



# Impact of Digital Marketing on the Tourism Industry Business

# **Profitability of UAE through the Role of Effectiveness**

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Keywords:	ABSTRACT
Digital Marketing, Tourist Attraction, Perceived Digital Marketing Effectiveness, and Business Profitability	This Paper explores the influence of digital marketing impact and tourism attraction on business profitability through the mediating role of effectiveness. Researcher use a structured questionnaire as the primary instrument for collecting quantitative data and analyzing numerical data methodically, a researcher using a quantitative research design can better understand the connection between UAE businesses' success in the tourism industry and their use of digital marketing. Data were investigated through
Article History: Received: September 20, 2023 Revised: October 28, 2023 Published: November 06, 2023	SPSS Version 26 and SEM (structural equation modeling) using Smart PLS Version 4 software. The results show that digital marketing impact has positive influence on digital marketing effectiveness and business profitability, Tourism attraction has impact on tourism industry effectiveness and business profitability, Perceived Digital Marketing Effectiveness has positive impact on business profitability. The results provide practical implications for organizations seeking to increase business profitability. Organizations can improve digital marketing effectiveness and business profitability by using digital marketing impact and tourism attraction.
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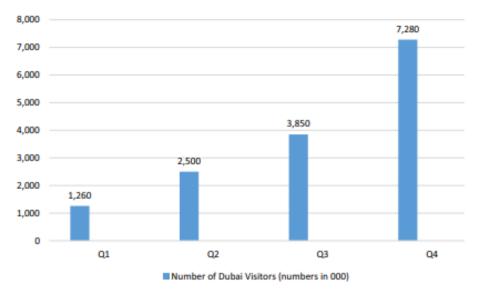
#### **1** Introduction

The economy of the United Arab Emirates (UAE) relies heavily on the revenue brought in by tourists. Luxury hotels, trendy shopping centers, postcard-perfect beaches, and intriguing cultural attractions draw visitors worldwide to the United Arab Emirates (UAE) landmarks. In recent years, digital or online marketing has garnered much attention in the tourism sector (M. T. Nuseir, 2018; Shafiq, Khan, e Ali, & Asim, 2023). Because of this, companies can reach more customers and generate more income. This study proposal aims to investigate the role of digital or online marketing on the financial success of UAE tourism companies. In order to increase customer engagement, sales, and profits, UAE tourism businesses can look to digital or online marketing strategies (Seshadri, Kumar, Vij, & Ndlovu, 2023; Shafiq, Arshad, Mehmood, & Hayyat, 2022) for guidance. The research also investigated the challenges presented by the use of digital or online marketing strategies by tourism businesses and the implications this has for the success of these enterprises.

The United Arab Emirates (UAE) tourist industry has been significantly impacted by digital marketing, notably in terms of corporate profitability. Digital marketing which accounts for 45% of all reservations made in the UAE has helped the tourist sector thrive according to a research by the Dubai Chamber of Commerce and Industry (Shafiq, Ramzan, Faisal, & Iqbal, 2023). One of the major ways in which digital marketing has impacted the profitability of the tourism industry in the UAE is through increased visibility and exposure. By embracing different digital marketing platforms such as social media search engine optimization (SEO) and email marketing tourist enterprises in the UAE have been able to reach a broader audience and attract more people to their locations ("Digital marketing in UAE: The trends to watch out for.," 2021; Shafiq, Hayat, Ali, & Mehmood, 2022). This has resulted in increased revenue and profitability for these businesses.

