

Green Entrepreneurship in small island and mountain villages: A new methodological Approach

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Abstract

The green entrepreneurs or ecopreneurs, are those who start business based on the principle of sustainability with strong underlying green values and who sell green products or services. This paper aims to introduce a discussion about green Entrepreneurship / businesses (review) and presents a Green Entrepreneurship Evaluation Framework (GEFA) at the local level for green business in small islands and mountains villages in Greece.

1. Introduction

Over the past two decades, interest in entrepreneurship, and particularly in the emergence of new entrepreneurs and enterprises, has grown among governments and academics. This interest is based on evidence demonstrating the contribution of entrepreneurship to the economic growth, increased productivity, and rejuvenated social and productive networks. The development and modernization of entrepreneurial environment, specific for 21st century, is marked by the obligation to take into account the exigencies of sustainability and adopting some green business strategies. The importance of entrepreneurship and sustainable development is well represented in the international literature and the international organizations both being considered as solutions to assure the future development of the entire society. The green entrepreneurs are those who start businesses based on the principle of sustainability with strong underlying green values and who sell green products or services. These private sector investments in green business do not just generate private profits but also (create) large positive externalities for society, especially when they do not contribute only to the creation of a small niche market, but have the potential to be scaled up to reach the sustainable transformation of an entire industry.

This paper examines a new methodological approach about the investigation of the current situation regarding as the Green Entrepreneurship, and development of local areas evaluation toolbox (small islands, mountains villages) for green business operations. This methodological approach uses a combination strategic analysis

tools, (soft methodology methodologies human activities), and SWOT & PEST-DG tools for the development a ontology of Decision making system for green business in small islands and mountains villages.

2. Review

The contemporary society is marked by numerous economic, financial, technical-productive, industrial and environmental issues. Business enterprises are under increasing social, legal, and economic pressures to adopt environmentally sustainable strategies for their products and services [1],[2]. According to Scott's (1995) for institutional theory, previous theoretical research on corporate social and environmental sustainability argues that such influences are regulative, normative and cultural-cognitive in their origin [1],[3],[4],[5]. So, the companies are increasingly attending to a triple bottom-line [5], which includes being accountable for what they are doing in terms of environmental and social responsibilities, in addition to their financial obligations of maximizing profits [6] (Fig.1). Now, the common practice for many companies, is describing policies or measures aimed at environmental sustainability as part of their annual statements on CSR or in special corporate sustainability reports [1],[7]. Specifically, the importance of entrepreneurship and sustainable development is well represented in the literature [1], but also in the documents of the international organizations (UE Strategy 2020) both being considered as solutions to assure the future development of the entire society. The international economic crisis has affected the national economies, in different ways and with different intensities. Thus, in a period with so many turbulences, it is important to evaluate the crisis impact on the social-economic phenomena. In the EU Strategy 2020, entrepreneurship, sustainable development, competitiveness and innovation are considered the key elements [8].

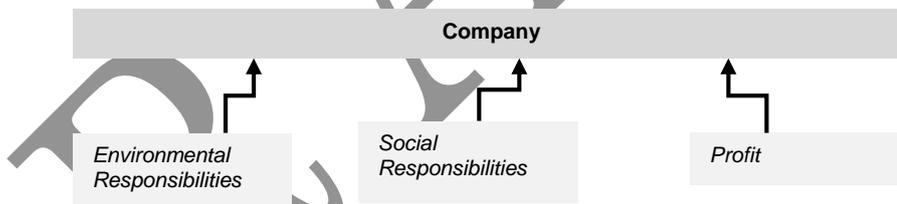


Figure 1: A Triple bottom-line of Companies.

Entrepreneurship

In past, various researchers have studied the phenomenon of entrepreneurship [8]. For example, Cantellion (1755) considering entrepreneurship as self-employment of any sort involved in a process of bearing the risk to organize factors of production to deliver a product or service demanded by the market. Later, Marshall (1890), defining entrepreneurship as an important factor of production together with land, capital and labor. In 1921, Knight underlined the risk-bearing dimension of entrepreneurship [8]. Others researchers like Say (1803), Von Mises (1949), Walras (1954), Penrose (1959), to the development of entrepreneurial concept. The ideas of these scholars attributed to the entrepreneurship different aspects, belonging to the classical stream regarding the concept [1],[8].

In 1934, a new dimension developed from Shumpeter: the innovation, and the entrepreneur as innovator. Based on Shumpeter view, Druker (1985) developed the innovation dimension of the entrepreneurship which implies the exploitation of existing resources through its ability to produce something new [8],[9]. In 2000, Shane and Venkataraman stressed that entrepreneurship includes also the study of sources of opportunities [10]. In the same time, international organizations have provided importance to the implication of entrepreneurship on social-economic development, and we find a significant definition of the Commission of the European Communities (2003): entrepreneurship is the mindset and process to create and develop economic activity by blending risk-taking, creativity and / or innovation with sound management, within a new or an existing organization [11]. In Table 1, we have compiled the modern conceptualizations about the entrepreneurship [12],[13],[14],[15],[16]:

Scholar(s) / Researcher(s)	Definition / conceptualization of entrepreneurship
<i>Gartner (1988)</i>	“Creation of new organizations”
<i>Low and MacMillan (1988)</i>	“Creation of new enterprise”
<i>Stevenson and Gumpert (1985)</i>	“The process by which individuals-either on their own or inside organizations –pursue opportunities without regard to the resources they currently control”
<i>Shane and Venkataraman (2000)</i>	“The discovery and exploitation of profitable opportunities for private wealth, and as a consequence for social wealth as well”
<i>Audretsch 2002</i>	“Entrepreneurship is a multifaceted and heterogeneous activity”
<i>Ahmad, Nadim, and Richard G. Seymour (2008)</i>	“entrepreneurship is the phenomenon associated with the entrepreneurial activity”

Table 1: Different views on entrepreneurship.

Green Entrepreneurship

Many studies have established a strong relationship between environmental friendly business practices (e.g. environmental marketing) and firm performance [17]. However, not many studies have developed a comprehensive environmental orientation that impacts the entire organizational system and adds value to the organisation and its stakeholders [18].

“Natural capitalism” theory may be regarded as offering a theoretical framework for the definition and establishment of coordinates of the green business concept. The authors foresaw a “a new green revolution” characterized by the radical transformation of the production rules and the promotion of technological innovations that might lead to the orientation towards renewable sources, the increase of efficiency in the use of resources, the elimination of wastes and the making of investments in the conservation and restoration of the natural capital. The “green economy” paradigm is a deeply social one since it refers to and has implications in the entire society and supposes the involvement of all members of the “fortress” [1].

