

Tourism Hotel Strategy in Taiwan

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Abstract

Due to the internationalization and concentration of business, economic executives no longer have a strong connection with their place of production and service. And through the development of economic globalization, every government and enterprise in the world is proceeding to reform and redevelop in order to enhance their competitive advantage to deal with globalization.

In recent decades, regarding to raising living standard in Taiwan, service industry has stand more than 60% GDP and manufacturing is around 30%. According to Council for Economic Planning and Development, in 2014, service industry stand more than 70% of GDP, and the tourism industry has played one of the most important roles. Analysis data from Tourism Bureau, Republic of China (Taiwan) showed that about 10million overseas tourists come to Taiwan in 2014, and they created more than USD 122 billion output value. Every overseas tourist spent USD 300 per day in Taiwan and their total satisfaction of is around 93%.

In tourism industry, hotel is one of the essentials because of every tourists must “take break” in hotels. Well-known transnational corporations like Grand Hi Lai Hotel and Ambassardor Hotel, etc., also had to do the overall reform to satisfy their customers of global, especially respecting on Eastern Asia. The other Taiwan famous hotels no matter the economic scales of the firms, they were also doing uninterrupted development in order to deal with this trend. From designing products/services types, searching customers, getting orders, inbound, operations, outbound to after services, the value chain of firms has become internationalization.

In this study, experts and scholars in the fields of industry academia were interviewed. Survey were issued to the object companies and a comparative case study was conducted to analyze the influencing factors and extent to which differences on the competitive edge and strategies of Taiwan tourism hotels and those which benefit most or least from business operation current situation that conducted with governments’ support and internal managements; Marketing strategy (collaboration and strategic alliance) which means the strategic options were also be investigated. Moreover, human resources management that concerned about the internal management was also one of the important sessions of this study. By primary data and literature reviews, this study hope that an effective reference for improving industrial competitiveness and models of competitiveness could be available for the governments and the companies.

Key words: Strategy, Competitive Advantage, Taiwan, Tourist Hotel, Human Resource

1. Literature Review

1.1 Competitiveness and Competitive Advantage

Firms were always functioning on the maximization profit principle, and applied their core values as main tools in order to move towards. They were successfully achieving to create qualified products, suitable markets and acquire services at the lowest possible prices. Determining what products and services may be the most interest of customers, recognizing the needs and wants of target markets and delivering the desired satisfactions are crucial issues.

According to Porter (1998), competition was at the core to decide the success or failure of a firm. Competition determines the appropriateness of a firm's activities that could contribute to its performance, such as innovations, a cohesive culture, or good implementation. Competitive strategy for an industry was in search of a favorite position at the fundamental arena in which competition occurs. Competitive strategy aims to establish a profitable and sustainable position against the external pressure that determines the competition ability of this industry.

The first fundamental determinant of a firm's profitability was industry attractiveness. In any industry, whether it was domestic or international or produces a product or a service, the rules of competition are embodied in five competitive forces: the entry of new competitors, the threat of substitutes, the bargaining power of buyers, the bargaining power of suppliers, and the rivalry among the existing competitors.