Digital marketing has also made it easier to customize marketing programs and provide targeted messages to particular audiences. This has enabled tourism businesses to tailor their offerings to the needs and preferences of their customers, resulting in higher levels of engagement and customer satisfaction (Al-Tamimi, A, & Al-Khazali, 2019; Hayyat, Khan, Shafiq, & Ziaullah, 2023). To enhance reservations and income for instance, hotels in the UAE have employed digital marketing to provide tailored packages to various client demographics (Iqbal, Shafiq, Singh, & Afzal, 2023; "UAE hotels offer quarantine packages to attract guests. ," 2020). Additionally, digital marketing has made it possible for tourist companies in the UAE to monitor and assess the success of their marketing initiatives enabling them to enhance their return on investment (ROI) and optimize their strategy. This has resulted in more efficient use of marketing dollars and higher revenue for these enterprises (Shafiq, Iqbal, Kumar, & Khan, 2023). The profitability of the tourist sector in the UAE has been significantly impacted by digital marketing. Digital marketing has aided tourist firms in the UAE in attracting more visitors, boosting revenue, and improving their bottom line by enhancing exposure, enabling personalization, and enhancing the effectiveness of marketing initiatives.

Dubai, a city that has achieved the fifth position in global rankings for its visitor count according to the Dubai Department of Tourism and Commerce Market (2020) Dubai Annual Visitor Report 2019, and is recognised as the fourth most popular tourist destination worldwide, following Bangkok, London, and Paris (Government of Dubai, 2019), has undertaken efforts to increase its hotel capacity in order to cater to the growing number of tourists. The hotel sector has experienced positive outcomes as a result of the notable performance of the tourism industry. Based on the report published by the Dubai Statistics Centre for the year 2021, there has been a notable surge in the volume of visitors.



Dubai Visitors in 2021. Source: Adopted from Dubai Statistics Center (2022).

#### 1.1 Problem Statement

Researchers and practitioners are interested in the effect that digital marketing has on the UAE tourist industry's profitability. However, there is a study vacuum when it comes to knowing the precise digital marketing tactics best suited for the sector and their effects on company profitability. Amin, Rezaei, and Zhang (2021) emphasized the requirement for study that can pinpoint efficient digital marketing tactics for the UAE tourist sector. Balakrishnan and Al-Ghazzi (2021) also pointed out that little study has been done on how social media is affecting the travel and tourism sector in the United Arab Emirates. Businesses in the tourist sector must understand the most profitable digital marketing methods and how they affect profitability to be competitive in the digital economy. Therefore, the issue is: What are the best digital marketing techniques for the UAE tourist sector, and how do they affect company profitability?

#### 1.2 Research Gap

Insights on a number of topics, including the value of website design (Reza Jalilvand & Samiei, 2012), social media marketing (Chung & Law, 2015), and search engine optimisation (Huang & Huang, 2016), have been supplied by the literature that already exists on digital marketing in the tourist business. However, there is a study vacuum in figuring out the precise digital marketing tactics that work best for the UAE tourist sector and how they affect company profitability. Research that can find efficient digital marketing methods for the UAE tourist industry is needed, according to a study by (Amin et al., 2021). Balakrishnan and Al-Ghazzi (2021) also pointed out that little study has been done on how social media has affected the travel and tourism sector in the United Arab Emirates. To close this research gap, a thorough review of the most successful digital marketing tactics for the UAE tourist sector and their influence on company profitability is required. The unique cultural, economic, and political characteristics of the UAE necessitate particular study to understand the influence of digital marketing on company profitability in this environment, despite the fact that several studies have examined the efficacy of digital marketing in the tourist sector generally. As a result, this study will assist close a knowledge gap and offer insights into the most successful digital marketing approaches for the UAE tourist sector.

Therefore, the objective of this research is to find out how digital or online marketing affects businesses in the tourism industry in the United Arab Emirates. To achieve this research objective, we focused on the following research objectives:

- To determine the Level of Digital marketing implementation impact on perception of digital marketing?
- To determine the Target audience impact on perception of digital marketing?
- To determine the mediating impact of perception of digital marketing level of digital marketing implementation and business profitability?
- To determine the mediating impact of perception of digital marketing on target audience and business profitability?