“Green-business” in an type of economy, with a slow-economy orientation, is encountered in the specialized literature under the consecrated name of eco-

economy under whose auspices green businesses develop. The “green business” concept has been defined in the specialized literature as representing in next Table [1],[19],[20],[21]:

Scholar(s) / Researcher(s)	Definition / conceptualization of green business
<i>Smith (2003), Friend(2009)</i>	“businesses or practices oriented towards the environment, including: the use of organic or natural products, the adoption of some strict measures against emissions and the procurement of materials from renewable sources”
<i>Szolnai (2002)</i>	“businesses that adopted the concept of environmentalism and sustainability in all their functions”
<i>Gilbert (2007)</i>	“any human activity performed in such a way as to minimize any negative impact on the environment or which might bring direct benefits to the environment”

Table 2: Different views on green business.

The research literature on green entrepreneurship is even less widespread and lacks a broad empirical foundation. This may also be related to the difficulty to draw the boundaries between green and non-green entrepreneurship. The basic characteristics of green entrepreneurs are [22]:

Scholar(s) / Researcher(s)	characteristics of green entrepreneurs
<i>Farinelli et al.(2011)</i>	<p>“Green entrepreneurs undertake new business opportunities and ventures, which usually involve a very high risk. The outcome of these business ventures is often unpredictable”</p> <p>“Green entrepreneurs are intrinsically motivated. Their business activities have an overall positive effect on the natural environment and on economic sustainability, and consciously aim at insuring a more sustainable future”</p>

Table 3: Basic characteristics of green entrepreneurs.

Drawing on the review of general entrepreneurship typologies and green entrepreneurship literature, the defining criteria presented in the typology below (Fig. 2) reflects the view that the most relevant explanatory variables for characterising different types of green entrepreneurs are the external context (structural influences) and the entrepreneur’s personal orientation or motivation. The ‘orientation’ axis arises from this paper’s earlier exploration of green and green green businesses and is influenced by Thompson’s paradigm perspective [23]. A profit orientation and some sort of green orientation are the minimum attributes assumed for the scope of this typology and the green orientation could either be a motivation or a perceived market opportunity or both. Finally, the matrix formed by these two axes (motivation & influences) thus produces four ‘ideal types’ of green entrepreneurs [24].

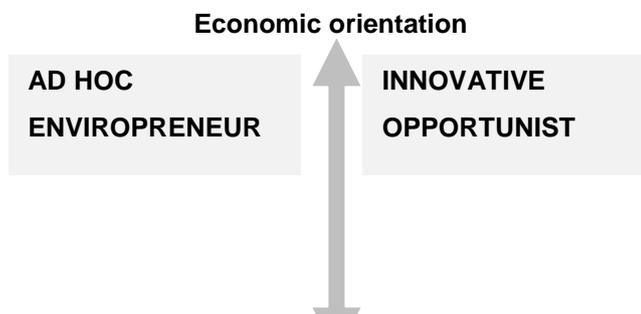




Figure 2: Typology of green entrepreneurs

3. Methodological Approach

The aim of this research is to develop a Green Entrepreneurship Evaluation Framework (GEFA) at the local level (small islands, mountainous areas) for:

- environmental protection,
- economic and social development,
- removing regional and intra-regional disparities,
- sustainable development.

This framework contains:

- investigation of the current situation regarding the Green Entrepreneurship in Greece,
- connecting strategic analysis tools, soft methodology,
- development evaluation toolbox (islands, mountainous areas) for green business.

Specifically, the steps of GEFA are (Fig.3):

- research planning,
- sample selection,
- analysis of current situation (stakeholder analysis),
- environmental recording (financial, legal, administrative, technological, etc. aspects),
- theoretical analysis of tools (tools & techniques combination),
- development toolkit (construction / modeling tools),
- Ontology development of decision support system (DSS).

For Stakeholder Analysis we use a combination of methods (questionnaires, interviews), because in the international bibliography, the use of multiple methods in social research, is more effective and the combinatorial use of quantitative and qualitative approaches confines their weaknesses (Fig.4). Specifically, the Mixed Methods Research (MMR) employs a combination of qualitative and quantitative methods (by using triangulation). It has been used as a distinct approach in the social and behavioral sciences for more than three decades. MMR is still generating discussions and debates about its definition, the method involved, and the standards for the quality. Although still evolving, MMR has become an establish approach. It is already considered the 3rd research approach, along with the quantitative and qualitative approaches, and has its own emerging world view, vocabulary, and techniques [25].

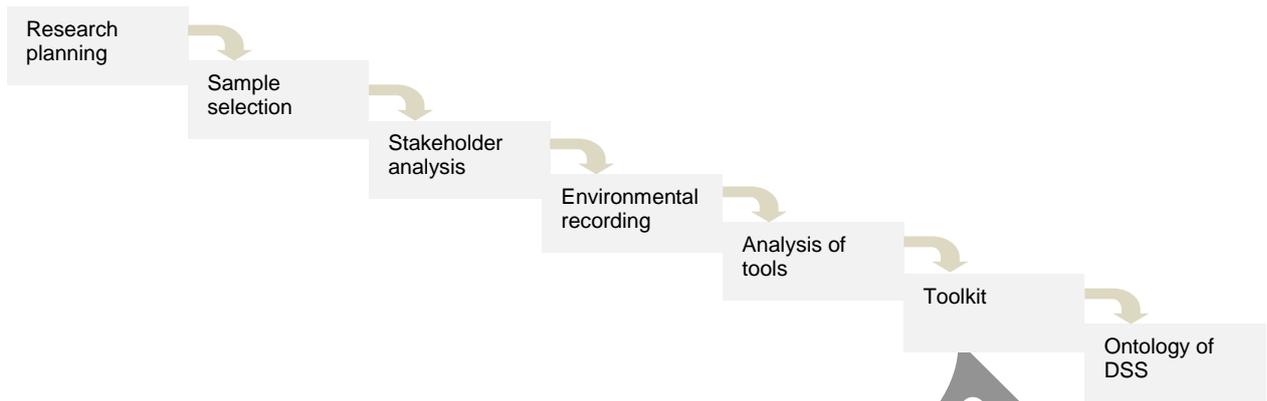


Figure 3: Steps of GEFA.