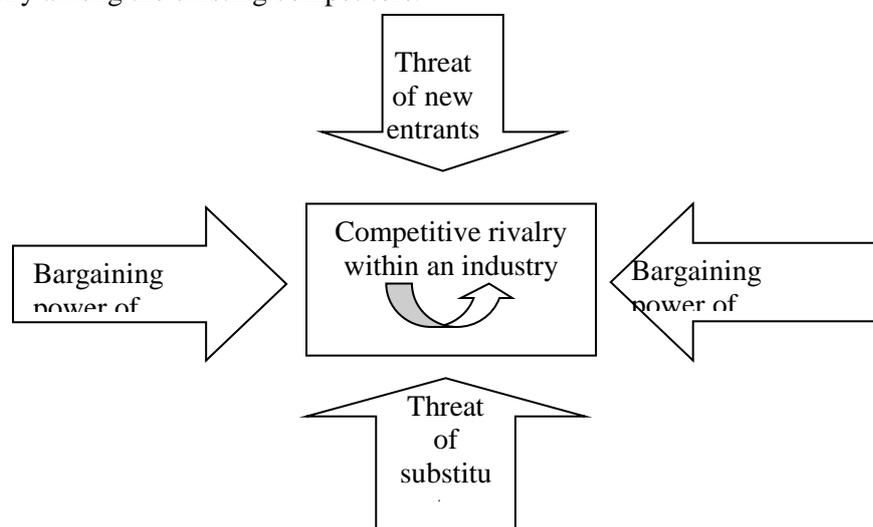


Figure 2.1 Porter's Five Forces Analysis (1979)

Source: Porter, M.E., *How Competitive Forces Shape Strategy*, 1979

These five competitive forces determines the ability of firms in an industry to earn, on average, rates of return on investment in excess of the cost of capital.

(1) The threat of substitute products: buyer propensity to substitute, relative price

performance of substitutes, buyer switching costs, and perceived level of product differentiation.

(2) The threat of the entry of new competitors: the existence of barriers to entry, economies of product differences, brand equity, switching costs, capital requirements, and access to distribution, absolute cost advantages, expected retaliation by incumbents and government policies.

(3) The intensity of competitive rivalry: number of competitors, rate of industry growth, intermittent industry overcapacity, exit barriers, diversity of competitors, informational complexity and asymmetry, fixed cost allocation per value added, level of advertising expense, and sustainable competitive advantage through improvisation.

(4) The bargaining power of customers: buyer concentration to firm concentration ratio, degree of dependency upon existing channels of distribution, bargaining leverage, buyer volume, buyer switching costs relative to firm switching costs, buyers information availability, ability to backward integrate, and buyer price sensitivity.

(5) The bargaining power of suppliers: supplier switching costs relative to firm switching cost, degree of differentiation of inputs, presence of substitute inputs, supplier concentration to firm concentration ratio, employee solidarity, threat of forward integration by suppliers relative to the threat of backward integration by firms, and cost of inputs relative to selling price of the product.

Competitive advantage grew fundamentally out of a value a firm was able to create for its buyer that exceeds the firm's cost of creating it. Value was what buyers were willing to pay, and superior value stems from offering lower prices than competitors for equivalent benefits or providing unique benefits that more than offset a higher price. According to Porter (1998), there were two types of competitive advantage: cost leadership and differentiation. Firms could gain a cost advantage or by differentiate themselves to compete in global. Firms had to broad scope and serve many industry segments, and may even operate in related industries, later, firms' breadth were often important to their cost advantages. The sources of cost advantage were varied and depend on the structure of the industry. They included the pursuit of economy scales, proprietary technology, preferential access to raw materials, government's rules, and production technology (include defection ratio, tolerances, etc.) In a differentiation strategy, firms seek to be unique in their industry along some dimensions that are widely valued by buyers. The select one or more attributes that many buyers in an industry perceive as important, and uniquely positions themselves to meet those needs. They were rewarded for their uniqueness with premium prices. Differentiation could be based on the product itself, the delivery system by which it was sold, the marketing approach, and a broad range of other factors.

Competitive advantage in one individual industry might be strongly enhanced by inter-relationships with business units competing in related industries, if these

inter-relationships could actually be achieved. Inter-relationships among business units are the principal means by which a diversified firm creates value, and thus provide the underpinnings for corporate strategy. Competitive strategy was on industry structure and competitor analysis in a variety of industry environments, through it contains many implications for competitive advantage. According to Colin Leys (2001), the International development of financial markets, of technology and of some manufacturing and services brought firms a new set of limitations on the freedom of action of nations. To survive, nations and firms must increasingly “manage” national politics in such a way as to adapt them to the pressures of trans-national market forces.