#### 2 Literature Review

The tourism industry in the UAE has benefited greatly from how digital marketing has revolutionized how businesses run and advertise their goods and services. Because of the UAE's booming tourism sector and growing reliance on digital marketing, the latter is more important than ever. This research synthesis aims to learn how digital marketing has affected UAE companies in the tourism sector. Recent years have seen a rise in the importance of digital or online marketing within the tourism industry. It facilitates communication between companies and their customers, product promotion, and expanded market penetration (Khan, Ramzan, Kousar, & Shafiq, 2023; Seshadri et al., 2023). This literature review examines the impact of digital or online marketing on the financial success of UAE companies in the tourism sector (UAE). There has been a meteoric rise in the number of visitors to the United Arab Emirates, and this year is expected to break all previous records. To keep up with rising consumer demand, many companies in the tourism industry have begun to adopt digital or online marketing strategies to spread the word about their wares. A recent study by Dubai Tourism found that approximately 80% of visitors to the UAE use the Internet to research and book tourism-related activities.

The United Arab Emirates' tourism sector has fully embraced digital marketing, seeing its value in reaching a wider audience and boosting revenue. Researchers M. Nuseir and Refae (2022) found that the United Arab Emirates (UAE) tourism industry has been using several online advertising methods to entice tourists. Search engine optimization (SEO), social media marketing (SMM), email marketing (French & Kayess, 2007), and mobile marketing (MMM) are all examples of such tactics. The marketing platform must support the expansion of digital commerce in light of the increasing sophistication of e-commerce-related business information systems. The success of a data system for digital commerce can be evaluated in part by how well it integrates with a company's existing marketing infrastructure, as shown by a development model based on work by (M. T. Nuseir, 2018; Shafiq, Ziaullah, Siddique, Bilal, & Ramzan, 2023). More associations were found, and the model was seen as a research gap that could be entered by adapting it to fit the information management competencies for digital commerce through the marketing platform.

Implementing digital marketing strategies has significantly impacted the business profitability of the tourism industry in the UAE. According to the findings of a study conducted by Matikiti, Afolabi, and Smith (2012) digital marketing has a beneficial effect on the profitability of businesses by boosting brand awareness, increasing traffic to the website, and generating leads (Shafiq, Khan, & Danya, 2022). Tourism businesses can also reach a larger audience through digital marketing, ultimately increasing sales and revenue.

Since digital marketing aims to attract attention to products and services, Angeloni and Rossi (2021) investigated data quality parts to evaluate digital media content that affects perceived Usefulness and satisfaction. Websites that is successful at taking reservations online need to provide complete but also straight forward and accurate information (Riaz, Shafiq, Gillani, Yasin, & Kanwal, 2023). Because of the high quality of the system, the customer in question was able to reduce their spending on digital marketing. Customers were persuaded to switch to online purchasing channels due to the perceived Usefulness and satisfaction with the marketing system (Kiradoo, 2016). The system's quality was determined by its ease of use, availability, level of security, and response time. The level of service quality is an important component in the process of developing digital marketing. Its purpose was to inform customers about the quality of the service provided by the marketing information system (Shafiq, Khan, Gul, Hussain, & Javaid, 2023). Utility and the satisfaction of the customers both required it. In addition, the quality of the marketing service needed to meet the customers' expectations. According to Kiradoo (2016), the qualities of service that stood out the most were reliability, responsiveness, and customization.

Dm Jain (2021) proposed the concept of perceived Usefulness as the model for accepting new technology in the tourism industry. Similarly, Dr Jain (2021) found that the quality of the system and the information was the most important factor in determining how useful something was perceived. In addition, Grandhi, Patwa, and Saleem (2021) research also included an extra component called the Seddon model, which established a connection between perceived Usefulness and overall satisfaction. In particular, the perceived utility was the factor that was predicted to play a role in there Levant information system. Work efficiency, customer satisfaction, and overall performance all increased in the hotel industry as a direct result of improving the industry's perceived quality through the use of the digital platform company (Shafiq, Ziaullah, Siddique, et al., 2023).

