

# ICOT 2019

*by* Filda Rahmiati

---

**Submission date:** 24-Jul-2019 01:48PM (UTC+0700)

**Submission ID:** 1154568621

**File name:** FullPaper-icot-Submitted.doc (1.44M)

**Word count:** 7509

**Character count:** 42322

# Tourism Value Chain Activities Model for Competitive Advantage Measurement

Filda Rahmiati  
Management Study Program  
President University  
Cikarang, Indonesia  
filda.rahmiati@president.ac.id

Togar Simatupang  
School of Business and Management  
Bandung Institute of Technology  
Bandung, Indonesia  
togar@sbm-itb.ac.id

Yunita Ismail  
Environment Engineering Study  
Program  
President University  
Cikarang, Indonesia  
yunitaismail@president.ac.id

Dwi Larso  
School of Business and Management  
Bandung Institute of Technology  
Bandung, Indonesia  
dwilarso@sbm-itb.ac.id

Grace Amin  
Management Study Program  
President University  
Cikarang, Indonesia  
grace\_amin@president.ac.id

Norfaridatul Akmaliah Othman  
Faculty of Technology Management  
and Technopreneurship  
Universiti Teknikal Malaysia Melaka  
Melaka, Malaysia  
norfaridatul@utem.edu.my

**Abstract**—tourism contributes to countries as a revenue in terms of generated foreign currency and an essential contributor to the nation's economy which has been characterized as an industry with a strong competition. Therefore, it is crucial to create a competitive advantage in order to stay in the market. In the case of the tourism industry, creating competitive advantage could be done by providing an extraordinary experience which is the ultimate goal for travel leading to customer satisfaction and customer loyalty. This paper aims at exploring and developing a model of tourism value chain activities experience by tourist for competitive advantage creation. Tourism value chain activities model consists of three stages whereby each stage has its own type of measurement. The first stage covers the pre-trip experience, in this stage, the detailed information prior to departure will be discussed. Next stage is the trip experience, which are the tourism activities involved during the visit and experienced during the trip. Lastly the post-trip experience, whereby on this stage the output of the tourism value chain activities will be measured. The proposed measurement for this stage will be an evaluation of tourist satisfaction and tourist loyalty in order to create a competitive advantage. Future studies are expected in implementing these tourism value chain activities in specific tourism destinations (country) to measure the tourism experience.

**Keywords**—component, formatting, style, styling, insert (key words)

## I. INTRODUCTION

Tourism industry is quantified as one of the world's rapidly rising economic sectors worldwide [1]. The contribution is vital by driving growth, reducing poverty, fostering development and tolerance, as well as creating employment opportunities [2], [3]. United Nation World Tourism Organization (UNWTO) stated that tourism contributes to countries as a revenue in terms of foreign currency generated and an essential contributor to the nation's economy, by retention of the "hard-earned dollar" [4]–[6]. Furthermore, tourism industry is one of the major categories revenue generated in the international trade rank after the mining industry which contributed to export revenue up to US\$1.4 trillion globally [7]. As a consequence, it creates a stiff competition among tourism service providers [8], [9] because it has been characterized as an industry with a strong competition [10]–[13]. Therefore,

tourism service providers should develop competitive advantage in order to stay in the market [14].

In developing competitive advantage, companies could either strategize to lower their cost in order to sell their product cheaper than competitors or creating a unique product which differentiate them from competitors [15]–[17], hence allowing outperforming competitors [18] in order to protect the business from the competition and create barriers for new entrants to compete in the market [15], [19], [20]. Extraordinary experience is the ultimate goal for travel in tourism industry, hence, countries and tourism service providers should facilitate distinct travel experience to increase competitiveness in order to stand out among competitors [21], [22]. This will lead to customer satisfaction and customer loyalty [23]–[25].

Tourism industry it is a transitioned from service economy to an experienced economy, the process of tourist experience, comparing expectation, more demanded unique services and demand more flexibility, hence, tourism industry become an experienced economy [26]. Therefore, in facilitating a distinct travel experience, tourism industry requires tourism service providers to collaborate, coordinate, and integrate into creating the best tourism products and services [27]. Collaboration can create better and synergized value for the end users [28] by responding to customers' needs and requirements, and listening to customers in order to personalize tourism products and services [29]. Therefore, looking into the value chain from customer perspective is important, as customers always change in demand and consumption pattern [2]. In the tourism industry, understanding the customer's behavior enables tourism players to serve tourist better and more efficient in the competitive market [30]. Hence, to get successful collaboration and cooperation along the value chain, focusing on the customer is crucial [31]–[33].

The travel experience consists of a series of activities experienced by tourist provided by multiple different entities such as air carriers, hotels, restaurants, and tours. Creating value through all activities in the travel experience [34] is called as tourism value chain activities aim in gaining competitive advantage [35]. Tourism value chain is created through the ability of an effective local network

management in tourism industry, and coordination with local government to push tourism industry in order to attract tourist to tourism destination [9]. This demonstrates that tourism value chain is important as a source of competitive advantage among tourist.

Eraqi mentioned that the creation of value is achieved through the performance of tourism players along the chain that aims in improving the tourism products or services, and also possibly reducing the operating costs through the chain [29]. Therefore, tourism value chain activities refer to a series of interrelated activities which create values that are experienced by tourists during their trip. In the tourism value chain, it requires all players to work together in adding value for delivering product and services to tourists called as "customer centricity" [33], [36] or customer experience value chain [37]. Tourist experience in value chain details the steps that tourists decide when going on a vacation until they return back from the journey. Vignati and Laumans believe that the interdependence feature of tourism industry players makes them heavily reliant on each other; sharing and appreciating the long-term interests and environment, and estimating the unexpected events [28], [38]. Value chain activities, hence, is a discrete building block of competitive advantage [39].

