between Quisisana, Punta Tragara, Scalinatella, and Casa Morgano on a side, more conservative and protective of their history and Villa Marina and JK Place, on the other side, more keen on the impact of the new technologies.

In fact the first cluster shows a general reluctance toward the impact that the new modern systems based on ICTs determined on their structures.

Actually they recognized how the e-tourism has determined the competitiveness of organizations, taking advantages of the intranets for reorganizing the internal process, extranets for developing transactions with trusted partners and the Internet for interacting with all stakeholders but at the same time they recognized also how ICTs developments generate not only opportunities but also hard challenges for tourism organizations

Hence, if destination managers would read these results in a different perspective, they will address criticism and instigate some improvements.

But the fear to damage their prestigious tradition and integrity, saved by an ancient customer base, puts the already mentioned Quisisana, Punta Tragara, Scalinatella and Casa Morgano to take a critical look at the "new sophisticated and experienced customers to serve" (Buhalis 2008 "Information Communication technology Revolutionizing Tourism").

To show some data, a deep implementation of this "distribution platform" allowed in 2010 to increase the occupancy rate of each of the already mentioned structures of almost 20% respect to the last 2009.

An increase of the occupancy rate could be, in general, pointed out as an important outcome, but a detailed analysis could alter this general approach; "Capri is an exclusive island, that does not need a 100% occupancy rate", explains Mr Federico, the director of Punta Tragara.

The hotel just the last year increased its standard becoming a five stars luxury(5L) hotel.

"Our goal is not a 100% occupancy rate with a very spread but never selected target, with the only mission to fill all the rooms. Rather it is a select customer base".

His view allows to justify the reasons why the use of ICTs is not always so beneficial.

It should be otherwise, necessary to step off and to retrace the tradition that most of them have already handed down during these years.

On the other hands, the pattern enhances the views of two directors, the one of Villa Marina and the other of JK Place that are completely in disagree with the others.

They think that ICTs are the buzzword of today's economy.

In this perspective, how well their hotels will thrive, depends on how well their management rides the waves of the new technologies in the new century.

Actually Villa Marina and JK Place record both just three years of history. Hence, the percentage of loyal customers is not the same of Quisisana, that leaves a centenary history behind itself.

But they do believe that, independently by its tradition, the island should move toward a general renewal, understanding that as the spread and performance of ICT technologies increases, access to tourist and booking information must become faster because such a demanding target customer want simply the best and does not want to risk to lose time.

For these reasons their policies are quite innovative compared to the others of the island, since they gave an important support to the traditional tour operators and travel agencies.

They justify these patterns in the following way:

Such customers that want to journey in one of these high standards categories of hotels, will be also willing to spend everything ,in charge of a brilliant service not only once they get there, but even for the information they search.

So they prefer trust their loyal travel agents instead of searching all details by themselves.

"They want all the comforts, and they pay for them", explains S.Porreca, top manager of JK Place, justifying in this way the nature of the 30% of reservations, that in 2010 recorded these findings.

Hence, the awareness of the needs and wants of today's Internet-savvy travelers seems a key element for long-term success in tourism.

Chapter 4- Villa Marina case study

4.1 Inception of the idea

In order to directly evaluate the impact of the web on a five stars hotel in Capri, the focus was put on a new "boutique hotel", started in 2008, the Villa Marina hotel-

I have been working there in the summer 2010 and this allowed me to have a more direct and complete access to all its core data.

Villa Marina's main feature is to provide customers with a true image of the story of Capri in a time frame ranging from the end 19 and the first half of 20th century. At that time, Capri built its image of place of natural beauty associated with culture, leisure and pleasure in a unique outrageous and hedonist image.

Villa Marina offers a true spots of that starting from the concept of the ancient "villa" back to life, giving to its customers the idea to rent a "villa", and not to spend a journey in a traditional, though outstanding hotel.

To this purpose, Villa Marina proposes to customers wants, a traditional Capri style life, made up with leisure and pleasure..

Hence the villa approach consists in a combination of the "culture of luxury" with that of "luxury of culture", in a magic scenario of natural beauty and care of persons.

Due to its recent opening only three years ago, ,the villa applied the most recent technological tools to the benefits of her hosts. This gave a major advance to the villa over its established competitors, somehow balancing the problems of being a newcomer.

The combined application of new technologies and modern culture of hotel management with its guest-tailored approach results in the "insider peering" approach. New innovative processes, computer software, computer

hardware, programs in different languages are exactly functional to the high quality of services and products offered to its customers.

4.2 Realization of the idea: the structure

Twenty-two individually decorated rooms.

Each of them is completely different by the others.

Each room takes inspiration from the characters who marked the cultural history of the island from the end of the 19th century and the first decades of the 20th century. As such rooms have no numbers, rather they are entitled to Capri icons. Pablo Neruda, Axel Munthe, Curzio Malaparte, George Norman Douglas, futurism writers and many others that are directly linked to Capri gave their name to the villa rooms (see the appendix II with a brief description of each room)

Each room includes a true hallmark from the character, such as a book, a painting, a letter, or other, which puts the guest in a direct cultural and historical setting.

VM has been defined the first "literary hotel" in a prestigious tourist magazine (Simeone I , Taliento L, Capri, I viaggi del Sole, il sole 24 ore edizioni, 2008).

Paintings by famous artists and creative hints, personalized antique details such as autographed books, pictures, diaries, characterize the rooms..

This personalised approach results in an incentive to the host to "live" the villa and spend more time in it.

Hence the realization of the idea responds to this purpose, to offer a tempting exclusive and tailored offer.