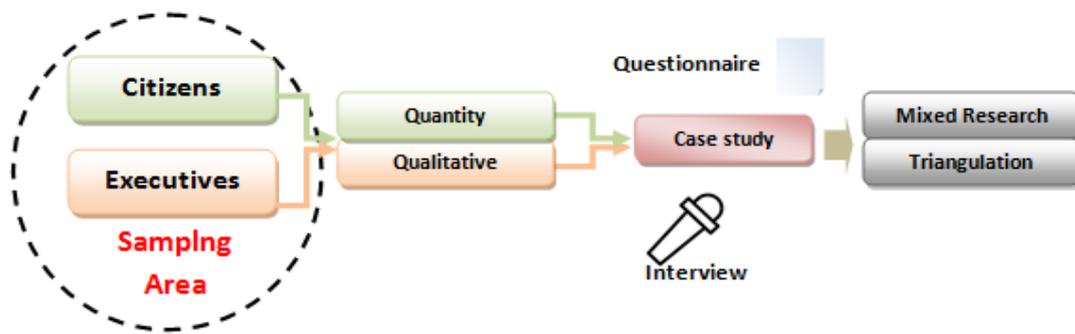


Figure 4: Stakeholder Analysis methodology.

Totally, the next diagram shows the processing methodology of GEFA, by using a combination two strategic tools: SWOT analysis & PEST-DG, and rich picture (soft methodology) [26].

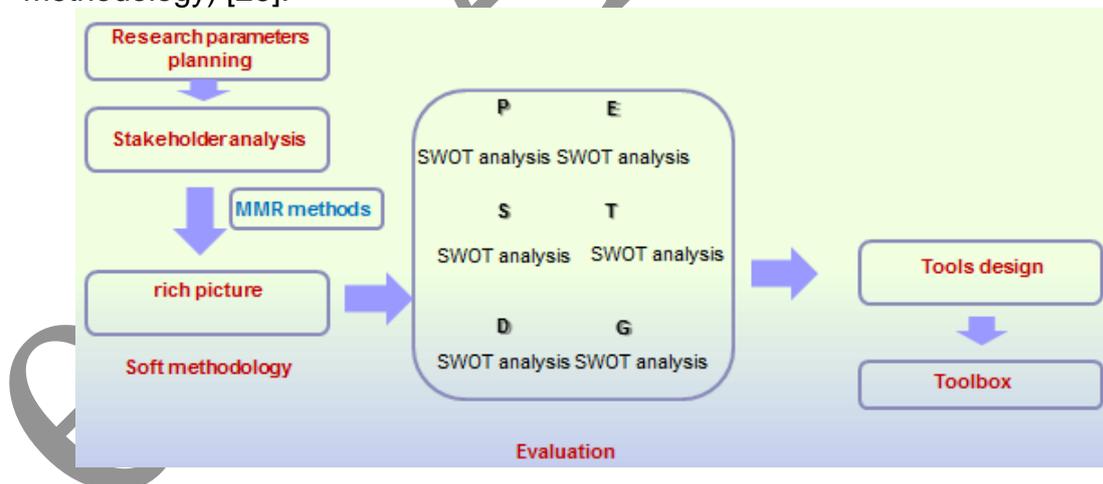


Figure 5: Processing methodology of GEFA.

4. Discussion

The development of green Entrepreneurship / businesses supposes a new way of thinking, a change of mentality regarding the business models based on the attraction/implication of all members of the organization and compartments into eco-innovative processes that may allow the transposition of the environmental and social

complexity into practical actions. This transposition must lead to eco-efficiency and the creation of sustainable added value. The integration of sustainability requirements into the business environment needs a change of mentality and paradigm in defining business objectives and strategies [1],[8],[27]. Economic development in compliance with the requirements of the environmental protection, is a necessity in nowadays, determining entrepreneurs to move towards adopting green business specific measures [1]. If at the international level, especially in countries with developed economy, the green Entrepreneurship issue is current and represent a preoccupation reflected in the activities of enterprises, but also of the institutions that pursuing the green Entrepreneurship impact on the entrepreneurial area and on the level and rhythm of economic development, the same cannot be said for the Greek economy (including several small islands and villages). For that, we noticed that at national level it is support the endeavor for economic reorientation towards green Entrepreneurship / business, in small islands and mountain villages.

5. Conclusion

The green entrepreneurship / business is increasingly being recognized as a significant conduit for bringing about a transformation to sustainable products and processes, with numerous high-profile thinkers advocating entrepreneurship as a solution for many social and environmental concerns [1],[8],[28],[29],[30]. In this paper, the proposed methodological approach offers a efficient and effective a Green Entrepreneurship Evaluation Framework (GEFA) at the local level for green business in small islands and mountains villages. Ultimate goal is to develop a Decision Support System for green business evaluation.

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Shopping Tourism as a promising future for Greek Tourism?

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Abstract

“One of the most used tools in the promotion of destinations” this is how Shopping Tourism was described at the opening of the 2nd Conference on this segment, organized by the World Tourism Organization (UNWTO) on the occasion of the Spanish Tourism Fair (FITUR) (22 January 2016). Shopping Tourism “is a highly relevant component for travelers when choosing and preparing their trip” underlined Yolanda Perdomo, Director of the Affiliate Members Program at UNWTO.

As stated by Taleb Rifai UNWTO Secretary-General in 2014, shopping is becoming an increasingly relevant component of the tourism value chain. Shopping has converted into a determinant factor affecting destination choice, an important component of the overall travel experience and, in some cases the prime travel motivation. Destinations have an immense opportunity to leverage this new market trend by developing authentic and unique shopping experiences that add value to their touristic offer while reinforcing, and even, defining their tourism brand and positioning (UNWTO, 2014).

Therefore, should Greek tourism policy - makers and strategists set policies to achieve double-digit growth in the sector in Greece as well as generate know-how in relation to the efficient management of the new shopping tourism concept and the economic opportunities it represents? Moreover, should tourism professionals, both private and public, create a benchmark for shopping tourism in Greece, combine the offer of cities with the power of attraction of major brands and the management capacity of a high added-value tourism segment and establish collaboration synergies between the different public and private agents involved as drivers of the economy?

Keywords: Destination Branding, Shopping Tourism, Tourism Planning, Experiential Tourism, Consumer Behavior

JEL: M31, L83

1. Introductory thoughts

In current times, shopping has become for many people a leisure activity, involving elements of selection and purchase of goods. Most shoppers choose to travel in order to complete the shopping activities, being interested in finding new things, not present in the proximity of their homes or work places. In many one-day-trips, holidays or

business trips, shopping has become nowadays an important issue. On every seventh occasion, shopping is a decisive reason for a trip; this “hard core” of shopping tourists represents 70% of all tourists’ expenses in retail commerce (Werner and Kai, 2005).