Previous studies discussed tourism value chain on the supply side of tourism industry, which are the players in tourism industry [34], [40]–[43]. Furthermore, the supply side of tourism consists of many entities, such as organizational ownership and operational business structures [2], small enterprises industries [4], and economic flow and sustainable development [38]. It suggests that the study of tourism value chain activities from the customer side (tourist experience) is crucial as it results in competitive advantage which is vital for countries and tourism service providers [27]. Furthermore, previous research that analyzes tourist experience explaining on tourism value chain activities is still limited. Past studies focused only on the promotional area of tourism [44] and branding of destination [21]. Hence, although there are many studies that have analyzed tourist experience [45]–[48], none of them links to tourism value chain activities. Tourism value chain activities is a series of interrelated activities experienced by tourist which creation of value comes from a number of sources for competitive advantage. Hence, exploring the importance of tourism value chain activities as a whole tourist experience is essential valuable contribution in creating value [21], [22], [49], [50]. Therefore, this paper aims at exploring and developing a model of tourism value chain activities experience by tourist for competitive advantage creation.

## II. LITERATURE REVIEW

### A. *Competitive Advantage*

Recently, more demanding customers, tight global competition, also slower economic growth create companies to discover many ways in order to achieve also retain their position in the market to get the competitive advantage for their products and services [35]. Companies should expose their strengths and weaknesses, realize and improve their value-creating activities to compete and increase their market share result in building sustainable competitive advantages [14]. In the case of tourism, the main goals of

Funded by Directorate of Research and Community Service, Directorate General of Strengthening Research and Development, Ministry of Research, Technology, and Higher Education year 2019

travel is an extraordinary experience [21] whereby competitive advantage totally depends on each tourism players ability to facilitate the best travel experience. Therefore, countries and destinations should facilitate distinct travel experience to increase their competitiveness to make them stand out among their competitors.

Research study of tourism found that in measuring intention for revisit in the future, service performance (in terms of quality) enhanced by satisfaction are strongly connected which lead to customer loyalty. Therefore, ways to achieve competitive advantage could be through identifying the tourist satisfaction and tourist loyalty. This paper will explain further on how tourist satisfaction and tourist loyalty formed competitive advantage.

In the case of the tourism industry, forming competitive advantage could be done by providing an extraordinary experience which is the ultimate goal for travel—to make them outperform their competitors and to lead to customer satisfaction and customer loyalty. Customer satisfaction can provide major competitive advantage [51], which can directly lead to an increase in profitability and growth. Further, a study by Liang conclude that providing good service quality ensures satisfaction from customer and increases a propensity of revisit, and those interrelated processes could able to create a competitive advantage [44].

One of the important dimensions in the tourism study is analyzing tourist satisfaction. As such, satisfied tourist will do a revisit purchase, tend to talk about their positive experience, and spread positive publicity about their satisfaction which later drives to a higher revisit intention, generate country's revenue, automatically provide free promotional to the tourism destination and, become a key element of many firms' business strategies [52]–[57]. In the tourism industry, customer satisfaction could be a challenging task as customer attitudes, behavior, also personality might be differed from each customer [53], [58]. However, by successfully understanding customers satisfaction will enable to generate, progress, and sustain a good promotional and helpfulness on tourism destination to meet or surpass the customer expectations.

Wang (2016) mentioned ways to boost the satisfaction of tourists, in which tourist players should create a good tourism environment which lead to positive experience and lastly enhanced satisfaction level. As mentioned by many scholars, the central focus for every business is satisfaction of the customer. Tourism players should manage limited resources effectively, focus on customer-oriented value, have an effective communication and lastly strong cooperation and integration among all tourism players in the value chain to achieve customer satisfaction. Therefore, it leads to measure the destination performance and be a key of differentiation [26], [32].

Many studies in the tourism context used tourist loyalty as an outcome where it is affected positively by tourist satisfaction. When customer satisfaction increases, it leads to the intention to return and recommend to other rises, whereby it is significant for customer loyalty [44], [54], [59], [60]. Further, [3] stated that the customer loyalty drives to continue to use the same product or service, able to reduce cost of promotional, and decrease the price sensitivity. Loyal customers purchase from the business they are loyal to more

often than non-loyal customers. They also purchase a broader variety of items. Loyal customers are less likely to switch because of price. Further, loyal customers make more purchases than the non-loyal customers. To conclude, customer loyalty could be mentioned as the customer who have long term commitment to the company to keep buying or consuming the company's product or service regardless the price. Furthermore, as a satisfied customer, they tends to recommend the product or service to others [61]. Gnanapala (2015) highlighted that the more satisfied and loyal a tourist is, they could impact to the positive word of mouth publication (WOM) and thus said to be the most influential in the purchasing decision for the prospectus tourist. Tourist loyalty could be formed by many ways such as revisiting, recommendation, and positive word of mouth publication.

### B. Travel Experience

Organization's capabilities in competing to provide extraordinary experience to reach competitive advantage are crucial. Supported by the involvement of customer feedback, it could help in improving tourism product/service. The main important point is understanding the customer needs [29], [35]. Perceived service value in the tourism context value could be in the pre-trip, during the trip, or even after the trip [44], [62]. Values, hence, is the cumulative values experienced by tourist which build customer loyalty after feeling satisfaction of the trip [55]. Specifically, realizing the customer perspective in the travel experience is valuable on to the contribution of the knowledge also drivers supports of tourism players in managing destination as a valuable asset for attracting next arrivals and providing revenues from tourist expenditure [21].

The primary goals for tourism industry are creating competitive advantage through creating an extraordinary travel experience from a tourist perspective helping destinations managers' evaluation for future arrivals and expenditures. Therefore, to analyze travel experience, manage and measure the whole value chain, focusing on customer's need is important [27].