The concept of "boutique hotel" enhances how the overall hotel's organization is polarized and concentrated under the guide of expert key persons and services.

The operative brain of the villa is located in the top manager's office and encloses technological applications, supporting different control functions.

To reach this purpose, Villa Marina has widely adopted information technology (IT) in order to reduce costs, to enhance operational efficiency, and most importantly, to improve service quality and customer satisfaction.

Hence, the creation of intranets and extranets provided new opportunities for hotel business to run communications with different hotel facilities (i.e restaurant, pool, SPA) to operate effectively, supporting the overall business.

The central brain directs the services of the hotel.

The back office, front office, food and beverage laundry, bar are located in different departments, led, respectively, by a expert from the area.

Each operation is recorded as long as it occurs in the hotel's software. managed by Web Hotel Service, a tourism information consultancy hotel.

In details, each new "booking request" is recorded into Web Hotel server, as long as it is made, and labeled as is an "availability request", made by a person seeking information and details on rates or special offered. Alternatively, even in case of an "effective booking request", the specific details are promptly loaded into the Web Hotel booking system to be instantly and effectively processed. The system needs to be highly effective due to the peculiar nature of the hotel. Managing 22 different rooms with at least 4 different standard rates (table con la tipologia delle stanze junior suite. Pool suite etc), and in addition special offers through multiple channels (website, expedia…..) requires a high skilled person.

The Web Hotel booking system not only regulates bookings, check in and check outs, but it also is a data base containing precious information to the hotel management about channels used by different customers and their preferences and desires.

This data are effective in orienting the hotel policies, strategies and choices over time and also help in internal control of the effectiveness of procedures and personnel.

Back to booking, an operator carefully records into the system whether a new customer passed through an intermediation solution, and approached the hotel upon the suggestion of e-mediaries such as tour operators, or on the other hand, if he has founded the hotel by him selves.

The control brain allows an efficient management of services including SPA treatments. The latter may be included in hotel packages and need to be reserved, planned and finally reported by the Spa department as "performed".

There is an operator that is in charge of the control of these procedures and their coordination.

Spa department provides not only beauty and relax treatments for hotel's customers , but it also sells body creams and other beauty products to customers through a specific services.

All the data, as long as they are produced, are transferred to a central server located in the top manager's office. This serves as a storage unit and progressively certifies each operation, and it shift it to other terminal units for their specific functions (e.g. billing).

The food and beverage department functions as a branch between restaurant, bar, and room services. A specific person is in charge for each of the three working units. Of course everything is organized to provide a quick but exclusive service located in different areas of the villa.

Thanks to the web technology, "fast, interactive, 24 hours active programs and schedules provide an unprecedented flexibility" (Buhalis,D 2000, Marketing the competitive destination of the future. Tourism Management 97-116)

Moreover for what concerns security issue, there is an innovative system of flows control to check constantly presences in the hotel.

Other web technology characterize VM and contribute to his image of top class, where the guest is hosted as a special unique person. In 2010 VM introduced a system of finger press to allow guest to enter their rooms and signing their bills, offering together a easy and comfortable opportunity and a further privilege, while they spend their time in the villa, combined with a total security that protects the host and his/her wealth.

Needless to say that this system is connected with thecentral brain and goes into the other systems (again the billing department).

And in such as a small structure there is no need to have a group entitled to do it. The presence of a representative of this field supported by the new tools usage provides a great proof of interoperability.

4.3 Exploiting the "Werthner and Klein model" to manage the hotel activities

In the attempt to cluster Villa Marina's customers on a mutually similar booking behavior, the "Werthner and Klein model" (1999) was applied, as described in chapter 1 of this thesis, which allowed a full integration of

hotel services thereby ultimately contributing to an effective management exploiting technological evolution..

Nowadays computer technologies provide unlimited possibilities for collecting and storing data directly from a wider data set.

This approach provides precious information that help the hotel manager profiling customers. It also provides the basis and set up for applying what IT managers call "dialogue with customers"

In this way hotel management exploits IT to be proactive and predict what customers need, Therefore, technological convergence enhances speed, interoperability, reliability, while adapting the procedures and services to the consumer needs.

An improved knowledge of Villa Marina customers enable her management to provide services and products in an increasingly competitive marketplace.

Information on preferences, trends and desires may be gained by accessing databases of similar conditions. Nowadays, computer technologies provide unlimited possibilities for collecting and storing data from interviews, surveys and other sources. This data may help to improve customers relationships management(CRM).

At this purpose Data Mining, also known as Knowledge Discovery has become an important tool for managers, but also for analysts and experts in commercial and government structures all over the world.

Nowadays, the abundance of data, coupled with the needs for powerful data analysis tools, has been described as a "data rich but information poor situation" (Jiawei Han,Micheline Kamber, 2001, Data Mining: Concept and Technique)

The fast growing, tremendous, amounts of data collected and stored in large data bases, has far exceeded our human ability for comprehension without

powerful tools. As a result, data collected in large databases become "data tombs", data archives that are rarely visited.

Consequently, important decisions are often made based not only on information-rich data stored in databases but rather on decision maker's intuition, simply because the decision maker does not have the tools to extract the valuable knowledge embedded in the vast amounts of stored data.

Data mining help performing data analysis and may disclose important patterns, greatly contributing to business strategies ,knowledge basis.

The process of mining consist of extracting or "mining" knowledge from large amounts of data stored either in databases, data warehouse, or other information repositories.

