

TRAVEL MARKETING COLLABORATION EFFECTIVENESS: WHAT METRICS COUNT

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Purpose/Background

The purpose of this study is to identify a definitive array of inter-organizational, collaborative marketing effectiveness measurements used in practice. The metrics were derived from a factor analysis of literature-based metrics. The industry context of the study was U.S. organizations engaged in the international inbound tourism industry since 2005.

Literature

Inter-organizational collaboration may be defined as multiple firms' planned combination of skills and resources implemented in a manner to create new and incremental value (Gulati, 1998; Gulati & Gargiulo, 1999). Successful alliances require thoughtful collaboration measurement (Rust, Ambler, Carpenter, Kumar, & Srivasatva, 2004; Spitzer, 2007). Collaboration effectiveness measurements include such components as (a) financial or sales outcomes (Kuglin, 2002; Dyer, 1997), (b) cost effectiveness (Ross & Beath, 2006), (c) resource access (Hyder & Abraha, 2004; Rust, et al., 2004), (d) competitive advantage (Dowling, Roering, Carlin, & Wisnieski, 1996; Lavie, 2006), (e) alliance relationship harmony (Morgan & Hunt, 1994; Johnson, Sohi, & Grewal, 2004), and (f) value creation (Gulati & Kletter, 2005; Hsin-Mei, 2006) found in existing collaboration and alliance literature. A research gap exists in that there is often disagreement, inconsistency, or lack of what the metrics of success or effectiveness are.

In a period of declining market share, researchers suggested that alliances and collaboration can provide a vital framework for industry organizations to enhance their effectiveness (Dobbs, Karakolev, & Raj, 2007; Morgan & Hunt, 1994). The related literature presented a list of 52 metrics that could logically be applied to inter-organizational collaboration.

Methodology

The targeted population was organizational or marketing leaders in the international inbound travel and tourism industry that are based in the U.S. Receptive Services Association of American and Association of Travel Marketing Executives members served as the population sample representing multiple sectors within the leisure travel industry. A pilot survey was administered using the 52 identified metrics. Via this pilot survey, the number of metrics were reduced to 34 for use in the main study.

An original online survey was designed and administered to 1200 active members in the U.S. international inbound travel industry, and 109 were received for a 9.1% response rate. Seventy-eight surveys (6.5%) were verified as being qualified and complete. Participants

represented a wide variety of industry firms, with 90% of the surveys being completed by organizational decision-makers.

An initial set of demographic questions was followed by a series of Likert-type questions related to inter-organizational collaborative experiences. Questions were adapted to include the unique context of the service-to-service industry partners generically, and specifically to the international tourism industry. The participants were asked to identify any other inter-organizational effectiveness metric beyond those listed in the survey.

Factor analysis was used to identify relative ratings and underlying themes. Haig (2006) stated that factor analysis provides an appropriate analytical process and basis to support development of theoretical constructs and component consolidation for additional research design applications. The extraction method was principle component analysis. The Varimax with Kaiser Normalization rotation method was also implemented in the analysis process. Additionally, the composite variables were reviewed for multi-collinearity.

Results and Discussion

This study developed and tested the most extensive known list of literature-based inter-organizational collaboration success metrics. The comprehensive list of inter-organizational collaboration success metrics were ranked by expert practitioners. The metrics were subsequently reduced to a list of 22 key collaboration effectiveness metrics. These metrics were then consolidated into six core components or themes via factor analysis. The six core themes consisted of: (a) marketing, (b) relational, (c) competitive, (d) financial, (e) branding, and (f) strategy.

These core themes imply that traditional, internally focused marketing metrics alone are not sufficient to succeed in the marketplace. Strategies that effectively leverage a well-coordinated collaborative relationship may prove to be the most successful marketing formula in the marketplace. Leadership knowledge may be enhanced through improved understanding of the application of comprehensive inter-organization collaboration effectiveness measures. This study creates a preliminary foundation for a modern measurement model for successful inter-organizational collaboration in this particular industry.

Insights in inter-organizational collaboration effectiveness may prove to be a vehicle to enhance results in the highly competitive, fractionalized, and complex international leisure travel industry. This study significantly contributed to the understanding of inter-organizational collaboration effectiveness metrics. The results imply that leaders should use a multi-factor framework approach in measuring inter-organizational collaboration success. The six identified themes, along with the 22 sub-factors, provide such a framework. With this enhanced understanding of inter-organizational collaboration success metrics, leaders may be able to design and measure inter-organizational business relationships and practices that improve collaborative effectiveness while minimizing failure.

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