### C. Value Chain

A supply chain is the activities in moving several goods or services from a point of origin to a point of consumption [63], [64]. There are various participants performing along the supply chain. Examining the supply chain practices aim to deliver the right product and/or service at the right time to consumers. Supply chain structured in a different form to improve business performance in areas such as operational efficiency, agility, customer satisfaction, and response time to market [65]. Further, as the increase on the customer attention, supply chain called as a value chain. The importance of value chain is used to understand the distribution returns arising from the activities along the chain [15] and leads to building a competitive advantage of the organization [66] which arises from the possession of scarce attributes and involves barriers to entry [15].

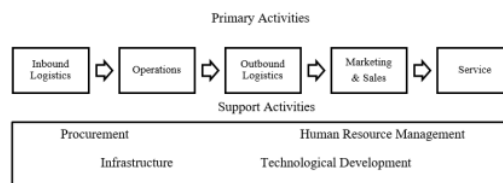


Fig 1. Porter's Value Chain Model

Porter on his book, "The Competitive Advantage of Nation" created Porter's Value Chain Model that is specifically built for manufacturing firm as shown in Fig 1 [39]. This model consists of two activities: primary activities and support activities. Value chain created in every stage's linkages the activities through optimization and coordination to reach the competitive advantage. The crucial factor in creating competitive advantage creating value between various activities in the chain. Further, inside the activities should exhibit several characteristics which emphasis on the potential impact either cost reduction or differentiation strategies. Other ways, by using optimization and coordination between activities added with information role are important.

### D. Tourism Value Chain

This powerful Porters' Value Chain model (see Fig. 1) is still applicable until current research that is applied in the tourism context [19], [22], [27], [34], [41], [50], [67]–[69]. Measuring the value chain in the tourism industry is important as it benefited in terms of effectiveness and efficiency to various stakeholders along the chain. A summary of Value Chain studies based on Porter's Value Chain is presented in Table 1.

TABLE 1 Value Chain studies based on Porter's Value Chain Model

Author (year)	Title	Descriptions
Ensign (2001)	Value Chain Analysis and Competitive Advantage	Providing a comprehensive way to define linkages and interrelationships between activities in the value chain. As it is essential in developing sustainable competitive advantage.
Dong & Hwy (2002)	From Adam Smith to Michael Porter - Evolution of Competitiveness Theory	Defining coordination or shared activities in the value chain in the manufacturing industries. A strong backward and forward linkages in the industries is important.
Yilmaz and Bititci (2006)	Performance measurement in tourism: a value chain model	Proposing model and measurement of the usability of value chain concept that allows various players to communicate and coordinate in a more mature manner. Both for the internal as tourism players and external from customer.
Sharma and Christie (2010)	Seychelles Tourism Value Chain Analysis	Tourism player point of view as analyzing the transaction in the value chain on how reducing leakage and retaining the "hard-earned tourist dollar"
Curta (2014)	Customize the Value Chain for Tourism Companies	Customizing the Porter value chain in the tourism value chain focusing on strategic cost analysis for firms in order to create value for customer

Mete & Acuner (2014)	A Value Chain Analysis of Turkish Tourism Sector	Tourism providers' point of view focusing more on value added on how to produce valuable products and services
Skipworth, et al. (2015)	Supply chain alignment for improved business performance: an empirical study	Supply chain alignment from shareholder and customer. Found that customer alignment has positive impact on business performance while shareholder is its antecedent.
Martel & Klibi (2016)	Designing value-creating supply chain networks	Focusing on the design of robust value creating supply chain network (SCN). Examines the nature of production and distribution centers, and planning and control paradigms.
Laiskodat et al. (2017)	The Value Chain of Tourism at Komodo Island of Indonesia	Analyzing rural tourism value chain to reach the potential resources for future success.

Applying tourism value chain activities from original value chain activities should have some modification [50]. Therefore, Porter's original value chain applied for tourism industry must be converted from the manufacturing sector into the service sector. In the manufacturing firms the activities are flows and transformation of physical goods converted into the flows and transformation of physical and mental of individuals such as management and customers in which are the characteristics of common service context. Additionally, forms of goods in the manufacturing firms must be translated into time, place, convenience, speed, entertainment, physical and mental wellbeing, knowledge, and management of funds and risks which are characteristics of services specifically in the tourism context. Further, in terms of scale into sales, cost, and efficiency, they are also necessary. Scope refers to several activities offered by tourism players, and experience effect is a collective effect on the entire tourism activities [50]. Therefore, tourism value chain shows number of sources of competitive advantage from the ability to create and effectively manage all players in tourism industry, supported by the ability of local governance to guarantee to push the attractiveness of the area and to differentiate it from competitors [9].

As Vignati and Laumans (2010) mentioned, tourism value chain is the coordination and cooperation of tourism players in delivering tourism products/experience (such as tour agent, accommodation, restaurant, excursion, and transportation) [38]. The interdependence effect in the tourism industry such as transportation, tour agency, accommodations are dependence each other. Hence, if one player failed to provide good services in has an effect to other players in the tourism chain. Therefore, it is important for all tourism players in tourism chain to work together in order to create value along the value chain in order to deliver satisfied tourism product and services [70].

Previous study done by Brathwaite (1992) regarding hospitality and tourism value chain explained the flow of activities done by international traveler from choosing of a vacation destination, followed by vacation experience, then return to home country in order to evaluated traveler's satisfaction. Later, in 2006 Yilmaz & Bititci create tourism value chain model for which actually has been discussed by Brathwaite as mentioned in Fig. 2. However, their study explained the proposed model on the internal element (the

management of tourism players) and also the external element (customer perspectives in the value chain).

Nonetheless, there have been little further studies to conduct Value Chain Activities for each activity in the value chain model. Therefore, this study tries to implement the value chain activities model which have not implemented in the past. Next will be discussed the detail of tourism value chain activities which also connected to how it can lead to a competitive advantage.