Recently, offers of tour packages labelled as ‘shopping tours’ have increased significantly in the tourism industry. From Dubai and its February shopping festival, 1 to Paris and the ‘Capital of Shopping’ events organized during sales season, 2 shopping tour locations include newly developed sites as well as heritage sites across every continent.

Following this latter, the purpose of our study is to expand the understanding of shopping tourism and through a conceptual approach to get closer to what is called experiential tourism that could benefit Greek tourism and secondly to analyse the relationship between experiential tourism and shopping tourism. The contribution of the study hopefully will provide nutrition to improve the marketing strategy of the destinations and to provide data for further research regarding the perception of destination personality through shopping tourism and vice versa both on the pre purchase and post consumption phase as well as try to introduce the term of experiential and shopping tourism which is either in embryonic state in Greece or in a mass tourism western form that badly copies examples from abroad.

2. An insight into experiential tourism

In the age of post-modernity, the experiences of consumers play an increasingly important role in economic and social life. It is claimed that we are witnessing the emergence of the experience economy (Pine & Gilmore, 1999). Tourism is surely one of the pioneer examples of the experience economy. From the 1970s onwards the tourist experience has become one of the most popular academic topics, reflected in the constant growth of the social science literature on the tourist experience during the last three decades (Chang et al, 2014). With the changing compositions of tourists, the contents of tourism experiences change. Larsen and Mossberg (2007) indicate that experiences are subjective and personalized processes, and are related to social cultures and varied systems. Therefore, studies of tourist experiences should be based on flexible and diverse multi-discipline perspectives, such as psychology, sociology, anthropology, or marketing, and could even be interdisciplinary (Prebensen, 2015).

Therefore and analysing the above mentioned, the concrete approaches to the tourist experience vary. Firstly, the tourist experience is studied from a phenomenological approach, which focuses on the subjective experience from the common-sense standpoint of the tourists (Ryan, 1997a). Secondly, the tourist experience is treated from a Durkeimian approach and is equated to a quasi-religious, pilgrimage-like and sacred journey (Hennig, 2002) which offers opportunities of escape from daily drudgery, constraints, anomies, and profane responsibilities (Dann, 1977) and of experiencing freedom (Gottlieb, 1982), authenticity (Redfoot, 1984), novelty and change (Cohen, 1979), the exotic (Wang, 2000), playful childishness (Dann, 1977), “flow” (Mitchell, 1983), meanings (Cohen, 1979), identity (Lanfant et al., 1995) and myth-making (Selwyn, 1996), and so on. Thirdly, the tourist experience, as a subjective psychological process, is treated as the object that can be studied in positivist methods, as exemplified in scientific experiments and other quantitative methods (Pearce, 1982). Fourthly, there is a critical approach that regards the tourist

experience as an institutional pleasure-seeking activity, which unconsciously contributes to the maintenance of the status quo. Thus, just like religion is regarded by Marx as the opiate of the masses, the tourist experience is similarly treated as the opiate of modern tourists (Van, 1980). Fifthly, the tourist experience is essentially treated as a particular type of gaze which incorporates the powers of institutions of tourism industry and mass media and which is trained and shaped by cultures, values and dominant discourses such as romanticism (Urry, 1990).

3. An insight into shopping tourism

Tourism and shopping are inseparable. In fact, shopping is viewed as being one of the main purposes when tourists conduct their travel activities (Cohen, 1995; Mak, Tsang, & Cheung, 1999). Thus, shopping, as stated in Hsieh and Chang (2006), particularly in the package tours of urban tourism, is often categorized as one of the important spheres when tourism planning is negotiated by different stakeholders [Ryan, 1991; Timothy & Butler, 1995; Dellaert, Borgers, & Timmermans (1995)]. Hudman and Hawkins (1989), and Keowin (1989) believed that a tour without shopping is not a complete travelling experience. Kent, Shock, and Snow (1983) claimed that tourists spend more on shopping than on accommodation and food. In the process of tourism shopping, tourists buy not only souvenirs but also things not easily found or too expensive in their home countries (Dimanche, 2003).

With respect to the literature on tourism shopping, fruitful research has been done so far in various areas: tourists' shopping preferences and degree of satisfaction (Heung & Cheng, 2000; Reisinger & Turner, 2002); shopping satisfaction among tourists from various nationalities (Wong & Law, 2003); differences in the personal characteristics of on-line shoppers and non-shoppers for tourism products (Card, Chen, & Cole, 2003); the synergistic effect of the shopping and leisure experiences of tourists (Jansen-Verbeke, 1994); the planning strategy of tourist shopping villages (Getz, 1993); cross-border shopping behaviours, e.g. USA and Canada (Timothy & Butler, 1995); debates on the issue of authenticity when tourists purchase souvenirs (Pretes, 1995; Asplet & Cooper, 2000); and how the shopping intention is influenced by the attributes of craftwork and tourists' shopping experiences (Yu & Littrell, 2003).

On the other hand, leisure shopping is increasingly informing the choice of destination among visitors (Moscardo, 2004), making it a feature of the competition between cities and a target for city branding (Anttiroiko, 2014).

Leisure shopping draws on specific aesthetic and experiential activities involving the pleasure of window shopping and browsing through commodities (Rabbiosi, 2014); an activity devoted principally to shopping for clothes and accessories, which elsewhere is referred to as "fun shopping" (Gravari-Barbas, 2013: 81). A number of destinations in Asia, Europe and the U.S. have already distinguished themselves as shopping destinations. They range from the so-called capitals of fashion [Paris, London, New York; see Anttiroiko (2014)] to cities and neighbourhoods characterised by a high density of traditional shops and markets with an ethnic and/or "authentic" character [e.g. night markets in South-East Asian cities; see Hsieh and Chang (2006)], cities and neighbourhoods characterised by a high density of hypermodern shops [e.g. Dubai; see Henderson (2006)] or fake villages completely devoted to mass consumption and retail [lifestyle centres, retail parks, themed-based outlet centres; see Rabbiosi (2011)]. These destinations may base their branding on either historical legacies or completely newly developed retail real estate projects. These

sets of images have been used to sell cities worldwide and attract consumers of services, experiences and commodities through the establishment of urban branding as a marketing strategy in most capital cities across the continents (Dinnie, 2011).

