Service Industry of Taiwan Tourism Hotel

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Abstract: - Regarding to raising living standard in Taiwan, service industry had stand more than 65% GDP and manufacturing was around 35% since 2000. The data from Council for Economic Planning and Development of Taiwan, in 2015, the service industry stand more than 73% of GDP, and the tourism industry has played one of the most important rules. In service industry, recently, the policy of Taiwan government encourages overseas tourists come to Taiwan for resort and it made many new tourism hotels built, and they also had to do the overall reform to satisfy their customers of global, especially respecting on Eastern Asia. In this study, experts and scholars in the fields of industry academia were interviewed. And some of the experts considered that the Chinese tourists come or not come to Taiwan would not be a very problem for them because most of their target market was in Japan or Korea. However, some of the experts especially the chain tourism hotels considered that they invested most of the capital on hardware and expected more group tourists from China would like their service but it looked that they have to change their strategy on it. Survey were issued to the object companies and a comparative case study was conducted analysing 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 management. By primary data and literature reviews, this study hoped 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, Industry, Taiwan, Tourism Hotel, Tourist

1 Introduction

In the context of globalization, economic activities were becoming more and more global competition. The production process of each component, from its initial formation concept, research and development, prototyping to mass production, and then, put into marketing. It would take place in that part of the world where it was most profitable [5].

The sources of profit creation in firms and what determines who will capture this profit constitute a firm's competitiveness was respected nowadays. Firms were always functioning on the maximization profit principle, and apply 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[7]. Determining what products and services might be the most interest of customers, recognizing the needs and wants of target markets and delivering the desired satisfactions were crucial issues.

Tender relayed for most of the products and services to customers were the main generators of value added in any country. Innovations made by employees that give an organization the sustained growth its needs and enhance competition [26, 29].

Lee [13,14] empirically tested the industrial relationship between Korean and Japan, using import coefficients and production inducement coefficients. They studied the direction of "trade creation effects" and the changes in trade dependency ratios. In the perspective of the diamond model, these elements were under factor conditions and demand conditions.

Koh et al. [13,27] approached the relationship among Korea, Japan, and China through the analyses of market share, ESI (Export Similarity Index), RCA (Revealed Comparative Analysis) and TSI (Trade Specialization Index), using the data from world trade statistics by the UNCTAD[39],

Asia International Input-Output Table by the Institute of Developing Economies and the Direction of Trade Statistics by the IMF (World Bank http://www.worldbank.org, IMF, and CIA World Fact book. Their research followed diamond model and they found that only energy falls under factor conditions and there was no variable for firm strategy, structure and rivalry.

Hwey -Chang MOOM (2006)[10] studied the possibility of cooperation between Korea and Japan, based on diamond model, using analytical frameworks in both competitiveness and cultural perspectives. The result shows that Korea and Japan was not in a competitive relationship.

2 Literature Review

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 were the principal means by which a diversified from 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)[6], 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. According to Hosein and Thomas[20], many successful global corporations today, as companies grow, they change their strategies to address the new competitive conditions.

USAID: Value Chains and the Cluster Approach, 2008 conducted that, successful interactions and cooperative initiative reinforce the value of working together and create trust, especially in the context of a clear goal of increased sales and incomes. Early accomplishments were essential in fostering trust and need to be incorporated in early action plans. To increase trust, firms and the member in the cluster focuses on a series of smaller "doable" value-chain initiatives that creates confidence in cluster activities while addressing constraints in various segments of the value chain. The initiative included low-cost production and post-harvest handling technical assistance, observation trips to producer countries to see best prices, technical assistance and trade missions. Therefore, institutional respected of

value chain enhancement is crucial. A cluster as a mechanism to organize and provide assistance to their value chain must include as follows.

(1) Increasing demand and prospects for growth and rising incomes.
(2) Crating a customer-driven consciousness.
(3) Developing a strategic vision
(4) Analysis of export markets
(5) Joint exporting

Clusters were different from associations in that the latter tend to represent specific segments of the value chain, e.g., producer associations, which are common in all developing countries. Cluster involves stakeholders from various value-chain segments. Successful clusters can act as a centripetal force, holding regional firms intact. This helps regions prosper in the face of the centrifugal forces of contemporary globalization-the dispersion of firm activity through outsourcing and off-shoring. Potentially, clusters will encourage local competition and new business formation, leading a virtuous cycle of development. In turn, clusters root firms in the local economy. Consequently, governments are less likely to require incentives to foment economic development [31,32,33].