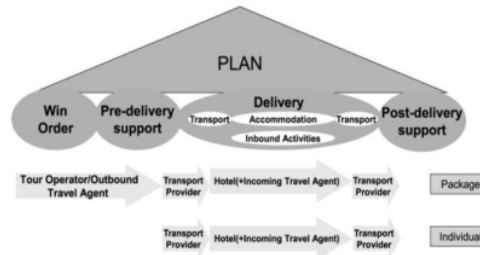


Fig 2: Tourism Value Chain

Studies regarding Tourism Value Chain have been done earlier which mostly focus on the supply side of tourism and using qualitative method of analysis. Most of the studies were analyzing cities in order to enhance tourism destinations for supporting government performance in order to increase tourism revenue [4], [22], [41]–[43], [50], [72]. Meanwhile, Nikolova (2008) an insight about the travel experience value chain which consist of pre-consumption phase, consumption phase, and post-consumption phase [21]. In his paper, proposing a value chain framework for analyzing travel experience. This is Supported by Yilmaz & Bititci (2006a) who also propose a tourism value chain which suggests to analyze the evaluation of tourism value chain activities for both tourist and tourism suppliers to reach satisfaction regarding tourist experience.

### III. A MODEL OF TOURISM VALUE CHAIN ACTIVITIES FOR COMPETITIVE ADVANTAGE

#### A. Development of the Model

The model has been built by compiling many previous studies related to the topic in building the theoretical background of the research. The basis of the term “model” is formed from a conceptual framework [73]. When a conceptual framework consists of variables or factors is used in the study, then it is called as a “model”. Hence, this study uses the term “model” to be more appropriate. The first step, the key concepts were defined. The key concepts explain the general and compact definition of a phenomenon which is essential for scientific research for measurement the phenomenon [74]. Next, the background in creating the model was developed by examining and matching the existing literature of value chain activity and competitive advantage. A model in this case, is a connecting all elements which is related to the study. In conclusion, the features of a model can be defined as [73]:

1. Each concept plays an integral role

2. The model is an interpretative approach to social case
3. It provides understanding
4. It provides deep understanding of intentions
5. Not enable to predict an outcome, instead, giving the understandable in nature
6. Can be construct though a process of qualitative way
7. Although generated from many sources, it seeks to generate new interpretation in a particular field of study.

Finally, this study makes effort to explore the tourism value chain activities model consisting of three stages whereby each stage has its own type of measurement. The first stage covers the pre-trip experience, where in this stage it will discuss the detailed information prior to departure. Next stage is the trip experience, that is the tourism activities involved during the visit and experienced during the trip. The last is the post-trip experience, whereby on this stage the output of the tourism value chain activities will be measured. The proposed measurement for this stage will be an evaluation of tourist satisfaction and tourist loyalty in order to create a competitive advantage.

#### *B. Description of the Model*

The developed model is presented in Figure 3. Through the analysis of previous studies, three stages of tourism value chain activities were formed.

##### *1) Pre-trip Experience*

One of the most important things during the pre-trip experience is to get to know the tourism product in the tourism destination. In order to enhance the customer value, companies in the tourism industry should consider the tourism product availability [75]. In the pre-trip experience, tourists search as much information regarding the travel destination and ends with the traveler's assessment after consuming the experience [21]. In this stage, tourists will have alternatives before they decide which tourism product will be chosen. Therefore, information search related to tourism destination will be paramount in this stage as a contribution to the decision making of their vacation. Information service quality is crucial in the pre-trip experience in order to quantify the satisfaction of the tourists [76]. Giving the detailed and accurate information from the pre-trip activities about the destinations and other things that tourists may need before departure is important [27], [33], [77]. To conclude, information service quality could be one of the determinants of service quality in tourism value chain activities. Therefore, it provides clear information from pre-departure (pre-trip).

In planning their vacation, tourists can ask for help from tour agency or they can arrange it personally with the help of internet technology in booking their trip. Next, the pre-trip activities consist of activities of preparing documents before vacation, for example, visa requirements. This stage is called an international process of tourism activities. This is supported by Liang (2008) who mentioned pre-trips are about reviewing tourism products and services availability. Another study done by Christian et al. (2011a) mentioned that excursions are activities in the tourist destinations when

the tourist consumes tourism products and services. For example, in nature tourism, the activities might include mountains sightseeing, while for shopping tourism the activities might be visiting local malls and traditional markets. Once a tourist is interested in the tourism products available, they can create the intention to visit the tourism destination and start on planning the holiday vacation.

##### *2) Trip Experience*

Since the market for the tourism industry is seen as a high competition, hence, companies and destinations ought to consider not only about cost. In a way of strengthening its competitive position, it is important for every business to provide high quality products and services [11]. Focusing on the quality of provided products and services aims to retain the competitive advantage. The complexity of tourism industry due to its significant number of available products and services and a large number of small businesses that join together in providing those products and services. In the highly competitive market like tourism industry, tourism destination should be able to provide tourism products and services to correctly suit with customers' needs in right quality and right time. Therefore, the quality of tourism services should be measured from the customers' view that is able to satisfy customers in achieving profits and impact on getting repeated visits in order to form competitive advantage [11], [29], [44], [53], [78], [79]. Satisfaction or dissatisfaction feeling of a tourist could be analyzed as tourists' attitudes and perceptions on what they consumed and experienced during their trip [53].

Service quality is used to analyze satisfaction that reflects the accomplished tourist's wishes, called as a tourist experience [44]. The trip experience stage is where the customers consume the tourism products such as transportation inbound and outbound, accommodation during the trip, and many tourism activities named as excursions. First sub-sector is transportation which is divided by international transport and national transport. The most common international transport mode is international air carriers [80], but nowadays a cruise by land is also available. There is also local transport based in the inbound country. Inbound countries have their own transportation actors and often have coordination and cooperation with international distribution firms. Accommodation could be seen a place to stay. This stage explains about various types of accommodations such as hotels, boutique hotels, motels, apartments, and resort. Lastly, excursions activities will be experienced by tourists. Excursions are natural tourism, entertainment, festival, and also shopping. Further, tourist's experience occurred when the tourist is involved in the tourism activities during the trip either by consuming tourism products or services. Those activities could be purchasing tangible products such as souvenirs, foods and drinks. Even during consuming tourism services such as staying in the hotels, consuming the scenery of the natural tourism. Those activities could lead to the intention of revisit. By providing the best tourism products and services, this leads to positive referrals which enhanced loyalty [46].