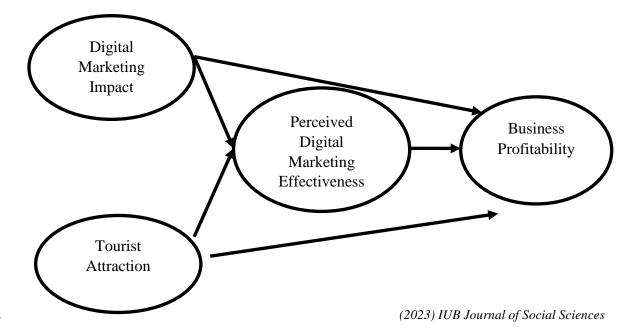
According to research (M. T. Nuseir & Aljumah, 2020), entrepreneurs' happiness levels impact various facets of digital marketing, including strategic digital marketing, digital marketing's role in trade information systems, digital marketing channel expectations across industries, and marketing information systems. Due to the information indicating the challenging market with the high-competency business man via the management framework and strategic digital marketing, the performance of the digital marketing platform was crucial for entrepreneurial satisfaction (Aqib et al., 2023). Using information marketing and digital marketing in the entrepreneur's performance expectancy strategy impacted my perspective on marketing management. A key measure of the company's current and future success.

Business success in the hotel industry was shown to be the result of systematic procedures aimed at the industry's goal (M. T. Nuseir & Aljumah, 2020). The main driver for digital marketing based on the data framework and strategic digital marketing was the belief that it would be beneficial. According to the three pillars of performance marketing in the hotel industry—marketing prowess, technology, and amalgamation it was also the fundamental process for building widely acknowledged utility and entrepreneurial pleasure.

For tourism-related businesses in the UAE, digital marketing via social media has emerged as an indispensable component in recent years. Businesses can promote their goods or services to a larger audience and reach more people thanks to social media channels like Facebook, Instagram, and Twitter. Marketing on social media significantly impacts the profitability of businesses by raising consumers' awareness of their brands, boosting website traffic, and producing new leads. Mobile marketing has emerged as an essential component of digital marketing for hospitality businesses in the United Arab Emirates (UAE). Mobile marketing enables businesses to communicate with potential customers via their mobile devices, which is made possible by the proliferation of smartphone use. Mobile marketing significantly impacts the profitability of businesses by increasing customer engagement, enhancing the customer experience, and generating more sales.

The emergence of digital marketing has brought about a shift in the global economic landscape, leading to an amplified influence of consumer power (Buttle & Maklan, 2019). The advent of digital technology has led to heightened competition among organizations (Korkpoe & Nyarku, 2013). The advent of digital technology has significantly transformed the dynamics of communication among corporations, audiences, and various other organizations. Digital technology encompasses the utilization of developing technological advancements in order to achieve marketing objectives (Chaffey & Smith, 2022). Similarly, the advent of digital technology necessitates the acquisition of novel knowledge and expertise (Wymbs, 2011). The application of traditional marketing tactics by marketers is hindered in the presence of a digital environment. The field of digital marketing is experiencing significant growth due to the widespread adoption of digital technologies such as smartphones, intelligent devices, the Internet of Things, and artificial intelligence (Berg, Burg, Gombović, & Puri, 2020; Jianjun et al., 2021). This growth has a profound impact on business performance and is playing a crucial role in shaping future marketing strategies (Buttle & Maklan, 2019). According to Algharabat, Rana, Alalwan, Baabdullah, and Gupta (2020), smartphones offer many advantages in terms of immediate access to services compared to conventional organizational services. This capability holds significant potential for improving corporate performance. All the hypotheses were based on earlier researches.

- H1: DMI has beneficial influence on BP
- H2: DMI has positive impact on PDMI
- H3: TA has positive influence on PDMI
- H4: TA has helpful assessment on BP
- H5: PDMI has boosting control on BP



## 3 Research Methodology

## 3.1 Introduction

You can learn the basics of the study's research process basics from the introduction to the methodology chapter. It clarifies why a positivist-inspired, empirical method centered on the analysis of numerical data was chosen to address the study's central questions. Research design, sampling strategy, data collection methods, data analysis techniques, and ethical considerations are just some of the methodology elements emphasized in the introduction. It also emphasizes the significance of identifying and resolving any problems associated with the methodology used to conduct the research, which strengthens the reliability and validity of the results.