2.1 Marketing Strategy (Collaboration)

Various academics began to consider the possibilities of collective and collaborative 2strategies. Astley (1983) [2] 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) [22] 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)[25] thought that collaborations mean to acquire new technologies, or skills, and collaboration as competition in a different from learning from partners was paramount. Brandenburger and Nalebuff (1995) [4] 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.

Michael E. Porter was pursuit [28, 30] 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 mode. 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 crated nothing new and unique. But not all collaborations were like this. According to Moore (1996) [19] , 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) [21] 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.

2.2 Human Resources Management

According to Dunning (2007)[11], 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) [33], 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 [15, 16].

2.3 Porter's Competeviness, Cluster Strategy and Industrial Targeting

Porter stressed that the cluster approach represents the organizing principle for economic progress. The central Porter hypothesis was that competitive, productive firms require a set of supportive microeconomic conditions to thrive, regardless of natural endowments. Clusters were geographic concentrations of interconnected companies in related industries, and they encompass specialized suppliers, financial institutions, universities, and trade associations. Porter[33] takes spatial clustering, not doubt descriptive of successful regional development, and makes them the prescriptive policy for revamping regional development.

Moreover, Porter [33] conducted that given the elements of the diamond mode, the question was not what a country or region produce but how to make what it produced better. He makes an example of wine industry (California's Napa Valley) that with the same natural regional endowment, wine can be a highly competitive, differentiated, premium brand or a low-value, undifferentiated commodity -a boutique varietals or a jug wine. Firms, both large estates and small vintners, thrived in this environment because they create valuable brands, spurred by collaboration and competition in the wine cluster, not because of the nature activities. He asserts that "there were no low-tech industries, only low-tech firms." He discusses cluster versus industrial policy as follows.

(1) Traditional policy targets "desirable industries and/or sectors;" whereas Porter's policy emphasized that all clusters can contribute to prosperity.

(2) Regional industrial policy has been oriented toward tilting outcomes in favor of particular companies; where cluster policy should support all companies, domestic or foreign, that enhance local productivity.

(3) Industrial policy distorts regional competition through industry subsidies, protection, and promotion; on the other hand, cluster-based policy stresses easing obstacles and limits to productivity by collaborative efforts.

Competitiveness was a key issue for policy makers [34] in many countries and regions. Its growing importance was fuelled by changes in the nature of global competition that have increased the pressure on many locations to design sustainable strategies to support and improve prosperity. Porter in 2004 conducts [9] that productivity was the linchpin, and competitiveness takes this central role because productivity was the key determinant of the level of prosperity a location can sustain over time. First, his concept of competitiveness focuses on prosperity "created" from economic activity-activity that crates value by providing products and services at prices above their cost of production. Second, there was a critical difference between "individual"

and "economy-wide" productivity. Prosperity depends on a country's economy-wide productivity- the level of GDP generated for each unit of factor input available for economic activity at market prices and qualities. The main rival to the productivity-based definition of competitiveness was the "market share"-based definition. It defines competitiveness as the ability to sell on international markets and was fundamentally concerned with the sustainability of an economy's overall external balance. Furthermore, according to Porter, economic, social and environmental goals were not mutually exclusive: for a significant range of issues there was an overlap of polices to increase economic competitiveness and policies to address social and environmental objectives.

As Eilon (1990) [8] points out, productivity is a measure of the efficiency with which resources are used, but competitiveness is usually interpreted as the ability to secure market share against competition (Scott, 1985 2006) [35, 36].