Service quality, whereby many studies focus on the five dimensions of SERVQUAL might be unmatched if a study about tourism as tourism industry is focusing more on

services. Tourism industry has its own uniqueness where many players join together in order to serve a tourist (customer) such as hotel, restaurant, travel agency, and others. This condition is called as a tourism chain and creates values which together determine tourist's experiences. As a consequence, service quality offered during the trip experiences in tourism should be carefully considered and modified to meet the tourist's needs using TourServQual [29].

Many studies regarding the relationship of service quality and value influence satisfaction that lead to loyalty [32], [44], [81]–[86]. It is concluded that by enhancing service quality, it creates satisfaction which leads to loyalty and in the long term could increase company profitability. Therefore, in the tourism context, high standard, faster, innovative, and efficient in providing tourism products and services are important. Previous study has been done on tourism service quality investigated accommodation service quality, hospitality, entertainment and transportation, and taxi service quality, which are aimed for overall satisfaction, intention to revisit, and willingness to recommend to relatives and friends [87]. In addition, another study analyses the service quality dimensions that influence satisfaction and future intentions to return. In this case, service quality is important for achieving competitive advantage. Based on mentioned above, this study tries to analyze tourism value chain activities based on tourist perspective for the trip experience using service quality which will be segregated based on each activity such as transportation, accommodations, and excursions [86].

### 3) Post-trip Experience

The interdependence relationship between activities of the tourism players in delivery tourism products and services are important. Therefore, there are needs to have high synergies between tourism players along the value chain [27] During this stage, the assessment will be done by tourist to measure the performance for the tourism destination in order to create the competitive advantage by measuring their satisfaction and loyalty. Post-trip experience stage is where the tourist assesses the tourism experience. In this stage, customer survey measured the whole tourism activities along the chain from the pre-trip stage, trip stage, and last the satisfaction and loyalty measurement in the post trip experience stage.

Based on the discussion above, value chain activities for tourism industry are formed. By combining several previous studies, this study created value chain activities for creating a competitive advantage based on tourist perspective as shown in Figure 3. This model tries to ample the model discussed by previous researchers by explaining the tourism value chain activities start from pre-trip until post-trip and finally measured the performance along the chain.

The discussion in this study enhances the importance of analyzing tourism value chain activities. By exploring the value chain activities based on tourist experience will be benefited tourism players as well as local and national government in attracting tourist to visit. The tourist experience in a value chain details the flows of tourist's activities from the moment they decide to take a trip, choose the destination, consume the tourism products and services to the completion of their journey. By attracting and

providing high quality tourism activities like transportation, hotels, restaurants, travel agents, and tour operators, it is aimed that a tourism destination could be improved. This is beneficial to strengthen tourism competitiveness.

A proposed model of tourism value chain activities tries to explore the suitability of the tourism value chain activities based on tourist experience is benefited. Analyze tourism value chain activities based on tourist perspective could be examined by tourism product availability and service quality (in terms of information service quality, tourism products and services service quality). Understanding Tourism Value Chain from a customer perspective is a valuable contribution in creating a value aimed for competitive advantage.

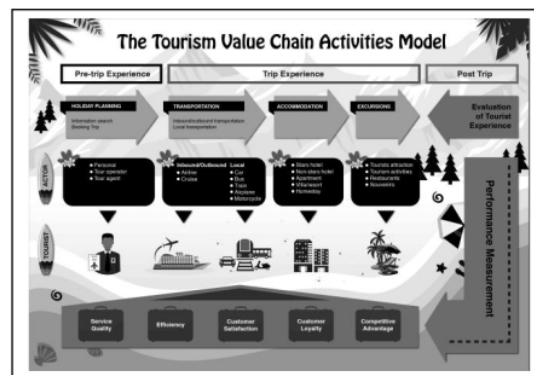


Fig. 3 The Tourism Value Chain Activities Model

## IV. CONCLUSION

This study is intended to form the model of Tourism Value Chain Activities without analyzing it in any case studies. Since the model is formed from previous studies, there is a possibility to have differences when it is applied to a specific tourism destination or country. Therefore, future studies are expected to investigate the implementation of these tourism value chain activities in any specific tourism destination (country) to measure the tourism experience. Based on the 2017 Annual Economic Reports for the World Travel & Tourism Council (WTTC) stated that the strongest growth in 2016 was in Southeast Asia (8.3%)[88] with the fastest growing travel & tourism countries are expected to be China, India, Thailand, and Indonesia. Therefore, it is expected to further study the relevant conditions in the countries mentioned above, since clearer findings will be available when a study is applied specifically.

## REFERENCES

- [1] Deloitte, "2018 travel and hospitality industry outlook," 2018.
- [2] M. Christian, K. Fernandez-Stark, G. Ahmed, and G. Gereffi, "The Tourism Global Value Chain: Economic Upgrading and Workforce Development," 2011.
- [3] P. Kotler, J. T. Bowen, J. C. Makens, and S. Baloglu, *Marketing for Hospitality and Tourism*, 7th Edition. Boston: Pearson Education, 2017.
- [4] D. McEwen and O. Bennett, "Seychelles Tourism Value,"