As such the term data mining is actually a misnomer. Data mining should have been more appropriately named "knowledge mining from data", which is unfortunately somehow long . "Knowledge mining" a shorter term, may not reflect the emphasis on mining from large amounts of data. Nevertheless, mining is a vivid term characterizing the process that finds a small set of precious nuggets from a great deal of raw materials. Thus such a mis nomer that carries both "data" and "mining" became a popular choice.

There are many other terms carrying a similar or slightly different meaning to data mining such as knowledge mining from data bases, knowledge extraction, data/pattern analysis, data archeology and data dredging.

Many people treat data mining as a synonym for another popularly term used, "Knowledge Discovery in Databases" or KDD.

(KDD)
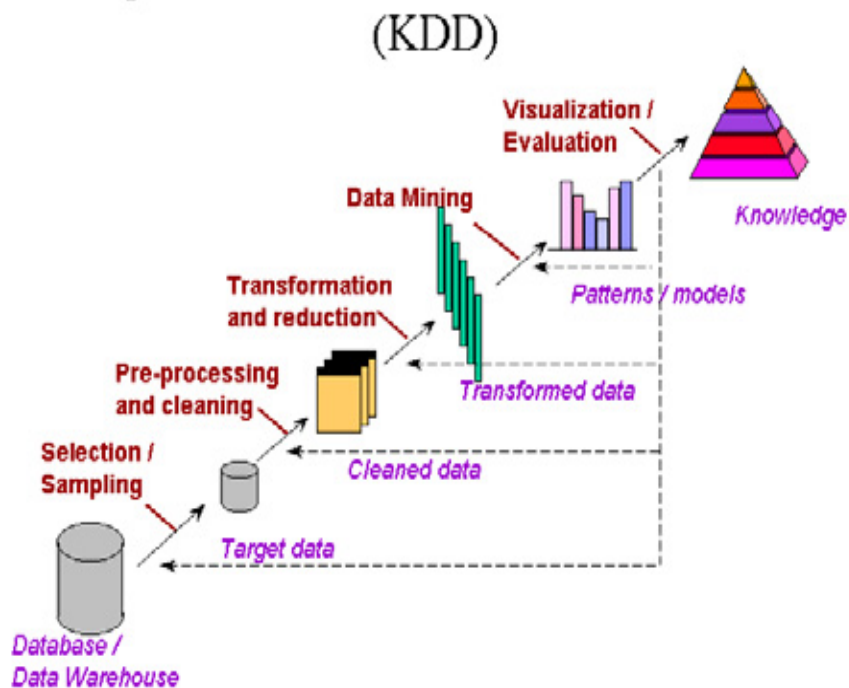
Data mining is a multistep process that includes:

1. Data selection: where data relevant to the analysis task are retrieved from the database

2. Data cleaning: where multiple data sources may be combined

3. Data transforming: where data are transformed or consolidated into forms appropriate for mining by performing summary or aggregation operations

4. Data mining: an essential process where intelligent methods are applied in order to extract data patterns

5. Pattern evaluation: to identify the truly interesting patterns representing knowledge based on some interestingness measures

6. Knowledge presentation: where visualization and knowledge representation techniques are used to present the mined knowledge are used to present the mined knowledge to the user

The specific step of Data mining step is the extraction of raw darta, but the entire process make the data interpretable and useful..

The interesting patterns are presented to the user, and may be stored as the "new knowledge in the knowledge base." (Jiawei Han,Micheline Kamber, 2001, Data Mining: Concept and Technique)

According to this view, data mining is only one step in the entire process, albeit an essential one it uncovers patterns for evaluation

in databases, data warehouses, or other information repositories.

From a data warehouse perspective data mining can be viewed as an advanced stage of online analytical processing.

In fact data mining goes far beyond the narrow scope of summarization-style analytical processing of data warehouse systems, by incorporating more advanced techniques for data understanding.

While there may be many "data mining systems" on the market not all of them perform true data mining.

A data analysis systems that does not handle large amounts of data should be more appropriated categorized as a "experimental system prototype" or a "statistical data analysis tool".

In fact a system that can only perform data or information retrieval, including finding aggregate values, or that performs deductive query answering in large databases should be more appropriated categorized as a "database system", an "information retrieval system" or a "deductive database system" (Jiawei Han,Micheline Kamber,2001, Data Mining:Concept and Technique)

So, according to their views, the term Data Mining is improper, because the data are not of wide-spread volume.

On the other hand, others defined DM as a "set of processes related to analyzing and discovering useful, actionable knowledge buried deep beneath data stores or data sets. This knowledge discovery involves finding patterns or behaviors within the data that lead to some profitable business action".

Hence, under this last approach the analysis conducted for Villa Marina can be addressed as a "Data Mining" process.

In fact no limits in terms of data volume are required in the second view.

Anyway, in both approaches, once that key variables are obtained, they can be used to build predictive models for decision making.

In a general perspective, an organization uses current customers databases to profile customers, understanding their purchase's behavior, hobbies, everyday needs, and of course, more personal information about their age, sex, marital status, personal income, etc.

On the other hand, in a more specific contest, the purpose of the analysis is to enable Villa Marina's management, in a context of already defined business objectives, "to discover new knowledge, to explore, to visualize and understand their data, and to identify patterns, relationships and

dependencies that impact on business outcomes" (Jiawei Han,Micheline Kamber 2001, Data Mining: Concept and Technique)

Hence a data mining software receives a summary of portraits for every group.

So classes are created depending on the object of the customers database analysis; in particular if the hotel tends to unearth the portrait of a customer, who chooses a specific booking channel, it should set parameter(database table field), containing information about it , as the class field.