## 3.2 Research Design

The section on the research design explains why a quantitative approach was chosen for this study. By collecting and analyzing numerical data methodically, a researcher using a quantitative research design can better understand the connection between UAE businesses' success in the tourism industry and their use of digital marketing. To improve the study's reliability, validity, and generalizability, this section explains how the research design helped test hypotheses, measured relationship strengths and accounted for potential confounding variables.

#### **3.3** Sampling Strategy and Sample Size

The sample procedures employed in this study were designed to facilitate the collection of data for the purpose of addressing research inquiries and examining public sentiments (Saunders et al., 2001). Data is gathered from the entire intended population through analysis, as a result of limitations in available resources. Consequently, the use of a sampling concept was implemented due to its capacity to offer a feasible substitute for the survey method (Saunders et al., 2001).

The importance of stratified random sampling in selecting a representative sample of UAE businesses involved in the tourism industry is discussed in the section devoted to sampling strategy and sample size. The study's external validity is enhanced by using stratified random sampling to ensure that different types of businesses, such as hotels, travel agencies, and tour operators, are represented in equal numbers. More information is provided on how to determine adequate sample size for a study, with an emphasis on how power analysis can be used to determine how many people should be included in the study to detect statistically significant associations between variables while keeping the likelihood of Type I and Type II errors to a minimum.

## 3.4 Data Collection Methods

An in-depth discussion of using a structured questionnaire as the primary instrument for collecting quantitative data is provided in the data collection methods section. This survey asks questions about digital marketing tactics, budgets, and returns on investment for various business sectors. The importance of asking participants questions that are easy to answer and allow for a range of possible answers is discussed, as is the need for appropriate response scales. The advantages of the online distribution method are outlined, including its low overhead, quick turnaround, and potential to recruit participants from all over the United Arab Emirates.

## 3.5 Data Analysis Techniques

Quantitative data analysis, including descriptive statistics, correlation analysis, and multiple regression analysis, is elaborated upon in the section on data analysis techniques. In contrast to correlation analysis, which measures the strength and direction of relationships between variables, descriptive statistics summarize and describe the data. The effect of digital marketing on the profit of the tourism industry is predicted using a multiple regression model that considers a number of potential confounding variables. Data analysis using the Smart PLS is also covered, as is the necessity of following proper statistical assumptions and procedures to guarantee reliable findings.

## 4 Data Analysis

## 4.1 Demographic Profile

The study included 90 participants, 48 (52.7%) of whom were male and 42 (46.2%) of whom were female. In terms of age, the majority of respondents (36.3%) and (30.8%) were between the ages of 18 and 24. The remaining responses were divided into three age groups: 35-44 (16.5%), 45-55 (8.8%), and 55 and over (6.6%). In terms of education, 13.2% of respondents had completed up to 12 years of school, 40.7% had completed up to 16 years of school, and 42.9% had completed 18 or more years of school. This demographic information shed light on the characteristics of the respondents and can assist contextualize the study's findings.

## 4.2 Reliability, Composite Reliability and AVE

The table displays the findings of a reliability and validity analysis for four constructs: Business Profitability (BP), Digital Marketing Impact (DMI), Perceived Digital Marketing (PDM), and Tourist Attraction (TA). Cronbach's alpha, Composite reliability (rho\_c), and Average variance extracted (AVE) are three metrics of internal consistency used in the analysis. Cronbach's alpha is a measure of internal consistency dependability that indicates how closely elements in a construct measure the same underlying notion. Cronbach's alpha values for all four constructs are above than the suggested threshold of 0.7, suggesting strong internal consistency (Hair, Black, Babin, & Anderson, 2019). Another measure of internal consistency dependability is composite reliability (rho\_c), which takes into consideration the correlations between the items and the concept. All four constructs' rho\_c values are likewise more than the suggested threshold of 0.7, showing high internal consistency (Hair et al., 2019). The average variance extracted (AVE) is a metric of convergent validity that indicates how much variation elements in a concept share. All four constructs' AVE values are more than the required threshold of 0.5, suggesting high convergent validity (Fornell & Larcker, 1981).