- Seychelles, 2010.
- [5] C. Bremner, "What the Data Tells Us About Travel and Tourism in 2018," *Euromonitor International*, 2017. [Online]. Available: <https://blog.euromonitor.com/2017/09/travel-2018-data-tells-us.html>.
- [6] UNWTO, "Tourism Highlights," 2016.
- [7] UNWTO, "UNWTO Tourism Highlights 2017 Edition," 2017.
- [8] X. Zhang, H. Song, and G. Q. Huang, "Tourism supply chain management: A new research agenda," *Tour. Manag.*, vol. 30, no. 3, pp. 345–358, 2009.
- [9] C. Mottironi and M. A. Corigliano, "Tourist Destination Competitiveness: The Role Of Cooperation," *Riv. Ital. di Econ. Demogr. e Stat.*, vol. LXVI, no. 2, 2012.
- [10] M. Palatková, "Travel and Tourism Marketing – Review," *Czech J. Tour.*, vol. 01, pp. 30–52, 2012.
- [11] L. Pulvanova, "Tourism Service Quality: Implementing the Standards for Achieving the Competitive Advantage," in *Proceeding of the 9th International Conference: Liberec Economic Forum 2009*, 2009, pp. 327–335.
- [12] M. L. Monica Hu, J. S. Homg, and Y. H. Christine Sun, "Hospitality teams: Knowledge sharing and service innovation performance," *Tour. Manag.*, vol. 30, pp. 41–50, 2009.
- [13] N. Barham, S. Dorry, and E. W. Schamp, "Relational Governance and Regional Upgrading in Global Value Chains-The Case of Package Tourism in Jordan," no. January 2007, 2016.
- [14] P. Y. Yang, L. Luo, C. J. Li, Y. Yang, and S. H. T. Lee, "The rise of the manufacturing service industry: the perspective of value-added chain model," *Chinese Manag. Stud.*, vol. 7, no. 3, pp. 403–418, 2013.
- [15] R. Kaplinsky and M. Morris, *A HANDBOOK FOR VALUE CHAIN RESEARCH*, no. September. University of Sussex, Institute of Development Studies, 2000.
- [16] A. J. Smit, "The competitive advantage of nations : is Porter 's diamond framework a new theory that explains the international competitiveness of countries?," *South. African Bus. Rev.*, vol. Vol.14, no. 1, pp. 105–130, 2010.
- [17] V. Sachitra, "Review of Competitive Advantage Measurements: Reference on Agribusiness Sector," *J. Sci. Res. Reports*, vol. 12, no. 6, pp. 1–11, 2016.
- [18] Wang, "Theories for competitive advantage," in *Being Practical with Theory: A Window into Business Research*, 2014, pp. 33–43.
- [19] A. Martel and W. Klibi, *Designing value-creating supply chain networks*. 2016.
- [20] R. Zich, "Application and Development of the Success - Ability Concept within Investigation of Competitive Advantages of Company," in *Proceeding of the 9th International Conference: Liberec Economic Forum 2009*, 2009, pp. 432–442.
- [21] M. S. Nikolova, "Towards a Travel Experience Value Chain as a Tourism Destination Management Tool," in *Proceeding of the Travel and Tourism Research Association*, 2008, pp. 401–425.
- [22] B. Mete and E. Acuner, "A Value Chain Analysis of Turkish Tourism Sector," *Int. J. Bus. Manag. Stud.*, vol. 03, no. 2, pp. 499–506, 2014.
- [23] A. Yuksel, "Shopping experience evaluation: a case of domestic and international visitors," *Tour. Manag.*, vol. 25, pp. 751–759, 2004.
- [24] T. Hennig-Thurau and U. Hansen, *Relationship Marketing: Gaining Competitive Advantage through Customer Satisfaction and Customer Retention*. New York: Springer Science & Business Media, 2013.
- [25] P. Wathigo, "The Effect of Loyalty Programs on Customer Loyalty in Nairobi County," 2016.
- [26] Y. Wang, "More Important than Ever: Measuring Tourist Satisfaction," 2016.
- [27] Y. Yilmaz and U. S. Bititci, "Performance measurement in tourism: A value chain model," *Int. J. Contemp. Hosp. Manag.*, vol. 18, no. 4, pp. 341–349, 2006.
- [28] T. M. Simatupang, P. Piboonrunroj, and S. J. Williams, "The emergence of value chain thinking," *Int. J. Value Chain Manag.*, vol. 8, no. 1, p. 40, 2017.
- [29] M. I. Eraqi, "Tourism services quality (TourServQual) in Egypt: The viewpoints of external and internal customers," *Benchmarking An Int. J.*, vol. 13, no. 4, pp. 469–492, 2006.
- [30] D. G. Pearce and C. Schott, "Tourism Distribution Channels: The Visitors' Perspective," *J. Travel Res.*, vol. 44, no. August, pp. 50–63, 2005.
- [31] A. Fearnle, M. Garcia Martinez, and B. Dent, "Dimensions of Sustainable Value Chains: Implications for Value Chain Analysis," *Supply Chain Manag. An Int. J.*, vol. 17, no. 6, pp. 575–581, 2012.
- [32] D. Palacios-Marques, M. Guijarro, and A. Carrilero, "The use of customer-centric philosophy in hotels to improve customer loyalty," *J. Bus. Ind. Mark.*, vol. 31, no. 3, pp. 339–348, 2016.
- [33] A. Yahya, "Kemenpar Menuju Customer-Centric Organization," 2017. [Online]. Available: <http://www.kemenpar.go.id/asp/detil.asp?c=193&id=3526>. [Accessed: 13-May-2017].
- [34] N. C. Curta, "Customize The Value Chain for Tourism Companies," *Quaestus Multidiscip. Res. J.*, pp. 75–85, Feb. 2014.
- [35] R. B. Woodruff, "Customer Value: The Next Source for Competitive Advantage," *J. Acad. Mark. Sci.*, vol. 25, no. 2, pp. 139–153, 1997.
- [36] K. Navakiran, "Companies that adopt a customer-centric value chain will gain a sustainable competitive advantage.," *Teletech*, 2010. .
- [37] M. Hinshaw, "The 'Secret' To CX Success\_ The Customer Experience Value Chain," *CMO*, 2017. .