Combining obtained data with a general analysis of hotel's customers presences in each of the three years, has allowed to create a differentiation based on the results of data mining.

In fact after "data mining" the customers database, the new information can be used for studying synergies between channels used and country of origin, in each year since its first opening, identifying patterns bringing each customer toward a specific reservation channel in booking his journey in Capri, finding associations with demographic features.

It is true as Kim, Lehto and Morrison say that "consumers of different gender, age, nationality, display different search patterns",

It is the proof of how different policies adopted to promote the hotel impacted on customers' preferences, creating progressively a similar pattern for the same origin.

ICTs impacted on every aspect of the travel and hospitality business, from information distribution and marketing to travel and hospitality products and services purchases.

So the increased interest of travellers in online information and booking, has involved an aggressive effort from the hotel, to change its landscape of conducting its business.

Hence in the light of what the data mining process enhanced, it has been attempted to justify all its findings, with a brief digression on the hotel's policies adopted each year, since the 2008.

The sub-division of various reservation channels will be included in the Appendix I.

4.4.1 Policy adopted in 2008

The hotel opened in June 2008.

It enhances a big prevalence of a national target (61%), respect to a slower percentage coming from the rest of the world(38%).
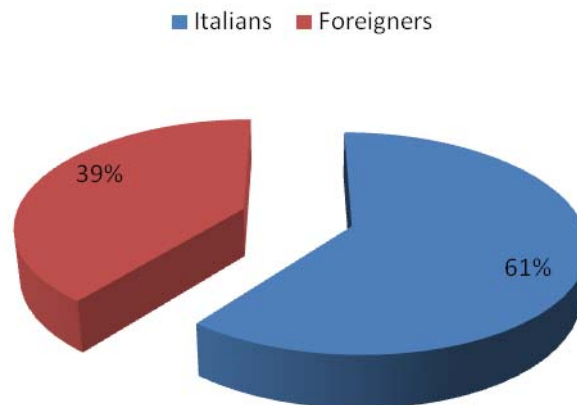

Figure 9 Percentage of clients by country of origin 2008

More in detail, the Americans are placed in a second position for what concerns hotel's presences, although they do not stand comparison with the Italian ones; It follows the Middle East, even if the entity of numbers is very small.

Besides, in terms of reservation channels used by the hotel's guests in booking their journey the chart below shows a clear, strong predominance of direct channel.
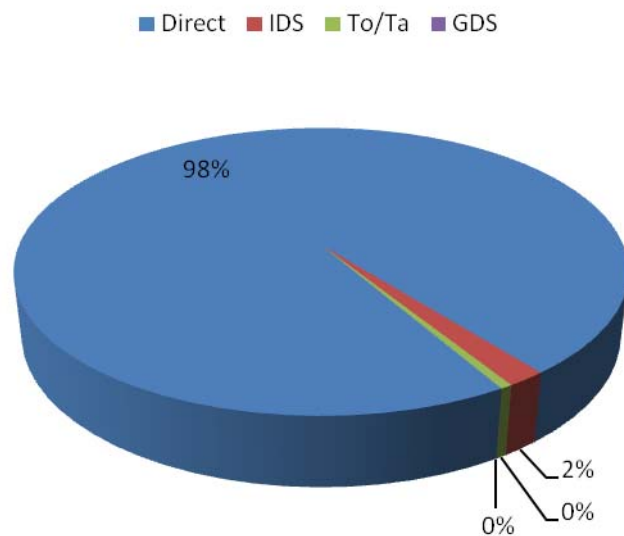
Figure 10 - Distribution per channels 2008

The attempt to reach immediate outcomes, and the idea to introduce a new facility in a historical and already established environment have delineated this choice to did not involve the hotel in an international scenario. No investments have been made to promote the hotel worldwide.

These findings could be a consequence of a strong campaign with Neapolitan news agencies that promoted the new hotel in that catchment area and thus , more concentrated on the Parthenopean and Amalfi coast's area.

Therefore, many local and national customers gained knowledge of the new hotel early opened in Capri from magazines , advertising, listening to special television channels and immediately found easier and quicker to book their journey calling the hotel directly and asking all the information directly to an operator, or sending an e mail to its website for all the specifics..

But direct solutions are also the most important way for foreign people to reach Villa Marina, without the necessity to move away from their places.

For this purpose, the website entitled the hotel to catch a big part of foreigners without any added fees and commissions to intermediaries.

 Not any deal with third parties related such as Expedia and others. The few shown in the figure are not linked to the policy adopted.

Only a small entity of allotments have been signed with some Italian tour

operators. They are oriented toward an Italian customer base, as shown in the green part of the figure.