2.2 Marketing Strategy (Collaboration)

Various academics began to consider the possibilities of collective and collaborative strategies. Astley (1983) considered the growing complexity of the business environment states. He said that firms must consider a new level of planning collective strategy. The collective approach helped enhance the awareness of organizational nuances that were so important in controlling the environment. Ohmae (1989) looked at the globalization states, and he thought the simultaneous developments involved in globalization make alliances necessary. To compete in the global arena, firms must find partners that could help amortize the immense fixed costs. Hamel and Prahalad (1989) thought that collaborations mean to acquire new technologies, or skills, and collaboration as competition in a different from learning from partners is paramount. Brandenburger and Nalebuff (1995) looked at co-operation with certain business to expand the size of the market “pie” and competition with others to get as large a slice of the market “pie” as possible.

Porter pursuit of “a tailored value chain or series of activities requires to produce and deliver a product or service in a unique and defensible manner” was done purely through his five forces model. For Porter, any hint of alliances or collaboration was viewed as a potential source of erosion to long term competitive advantage. His position was understandable in the event that the resultant collaboration created nothing new and unique. But not all collaborations were like this. According to Moore (1996), what was required to produce a unique and defensible competitive advantage was collaborate community-like linkages to produce inter-company innovation, which in turn, creates cross-supportive products and services that were unique, hard to imitate and therefore defensible. Nonaka and Takeuchi (1995) illustrated how socialization, essentially a sharing of experiences, was a key step in cultivating tacit knowledge. Co-operation could lead to lower costs, access to more skills and knowledge, an increase in the size of the market “pie” via product complementary, increased differentiation and inimitability via complementary product innovation, as well as a catalyst for future knowledge creation and innovation. Moreover, by visiting a viable and profitable alternative for developing communities via cooperative enterprises whose prime mandate was

to cultivate and strengthen social conditions and work opportunities capable of responding to human needs and developing human potential (Omar, Miloud and David, 2005.)

According to Rosabeth (2002), alliances between companies, whether they were from different parts of the world or different ends of the supply chain, were a fact of life in business today. Some alliances were no more than fleeting encounters, lasting only as long as it took on partner to establish a beachhead in a new market. Others were the prelude to a full merger of two or more companies' technologies and capabilities. Learning how to learn and how to collaborate is important for partners. Also operational dissimilarities require working out more communication than anyone could have anticipated. It was important to establish many interpersonal relationships between partners helped resolve small conflicts before they escalate.

2.3 Human Resources Management

According to John H. Dunning & Feng Zhang (2007), the resources, capabilities and markets (RCM) which made up the physical environment in which firms and other organization create economic well-being; and second, the institutions which provided the incentive structures to make up the human environment, and which set the rules of the game for, and determined the cognition and motivation of, firms and other wealth creating entities, that produced wealth; these were the components of competitiveness. Moreover, according to Michael E. Porter (2010), Competitiveness depended on the productivity with which a nation uses its human, capital, and nature resources. A nation competes to offer the most productive environment for business and thereby creates competitiveness. The public and private sectors played different but interrelated roles in creating a productive economy.

Products management and financial management were important factors for firms and human resources management was crucial factor for firms to keep operation (Mishina Kazuhiro, 2009). Mishina investigated 1,013 Japanese firms, including service industries and manufacturers, he thought that while firms employed employees un-properly, especially managers, it was the main factor to affect firms bankrupt.

3. Methodology

In order to understand the concepts of central tendency, dispersion and levels of measurement, and an appreciation of the relationship between the questions, select the appropriate descriptive statistics and charts for the different types of variables were important. The average scores, standard deviations and bar charts had been selected in this research. One-way ANOVA, Correlation and Liner Regression were utilized in this research.

4. Estimation Results

4.1 Background Information of the Tourist Hotels in Taiwan

There are 114 effective returns received before Sep. 06~Oct. 30, 2014. The average scores and percentages are showed in Table 4.1.