- [38] F. Vignati and Q. Laumans, "Value Chain Analysis as a Kick Off for Tourism Destination Development in Maputo City.," *Int. Conf. Sustain. Tour. Dev. Ctries.*, pp. 1–13, 2010.
- [39] M. E. Porter, *Competitive Advantage: Creating and Sustaining Superior Performance*. Free Press, 1985.
- [40] International Finance Corporation & The World Bank, "The Tourism Sector in Mozambique: A Value Chain Analysis," 2006.
- [41] V. B. Laiskodat, D. D. Kameo, and I. Utami, "The Value Chain of Tourism at Komodo Island of Indonesia," in *5th Asian Business Workshop and Conference*, 2017, pp. 74–82.
- [42] B. Steck, K. Wood, and J. Bishop, "Tourism: More value for Zanzibar - Value chain analysis," no. February 2010, 2010.
- [43] D. Yusri, A. Daryanto, and H. K. Purwadaria, "The Study Of Bogor Botanical Garden Ecotourism Value Chain," *J. Manaj. Agribisnis*, vol. 9, pp. 19–25, 2012.
- [44] H.-C. Liang, "Impact of Logistics Service Performance on Tourist Satisfaction and Loyalty," RMIT University, 2008.
- [45] A. Akhoondnejad, "Analyzing the Pre-Travel, On-Travel, and Post-Travel Behaviors of Iran's First-Time Visitors," *J. Travel Tour. Mark.*, vol. 32, no. 8, pp. 1023–1033, 2015.
- [46] J. Da Costa Mendes, P. O. Do Valle, M. M. Guerreiro, and J. A. Silva, "The tourist experience: Exploring the relationship between tourist satisfaction and destination loyalty," 2010.
- [47] M. Gallarza, F. Arteaga, G. Del Chiappa, I. Gil-Saura, and M. Holbrook, "A multidimensional service-value scale based on Holbrook's typology of customer value: bridging the gap between the concept and its measurement," *J. Serv. Manag.*, vol. 28, no. 4, pp. 724–762, Jul. 2017.
- [48] B. Roy, A. Mamun, and B. C. Kuri, "Sustainable Tourism Supply Chain Management for Tourism Industry in Bangladesh," *Glob. J. Manag. Bus. Res.*, vol. 15, no. 2, pp. 19–26, 2015.
- [49] J. Howieson, M. Lawley, and K. Hastings, "Value chain analysis: an iterative and relational approach for agri-food chains," *Supply Chain Manag. An Int. J.*, vol. 21, no. 3, pp. 352–362, 2016.
- [50] A. Sharma and I. T. Christie, "Performance assessment using value-chain analysis in Mozambique," *Int. J. Contemp. Manag.*, vol. 22, no. 3, pp. 282–299, 2010.
- [51] J. N. Sheth, "Competitive Advantages Through Customer Satisfaction.pdf," *BMA Rev.*, vol. 2, pp. 13–25, 2001.
- [52] M. N. Khuong and T. T. Ha, "The Influences of Push and Pull Factors on the International Leisure's Return Intention to Ho Chi Minh City. Vietnam - A mediation Analysis of Destination Satisfaction," *Int. J. Trade, Econ. Financ.*, vol. 5, no. 6, 2014.
- [53] W. K. A. Gnanapala, "Tourists Perception and Satisfaction: Implications for Destination Management," *Am. J. Mark. Res.*, vol. 1, no. 1, pp. 7–19, 2015.
- [54] W. Chiu, S. Zeng, and P. S. T. Cheng, "The influence of destination image and tourist satisfaction on tourist loyalty: a case study of Chinese tourists in Korea," *Int. J. Cult. Tour. Hosp. Res.*, vol. 10, no. 2, pp. 223–234, 2016.
- [55] K. S. Ying, A. Jusoh, and Z. Khalifah, "A Conceptual Model of Tourist Satisfaction," *Pertanika J. Soc. Sci. Humanit.*, vol. 24, no. 1, pp. 505–518, 2016.
- [56] T. M. J. Lim, and M. A. Vonderembse, "The impact of supply chain management capabilities on business performance," *Supply Chain Manag. An Int. J.*, vol. 10, no. 3, pp. 179–191, 2005.
- [57] A. Correia, M. Kozak, and J. Ferradeira, "From tourist motivations to tourist satisfaction," *Int. J. Cult. Tour. Hosp. Res.*, vol. 7, no. 4, pp. 411–424, 2013.
- [58] S. Barutcu, H. Dogan, and E. Unguren, "Tourists' perception and satisfaction of shopping in Alanya region: A comparative analysis of different nationalities," *Procedia - Soc. Behav. Sci.*, vol. 24, pp. 1049–1059, 2011.
- [59] Wahyuningsih, "The Effect of Customer Value on Behavioral Intentions in Tourism Industry," *Int. Res. J. Bus. Stud.*, vol. 5, no. 1, 2012.
- [60] F. Amoah, L. Radder, M. van Eyk, and M. van Eyk, "Perceived experience value, satisfaction and behavioural intentions: A guesthouse experience," *African J. Econ. Manag. Stud.*, vol. 7, no. 3, pp. 419–433, 2016.
- [61] L. Xue and C. Yang, "An Exploratory Study of Customer Satisfaction Based on ACSI Model," 2008.
- [62] A. B. Danurdara and N. Hidayah, "Creating Customer Value and Its Implication To Customer Loyalty: An Empirical Study at Star Hotels in West Java, Indonesia," *Int. Rev. Manag. Bus. Res.*, vol. 5, no. 2, pp. 732–742, 2016.
- [63] R. E. Crandall, W. R. Crandall, and C. C. Chen, *Principles of Supply Chain Management*, Second Edi. London: Taylor & Francis Group, 2015.
- [64] E. Yücesan and E. Yucesan, *Competitive supply chains: A value-based management perspective*, 2nd Editio. Palgrave Macmillan, 2016.
- [65] R. Crandall, W. Crandall, and C. Chen, *Principles of supply chain management*, 2nd Editio. Taylor & Francis Group, 2015.
- [66] K. Hastings, J. Howieson, and M. Lawley, "Creating value chains: the role of relationship development," *Br. Food J.*, vol. 118, no. 6, pp. 1384–1406, 2016.
- [67] S. C. Dong and C. M. Hw, *From Adam Smith to Michael Porter - Evolution of Competitiveness Theory*. World Scientific Publishing, 2002.
- [68] P. Ensign, "Value Chain Analysis and Competitive Advantage," *J. Gen. Manag.*, vol. 27, no. 1, pp. 18–42, 2001.
- [69] H. Skipworth, J. Godsell, C. Y. Wong, S. Saghiri, and D. Julien, "Supply chain alignment for improved business performance: an empirical study," *Supply Chain Manag. An Int. Journal*, vol. 20, no. 5, pp. 511–533, 2015.
- [70] Y. Yilmaz and U. Bititci, "Performance measurement in the value chain: manufacturing v. tourism," *Int. J. Product. Perform. Manag.*, vol. 5, no. 5, pp. 371–389, 2006.
- [71] R. Brathwaite, "Value-Chain Assessment of the Travel