To show graphically these findings, it has been reported the following figure: it enhances the relation between used channel and country of origin in 2008.
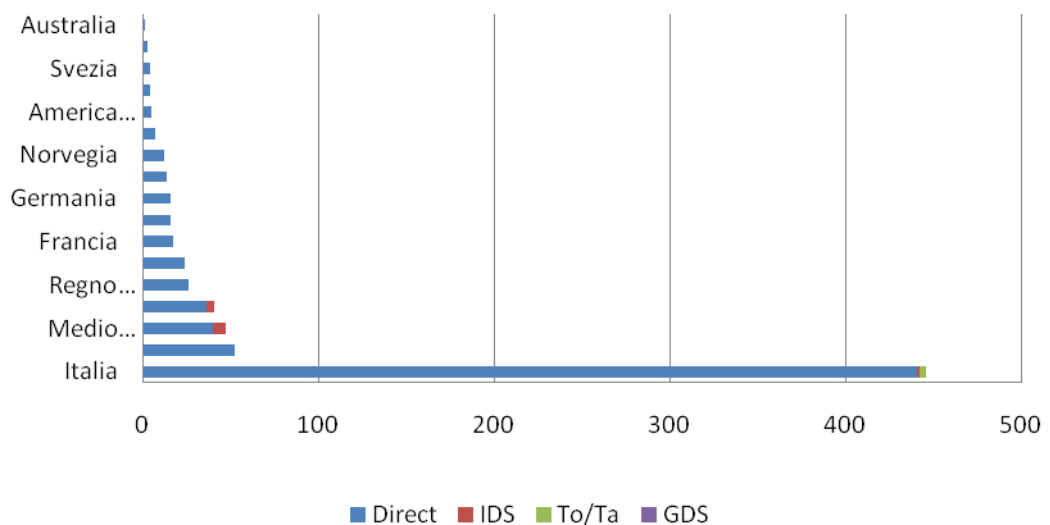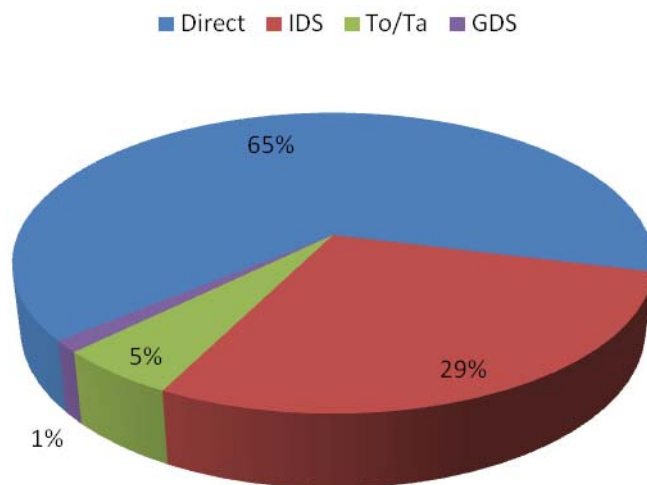
4.4.2 Policy adopted in 2009

More focus on an international perspective, the hotel attracted a higher percentage of foreigners respect to the previous results. In fact the slower percentage of Italians compared to the previous year (47%), is justified by an increase of the International one(53%).

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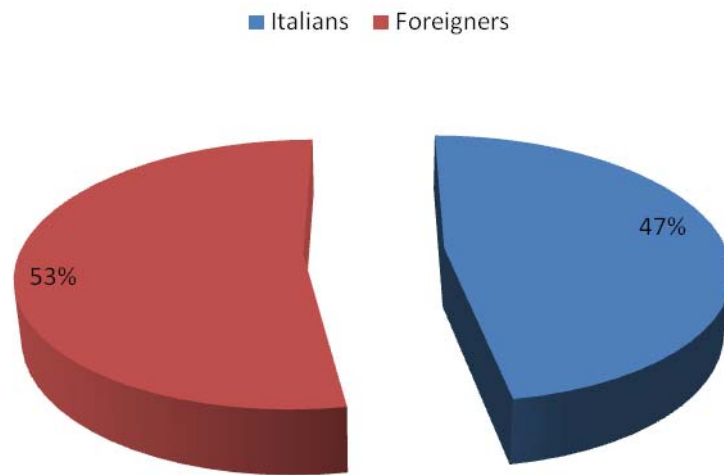
Figure 11–Percentage of clients by country of origin 2009

The findings show, anyway, a preponderance of Italians, that continued to prefer a direct channels to make their reservations and book their journey.

Figure 11-Distribution per channels 2009

The policy adopted, thus, by the management has been oriented toward an international image.

Hence the hotel largely invested in third parties websites to reach its purpose, and chose "Fast Booking" as personal booking engine.

It allowed people all over the world to make their online reservations.

IDS have conglobated high part of the customer base, as clear by the chart, thanks to Expedia, Booking.com. Fast Booking and a lot of other online e-mediaries,

Although the high costs, it gave access to a spread environment, allowing to overfill the hotel, even in hard periods that would not consent it.

Displaying with its images and pictures on different portals, Villa Marina has attracted new foreign countries that would never know about a new hotel settled in that historical environment..
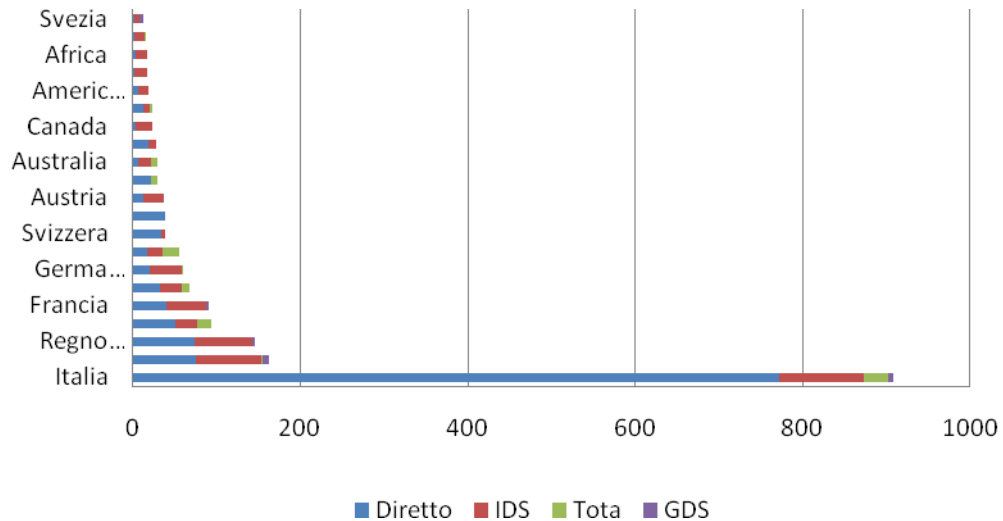
The direct channels continues to be the most preferred channel by Italians, although the policy that the management adopted could let think to different findings.

