



STRATEGIC TOURISM MANAGEMENT IN GLOBAL MARKETS: BUSINESS MODELS, MARKETING INNOVATION, AND COMPETITIVE ADVANTAGE

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Abstract

There is increased competition in global tourism because of the digital transformation, globalization of the market and evolving consumer behaviour. In this regard, strategic tourism management has come out as being decisive in realizing and sustaining competitive advantage. The paper has examined the relationship between strategic business models, marketing innovation and competitive advantage in global tourism markets. The qualitative research design is the study based on the strategic management and tourism competitiveness perspectives, where the survey data is used to conduct a quantitative research design on 75 tourism organizations active in the international sphere. Direct and indirect relationship of the variables in the study were tested using structural equation modeling. The results indicate that strategic business models have a great positive effect on competitive advantage and marketing innovation is a powerful factor. Contributing to the competitive advantage, marketing innovation in turn, in part mediates the correlation between business models and competitive results. These findings suggest that tourism organizations achieve superior competitiveness in case of effective diminishment of strong business models through innovative marketing practice. The article is useful to the global tourism management research as it provides empirical links between business model strategy and marketing innovation in the international market. In real life application, the findings have practical implications to tourism managers who are interested in enhancing competitiveness through strategic alignment and innovation-based strategies.

Keywords: Strategic tourism management; Business models; Marketing innovation; Competitive advantage; Global tourism markets

1. Introduction

The growing international competition and the growth in the techno savvy has considerably changed the tourism industry over the past decade as a result of globalization and heightened competition between nations. Tourism agencies are also turning to be transnational in the sense that they cater to markets with divergent requirements on consumer needs and institutional environment. As competition intensifies, destinations and firms must reconsider the mechanisms of creating and sustaining competitive advantage on the global level. The researchers have observed that the competitiveness of the international tourism is a multi-dimensional interaction of the economic, institutional, and strategic factors that cannot be perceived through the separated operational choices but through the combination of the management (Algieri et al., 2018). Some of the remarkable trends in current tourism markets include the emergence of disruptive variations of business that interfere with the formations in the industry. The competitive edge of platform-based-services particularly within the accommodation and travel service have led to a low barrier of entry and modified consumer choice. The empirical evidence indicates that the impact of the incumbent firms due to such disruptions is measurable, and this is why tourism organizations need to have strategic rather than reactive reactions (Dogru et al., 2017). These pressures highlight the importance of the tourism firms redesigning its business models to enable it to compete.

The issue of strategic business models has been of increasing interest as a process through which the organizations create, deliver, and capture value. Business models can also be employed to gain a general idea about how companies operate within competitive ecosystems other than focusing on products or services alone. Research history on management literature suggests that innovation on the business model is essential in sustaining the competitive edge, particularly in industries that are dynamic and service-Centric such as tourism (Foss and Saebi, 2017). This is a method of integrating business models as strategic resources and not working tools. The digital transformation has also changed the tourism markets by redefining tourist search information, interaction and consumption of services. Smart tourism is a pointer of the shift towards a more efficient, technologically empowered and customer-interactive experience. Within this context, even tourists get engaged in the value-creating process, which influences destination competitiveness because of digital communication and real-time feedback (Femenia-Serra et al., 2019). Such changes require tourism managers to include online capacity in their strategic models.

Competitiveness of the destination has emerged as a major concern to the policy makers and the tourism managers. According to tools and indices of global benchmarking, the scope of destination performance is also highly diverse and is often connected with the strategic orientation, infrastructure, and capacity of innovation. Comparative techniques demonstrate that the endowments of resources are inadequate to articulate destination competitiveness yet approaches of how destinations transform strategic and managerial opportunities to practice (Gonzalez-Rodrigo et al., 2023). This entrenches the position of strategic management in tourism. Marketing innovation is a vital strategic resource of a tourism organization whose goal is to be unique in highly crowded world markets. The dynamic consumer trends can be addressed by the new pricing strategies, branding models, and online interaction systems that help companies to become more responsive to changes in consumer trends. The research on the sharing economy proves that consumer behavior and the market performance are changing due to new pricing approaches, which is an advantage to tourism companies in the digitally mediated world (Gibbs et al., 2018). Marketing innovation is therefore an intermediary to strategic purpose as well as market performance.