4. Discussion

The scope of tourism was previously limited to sightseeing and experiencing the customs of other regions or countries. However, the term is evolving into a more comprehensive concept that encompasses greater diversity (Wong & Wan, 2013). This evolution indicates that travel is an activity that people embark on to fulfill their pursuits. Therefore, travel agencies create various types of travel packages to suit different tastes, among which shopping tourism, with the sole purpose of shopping, is becoming a clear trend (Tomori, 2010). Recent studies, pointed out in Choi et al (2016), emphasize that shopping has become a major focus of tour activities. With the recent increasing trend in the number of tourists actively seeking the pleasure of travel by participating in various activities at destinations, shopping is usually a favored activity enjoyed by many (Yüksel, 2007). This enjoyment can be attributed to the fact that shopping enables one to become familiar with the unique culture of the visited country and that purchasing provides satisfaction and pleasure (Way & Robertson, 2013). The necessity and desire to shop have become a motive for tourists to travel, and result from the desire for rest, deviation from routine, and acceptance of challenges related to shopping (Kim, Timothy, & Hwang, 2011). Tourists seek both pleasurable and practical shopping experiences. Although tourists may not actually purchase products, the activity can still provide them with pleasure. To separate the tourists that purchase goods as a vacation activity, from the ones that are motivated to make the trip for the shopping activity itself, a distinction between two main categories of shopping tourists, according to the purpose of their journey was made by Bar-Kotielis and Wiskulski, T., (2012),:

- Shopping tourists in a restricted sense, for which shopping represents the main objective of the trip. They included in this category internal and foreign one-day tourists, as well as internal and foreign tourists requesting accommodation.
- Shopping tourists in a wider sense, for which shopping does not represent the main objective of the trip, regardless if the tourists are internal or foreign, in a one-day or several days trip, with or without accommodation.

In other words, we can describe shopping tourism as an activity, which implicates a trip, made for the purpose of a shopping action and the entertainment offered by it. Shopping tourism refers exclusively to goods that are purchased for personal usage, regardless of the type of goods or location of acquisition.

Shopping tourists can be both, domestic as well as international, their origin and the location from where they make the acquisition of the goods, having a big impact on the assortment they chose. However, on the top of the acquisition list we will always find products as clothes, shoes, leather goods and food.

The types of destinations for shopping tourism vary a lot, according to the offer from the market and the people's needs. On these should policy makers and tourism professionals build on and capitalize Greece's diverse and different types of destinations in order to upgrade the tourism product whereas create a new option for

Greek tourism development. Among the most popular destinations, we can identify and suggest:

- Famous cities with a shopping reputation, like Dubai, London, Paris, New York or Hong Kong. Some of these destinations built their reputation on a shopping theme, like fashion or electronic goods, while others offer low taxation. Greek examples should also be created in peripheral cities of Athens (e.g. Ermou Street for fashion retailers) and Thessaloniki (e.g. Tsimiski Street for fashion retailers) such as Heraklion (e.g. bio-products from the vast authentic and pure lands of Crete), Volos and Ioannina (e.g. dairy products and traditional utensils made from copper), taking as example the case of Kavala which attracts a large number of Russian tourists for its fur market. Each city needs to find an alternative that can create the need and the opportunity to attract also shopping tourists.
- Cities and big towns, that represents a classical destination for shopping, especially during weekend's or with the occasion of different trade festivals. People from small towns and villages are travelling to the big city, in order to make different acquisitions, which are not available in their locations. The trips are usually short, one or two days, and more frequent during the vacation period or just before the holidays. Regions of Epirus (e.g. Ioannina and Arta), Western and Central Macedonia (e.g. Edessa, Florina, and Kastoria) as well as Eastern Macedonia and Thraki (e.g. Alexandroupoli, Xanthi and Komotini) could benefit mostly by developing their cross-border tourism flows and tackling down the effects of the economic crisis. Seasonal shopping cities that attract tourists can be found in Greek islands such as Mykonos (e.g. jewelry retailers) and Rhodes.
- Commercial centers and shopping malls, that gain popularity due to their wide variety of products and brands, as well as the wide range of entertainment activities they offer, like cinema, playground for children, coffee places, restaurants and fast foods. Illustrative operating examples are the different malls of Athens (e.g. The Mall, Metro Mall, Riverwest, Attica, McArthur Glen etc) and the respective of Thessaloniki (e.g. Mediterranean Cosmos, One Salonika Outlet Mall, Apollonia Politia, Shopping Center Makedonia etc) that both could benefit from becoming beacons for attracting shopping tourists, domestic, cross-border and international.
- Rural areas with touristic tradition, which adopted shopping tourism as an auxiliary activity, benefiting from the big inflow of tourist to stimulate local commerce and to support local products. For example the Regions of Thessaly, Peloponnese and Crete could benefit from attracting tourist shoppers. Specific suggestions could be the rich history of the prefectures that is delivered through their religious and archaeological monuments and museums. Additionally, ski resorts, spas, mountain trails, agro-touristic activities, trekking and rock climbing which are already mapped do give an extra motive for tourists to visit these regions even in winter.

The positive impact of shopping tourism it is not limiting on retail business, but it is extending over branches of the local economy, like accommodations, food, transport and services.

5. Conclusion

On the basis of the above stated in the context of this article, one approach may be to define shopping tourism as a contemporary form of tourism fostered by individuals for whom purchasing goods outside of their usual environment is a determining factor in their decision to travel.

Shopping is rarely the primary reason for traveling as literature stated in the past but things seem to be changing in fast-forward. However, once at the destination, shopping is an important activity without which, for many, the tourist experience cannot be considered complete (Egresi, 2015). Shopping allows tourists to interact with local people and experience their culture. A well-developed, diverse and attractive retail sector is also an important element of the local tourism industry (Hsieh and Chang, 2006). Previous studies have highlighted the importance of shopping tourism in income generation, foreign currency, destination attractiveness and tourist motivation (Oh et al, 2004). Moreover, attractive shopping areas offering good tourist shopping experiences could be used in tourism marketing, to build a favorable image of the tourist destination (Tosun et al, 2007).

The purpose of this study was to expand the understanding of shopping tourism and through a conceptual approach to get closer to what is called experiential tourism that could benefit Greek tourism. Specifically, the aim of the article was to propose an integrative research framework of tourism shopping based on an extended discussion of previous research from tourism and marketing literature on the previous topics.

Managers in the tourism and retail sectors find that they have to increasingly cater to tourist shoppers from neighboring and faraway countries. For example, luxury brand retailers in France serve tourists from both the European Union and emerging markets like China. With growing mobility of tourists and the availability of air travel, the tourism and retail sectors will have to cater to a wider group of customers (Sharma et al, 2015). This poses challenges for tourism practitioners and policy makers as tourism and hospitality firms need to cater to different groups of tourists in order to compete successfully for market share. The tourism industry's ability to attract and satisfy shoppers from other countries depends on a clear knowledge and understanding of the expectations, perceptions, and drivers of value for diverse groups of tourist shoppers.