An Italian customer base continues to prefer a direct touch with the management, probably being afraid to find uncomfortable surprise at their arrival. They need always more reassurances and this is testified by the high percentage of telephone call that the hotel have daily received. In fact it responds to different requests of its users, helping him to clarify some details, and not obliging him to pay with his credit card to make a reservation. In fact most of them still are untruthful respect to the online systems of payment, being afraid to leave their credit card on the network.

The proliferation of e-mediaries followed a period of euphoria when a great member of players hoped that they will generate a high volume of profit by targeting the tourism industry. The hotel, thus, took advantage of the new

opportunities and developed e-Commerce applications by allowing users to access always more quickly to their reservation online systems.

In addition, several web-based travel agencies also emerged (e.g. Expedia, ebookers.com, Travelocity.com) whilst off-line agencies developed their on-line provisions (e.g. www.thomascook.com, www.lunnpoly.com).

Internet portals (e.g. Yahoo, Altavista,) developed on-line travel distribution, often by sourcing their travel content from external online agents and suppliers.

The 29% of these web-based travel agencies have been certified by USA, France, Great Britain, and Benelux.

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4.4.3 Policy adopted in 2010

On the strengths of its last experience, the hotel continued to enhance its international image The chart shows a scenario very similar to the one of the previous year: the percentage of Italians amounts at 49% respect to a 51% of foreigners,
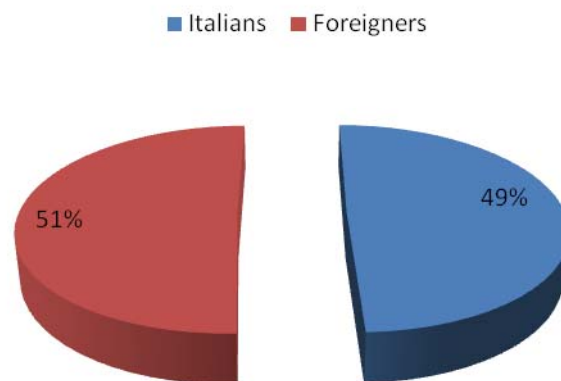

Figure 12-Percentage of costumer by country of origin 2010

The hotel records a slower percentage of customers booking their journey directly, without the support of theses e-mediaries: the 60% compared to the 65% of the previous year.

On the other hand, the increasing impact of those e- mediaries covers a primary role: the 25% of bookings are made online and need the support of these systems.
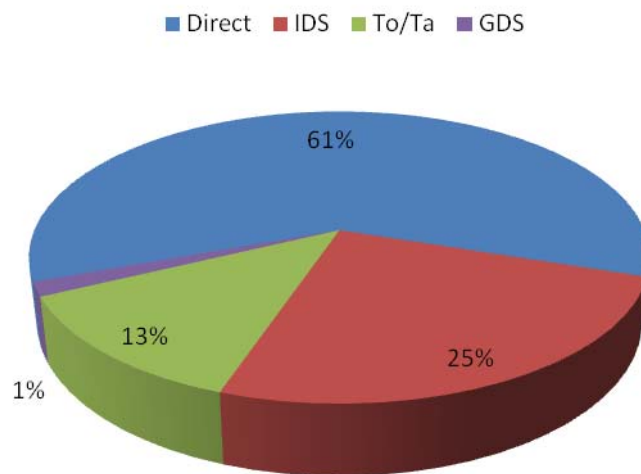
Figure 11-Distribution per channels 2010

In the attempt to show a direct relationship between reservation channels and origin of its customers it has been it has been conducted the following analysis:

Since the hotel started to operate with the support of this new distribution systems, such as "Booking", an increase of the number of customers coming from that area is certified. In fact the 25% of reservations comes by third parties web sites.

"Booking" is one of the most important Internet Distribution System(IDS), has its headquarter in Amsterdam and guarantees the best prices for any type of property ranging a five star luxury at all its local customers.

In fact the mentioned IDS attracts a big part of the customers coming exactly from Benelux, that is from Belgium, Netherland, Luxemburg, thanks to a strong policy and influence that exercised in its local area.

On the other hands, the 13% of distribution channels founded their origin in Tour operators and travel agencies that have pulled an increasing number of customers in.

It is the result of agreements that have been signed with Tour Operators and that are carrying out their loyal customers toward the hotel .

The most important Tour operator sponsoring the hotel, records an American brand. Consequently in 2010 the number of Americans have grown, without any precedents.