2.3 Defining Competitiveness

In the last two or more decades, the global economic arena had become more uncertain and complex, and as more players from widely different cultures have enter the world economic stage, and with them the acceptance of multiple and changing intentions; many theories of competitiveness and economic well being have emerged. As such, it was time to illustrate the nature of the competitiveness. Firms had taken new initiatives in managing their environmental impacts. They seek new ways to reduce their costs, increase their efficiency, lower their liabilities, and enhance their competitiveness while reducing pollution, conserving resources, and eliminating waste. Competitive strategy was the search for a favourite competitive position in an industry, the fundamental arena in which competition occurs. It aims to establish a profitable and sustainable position against the forces that determine industry competition. This study listed the previous definitions for competitiveness as Table 2.1

Table 2.1 Previous Definitions for

Competitiveness

Scholar	Content
Colin Leys (2001) [6]	The International development of financial markets, of technology and of some manufacturing and services
	bring 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.
Jonathan Haughton (2004) [12]	The policies and conditions that ensure sustain a higher level of per capita income and its continued growth.
John H. Dunning & Feng Zhang (2007) [11]	The resources, capabilities and markets (RCM) which make up the physical environment in which firms and other organization create economic well-being; and second, the institutions which provide the incentive structures to make up the human environment, and which set the rules of the game for, and determine the cognition and motivation of, firms and other wealth creating entities, that produce wealth; these are the components of competitiveness.
Michael E. Porter (2010) [33]	Competitiveness depends 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 play different but interrelated roles in creating a productive economy.

Sources: this research

According to the most references, both microeconomic and macroeconomic competitiveness must be concerned. This research defines competitiveness as crucial for industries to know how to apply their limited resources to compete when they go global. Firms have to apply knowledge in order to create innovation to keep growing.

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.

Analysis of Variance (ANOVA), or F test, compares whether the average values or levels of one variable (dependent variable) differ significantly across the categories of another variable or variables (independent variable), the way in which ANOVA calculates this was to see how the values that go into making up the means in each category were dispersed. If the variance in each category was very high, the chance of a person with a high or low value being in any one particular category was not large and therefore there probably was not a significant difference between groups. ANOVA compares the variance between groups with the variance within groups to arrive at a number called the F-ratio. The greater the variance between groups in comparison to the variance within groups, the larger the F-ratio. Hence, F-ratio can be seen as a number whether the difference between groups was significant. Generally, one-way ANOVA was used for assessing one independent variable with three or more independent/related groups. Then post-hoc comparisons can be used for comparing the means and differences [1,3].

And a correlation coefficient was a number between -1 and +1 that measure the degree of association between two variables (X and Y with means XBAR and YBAR respectively and standard deviations S_x and S_y respectively). Pearson correlation was used generally. The correlation was computed as follows [24]:

$$r = \frac{\sum_{i=1}^{n}(X_i - \bar{X})(Y_i - \bar{Y})}{(n-1)S_x S_y}$$

The interpretation of the correlation coefficient was showed 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

The Pearson r indexes the extent to which a linear relationship exists between two quantitatively measured variables. About the Pearson's correlation coefficient (r) for continuous (interval level) data ranges from -1 to +1[17, 18]

And in-depth review were operated and the SWOT analysis result was show as Table 3.1

3 Sections	Strength(s): Opportunity (O) & Threat (T)	Weakness (W): Opportunity (O) & Threat (T)
Current Situation	S.O.: ◆ High service quality and enough rooms ◆ Satisfied design, including free bar, free Wi-Fi, free internet, free notebook, free baggies carry service (convenience). ◆ In good location: near bus, train, MRT stations. S.T.: ◆ Mainland China tourists coming. ◆ Government's policies.	W.O.: ◆ Mainland China tourists coming. ◆ Government's policies. ◆ Customers had many choices (hotels nearby). W.T.: ◆ Low-cost at low season: deficit spending.
Marketing Strategy	S.O.: ◆ High service quality and sufficient room numbers and types. ◆ Satisfied design, including free bar, free Wi-Fi, free internet, free notebook, free baggies carry service (convenience). ◆ In good location: near bus, train, MRT stations. ◆ Collaborate with travel agencies. S.T.: ◆ Mainland China tourists coming. ◆ Government's policies.	W.O.: ◆ Mainland China tourists coming. ◆ Government's policies. ◆ Customers had many choices (hotels nearby). ◆ Some overseas customers did not like stay in the same hotels Chinese customers stay in. W.T.: ◆ Low-cost at low season: deficit spending.
Human Resource Management	S.O.: ◆ Collaborate with universities or colleges to avoid lacking of manpower. ◆ Family administrative model adhere employees to be loyal to the company. S.T.: ◆ Hard for graduating students adapting hotels' culture: shift, speed, human relationships. ◆ Stagers were getting older.	W.O.: ◆ Government had done his utmost to advance the tourism industry. W.T.: ◆ Turnover of employees were high.