- Experience," *Cornell Hotel Restaur. Adm. Q.*, vol. 33, no. 5, pp. 41–49, 1992.
- [72] SNV Netherland Development Org, "Value Chain Development for Tourism Destinations," 2010.
- [73] Y. Jabareen, "Building a Conceptual Framework : Philosophy , Definitions , and Procedure," pp. 49–62, 2009.
- [74] M. Saulina, "Performance measurement approach for innovation capability in SMEs," *Int. J. Product. Perform. Manag.*, vol. 65, no. 3, 2016.
- [75] D. Syarifuddin and R. S. Sofrosidiq, "Increasing Number Of Tourists By Means Of Building Tourist Value ( Implementing how to increase customer value at a tourism destination," *13th Malaysia Conf. Econ. Manag. Account.*, no. October 2012, p. 14, 2012.
- [76] P. Chithambaranathan, N. Subramaniam, and P. L. K. Palaniappan, "An innovative framework for performance analysis of members of supply chains," *Benchmarkig An Int. J.*, vol. 22, no. 2, pp. 309–334, 2015.
- [77] M. M. Jeon and M. Jeong, "Customers' perceived website service quality and its effects on e-loyalty," *Int. J. Contemp. Hosp. Manag.*, vol. 29, no. 1, pp. 438–457, 2017.
- [78] H. Oh, "Service quality, customer satisfaction, and customer value: A holistic perspective," *Int. J. Hosp. Manag.*, vol. 18, no. 1, pp. 67–82, 2002.
- [79] H. C. Wu and T. Li, "A Study of Experiential Quality, Perceived Value, Heritage Image, Experiential Satisfaction, and Behavioral Intentions for Heritage Tourists," *J. Hosp. Tour. Res.*, vol. 41, no. 8, pp. 904–944, 2017.
- [80] M. Christian, K. Fernandez-Stark, G. Ahmed, and G. Gereffi, "The Tourism Global Value Chain," *Cent. Glob. Gov. Compet.*, no. November, pp. 1–62, 2011.
- [81] S. Y. Lam, V. Shankar, M. K. Erramilli, and B. Murthy, "Customer Value, Satisfaction, Loyalty, and Switching Costs: An Illustration From a Business-to-Business Service Context," *J. Acad. Mark. Sci.*, vol. 32, no. 3, pp. 293–311, 2004.
- [82] J. L. Heskett, T. O. Jones, G. W. Loveman, W. E. J. Sasser, and L. A. Schlesinger, "Putting the service-profit chain to work," *Harvard Business Review*, pp. 118–129, 2008.
- [83] M. Edward, B. P. George, and S. K. Sarkar, "The Impact of Switching Costs Upon the Service Quality–Perceived Value–Customer Satisfaction–Service Loyalty Chain: A Study in the Context of Cellular Services in India," *Serv. Mark. Q.*, vol. 31, pp. 151–173, 2010.
- [84] Herman, "The Relationship between Customer Value and Customer Satisfaction in Face-to-face Tutorials at Universitas Terbuka," *Asian Assoc. Open Univ. J.*, vol. 9, no. 1, pp. 105–114, 2016.
- [85] M. G. Engeset, J. S. Hull, and J. Velvin, "Promoting service excellence for tourist destinations," *Int. J. Cult. Tour. Hosp. Res.*, vol. 10, no. 4, pp. 440–454, 2016.
- [86] K. Lee, M. Madanoglu, and Y.-J. Ko, "Exploring key service quality dimensions at a winery from an emerging market's perspective," *Br. Food J.*, vol. 118, no. 12, 2016.
- [87] K. Latiff and N. S. Imm, "The Impact of Tourism Service Quality on Satisfaction," *Int. J. Econ. Manag.*, vol. 9, pp. 67–94, 2015.
- [88] D. Scowhill, "Travel & Tourism Global Economic Impact & Issues 2017," 2017.

# ICOT 2019

---

## ORIGINALITY REPORT

---

**20%**

SIMILARITY INDEX

**11%**

INTERNET SOURCES

**12%**

PUBLICATIONS

**11%**

STUDENT PAPERS

---

## MATCH ALL SOURCES (ONLY SELECTED SOURCE PRINTED)

---

1%

★ Submitted to University of Northumbria at  
Newcastle

Student Paper

---

Exclude quotes      On

Exclude matches      Off

Exclude bibliography      Off

# ICOT 2019

---

GRADEMARK REPORT

---

FINAL GRADE

**/0**

GENERAL COMMENTS

**Instructor**

---

PAGE 1

---

PAGE 2

---

PAGE 3

---

PAGE 4

---

PAGE 5

---

PAGE 6

---

PAGE 7

---

PAGE 8

---

PAGE 9

---