Hence this analysis could give another proof of the always deeper link between distribution channels and country of origin, that has been already presented.
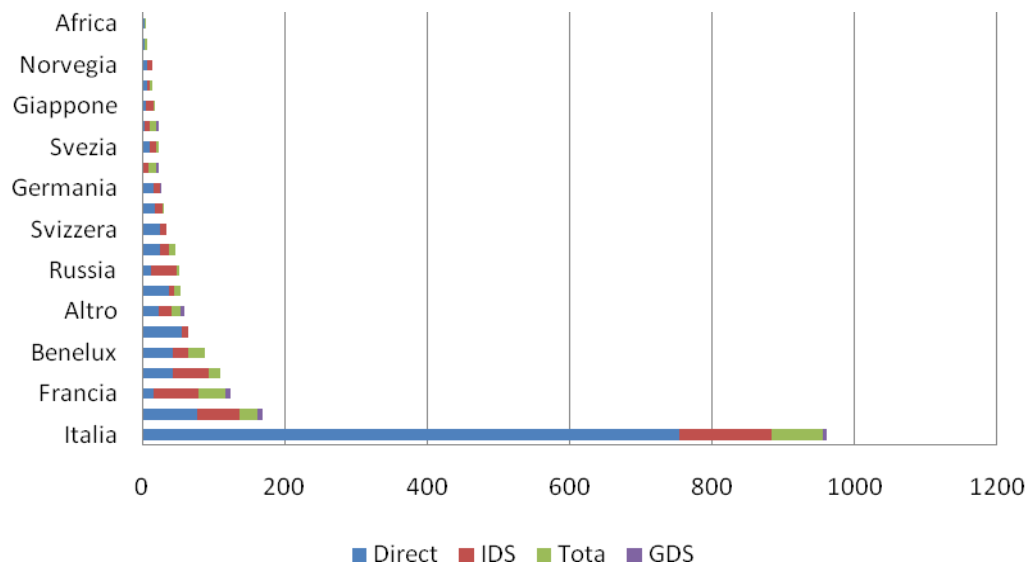
4.5 Findings

The preceding analysis is the results of the data retrieval, stored in the hotel's database, and of successive deductive query answering within it.

These aggregations have revealed travellers' preferences in booking their trip and in expressing their choices for a specific journey in Villa Marina. The data provide patterns reflecting different information search, that allowed the hotel management to match its organizational strategies, in all of the three years.

The process shows that, since 2008, the big part of reservations rely on taking direct bookings by phone, or by e-mails.

On the other hand, no international policies have been adopted, but just local advertising that have brought a large number of Neapolitan people.

A similar pattern has been recognized also in the 2009, even if the attempt to put Villa Marina in a more global scale gave its effects.

New tools attracted an increasing international customer base, since strong incentives by international e-mediaries have been offered.

In the 2010, the customization of its clients after an hard work and previous commitments , has shown its results.

Hence part of the direct bookings made by phone or e-mails, reflect exactly this pattern.

So for what concern market segment analyzed, the focus on the international/domestic dichotomy suggested that there is a tendency for domestic travellers, on a hand, to make more direct arrangements and for international travellers to prefer an un direct channel" (Buhalis D, Marketing the competitive destination of the future-Tourism Management, 21(1):97-116, 2001).

In fact the data show, in all the three years, a predominance of the direct solution as a tool preferred by most Italian customers, compared to an

increasing interest for the new ICTs tools that have testified an incredible increase of international users.

Curiously, these findings show how in an increasing competitiveness of marketplaces still half of foreigners prefer direct solutions.

Hence particular attention should be pointed toward these findings and their origins. .

A first aspect to consider is the ease of customers' reservation toward their bookings and their payments.

Although internet appears to be fulfilling this function is not yet as well "adapted and adopted" in the hotel management, in which room availability is less readily confirmed online and the phone remains the dominant means of communication in this sector.

In fact skills in checking availability in an easier way, bring toward an increase of booking accommodations by phone.
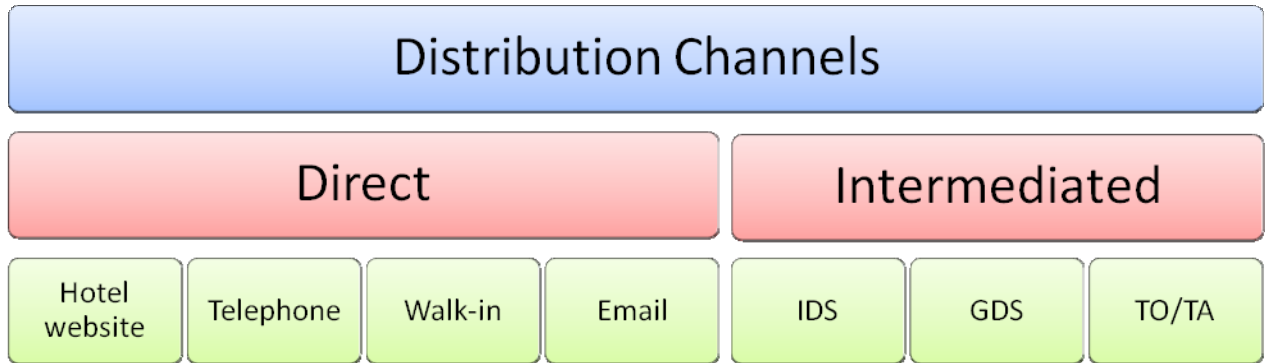
Besides, for what concern "price", this component is associated with the way the payment is made: many customers are still afraid to leave their credit card within the network, and they still prefer talk to an operator to have a direct reassurance.

The hope to receive a better offer instead of the rates they check on the web is another important component that influences their preferences.

Finally this work has demonstrated the need for Villa Marina hotel's management to extend the analysis of consumer behaviour, from the information search process to their purchase behaviour, and implement new roles that lack in the daily organization.

As the challenge for the value creation is increasing with a strong competitiveness between the major hotels of the island it is important to consider the value chain in a technology development project.

The concept of value creation through technology is strongly dependent

Distribution Channels						
Direct				Intermediated		
Hotel website	Telephone	Walk-in	Email	IDS	GDS	TO/TA

upon the alignment of technology and business strategies.