Table 4.1 Descriptive Statistics of the Tourist Hotels in Taiwan

Background Information of Objects	Case Number	Percentages	
Numbers of Employee	Less than 50	62	54.4%
	50~100	16	14.0%
	100~150	5	4.4%
	150~200	10	8.8%
	Over 200	20	17.5%
	No Answer	1	0.9%
Percentage of Irregular Employments	0 %	36	31.6%
	0%~ 10%	10	8.8%
	10%~20%	16	14.0%
	20%~30%	11	9.7%
	Over 30%	14	12.3%
	No Answer	27	23.6%
Capital	Less than NT\$ 50 million	42	36.8%
	NT\$ 50 million~100 million	18	15.8%
	NT\$ 100 million~150 million	10	8.8%
	NT\$ 150 million~200 million	5	4.4%
	Over NT\$ 200 million	28	24.6%
	No Answer	11	9.6%
Company Established Year	Before 1980	16	14.0%
	1981~1990	15	13.2%
	1991~2000	25	21.9%
	2001~2010	34	29.8%
	After 2011	11	9.7%
	No Answer	13	11.4%
Chain Enterprise	Yes	39	34.2%
	No	68	59.7%
	No Answer	7	6.1%
	Domestic Tour Group	79	15.3%

Main Clients (Multiple Choices)	Domestic Backpacker	67	13.0%
	Domestic Business Person	77	14.9%
	Chinese Tour Group	71	13.8%
	Chinese Backpacker	55	10.7%
	European Tour Group/person	33	6.4%
	U.S.A./Canadian Tour Group/person	37	7.2%
	Japanese Tour Group/person	58	11.2%
	Korean Tour Group/person	29	5.6%
	Others: Hong Kong/Macao	10	1.9%
Operation Styles	European Style	6	5.3%
	Japanese Style	12	10.5%
	American Style	9	7.9%
	Taiwanese Style	77	67.5%
	Others	4	3.5%
	No Answer	6	5.3%
Internship (for Students)	Yes	86	75.4%
	No	23	20.2%
	No Answer	5	4.4%
Period of Internship	Summer Vocation	42	21.9%
	Winter Vocation	36	18.8%
	Half Year	46	24.0%
	Whole Year	68	35.3%

Source: This Research

From Table 4.1, most of the investigated hotels were small hotel with employees less than 50, and most of the main clients were “domestic tour group”, “domestic backpacker”, “domestic business person” and “Chinese Tour Group.” About internship for students, most of their answers were “yes” and the period of internship was “whole year.”

Table 4.2 the Average Score of the Tourist Hotels in Taiwan

Section	Average	Standard Deviation
Business Operation Current Situation		
1. This industry is a highly competitive market system.	4.46	0.72
2. This industry is in lower entrance level.	3.21	1.09
3. New rivals often come into this industry.	4.21	0.66
4. New service models are often created.	3.81	0.75
5. We collaborate with suppliers as well.	4.18	0.52
6. We have gotten good supports from related industries (ex. Good location/near tourism spots.)	3.84	0.86
7. We have good bargain power with suppliers.	3.83	0.79
8. We collaborate with travel agencies.	4.02	0.76
9. We have good bargaining power with customers.	3.87	0.76
10. We are not worry about new rivals enter this industry.	3.41	1.02
11. Government policies affect our operation (including customer base).	4.16	0.75
12. Our products and service suit for customers' needs.	4.22	0.59
13. We know what our customers need and respect on satisfying the needs and expects.	4.33	0.59
14. Our facilities are new and completed.	3.76	0.82
15. SOP of each of our departments is definitely.	3.95	0.80
16. Continuous innovation is our hotel culture.		
17. We have our own brand(s).	3.97	0.82
18. We respects on personal information of our customers.	4.20	0.78
19. Qualified Personnel is our invisible assets.	4.54	0.58
20. Good communication and organization management are our invisible assets.	4.47	0.71
21. Adequate fund is important.	4.40	0.76
22. We have special service technology that others could not simulate.	4.37	0.60
23. Inflation affects our operation negatively.	3.83	0.90
	4.09	0.80