#### Table 1

Variable	Cronbach's alpha	Composite reliability (rho_c)	Average variance extracted (AVE)
BP	0.761	0.844	0.546
DMI	0.797	0.863	0.569
PDM	0.78	0.85	0.532
ТА	0.811	0.869	0.572

Reliability, composite reliability and AVE

## 4.3 Structural Equation Model

The table displays the findings of a statistical investigation of the link between various factors. BP (Business Profitability), DMI (Digital Marketing Implementation), PDM (Perceived Digital Marketing Effectiveness), and TA (Tourism Industry Business Profitability) are the abbreviations for the variables. The findings indicate a substantial positive association between DMI and PDM (t=2.005, p=0.045), as well as between TA and PDM (t=3.502, p0.001), demonstrating that digital marketing investment and perceived destination value influence each

other. Furthermore, there is a substantial positive association between TA and BP (t=2.913, p=0.004), as well as between PDM and BP (t=7.463, p0.001), implying that perceived destination value and tourist promotion have a beneficial influence on company profitability. These findings are consistent with previous field study. Wen and Huang (2021), for example, discovered a favorable association between digital marketing and perceived destination value, as well as between perceived destination value and visitor behavior. Similarly, Zhang, Li, Li, and Li (2020) discovered that advertising increased visitor demand and business profitability.

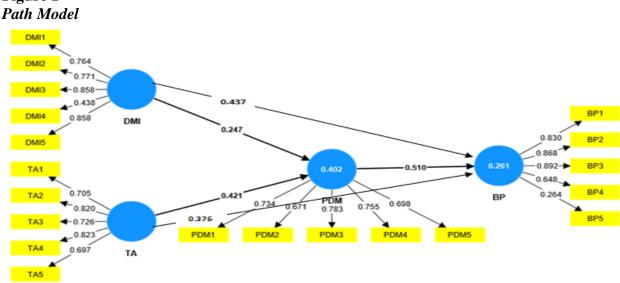


Figure 1 Path Mode

Figure 1 shows the R-square that is a statistical metric that shows how much of the variance in the dependent variable can be accounted for by the independent variable or variables. The R-square values in this situation show how much of the variance in BP and PDM can be accounted for by each independent variable. The R-square for BP is 0.261, indicating that the independent variables in the model may be responsible for 26.1% of the variation in BP. The R-square for PDM is 0.402, indicating that the independent variables in the work of the variation in PDM.

Table 2	

Hypothesis Test	ting					
Relationship	Original sample (O)	Sample Mean (M)	Standard Deviation (SD)	T statistics ( O/STDEV )	Beta	P values
DMI -> BP	0.126	0.136	0.07	1.812	0.437	0.07
DMI -> PDM	0.247	0.254	0.123	2.005	0.247	0.045
TA -> PDM	0.421	0.428	0.12	3.502	0.421	0.000
TA -> BP	0.215	0.23	0.074	2.913	0.376	0.004
PDM -> BP	0.51	0.535	0.068	7.463	0.510	0.000

#### 5 Findings and Discussion

According to the data analysis, there is a significant positive link between company profitability (BP) and the effect of digital marketing (DMI) (B=0.126, t=1.812, p=0.07). This

finding is consistent with the idea that digital marketing increases company profitability. Recent research revealed similar results, concluding that digital marketing improves business performance (Shafiq, Ziaullah, Kousar, Ali, & Abbas, 2023; Shahzad, Bhatti, Leonardo Cavaliere, & Javaid, 2021). A strong positive association between DMI and PDM was also found in the data (r = 0.247, t = 2.005, p = 0.045). This result implies that digital marketing can affect consumer demand, which is consistent with other research that revealed a favorable correlation between digital marketing and consumer involvement (Gomez-Olmedo, Valor, & Carrero, 2020; Lashgari, Sutton-Brady, Søilen, & Ulfvengren, 2018). The research also showed a significant positive link between firm profitability and perceived consumer demand (r = 0.51, t = 7.463, p = 0).