Finally, partnerships that help public bodies address the problems of fragmentation in the tourism sector as well as encourage innovation and the sharing of information among destination stakeholders are in need. Cooperation among stakeholders involved in tourism makes the destination more visitor-focused so that the different interactions the visitor has with the destination can be enhanced and value-added.

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The Consortium Hotels in Greece

Case study: BEST WESTERN Hotel & Resorts in Greece

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Abstract

This paper attempts to fill one of the research gaps in the business networking. In such a global economical turmoil, the need for synergy among businesses aiming a competitive advantage and economies of scale, has led to a worldwide spread of hotel consortium.

A hotel consortium is an association of two or more hotels with the objective of participating in a common activity or pooling their resources for achieving a common goal. Each entity within the consortium is only responsible to the group in respect to the obligations that are set out in the consortium's contract. Therefore, every entity that is under the consortium remains independent in his or her normal business operations and has no say over another member's operations that are not related to the hotel consortium. A hotel consortium is one of the strongest tools for promoting innovation and enhancing the competitiveness of enterprises and economies.

In Greece, hotel consortium particularly is considered necessary during the economic crisis. This paper focuses on the range of consortia activities, on the rationales for company and independent hotels to become members of consortia as well as the relationships between consortia and their members. This paper is an attempt to present the framework in which consortia develop, and focuses on BEST WESTERN Hotel & Resorts in Greece. Finally, the results of a survey in Best Western hotels - consortia members are presented. The survey was held in order to determine how important and efficient is for a hotel to be a member of the consortia.

Keywords: Hotel Consortium, network, strategic alliances, competitive advantage, economies of scale, brand name.

1. Introduction

Small-scale independent hotels are supposed to face competition linked with the existence of large-scale hotel chains, on a daily basis. In order to deal with marketing strategies of hotel chains, they have to integrate into hotel consortia.

A hotel consortium is an association of independent hotels, which pool their resources, in order to establish corporate management services, in terms of provisions, staff and training, marketing and public relations (Theocharis, 2012).

Most hotels consortia mostly aim at raising their member's revenues, focusing on marketing and its associated functions (Sotiriadis, 2000 & Baum, 1992):

- Promotion (establishment of a brand name and a corporate image, through public relations and marketing activities of the hotel consortium).
- Distribution channels (establishment and function of a principal reservation system, which will facilitate sales to travel agencies, tour operators and tourism associations).
- Supplies (discount in a large scale of goods and services, through central supplies).
- Product and price: The product and price can hardly be controlled. Therefore, pre-defined membership admission criteria should be fixed.

In fact, a hotel consortium establishes a corporate image in the market, through similar amenity and standards, common promotion, distribution, which may eventually lead to a common brand name as well. A hotel association is a joint marketing attempt, mainly aiming at common purchasing sectors, in different time periods and places (Slattery, Roper & Boer, 1985). Its main objective is to launch distribution channels, through the maximization of combined marketing resources, while the consortium's members can maintain, at the same time, their independence, in terms of administration and products. Therefore, the main objective of hotel consortia is marketing, in order to raise its member's sales (Lundberg, 1997).

2. Hotel Consortium: Best Western Hotel & Resorts

Best Western Hotels & Resorts (new brand name), is one of the largest international independent hotel consortia in the world, with activities in Greece (Table 1) (www.gbrconsulting.gr).

	Hotels / Brand	Number of Units	Number of Rooms
1	Be Happy	48	2.723
2	Tablet Hotels	38	2.124
3	Leading Hotels of the World	12	2.113
4	Small Luxury Hotels of the World	46	2.098

5	Best Western Hotels & Resorts	12	1.070
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Table 1: The five largest hotel consortia in Greece

Best Western Hotels & Resorts was established in the USA in 1946, with a network of 4.100 hotels (320.000 rooms), in more than ninety (90) countries all over the world. Merrill Guertin, its founder, envisioned the creation of an association of hotels, of independent ownership and function, which would be sharing their customers.

The idea became reality when on a road trip from Long Beach to Tacoma, Washington, Guertin noted which motels were placed within a "tank of gas" drive of one another. He then published a guide that can rightfully be called the precursor to today's GPS. Guertin also talked with moteliere en route about agreeing to standards of cleanliness, respectability and service, so that referrals could be made freely and without hesitation (www.uh.edu).

In the beginning, sixty seven (67) hotels contributed with a total of \$10.000 each and started "sharing" their customers. The hotels that joined the consortium were the ones that Guertin approved, based on a series of conditions that needed to be fulfilled, related with quality and services, given that, as he said, "travelers want a clean room, good service and value of money".

Thanks to Guertin's vision of a brand built on the collective wisdom of its membership, Best Western Hotels & Resorts has become an iconic institution that hosts 400.000 worldwide guests each night.

Moreover, Best Western Hotels & Resorts was one of the first hotel chains to have enabled its customers to make online reservations, as from 19/12/1995. Today, it counts some 100.000 reservations, through its website.

Today, Best Western Hotels & Resorts continues to offer developers brand membership with low entry costs and the most practical ownership transfer mechanisms in the business. As a result, Best Western Hotels & Resorts has become a brand of choice among both ambitious first-time investors and the savviest development groups. Best Western Hotels & Resorts totally company revenue is now estimated at \$7 billion.

In Greece, the consortium started operating in 1991 and now counts twelve (12) members. In 1996, these members assumed the administration of the consortium's Greek part (Table 2) (www.bestwestern.com).

	Best Western Hotels	Category	Number of Rooms
1	Best Western Ilisia Hotel	4*	91

2	Best Western Hotel Fenix	4*	134
3	Best Western Pythagorion Hotel	3*	56
4	Best Western Museum Hotel	3*	93
5	Best Western PLUS Embassy Hotel	4*	31
6	Best Western Amazon Hotel	3*	46
7	Best Western Candia Hotel	4*	142
8	Best Western Acropolis Ami Boutique Hotel	3*	22
9	Best Western My Athens Hotel	3*	55
10	Best Western Hotel Plaza	4*	140
11	Best Western Galaxy Hotel	3*	120
12	Best Western Zante Park Hotel	4*	140
Number of Rooms			1.070

Table 2: Best Western Hotels & Resorts. Its hotels in Greece

3. Research

The present paper studies the requirements that need to be fulfilled for a member to join the consortium. It also studies the pay structure of the company, as well as the impact of the function of hotel consortia.

The main objective is to determine how important and efficient is for a hotel to be a member of the consortia.