Average score	4.05	0.76
Marketing Strategy (Collaboration and Strategic Alliance)		
We respect on internet marketing.	4.28	0.80
Comparing with the other firms in this industry, we have competitiveness on prices of service/products.	4.07	0.75
We respect on service quality much more than price.	4.26	0.68
We spend a lot on commercial advertisement.	3.70	0.86
We would rather focus on domestic operation than internationalization.	3.70	0.88
Internationalization is important for us.		
We respect on collaborating with the other firms in the same industry.	3.99	0.85
	3.90	0.81
We respect on collaborating with customers (ex. travel agencies.)	4.24	0.80
We respect on diversification.		
We respect on collaborating with suppliers (ex. ingredient suppliers).	4.01	0.86
	4.04	0.71
We respect on marketing segmentation.		
	4.04	0.82
Our marketing strategy is product-oriented.		0.77
	3.84	
Our marketing strategy is market-oriented.		
Our marketing strategy is consumer-oriented.		0.82
	3.87	0.80
	3.97	
Average score	3.99	0.80
Human Resources Management		
We prefer hiring graduating students.	3.19	0.88
We prefer hiring experimentalists.	3.69	0.75
Graduating students who have learnt about hotel business would be preferred.	3.50	0.84
Human development and long-term hiring are important.	4.40	0.66
We enforce on-job education regularity.	4.07	0.84
The satisfactions of our employees are higher than the other rivalries.	3.83	0.78
Our turnover rate of employee is low.	3.72	0.79

Employees with the characteristics on enjoy learning to growth is important.	4.39	0.65
Employees with the characteristic on controlling emotion as well are important.	4.47	0.60
Employees have English/Japanese/Taiwanese/Hakka, etc. language ability is important.	4.18	0.75
Employees understand and aware of the vision of the company is important.	4.31	0.64
Employees with the characteristic on understanding the needs of customers are important.	4.34	0.69
Employee with high EQ is important.	4.41	0.68
Employee with high IQ is important.	4.31	0.69
Employees' attitude is much more important than ability.	4.42	0.66
Our human resources policy and strategy are regular.	3.93	0.87
There is specific responsibility person on human resource management.	3.88	0.82
Our human resource management on hiring, education and promotion are well.	3.83	0.83
According to our human resource strategy, employees can be promoted as well.	3.92	0.87
We respect for working environment.	4.27	0.64
Average score	4.05	0.75

Source: This Research

At the session of “Business Operation Current Situation, the 3 top score items were “hotels respected on personal information of their customers”, “qualified personnel was their invisible assets”, and “This industry is a highly competitive market system.” And at the session of “Marketing Strategy (Collaboration and Strategy Alliance), the 3 top score items were “thee respect on internet marketing”, “We respect on service quality much more than price” and “We respect on collaborating with customers (ex. travel agencies.) At the session of “Human Resources Management”, the 3 top score items were “Employees with the characteristic on controlling emotion as well are important”, “Employees’ attitude is much more important than ability” and “Employee with high EQ is important.”

4.2 Inferential Statistics

4.2.1. Company Background to Business Operation Current Situation

By ANOVA, the significant result of company background to business operation current situation is shown as follows. Capital less than NT\$ 50 million is 1, NT\$ 50 million~100 million is 2, NT\$ 100 million~150 million is 3, NT\$ 150 million~200 million is 4, and over NT\$ 200 million is 5.

Table 4.3 Capital to Business Operation Current Situation (ANOVA)

Item	Average	F value	p value	Comparing by average
1. This industry is a highly competitive market system.	4.46	2.842	0.028*	5>2>1>4>3
11. Government policies affect our operation (including customer base).	4.16	2.982	0.023*	1>4=3>2>5
14. Our facilities are new and completed.	3.76	3.090	0.019*	5>2>3>1>4
15. SOP of each of our departments is definitely.	3.95	3.583	0.009*	3>2>5>4>1
17. We have our own brand(s).	4.20	3.109	0.019*	2>3>5>4>1
20. Good communication and organization management are our invisible assets.	4.40	2.641	0.038*	2>3>5>1>4

Source: This Research

* means significant ($p < 0.05$)

Table 4.3 showed that companies with high capital (over NT\$ 200 million) thought this industry is high competitive, and their facilities were new and completed more than others. Companies with the capital less than NT\$ 50 million thought that government policies affect their operation more than others. Companies with capital at the range of NT\$ 50 million ~150 million had their own brands more than others.