Innovation in tourism does not solely relate to adoption of technology, but can also refer to service design, customer experience and organizational processes. A comparative study between the conventional hotels and the disruptive platforms indicates the role of innovation in the competitive positioning and performance expectations in the industries (Guttentag and Smith, 2017). These findings underscore how strategic innovation is as a means of staying competitive instead of reacting to a market change. Emerging technologies such as artificial intelligence and automation also expand the number of strategic options available to tourism organizations. The cost-benefit analysis demonstrates that the application of technology can possibly enhance the effectiveness and quality of services when applied in the combination with the company strategy (Ivanov and Webster, 2017). These technologies enhance the position of innovation as a strategic capacity entrenched within the bigger business models. Digital marketing has become a constituent of the tourism strategy and has enabled the firms to reach the customer in the global markets with a greater precision than ever. Strategic nature of concepts of marketing research is addressing the value creation and competitive differentiation of digital marketing (Kannan, 2017). Marketing innovation is therefore not a concept that tourism organisations exist on its own.

The concept of smart tourism destinations also focuses on the use of technology, innovation and competitiveness in a strategic manner. Empirical evidence indicates that smart destination competitiveness demands coordinated work of all stakeholders improved with the help of information systems and strategic governance mechanisms (Koo et al., 2016). This supports the systemic competitiveness in the tourist industry. In researching smart tourism, it is noted that data services and digital interfaces constitute the core of new tourism economies, both at the level of a firm and at a destination (Li et al., 2017). Innovation activities in hospitality and tourism companies also demonstrate that effective companies tie their innovation with long-term strategic objectives instead of single projects (Martin-Rios and Ciobanu, 2019). These dynamics have been accelerated further by the digital revolution, which changed tourism value creation and delivery (Pencarelli, 2020). This has led researchers to propose more integration of business model research in tourism research in order to understand strategic competitiveness better (Reinhold et al., 2017).

The main aim of this research is to analyze how strategic tourism management practices lead to a competitive advantage in the international markets. In particular, this paper examine how strategic business models can help improve organizational competitiveness and explore how marketing innovation can affect this correlation. Through empirical evaluation of the business models interactions, marketing innovation and competitive advantage, this study aims at giving cohesive findings that enhance and develop strategic tourism management theory and give practical advice to tourism organizations in the ever-competitive international business environment.

2. Methodology

2.1 Research Design

This research design is a quantitative, explanatory research design that were be used to explore the strategic linkages between business models, marketing innovation and competitive advantage in business tourism markets across the globe. The cross-sectional design was used to give a snapshot of the organizational level strategic practices at one time. This design would be appropriate in testing the theory and give opportunities to empirically test hypothesized relationships based on strategic management and tourism literature.

2.2 Conceptual Framework

It is based on the Resource-Based View and the Dynamic Capabilities Theory. Strategic tourism business models are considered as firm-level resources which facilitate value creation, differentiation and marketing innovation is regarded as dynamic capability which improves the responsiveness of firms to altered global market orientations. The outcome variable is competitive advantage, which is an indicator of high performance and positioning in the international tourism markets.

2.3 Sample and Data Collection

The sample population is 75 tourism organizations that are in international markets. They are destination management organizations, hospitality firms, tour operators, and travel service providers that have international operations. Senior managers and strategic decision-makers in the marketing, strategy or business development role were interviewed to provide data. Purposive sampling method was employed due to the need to ascertain the respondents had adequate understanding of the strategic practices of their organizations. The online survey was used to collect the data to allow the geographic dispersion and enhance the efficiency of the responses.

2.4 Measures and Instrument Development

Multi-item scales were used to measure all constructs based on the established empirical studies to guarantee reliability and validity. Items that represented the value proposition design, value creation processes, and revenue mechanisms were operationalized as strategic business models. The innovation in marketing was estimated basing on indicators of adoption of innovative marketing practices, digital marketing capabilities, as well as customer engagement initiatives. Perceptual measures applied to capture the competitive advantage were based on market performance, brand positioning, and competitiveness against the major competitors. All the items were measured with a five-point Likert scale that included strongly disagree to strongly agree. It was pre-tested on academic experts and industry people to make it clear and relevant within its context.

2.5 Data Analysis Procedure

The data were analyzed with the help of the structural equation modeling and tested the hypothesized relationships. Before the model estimation, the data was filtered in terms of missing data, outliers and distributional assumptions. The reliability was measured with the help of the Cronbach alpha and composite reliability, whereas the convergence and discriminant validity were measured with the help of the average variance extracted and cross-loading measures. The structural model was then evaluated to determine the strength and the significance of the hypothesized paths and the explanatory power of the model.

3. Results

3.1 Sample Profile and Descriptive Overview

This section entails the description of the sampled organizations and respondents to offer some background information on the conducted analyses. The interpretation of the strategic relevance of the results in the global tourism markets requires the knowledge of the composition of the sample. The summary of organizational types, management positions of the respondents and international expansion of operations covered within the study are summarized in Table 1.