3.1 Incorporation to the Hotel Consortium

Both independent hotels, as well as hotels that belong to hotel chains, can join the Best Western Hotels & Resorts consortium. While raising the number of its members, Best Western Hotels & Resorts can enjoy the benefits of membership and keep a competitive advantage against other independent units.

The contract signed between Best Western Hotels & Resorts and the member-hotel is very specific, defines the minimum standards, minimum service provisions and it is very strict when it comes to protecting the name, the brand and Best Western Hotels & Resorts. An annual monitoring takes place in every member of the consortium, to ensure its preservation and the provision of quality services to its customers.

Best Western Hotels & Resorts claims that its mission is to serve its members, its independent hotels all over the world. This mission is accomplished, through the provision of a wide range of services, namely a system of reservations, electronic distribution, marketing and advertising, quality assurance, customer service, staff training etc.

All these services are financed by the remuneration of its members and are designed, in order to raise the profitability of hotels-members. A hotel consortium requires special handling. Each member has voting rights, meaning that they can define the way in which the brand is promoted. So, for a hotel consortium to be successful, it is necessary to ensure that it can provide its members with the services they need (Teare, Olsen, 1994).

Strict membership criteria can guarantee the quality of the consortium (Knowles, 1996). The standardization of membership criteria is included in an assessment notice, which is used in the inspection procedure, while assessing new membership requests, as well as the existing members. Audit mainly consists of: a) consortium inspectors, b) independent inspectors, c) representatives of other hotel-members, in the form of hospitality and d) counseling companies.

Best Western Hotels & Resorts quality standards focus on several company aspects and, more specifically, on the design and the fitting-out of the building, on the decoration and the providing facilities, the equipment etc.

3.2 Membership Fee

As for the economic relationship of the owner and the company, the owner of the hotel is required to carry out a lump sum payment, in order to claim membership rights in the consortium and use the company's label (membership fee), as well as an annual membership contribution (% percentage on reservations) (www.bestwestern.gr), (Figure 1).

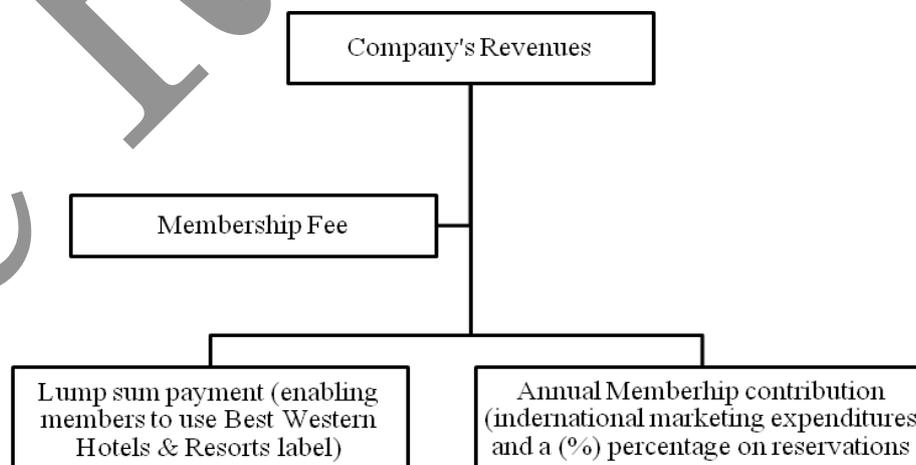


Figure 1: Membership fee

The membership fee and the annual membership contribution are calculated, based on the number of rooms, the operation period of the hotel and the turnover coming from the overnight stays, through the Best Western system of the previous year.

Membership fees can be very different from one hotel consortium to the other. Reasonably enough, consortia offering a wide range of benefits have higher membership fees (Jones P., Pizman A., 1993). More specifically, the annual fee of a consortium member covers:

- Best Western Hotels & Resorts labels.
- The annual quality control.
- Registration in directories.
- Detailed marketing programs.
- International sales.
- Advertising, public relations, participation expos.
- Staff training.
- Contribution to the operation cost of the consortium's headquarters and development of an improved reservations system.

3.3 Evaluation of Hotel Consortium

The direct benefits that derive from the participation in this specific consortium include:

- Capital risk is shared among the number of hotels that participate in the consortium.
- The international reservation system contributes to an increase in reservations and the turnover (central reservations system).
- The effective operation of provisions contributes to a higher purchasing power, which equals a competitive advantage against other hotels (discounts in goods, through central provisions).
- Know-how. In every hotel consortium, there is at least one partner with significant economic and technological capabilities, which benefits all companies that join consortia.
- The existence of the appropriate marketing professionals, who constantly analyze and monitor markets (program design).
- Registration of the hotel in the consortium directory and travel guides.
- Public relations activities, organized by the consortium, are published in the Press.
- Businessmen, sharing common attitudes, gather in the association, while keeping their independence.

The main disadvantages associated with the participation in a consortium include:

- Hotels act, through the consortium, to their own benefit.
- Member hotels are not directly checked by the consortium (apart from the initial control procedure, before they join the consortium).

Therefore, the difference in hotel facilities, both in terms of aesthetics and management, is obvious.

3.4 Research Results

The year 2016 has been a landmark for Best Western Hotels & Resorts, as many changes have been implemented in the hotel consortium and the 4.100 hotels it counts all over the world. Its logo, which has been associated with Best Western hotels for the last 20 years, and which was the synonym of the quality of services, is changing form and character, so that it reflects the investment intensely made by Best Western hotels internationally, aiming at further upgrade of infrastructure and services.

With seven (7) different hotel categories, namely Best Western, Best Western Plus®, Best Western Plus, Executive Residency®, Best Western Premier®, Vib®, BW Premier Collection® and GLô, the chain now covers a wide range of hotels and markets, and it is adequate for every customer.

2015 has been a year of success and new reservations record. At the end of 2015, the chain receives many awards, while it also stands out of its customers fidelity program “Best Western Rewards”, one of the top programs in hotel sector, for a second consecutive year, from “Loyalty 360”. At the same time, Best Western Plus are named “top hotels for business customers” by the readers of “Business Travel News” (Figure 2).



Figure 2: Best Western Rewards

At the same time, 2015 was a landmark for the strategic cooperation's that the chain has been developing these last years. One of the most significant was the deal signed with Expedia, enabling Best Western hotels to handle their prices undividedly, through their own reservations system. What also stood out was its cooperation with the top Chinese OTA C-trip, guaranteeing its promotion and penetration in the Asian market, as well as the agreement with AMEX and the renewal of the agreement, for three (3) more years, with RADIUS, counting hundreds of travel agencies all over the world.