Under this perspective, technology plays a role in improving the overall value chain of Villa Marina

To this purpose, Villa Marina and its IT management have to work as a creative, synergistic, and collaborative team instead of a purely mechanistic span of control.

Hence IT management is vital for tourism organization and improve its competitive advantage within the industry in which it resides and generate superior performance at a greater value.

Appendix 1: Distribution channels

To enhance a possible connection, a sub-division has been made clustering two different categories

- Direct way: all the reservations that a customer makes directly, without any intermediation. It includes the hotel website, the reservations made by telephone, e-mail sent to the hotel, and the walk in, that happens when a customer decides to book a room in a specific hotel just because, crossing over it, and remaining fascinated by it, decide to stop there.

- Intermediate way: all the reservation that the a customer does not make directly, but that are intermediated by other characters. It includes: IDS (Internet distribution system) like Booking.com, Venere.com, Expedia.com, HRS, reservations made by tour operators and travel agents that don't have a direct relationship with the hotel that act with the support of GDS(Global distribution systems) like Amadeus, Galileo, Sabre, WorldSpan), reservations made by Tour operator and travel agents that have a direct relationship with the hotel.

Appendix 2 – Description of the rooms-

ROSINA VIVA

The wall along the bed , just in front of the entrance, is enriched with a painting representing themes close to the painter. Her very original style, by someone defined "intellectual-naive", was halfway through a striking simplicity and international and cultured references.Her naive taste is also present in interior decorations, particularly in the golden/black fornitures.

CERIO

The room , dedicated to a multifaceted writer ,a preeminent designer of Capri ,shows an essence of lots of different vaults employed for the buildings of the island. Cerio has been the greater defensor of the style of the island ,using some specific vaults called "alla caprese", in the houses that he built.

Rooms ' furnishings let the clients think about the atmosphere of the writer's studio.

The sun deck that offers you a wonderful view ,pays homage to Cerio's passion for the landscape of the island, that motivate him to challenge against abuses and speculation.

COLEMAN

The suite has a big terrace with an out-door pool similar to the impluvium built in the painter's house in Capri , Villa Narcisus. An house inspired by a mix of styles, an eclecticism we can find even in this Suite dedicated to him.Coleman, before he settled in Capri, travelled a lot through America and Europe, this feature is present in this Suite with a mix of styles.The room entrance surprises with a great copy of a beautiful Coleman's painting, "From my window"(1914), the same view you can enjoy from the terrace of this Suite. The painting is realized on a partition wall.

FIELDS

A room so classic, with a cloakroom in front of the bed head with two lobbies, typical example of the English style. A visible tribute of the actress

as well as English singer, founder of a wonderful lido ,called "Canzone del Mare", a meeting place so renowned since 1950.

In the sitting room, on the wall we can see some portraits and manifests of that period that show you her artistic life and some images of the lido and of the wiggly pool to the bottom of "Marina Piccola", that calls to mind the wide bath put up a rock that crops out of the the internal wall of the bathroom.

GORKIJ

We can have a clear tribute of the passion of the Russian writer looking at the floor of the suite, made in black and white, similar to a chessboard. Gorkij spent lots of nights in Capri, gambling, sitting at "caffè Morgano".

A big desk opposite to the bed let you think about the wonderful activity of the writer and the playwright, that created some poems during his stay in the island.

Overlooking the window, you can see his third house in the island, the wonderful "Villa Pierina" ,with a great garden, where Gorkij stayed until the end of his exile , in December the 1913, when he came back in Russia , thanks to the amnesty of the Zar.

MARINETTI

The room is divided into two different levels, creating a place well constructed that let you think about his cultural style.

Also the colours, especially the black, the beige and the white one, are inspired on the prosodies that link words to paintings, while the presence of a trunk calls in the mind the voyage's theme.

Coming up the scale you will be in the second floor ,where you will access to the roof garden with its big pool, and here you will catch a range of his works.

MUNTHE

The Swedish doctor was a naturalist and a lover of natural studies, as flora and fauna of the island.The use of the green colour in the precious sheath of the bath situated in the room ,close to the wooden ones.

Influnced by the attention for the nature and the passion for the light, choce the place to build his famous villa, called "Villa San Michele", in Anacapri. That's why the sunnier room of the hotel is entitled to him. This room has three windows inside and one in the bathroom, overlooking the gulf ,that holds the bath.

From the roof garden you will see his house ,situated vertically the sea.

NERUDA

The room gathered from an ancient tank ,has a great masonry bottle vault ,entitled to the Chilean writer that spent a part of his stay in the island.

He dedicated a great poetry called "Cabellera de Capri"to Capri, of which a part is written on a memorial tablet situated at the entrance of "via del Pizzolungo" ,under the panoramic viewpoint of Tragara.

An exctract is located on the headboard .

The room has two bathrooms, one is for handicappeds.

MALAPARTE

The most spacious room is entitled to a very authoritatative personality.

The hall echos back to the house place that the writer of Prati built on Punta Massullo ,visible around the walls. We are talking about two sea views of some prospects of the great house.

The desk ,located alongside the bed,has the same trapezium's shape of the house and it's realized in a special form called "a gradoni" to let the guest thinks about the famous stairs of the cover.

PERRY

The inspiration of this room,that begins with a drawing room comes from a common sense of the greeting ,that characterized Kate and her sister Saidee during their stay in Capri .In the living room of the famous Villa Torricella, there were lots of parties and pool halls in honor of the stranger colony.Also the fornitures' and waves' colours are a recall to the villa's athmosphere that is also visible from the terrace located opposite the suite.

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