Table 1. Sample Characteristics (n = 75)

Characteristic	Category	Frequency	Percentage (%)
Organization Type	Hospitality Firms	28	37.3
	Tour Operators	19	25.3
	Destination Management Organizations	16	21.3
	Travel Service Providers	12	16.1
Managerial Position	Marketing Manager	29	38.7
	Strategy / Business Development Manager	24	32.0
	Senior Executive	22	29.3
Market Scope	Regional (2–3 countries)	21	28.0
	Multinational (4–6 countries)	34	45.3
	Global (7+ countries)	20	26.7

As indicated in Table 1, the sample is a heterogeneous mix of tourism organizations that have a high international presence. The pre-eminence of top-level respondents justifies the validity of the strategic measurements that have been deployed in the research.

3.2 Descriptive Statistics and Correlation Analysis

Before testing the measurement and structural models, the descriptive statistics and correlations were analyzed to test data distribution and preliminary relationships among constructs. Table 2 shows mean, SDs, and Pearson correlation coefficients of strategic business model, marketing innovation and competitive advantage.

Table 2. Descriptive Statistics and Correlations

Construct	Mean	SD	1	2	3
1. Strategic Business Models	3.91	0.62	1.00	0.62**	0.57**
2. Marketing Innovation	3.84	0.68	0.62**	1.00	0.65**
3. Competitive Advantage	4.02	0.59	0.57**	0.65**	1.00

Note: p < 0.01

The results show that all the constructs had moderate to high mean values implying that the sampled organizations are undertaking strategic planning and innovation. The positive and significant correlations indicate the initial support of the proposed relationships and the reasons to continue testing the model.

3.3 Measurement Model Evaluation

Before the structural analysis, the measurement model was evaluated to determine the reliability and validity of the constructs. Table 3 represents the measures of internal consistency and convergent validity of each construct.

Table 3. Reliability and Validity Assessment

Construct	Cronbach's Alpha	Composite Reliability	AVE
Strategic Business Models	0.88	0.91	0.63
Marketing Innovation	0.86	0.90	0.61
Competitive Advantage	0.89	0.92	0.66

The values of reliability are above the desired level of 0.70 and the average value of variance extracted are above 0.50, which proves that convergent validity is satisfactory. So as to illustratively describe the measurement relationships, Figure 1 shows the measurement model, consisting of latent constructs and observed indicators of the latent constructs.

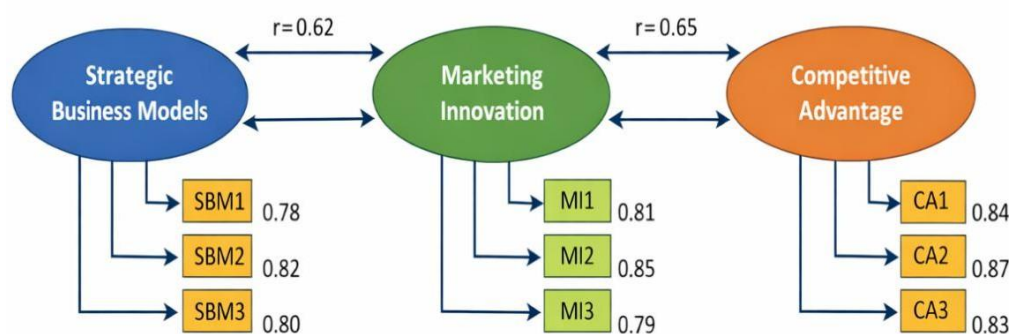


Figure 1. Measurement Model of Strategic Business Models, Marketing Innovation, and Competitive Advantage

The number validates that the indicators carry high weight on their respective constructs, which justifies the suitability of the measurement model.

3.4 Structural Model Results

Once measurement validity was achieved, the structural model was tested in order to evaluate the hypothesized relations between constructs. The standardized path coefficients and explained variance of the structural model are given in figure 2.