Table 4.4 Capital to Marketing Strategy (Collaboration and Strategic Alliance) (ANOVA)

Item	Average	F value	p value	Comparing by average
4. We spend a lot on commercial advertisement.	3.70	4.337	0.003*	2>5>3>1>4
7. We respect on collaborating with the other firms in the same industry.	3.90	3.107	0.019*	2>5>3>4>1
8. We respect on collaborating with customers (ex. travel agencies.)	4.24	3.536	0.010*	5>3>2>4>1
9. We respect on diversification.	4.01	4.069	0.004*	3>5>2>1>4
10. We respect on	4.04	4.224	0.003*	2>5>3>4>1

collaborating with suppliers (ex. ingredient suppliers).				
11. Our marketing strategy is product-oriented.	3.84	2.513	0.046*	2>5>3>1>4

Source: This Research

* means significant ($p < 0.05$)

Table 4.4 showed that companies with the capital NT\$ 50 million~100 million thought that they spent more on commercial advertisement, and they respected on collaborating with the other firms in the same industry and suppliers more than others.

Table 4.5 Capital to Human Resources Management (ANOVA)

Item	Average	F value	p value	Comparing by average
5. We enforce on-job education regularity.	4.07	3.759	0.007*	3>5>2>4>1
Our human resources policy and strategy are regular.	3.93	3.164	0.017*	4>5>2>3>1
There is specific responsibility person on human resource management.	3.88	5.151	0.001*	5>3>2>4>1

Source: This Research

* means significant ($p < 0.05$)

Table 4.5 showed that capital more than NT\$ 100 million respects on their human resources management more than others.

Employee number less than 50 is 1, 50~100 is 2, 100~150 is 3, 150~200 is 4, and over 200 is 5.

Table 4.6 Employee Numbers to Business Operation Current Situation (ANOVA)

Item	Average	F value	p value	Comparing by average
1. This industry is a highly competitive market system.	4.46	2.605	0.04*	5>3>2>4>1
11. Government policies affect our operation (including customer base).	4.16	7.107	0.000*	1>2>4>3>5
14. Our facilities are new and completed.	3.76	2.683	0.035*	5=4>2>1>3
17. We have our own brand(s).	4.20	3.451	0.011*	5=4>2>1>3

Source: This Research

* means significant ($p < 0.05$)

Table 4.6 showed that the company with employees over 200 thought this industry is high competitive, their facilities are new and completed, and have their own brand(s) more than others.

Table 4.7 Employee Numbers to Marketing Strategy (Collaboration and Strategic Alliance) (ANOVA)

Item	Average	F value	p value	Comparing by average
4. We spend a lot on commercial advertisement.	3.70	2.909	0.025*	5=4>3>2>1
Our marketing strategy is product-oriented.	3.84	2.508	0.046*	2>4>5>1>3
14. Our marketing strategy is consumer-oriented.	3.97	2.523	0.045*	4>2>5>1>3

Source: This Research

* means significant ($p<0.05$)

Table 4.7 showed that the marketing strategy of companies with employees around 50~100 trended product-oriented, and around 150~200 trended consumer-oriented.