It showed that most of managers considered that this industry was high competitive and most of them prefer high EQ employees and hope to collaborate with universities. Moreover, they had found out the elders' ratio of the industry was high and new human power was needed immediately.

4 Estimation Result

Tourism hotels' data were from [37, 38]. There were 118 effective returns received before Sep. 06~Oct. 30, 2015. Summarized the survey that most of them were not chain enterprise and 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 4.1 Descriptive Statistics of the Tourist Hotels in Taiwan

Main Clients (Multiple Choices)	Domestic Tour Group	79	15.1%
	Domestic Backpacker	67	12.8%
	Domestic Business Person	77	14.7%
	Chinese Tour Group	71	14.0%
	Chinese Backpacker	55	10.7%
	European Tour Group/person	33	6.2%
	U.S.A./Canadian Tour Group/person	37	7.4%
	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	20.4%
	No Answer	5	4.2%
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

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."

About the Cronbach's α Coefficient of the variables, they were Business Operation Current Situation: 0.874 (23 items), Marketing Strategy: Strategic Alliance and Collaboration: 0.700 (14 items) and Human Resources: 0.906 (20 items).

About the session of business operation of current situation the average score of "we respect on customers' personal information" was 4.58 and this industry was highly competitive system was 4.47 were the two highest items. And about the session of marketing strategy (collaboration and strategic alliance), the highest item was to collaborate with travel agency including internet travel agency like trivago or hotels.com. Moreover, at the session of human resource management, the item average score of "human development and long-term hiring were important" was 4.80 and the next high average score was 4.45 "employees with high EQ was important."

4.1 Inferential Statistics: Company Background to Business Operation Current Situation

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

Table 4.2 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 4.2 showed that companies with high capital (over NT$ 200 million) thought this industry was 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 4.3 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 collaborating with suppliers (ex. ingredient suppliers).	4.04	4.224	0.003*	2>5>3>4>1
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 4.3 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 4.4 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
16. Our human resources policy and strategy are regular.	3.93	3.164	0.017*	4>5>2>3>1
17. 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 4.4 showed that capital more than NT$ 100 million respects on their human resources management more than others.
Employee number less than 50 was 1, 50~100 was 2, 100~150 was 3, 150~200 was 4, and over 200 was 5.

Table 4.5 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	4.16	7.107	0.000*	1>2>4>3>5

Source: This Research
* means significant (p<0.05)

Table 4.5 showed that the company with employees over 200 thought this industry was high competitive, their facilities were new and completed, and have their own brand(s) more than others.

Table 4.6 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
12. Our marketing strategy is product-oriented.	3.84	2.508	0.046*	2>4>5>1>3
14. Our marketing strategy	3.97	2.523	0.045*	4>2>5>1>3

Source: This Research
* means significant (p<0.05)

Table 4.6 showed that the marketing strategy of companies with employees around 50~100 trended product-oriented, and around 150~200 trended consumer-oriented.

Table 4.7 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 4.7 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 4.8.

Table 4.8 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 4.8, 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 was 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 4.9 Correlation Relations among Business Operation Current Situation, Marketing Strategy (Collaboration and Strategic Alliance), and Human Resources Management

	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 4.9, 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 was in Table 4.10.

Table 4.10 the Contents and Code Comparison Sheet

Marketing Strategy (Collaboration and Strategic Alliance)	
Contents	Code
• 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 4.11 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 4.11, the equation was cleared as follows:

Y(Business operation current situation)=1.706+(Internationalization was 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

From Tables, we could see 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 was 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 were important", "Employees' attitude was much more important than ability" and "Employee with high EQ was important."

From Table 5.10, 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 was Taiwanese Type (Chain enterprise: 25, un-chain enterprise: 49.)

And from correlation analysing result, 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 analysing result of equation was cleared as follows:

Y(Business operation current situation)=1.706+(Internationalization was 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.

From literature review through in-depth interview and survey result analysing, the findings were 3.

One, the strategy of this industry was collaborate with their customers, like agent, and they also apply the limited human resources to operate their hotels. Second, the human resources of this industry was not so enough that mangers prefer to collaborate with universities about one year to overcome their human power problem. Three, their marketing strategy was focusing on domestic and we would like to suggest them to respect on the Japanese tourist who come to Taiwan last year of 2016 over 1.5 million.

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