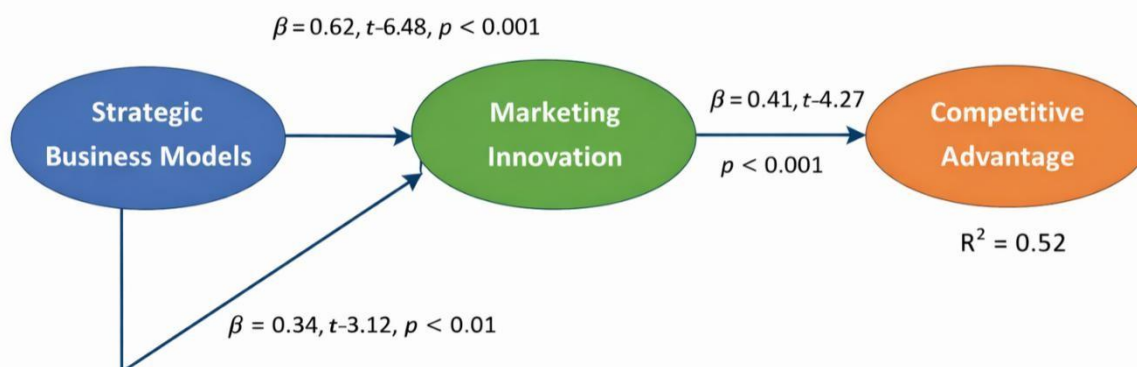


Figure 2. Structural Model with Standardized Path Coefficients

The model describes a significant amount of competitive advantage variance ($R^2 = 0.52$), which means that it is a powerful tool to explain the facts in the framework of global tourism markets. Table 4 gives the detailed path estimates.

Table 4. Structural Model Path Estimates

Hypothesized Path	Path Coefficient	t-	p-	Result
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	(β)	value	value	
Strategic Business Models $\rightarrow$ Competitive Advantage	0.34	3.12	<0.01	Supported
Strategic Business Models $\rightarrow$ Marketing Innovation	0.62	6.48	<0.001	Supported
Marketing Innovation $\rightarrow$ Competitive Advantage	0.41	4.27	<0.001	Supported

The findings show that strategic business models positively affect the competitive advantage and have a powerful impact on the marketing innovation. Competitive advantage is also positively influenced by marketing innovation, which makes it strategic.

3.5 Mediation Analysis

The mediation analysis was done to explain the importance of marketing innovation further. Figure 3 depicts the intermediation effect of marketing innovation between strategic business models and competitive advantage.

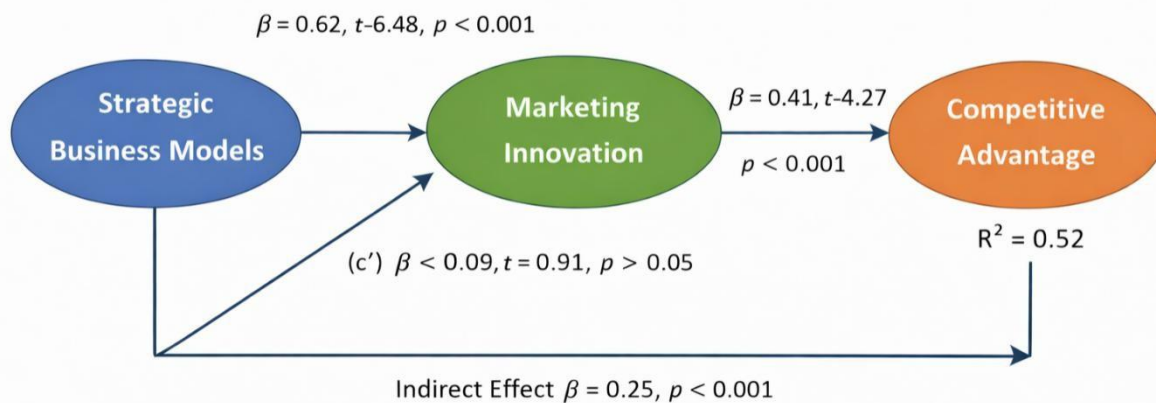


Figure 3

e 3. Mediating Effect of Marketing Innovation

The indirect impact on competitive advantage of strategic business models via marketing innovation was statistically significant ($= 0.25, p < 0.001$) and this demonstrated a partial mediation. This implies that business models improve the competitive advantage directly and through facilitating novel marketing practices. The findings indicate that the business models should be reinforced with marketing innovation as it ensures the strategic tourism management in international markets, which leads to greater competitive advantage.