Table 4.8 Employee Numbers to Human Resources Management (ANOVA)

Item	Average	F value	p value	Comparing by average
5. We enforce on-job education regularity.	4.07	5.268	0.001*	5>4>3>2>1
8. Employees with the characteristics on enjoy learning to growth is important.	4.39	2.872	0.026*	2>5>1>4>3
10. Employees have English/Japanese/Taiwanese/Hakka, etc. language ability is important.	4.18	3.280	0.014*	5>1>2>4>3
16. Our human resources policy and strategy are regular.	3.93	5.056	0.001*	5>4>2>1>3
17. There is specific responsibility person on human resource management.		6.719	0.000*	5=4>2>1>3
18. Our human resource management on hiring, education and promotion are well.		4.476	0.002*	5=4>2>3>1

Source: This Research

* means significant ($p<0.05$)

Table 4.8 showed that the company which hire employee over 200 would respect on their human resource management more than others.

Moreover, by cross analysis, the main clients of chain and un-chain enterprises were identified, and the results showed in Table 4.9.

Table 4.9 Cross Analysis: Main Client of Chain/Un-chain Enterprises

	Chain Enterprise N=39	Un-chain Enterprises N=68
Client Type	Numbers	Numbers
Domestic Tour Group	29	44
Domestic Backpacker	22	41
Domestic Business Person	29	43
Chinese Tour Group	25	41
Chinese Backpacker	22	29
European Tour Group/person	14	17
U.S.A./Canadian Tour Group/person	16	21
Japanese Tour Group/person	21	35
Korean Tour Group/person	13	15
Others: Hong Kong/ Macao	2	6

Source: This Research

From Table 4.9, we could know that “Domestic Tour Group” was the main client for both chain and un-chain enterprises, and most of the enterprises considered their business operation type is Taiwanese Type (Chain enterprise: 25, un-chain enterprise: 49.)

About correlation relations among Business Operation Current Situation, Marketing Strategy (Collaboration and Strategic Alliance), and Human Resources Management, the correlation coefficients were as follows.

Table 4.10 Correlation Relations among Business Operation Current Situation, Marketing Strategy (Collaboration and Strategic Alliance), and Human Resources Management

	Pearson coefficient/ Significant (p-value)		
	Business Operation Current Situation	Marketing Strategy (Collaboration and Strategic Alliance)	Human Resources Management
Business Operation Current Situation Average: 4.05	1	0.784 0.000*	0.564 0.000*
Marketing Strategy (Collaboration and Strategic Alliance) Average: 3.99	0.784 0.000*	1	0.577 0.000*
Human Resources Management Average: 4.05	0.564 0.000*	0.577 0.000*	1
Item-to-total corrections	0.880 0.000*	0.913 0.000*	0.823 0.000*

Source: This Research

* means significant (p<0.05)

According to C.S. Chen, B.L. Chen, S.F. Chen and T.K. Liu (2007), correlation coefficient and be identified as follows:

- -1.0 to -0.7: strong negative association

- 0.7 to -0.3: weak negative association
- -0.3 to +0.3: little or no association
- +0.3 to +0.7: weak positive association
- +0.7 to +1.0: strong positive association

And from Table 4.10, we could know the correlation relationship between “Business operation current situation” and “Marketing strategy (collaboration and strategic alliance) was strong positive association (0.784). From the result, we could know that while business operation was good, the marketing strategy would be trended as well.

Before starting the analysis of Marketing Strategy (Collaboration and Strategic Alliance) to Business Operation Current Situation, and in order to save space, the contents and code comparison sheet is in Table 4.11.

Table 4.11 the Contents and Code Comparison Sheet

Marketing Strategy (Collaboration and Strategic Alliance)		Code
Contents		
• We respect on internet marketing.		C-1
• Comparing with the other firms in this industry, we have competitiveness on prices of service/products.		C-2
• We respect on service quality much more than price.		C-3
• We spend a lot on commercial advertisement.		C-4
• We would rather focus on domestic operation than internationalization.		C-5
• Internationalization is important for us.		C-6
• We respect on collaborating with the other firms in the same industry.		C-7
• We respect on collaborating with customers (ex. travel agencies.)		C-8
• We respect on diversification.		C-9
• We respect on collaborating with suppliers (ex. ingredient suppliers).		C-10
• We respect on marketing segmentation.		C-11
• Our marketing strategy is product-oriented.		C-12
• Our marketing strategy is market-oriented.		C-13
• Our marketing strategy is consumer-oriented.		C-14

Source: this research.

