Eva-Maria Störmer

Network marketing of tourism SMEs in a cross-cultural context

Trust establishment in a cross-cultural context or 'when cultures collide'
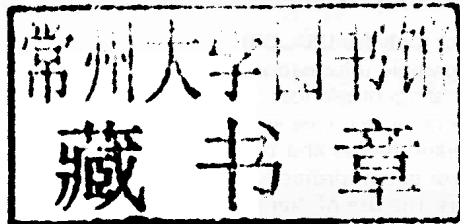
Eva-Maria Störmer

Network marketing of tourism SMEs in a cross-cultural context

Trust establishment in a cross-cultural context or 'when cultures collide'

Table of Contents

Acknowledgements

Moreover, I would like to thank Carin Rustema, who as my supervisor has given me guidance and support throughout the project and encouraged me with her inspiring remarks. Thank you for your constructive criticism and unabated enthusiasm throughout all stages of the research, Carin.

Finally, I thank my family for supporting my through my personal and professional developments and making it possible for me to follow this Master course in the first place. However, I am mostly indebted to my partner Teun de Jong, who once again supported me throughout this endeavor: Your patience, tolerance and love helped me most of all.

2

List of Abbreviations

AMA	American Marketing Association
A&K	Abercrombie & Kent (Luxury Tour Operator)
BPC	Business Partner City Network
B2B	Business to business
B2C	Business to consumer
CVBs	Convention and Visitors Bureau
DMC	Destination Management Company
DMO	Destination Management Organization
GDP	Gross Domestic Product
IMP Group	Industrial Marketing and Purchasing Group
LTCs	Large Tourism Companies
MNCs	Multinational Corporations
NM	Network Marketing
PCN	Personal Contact Networks
P2P	Peer-to-Peer networks
RM	Relationship Marketing
SME	Small to medium enterprises
STI	Sustainable Travel International
STSC	Sustainable Tourism Stewardship Council
TO	Tour Operator
UNWTO	World Tourism Organization

List of Figures

Chapter 9: Appendices

Figure 15:   The shift in marketing definitions over the years

Figure 16:   The research onion by Saunders applied to the project

Figure 17:   The belief systems attached to the interpretive paradigm

Figure 18:   The deductive versus the inductive research approach

Figures 19-21: The interviews conducted

Figure 22:   The top-down marketing approach

Figure 23:   The bottom-up marketing approach

Figure 24:   The levels of relationships with customers as indicated by Kotler

Figure 25:   The triangular Lewis model of cultural types

Figure 26:   Attributes of the three cultural groups according to Lewis

Figure 27:   STI's marketing in comparison to SME marketing in literature

Figure 28:   The UK/USA comparison: the interview findings summarized

此为试读，需要完整PDF请访问：www.ertongbook.com

Table of Contents

1. Introduction

"Well begun is half done"

Philosopher Aristotle quoting an old proverb (Quotationspage,

Quotationspage, 2007)

Tourism is often considered to be the world's largest industry and there is no doubt that tourism plays a key role in the economies of both developed and developing countries. In some countries and especially for some island nations such as the Maldives, tourism can even account for up to 90% of the GDP (Partnershipwebpage, 2007).

Tourism is therefore truly a motor for economic development and in order to keep that motor running any city, island, region or country –any destination for that matter- needs to be competitive. How destination competitiveness can be reached according to literature will be discussed next, in the problem analysis introducing this dissertation.

1.1. The problem analysis

1.1.1. Destination competitiveness and the link to tourism SMEs

Destination competitiveness defined by literature - Ritchie and Crouch (2003) suggest that "what makes a tourism destination truly competitive is its ability to increase tourism expenditure (and) to increasingly attract visitors while providing them with satisfying memorable experiences [...]" (Eleri Jones, 2005). While destination competitiveness works much like competiveness in any branch – one is able to supply something that is being in demand by the market and then sold at a profitable price – the competitiveness of destinations is very dynamic and more complex. As Ritchie and Crouch further emphasize: "Those who are responsible for destination management are operating according to a constantly evolving set of rules that continually redefine the exact nature of competition" (ibid).

9

Poon (1993) suggests that destinations should follow some key principles in order to remain competitive, in order to keep the engine running. One of those principles is to build a dynamic private sector (ibid). The private sector, representing the businesses that provide an extensive part of the 'memorable experience' previously mentioned, exists of both large companies and chains on the one hand and small to medium sized enterprises on the other hand. "Yet, the backbone of the tourism industry comprises a plethora of private-sector small and medium-sized companies (SMEs) dominated by micro businesses, often employing fewer than ten people" (ibid).

Tourism SMEs in destination competitiveness - Small enterprises not only deliver a substantial part of the products and services tied to a destination, their 'own' marketing efforts also have impact on the marketing and the perceived image of the destination – thus on destination competitiveness.

A destination can be considered to be a hierarchy of entities (private sector) which together with the public sector should project a coherent image to potential customers (ibid). In general it can therefore be said that the more successful SMEs are in their own marketing attempts, given that those are in line with the destination image or brand, the more successful a destination will be. Successful operations and marketing strategies of tourism SMEs can contribute to the competitiveness of a destination. Figure 1 on the following page summarizes this idea.

Figure 1: *Modeling the role of SMEs in destination marketing and competitiveness*
Source: *Researching student adapted from Eleri Jones (2005)*
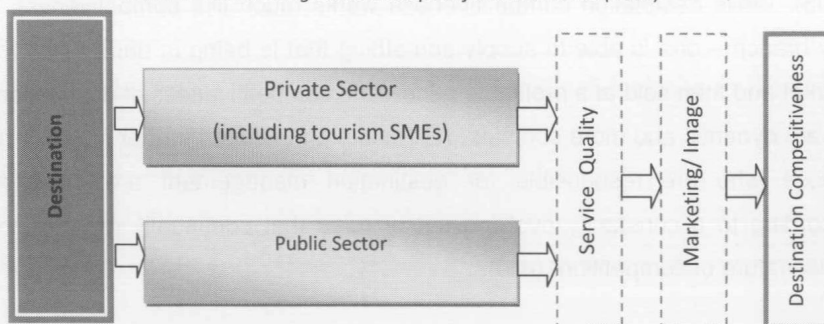
It can be summarized that

a) Competitiveness in tourism is equally important as in any other industry. Therefore, tourism destinations need to be competitive

b) SMEs are considered the backbone of tourism as they provide many of the products and services that make the tourist's experience

c) SMEs market their own services but at the same time the destination and thereby contribute to its competitiveness

Hence, two things can be concluded: First of all, management is needed from the destination's side to deal with the private sector and those many SMEs. There has been growing consensus that in order to increase a destination's competitiveness the public sector needs to work closely with the private sector stakeholders to manage the marketing, planning, control and development of tourism (Page, Tourism management: managing for change, 3rd edition, 2009). Secondly, it is in the best interest of destination managers for SME entrepreneurs to succeed in marketing their business (internationally) and by doing so the destination they operate in. Learning about tourism SMEs, their marketing efforts, characteristics and limitations will therefore have beneficial consequences for destination marketing and/or management. In this dissertation research will be conducted at the micro level of tourism analysis, considering organizations as highly dynamic entities and discussing the decision-making within those. This is done in order to draw conclusions about and to contribute knowledge on the macro level, that of the destination management (Jafari, 2003).

Three major concepts are believed to be underlying to the topic at hand and will be combined and discussed hereafter. Those concepts are

I) SME marketing

II) *Relationship marketing* and in particular: *network marketing*

III) The influence of national culture and connected to that the standardization versus adaption of marketing strategies

11