4. Discussion

The results of this research indicate the rising significance of strategic tourism management in the ever digital and competitive world. The high interrelations that exist between business models, marketing innovation and competitive advantage endorse the view of the fact that tourism competitiveness is no longer solely reliant on the physical resources. Instead, digital transformation has been shown to be an essential strategic generator that dictates the extent to which tourism organizations can create value and keep performing long-term, which confirms recent systematic reviews of tourism digitalisation and strategic development (Rodrigues et al., 2023). Strategic business models have a positive influence on competitive advantage, which explains the significance of business model innovation as the component of tourism strategy. The fact is that those organizations that adopt flexible and innovative models of business are able to respond to market discontinuities and market demands. This is in line with empirical evidence that has revealed that structured innovation environments such as innovation laboratories assist business models to transform and strategic refresh tourism organizations in the complex global markets (Santarsiero et al., 2024). The findings are also used to support the thesis that technological development is a trigger of the strategic change in tourism management. The strong influence of marketing innovation can be seen as an indicator of the greater forces of service delivery that is technologically facilitated, and data oriented decisions. As per

the past research, cross-disciplinary versatility of emerging technologies has reshaped the tourism studies and practice by redefining how tourism organizations compete and innovate (Sigala, 2018). The moderating effect of marketing innovation being experienced in this study shows that adoption of technology is not sufficient in developing competitive advantage. Instead, technologies must be integrated in terms of marketing and service. Research in hospitality reveals that some innovations like service robots have the potential to bring efficiency in operations and improved customer experience when introduced as a component of bigger strategic units but not as individual entities (Tuomi et al., 2021).

Other important results include the fact that competitive positions are achievable through the development of strategies that are based on data. The analytics and real-time data can be greatly important to the innovation of marketing as it allows the company to understand consumer behavior and adjust the offerings. The theoretical studies related to the application of big data analytics to the tourism sector demonstrate that the design based on the data can enhance the process of strategic decision-making and help to develop intelligent tourism systems that are able to deliver high value in foreign markets (Xiang and Fesenmaier, 2016). The sharing economy creates additional significance to the relevance of strategic business models to the competition. The results of the present study are reflected in the already existing empirical evidence that the accommodations services offered on sites have shaped the market relationships significantly and challenged the traditional competitive advantage of the hotel business. These upheavals support the necessity of the incumbent tourism organizations reconsidering their strategic positioning and value propositions (Zervas et al., 2017).

Competitive forces at the destination level are different based on local market structures and regulatory environment. Case-based study proves that relations between hotels and sharing-economy platforms can substantially redefine the tourist markets in the cities. The results of the current research can be related to the information offered by major tourism destinations, whereby strategic adaptation is what helps traditional firms to co-exist or be outclassed by digital platforms (Heo et al., 2019). Experience differentiation is also an important aspect of gaining competitive advantage due to the important role of marketing innovation. Tourism firms are focusing more on the quality of the services, authenticity, and emotional involvement, instead of competing based on the price or the capacity alone. It is proposed in the literature that human-centered service strategies and hospitableness may provide hotels with defensible competitive advantage in comparison with conventional platform-based services (Mody et al., 2019).

Pricing strategies also highlight the relationship that exists between marketing innovation and competitive advantage. Digital tools and market intelligence can help tourism firms to position themselves effectively in competitive markets through strategic pricing. Empirical evidence shows that price positioning is the key factor in forming consumer perceptions and it directly affects performance outcomes in markets where competition is impacted by sharing-economy (Xie and Kwok, 2017). Lastly, the findings lead to the enlargement of the scope of the long-term effects of digital transformation in the tourism industry. One way to attain long-term competitiveness is the strategic incorporation of digital technologies, which a ten-year overview of tourism digitization reveals is the keyway to succeed instead of adopting digital technology fragmentarily (Jiang and Phoong, 2023). The current research supports this point of view by showing that the competitive advantage develops due to the compliance of business models and marketing innovations in a logical strategic framework.

5. Conclusion

Strategic tourism management role in increasing competitive advantage in global markets through the interrelationships of business models, marketing innovations as well as organizational competitiveness. The results show that properly formulated strategic business models have a major effect on competitive advantage both directly and indirectly via marketing innovation. This underscores the nature of adopting an integrated approach in lieu of single managerial or technological initiatives. Marketing innovation is also highlighted in the findings as one of the processes through which strategic intent of tourism organizations is converted into market performance. The use of new marketing practices can support the firms in such competitive and digitalized worlds to respond properly to changing preferences among consumers, exploit new opportunities in technologies, and differentiate their products. The marketing innovation is a mediating process that justifies the strategic applicability between internal business model design and external competitive outcomes. In theory, the study contributes to the literature of tourism management as it empirically scales business model strategy and marketing innovation in an international context. In effect, the findings can assist tourism managers and policymakers because they suggest that the new and innovative

marketing strategies should be anchored on business models in order to achieve the sustainable competitive advantage. Besides these findings, longitudinal designs, larger samples or destination-based analysis will enable future studies to develop the knowledge in strategic tourism management.

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