Table 4.12 Marketing Strategy (Collaboration and Strategic Alliance) to Business Operation Current Situation

Items	Un-standardized Coefficients		Standardized Coefficients	t	Sig. (p)	VIF
	Beta	Std. Error				
(Constant)	1.706	0.185		9.217	0.000*	
C-1	0.057	0.039	0.116	1.450	0.150	2.048
C-2	0.077	0.042	0.146	1.829	0.070	2.040
C-3	0.032	0.044	0.054	0.723	0.472	1.796
C-4	0.004	0.033	0.010	0.133	0.895	1.668
C-5	0.041	0.034	0.092	1.192	0.236	1.910
C-6	0.141	0.036	0.302	3.913	0.000*	1.903
C-7	-0.020	0.042	-0.041	-0.475	0.636	2.423

C-8	0.006	0.038	0.013	0.165	0.870	1.858
C-9	0.069	0.037	0.150	1.854	0.067	2.098
C-10	0.124	0.054	0.224	2.284	0.025*	3.076
C-11	0.005	0.047	0.011	0.113	0.910	2.979
C-12	0.018	0.044	0.036	0.416	0.678	2.388
C-13	-0.027	0.053	-0.055	-0.505	0.615	3.798
C-14	0.050	0.042	0.101	1.184	0.239	2.320
			Total Average: 0.082			
R ² = 0.696 Adj-R ² =0.652 F=15.866 P=0.000* D-W=1.805						

*means p<0.05

Source: this research

Y= Business Operation Current Situation

From Table 4.12, the equation was cleared as follows:

Y(Business operation current situation)=1.706+(Internationalization is important for us X0.141)+(We respect on collaborating with suppliers (ex. ingredient suppliers) X 0.124).

From the equation, we could know that internationalization and collaborating with suppliers affected the business operation of the hotels in Taiwan much more than others. Hotels focused on internationalization development and collaborating with suppliers would be suggested for the further business operation, and do these strategy would be bring advantages for the hotels.

5. Conclusions

5.1 Findings

From Table 4.1, most of the investigated hotels were small hotel with employees less than 50, and most of the main clients were “domestic tour group”, “domestic backpacker”, “domestic business person” and “Chinese Tour Group.” About internship for students, most of their answers were “yes” and the period of internship was “whole year.”

At the session of “Business Operation Current Situation, the 3 top score items were “hotels respected on personal information of their customers”, “qualified personnel was their invisible assets”, and “This industry is a highly competitive market system.” And at the session of “Marketing Strategy (Collaboration and Strategy Alliance), the 3 top score items were “thee respect on internet marketing”, “We respect on service quality much more than price” and “We respect on collaborating with customers (ex. travel agencies.) At the session of “Human Resources Management”, the 3 top score items were “Employees with the characteristic on controlling emotion as well are important”, “Employees’ attitude is much more important than ability” and “Employee with high EQ is important.”

Moreover, from the analysis results, we could know that “Domestic Tour Group” was the main client for both chain and un-chain enterprises, and most of the enterprises considered

their business operation type is Taiwanese Type (Chain enterprise: 25, un-chain enterprise: 49.) Also, we could know the correlation relationship between “Business operation current situation” and “Marketing strategy (collaboration and strategic alliance) was strong positive association (0.784). From the result, we could know that while business operation was good, the marketing strategy would be trended as well.

The equation was cleared as follows:

$$Y(\text{Business operation current situation}) = 1.706 + (\text{Internationalization is important for us}) \times 0.141 + (\text{We respect on collaborating with suppliers (ex. ingredient suppliers)}) \times 0.124.$$

From the equation, we could know that internationalization and collaborating with suppliers affected the business operation of the hotels in Taiwan much more than others. Hotels focused on internationalization development and collaborating with suppliers would be suggested for the further business operation, and do these strategy would be bring advantages for the hotels.

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