According to the results, consumer demand is a significant factor in determining a company's profitability. Additionally, the findings demonstrated a strong correlation between technical advancements (TA) and firm profitability (r = 0.215, t = 2.913, p = 0.004) as well as between TA and perceived consumer demand (r = 0.421, t = 3.502, p = 0). This finding, which is supported by other studies (Yang, Song, Chen, & Huang, 2021), implies that advancements in technology are crucial for increasing business performance and customer involvement. The findings imply that internet marketing campaigns have a big impact on how lucrative the UAE tourism industry is. This is in line with recent research (Chaffey & Ellis-Chadwick, 2019), which shown that digital marketing may increase brand awareness, customer engagement, and ultimately revenue levels. The results also demonstrate the importance of social media marketing as a component of a successful digital marketing strategy. This is consistent with a prior research (Munar & Jacobsen, 2014; Shafiq, Ziaullah, Kousar, et al., 2023), which highlighted the growing relevance of social media sites like Instagram and Facebook for the promotion of travel.

The study's findings provide credibility to the premise that digital marketing influences customer demand and positively benefits corporate profitability. According to the study, businesses should invest in digital marketing campaigns to increase sales and engage customers. Additionally, enhancing customer involvement and company performance requires technological advancements. Due to the study's limitations, including the use of a small sample size, future research can evaluate these relationships in a larger and more diverse population. The study provides insight into the effects of digital marketing on consumer engagement, revenue, and profitability in the UAE travel and tourism sector. Based on the data gathered, it is evident that tourist firms in the UAE use a variety of digital marketing techniques, such as social media, SEO, email marketing, and mobile marketing.

The study's discovery of a favorable correlation between digital marketing efforts and consumer engagement, sales, and profitability emphasizes the significance of efficiently utilizing digital marketing. The study's findings demonstrate the advantages of digital marketing for the tourism industry, but they also draw attention to the challenges those companies in the industry face when attempting to adopt and implement such tactics, including a lack of qualified personnel, a lack of adequate funding, and challenges in adhering to legal and regulatory requirements. To effectively employ digital marketing and boost their competitiveness in the present market, businesses in the UAE tourist sector must get over three challenges.

#### 6 Conclusion

This article examines the significant influence of digital marketing on the financial success of enterprises in the tourism industry of the United Arab Emirates (UAE). The economy of the UAE is highly dependent on the money provided by the tourist sector. Therefore, it is crucial for firms in this field to adjust their marketing tactics to keep up with the changing trends.

In the era of digitalization, firms that successfully utilize digital marketing techniques enjoy a competitive advantage, heightened client involvement, and improved profitability.

The results of our research illuminate the pivotal significance of digital marketing in the tourism industry of the United Arab Emirates. By conducting a methodical inquiry, we have confirmed the beneficial impact of digital marketing on both its effectiveness and the profitability of businesses. Implementing digital marketing tactics, such as search engine optimization (SEO), social media marketing, email marketing, and mobile marketing, has greatly enhanced the visibility, exposure, and audience reach of tourism enterprises in the UAE. Consequently, this led to a rise in both revenue and profitability.

Moreover, our investigation unveiled that digital marketing empowers organizations to tailor their marketing initiatives and deliver messages based on the preferences of their target audience. Customizing products and services to align with consumer requirements has resulted in increased customer involvement and contentment. Hotels in the UAE have utilized digital marketing strategies to provide customized packages to various consumer segments, resulting in improved bookings and income.

Another crucial discovery is the function of perceived digital marketing performance in improving firm profitability through mediation. The assessment of the influence of digital marketing on the success of businesses significantly affects the profitability of tourism enterprises in the UAE.

The tourism attraction, a pivotal catalyst for the UAE's tourism sector, was also discovered to have a favorable influence on the efficacy of digital marketing and, consequently, the profitability of businesses. The relationship between digital marketing and tourism attractiveness is highly interconnected, since digital tactics play a crucial part in presenting the various attractions and experiences that the UAE provides to travelers.

