Leveraging Digitalization for Enhanced Marketing Strategies among Small and Medium Enterprise Accommodation Services in Puerto Princesa City

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Abstract

Digitalization has become a crucial factor in enhancing business competitiveness, customer engagement, and marketing effectiveness among small and medium enterprises (SMEs). This study examined how SME accommodation services in Puerto Princesa City leverage digitalization to enhance their marketing strategies, strengthen customer engagement, and improve competitiveness. Anchored on the Technology–Organization–Environment (TOE) Framework, the study explored the interplay of technological tools, organizational readiness, and environmental factors influencing digital strategy adoption. A quantitative descriptive research design was employed involving 36 Department of Tourism-accredited accommodation establishments in Puerto Princesa City. Data were gathered through a structured survey questionnaire administered to owners, managers, and key personnel and were analyzed using frequency, percentage, weighted mean, standard deviation, Analysis of Variance (ANOVA), and Pearson Product-Moment Correlation. Findings revealed that digitalization is widely embraced in the accommodation sector, with 97.22% of respondents utilizing digital tools and platforms for marketing. Social media applications such as Facebook, Instagram, and TikTok, together with online booking platforms including Agoda and Booking.com, emerged as the most commonly used tools, while Customer Relationship Management (CRM) systems and Search Engine Optimization (SEO) were underutilized. Most respondents considered digitalization very important and reported measurable improvements in business performance following digital adoption. Social media campaigns and online promotions were identified as the most effective marketing strategies for increasing market visibility and customer conversion. The study concludes that digitalization is not merely a marketing enhancement but a strategic imperative for SME accommodation providers seeking sustainable growth and competitiveness. A Digital-Integrated Capability Framework was proposed to guide accommodation businesses in optimizing digital marketing adoption and long-term performance.

Keywords: digitalization, SMEs, accommodation services, marketing strategies, Puerto Princesa City