Best Western preserves its multiannual cooperation with Harley Davidson, AAA & ARC Europe, which concern not only the production of Best Western hotels, but also the targeted promotion of the 4.000 hotels of the chain worldwide.

At an international level, Best Western online system reported 23,4% rise in the number of overnight stays, reaching a new record. It is remarkable that “www.bestwestern.com” and its mobile version, updated in October 2015, are its main source of reservations.

Undoubtedly, Best Western aims at further rise in its members revenues, not only through the online systems and its strategic cooperation's, but also through reinforcing an extended sales network, all over the world, strengthening its presence, through local offices.

In this framework, the office of Best Western in Greece is upgraded. Its role is extended and it takes over responsibility for thirteen (13) countries in South East Europe. It is remarkable that in 2015, the office of Best Western in Athens was named one of the top Best Western offices, given that it outweighed its sales, production and growth targets. Greek Best Western hotels, as well as South Eastern European hotels, which are controlled by the office in Athens, reported very high rating in the Annual Quality Control, and in customer's satisfaction, based on the evaluations of customers themselves. Customers ranked the chain's hotels first in Trip Advisor, as well as in the evaluation systems of booking engines.

As for booking, in 2015, Best Western production system reported 23% rise in overnight stays and 24% rise in revenues, with the rise in Athens exceeding 40%. In southeastern hotels, controlled by the office in Athens, rise is estimated around 21% and 23%. Table 3 shows the statistics of Best Western hotels from 2012 to June 2016.

It seems that 2016 will also be a very good year for Best Western, given that a 120% rise has been reported in January, while pre-bookings for 2016 reported a 140% growth rate.

The main objective for the Greek office is to strengthen its position, in every country it represents. This will benefit sales and marketing, given that our country is an attraction for customers from the Balkans all over the year.

JANUARY-JUNE 2014-2015	2012-2013-2014-2015	/N	F	/N	F	/N	F	/N	F	+/- %	REV ENUE	REV ENUE	REV ENUE	REV ENUE	+/- %	RR	RR	RR	RR	+/- %
		012	013	014	015	2014-2015	2012	2013	2014	2015	2014-2015	012	013	014	015	2014-2015				
A-ATHENS		.872	.586	.090	.981	-5%	118.957	98.603	143.903	150.485	5%	64	26	69	67	10%				
C-RESORTS		.619	.409	.707	.166	20%	69.044	68.171	52.935	41.597	-21%	72	37	69	68	-2%				
D-SEASONAL		.333	.511	.201	.105	48%	2.321	4.041	14.900	12.774	14%	70	99	74	22	64%				
TOTAL GREECE		.866	.577	.061	.702	12%	190.323	170.815	211.738	204.855	-3%	66	66	69	67	10%				

JULY-DECEMBER 2014-2015	2012-2013-2014-2015	/N	F	/N	F	/N	F	/N	F	+/- %	REV ENUE	REV ENUE	REV ENUE	REV ENUE	+/- %	RR	RR	RR	RR	+/- %
		012	013	014	015	2014-2015	2012	2013	2014	2015	2014-2015	012	013	014	015	2014-2015				
A-ATHENS		.955	.155	.051	.901	90%	126.007	139.552	143.537	263.066	83%	00	56	07	76	-4%				
C-RESORTS		.367	.437	.227	.299	6%	120.693	119.206	103.027	102.102	-1%	00	38	48	97	-6%				
D-SEASONAL		.898	.473	.364	.214	-3%	9.063	32.062	42.407	52.492	24%	00	29	79	25	28%				
TOTAL GREECE		.420	.939	.714	.621	51%	255.764	290.820	288.972	417.660	45%	00	47	87	47	-5%				

JAN-DEC 2012-2013-2014-2015	2012-2013-2014-2015	/N	F	/N	F	/N	F	/N	F	+/- %	REV ENUE	REV ENUE	REV ENUE	REV ENUE	+/- %	RR	RR	RR	RR	+/- %
		012	013	014	015	2014-2015	2012	2013	2014	2015	2014-2015	012	013	014	015	2014-2015				

Table 3: Best Western Hotels in Greece - Statistical Data (2012-2016)

	A-ATHENS	.827	.741	.141	.882	42%	244.964	238.156	287.441	413.551	44%	4	4	9	0	1%
	C-RESORTS	.328	.377	.997	.915	-4%	189.737	187.377	155.962	143.699	-8%	2	9	8	5	-4%
	D-SEASONAL	.31	.98	.37	.26	17%	11.385	36.103	57.307	65.266	14%	7	1	0	24	38%
TOTAL GREECE		.286	.516	.775	.323	23%	446.087	461.635	500.710	622.515	24%	1	1	4	5	1%

JANUARY-JUNE 2016		/N	/N	/N	/N	+/- %	REV ENUE	REV ENUE	REV ENUE	REV ENUE	+/- %	RR	RR	RR	RR	+/- %
		013	014	015	016	2015-2016	2013	2014	2015	2016	2015-2016	013	014	015	016	2015-2016
A-ATHENS		.586	.090	.951	.017	208%	98.603	143.903	148.300	398.386	169%	6	9	6	6	-13%
C-RESORTS		.21	.42	.54	.032	192%	40.748	28.812	20.841	66.958	221%	6	5	9	5	10%
D-SEASONAL		.9	.7	.8	.70	254%	764	541	6.071	18.911	211%	5	7	26	11	-12%
TOTAL GREECE		.216	.539	.353	.219	207%	140.115	173.256	175.212	484.255	176%	3	8	4	7	-10%

4. Conclusions

Nowadays, hotels operate in a fast-moving and, at the same time, precarious, competitive environment. There is a reason why so many hotels deal with issues of survival. It takes excellent understanding of the subject and market operation's conditions for the sustainability and effectiveness of the market.

Adopting the consortium development strategy, hotels seek opportunities for extension, in order to become more competitive and ensure their future survival. This specific strategic growth method enables member-hotels to enter new markets, boost their competitiveness and reach higher sales, at the smallest possible cost.

In a hotel consortium, there is full business and functional autonomy, from the owner's side. The owner also assumes the business risk of his choices. Joining forces and resources with other hotels, in order to raise sales, requires mutual support, especially in issues related with the know-how and marketing. This enhances homogeneity in the organization and function of hotels. Moreover, hotels that belong to consortia are in a better negotiation position, especially when it comes to marketing and provisions. Best Western Hotel & Resorts is a typical example of a major international consortium of independent hotels in the world.

To sum up, businessmen involved in the hotel sector must use the "consortium tool", as an effective and long-term solution, for the promotion of their business activities and sales, in order to boost their impetus in a modern competitive environment.

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