#### 7 Limitations

Potential weaknesses and limitations of the study are acknowledged in the limitations section. These include response biases, non-response, and issues with generalizability. This section explains how these restrictions may affect the interpretation of the results and provides suggestions for working around them. Self-reported questionnaires, for instance, might elicit socially preferable or inaccurate responses from respondents due to response biases. In order to get to the bottom of this, the study uses open-ended questions and guarantees participant anonymity to elicit honest responses. Another con is that some companies might not respond to the survey at all or only provide partial information. The study uses follow-up reminders and provides help to participants who need help finishing the questionnaire to reduce this potential problem. Finally, the issue of generalizability is addressed since the study's findings may not be directly applicable to the tourism industries of other countries or contexts due to the study's narrow focus on the United Arab Emirates. Despite this caveat, the study contributes to understanding how digital marketing has affected the tourism sector and lays the groundwork for investigations into related topics.

## 8 Practical Implications for Stakeholders and Policymakers

The study's findings influence multiple policy and industry considerations. The research emphasizes the value of adopting and implementing digital marketing strategies in the UAE tourism industry to increase customer engagement and boost business performance. In order to reach their intended audience and accomplish their goals, stakeholders such as tourism businesses and destination marketing organizations should allocate resources towards creating and implementing comprehensive digital marketing strategies.

Second, the research highlights the importance of training and educating future tourism professionals to fill the gap in digital marketing expertise. Training programs, workshops, and courses that teach digital marketing skills tailored to the tourism industry should be developed jointly by policymakers and educational institutions. This allowed tourism businesses to train their staff and provide new work opportunities for people with digital marketing experience.

Third, the study emphasizes travel companies' difficulties in meeting digital marketing legal and regulatory requirements. Policymakers should think about streamlining and simplifying these mandates with clear guidelines and assisting businesses to ensure compliance. This resulted in an environment where tourism businesses feel comfortable responsibly using digital marketing.

This study adds to the literature on digital marketing for the tourism industry and suggests several new lines of inquiry. As a first step, more research needs to be done to determine the specific impacts of various digital marketing channels on customer engagement and business performance, with due consideration given to the idiosyncrasies of each channel and its applicability to various subsets within the tourism industry. Second, more study is needed to determine what factors may affect the efficacy of digital marketing strategies in different regions and markets and the difficulties tourism businesses face when adopting and implementing such strategies in varying cultural and geographical settings. Third, considering the ever-changing digital landscape and the ever-changing needs and preferences of the target audience, longitudinal studies could be conducted to examine the long-term effects of digital marketing on the profitability and sustainability of businesses in the tourism industry.

Based on the study's findings, the following suggestions are made for stakeholders in the tourism industry, policymakers, and future research. Businesses in the tourism industry would do well to invest in creating and implementing multi-channel digital marketing strategies designed for their specific target demographics and goals. To this end, strategies like search engine optimization (SEO), email marketing, and paid advertising placement online are utilized. Training programs, workshops, and courses focusing on digital marketing skills relevant to the tourism industry should be developed jointly by policymakers, educational institutions, and industry stakeholders. This allowed companies to train their employees, fill a need, and boost the job market for digital marketing experts.

Policymakers should provide clear guidelines and support for businesses to comply with legal and regulatory requirements related to digital marketing while also simplifying and streamlining those requirements. This formed an environment where tourism businesses feel comfortable responsibly using digital marketing. Positive reviews and high ratings have been linked to increased sales and profits, so tourism businesses should prioritize managing their online reputation. Strategies for encouraging positive feedback from satisfied customers and responding actively to online reviews are part of this process. The unique qualities of each digital marketing channel and its suitability for specific tourism industry segments should be considered in future studies of the differential effects of various digital marketing channels on customer engagement and business performance. Since the digital landscape is always changing and consumers' wants and needs are always developing, it would be interesting to see how digital marketing fared in the long run for businesses in the tourism industry. To ensure sustainable growth and competitiveness in an increasingly digital world, businesses in the UAE tourism industry should implement these recommendations to overcome the challenges associated with adopting digital marketing and maximize the benefits offered by digital marketing.

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