

Welcome to *IJCHM*'s special issue on Competitive Productivity (CP) for Hospitality, Tourism and Airline Businesses. I would like to specially thank our guest editors, Chris Baumann, Wujin Chu, Hume Winzar, Michael Cherry, and Doris Viengkham, for putting together this very strong and timely special issue. The articles included in this special issue should be well received by scholars, students and practicing managers in our field.

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## **Competitive productivity (CP) as competitive strategy for hospitality, tourism and airline businesses**

### *Introduction*

Industry 4.0 is bringing about profound change in all business sectors. Traditional industries are faced with nontraditional competitive environments, and the force of the challenge from the new startups are strong and fast. It is not an exaggeration to say that the tourism, hospitality and airline industries are perhaps some of the fiercest competitive battlegrounds where the consequences of Industry 4.0 are being felt. Traditional travel agencies are having a tough time competing with online travel portals as tour companies across the globe continue to lose market share to the likes of Expedia.com, Kayak.com and Kiwi.com. Similar challenges have been felt in the hospitality industry, where rising surplus of vacant rooms provided by room sharing apps are lowering prices and occupancy rates in many tourist destinations. Another change in the hospitality industry is the rising importance of Social Networking Services in consumers' choice of hotels. Now more than ever, getting good reviews and recommendations by consumers and influencers is becoming a key competitive advantage. In the airline industry, full-service carriers (FSC) and low-cost carriers (LCC) traditionally catered to different customer segments. However, as LCCs matured and labor rates increased, their cost advantage began to erode. On the other hand, FSCs became more profitable by charging for ancillaries much like their LCC counterparts. As a result, the two business models are converging, leading to intensified competition across airline types.

In the past two years, we have seen the devastating effects of COVID-19 on populations and on the viability of travel and tourism operators around the world as lockdowns prevented international and domestic travel. In many cases a recovery is several years away. This means that we will see a higher level of industry cooperation and strategic cooperation across the sector. Finally, across the tourism, hospitality and airline industries, firms have started to use artificial intelligence (AI), big data analytics and blockchain to reduce labor costs (e.g. chatbots); target customers better (e.g. targeted advertising from big data analysis); and reduce fees (e.g. foreign exchange using blockchain). There is a lot to learn about how these technologies are accepted by consumers, and how they will change the ways businesses operate in the future.

Tourism, hospitality and airline management needs to address these new challenges and present a new paradigm of competition. One such attempt is the recent introduction of Competitive Productivity (CP), which is the focus of this special issue. What is Competitive Productivity, or CP? CP combines "competitiveness" and "productivity," two concepts that previously were viewed in isolation (Baumann *et al.*, 2019). It is "an attitude and behavior directed at outperforming the competition through pragmatism."



Firms strong in CP have a corporate culture that constantly monitors the competition and find ways to better the opponent and their own past performance. Another pillar of CP is the analysis of competitiveness, or CP, at three levels; see also [Baumann et al. \(2020, p. 218\)](#) for further research directions:

- macro (national) → resulting in National Competitive Productivity (NCP);
- meso (firm/institution) → resulting in Firm Competitive Productivity (FCP); and
- micro (individual) → resulting in Individual Competitive Productivity (ICP).

Factors that affect the macro level, or NCP, could be a country's tax system, labor laws or political systems ([Porter, 1990](#); [Tung, 2002](#)); those that affect the meso level, or FCP, could be the company business portfolio, human resource strategy and brand strategy ([Baumann et al., 2016a, 2016b](#); [Baumann, Cherry and Chu, 2019](#)); and those that affect the micro level, or ICP, could be employee motivation, attitude, employee productivity, personality and education level of the employee ([Baumann and Harvey, 2018](#), [Baumann et al., 2017](#); [Mudrack et al., 2012](#); [Ryckman et al., 1996](#)).

In this special issue, the contributing authors explore the CP paradigm and explain how CP can help companies to meet the challenges of Industry 4.0 in the tourism, hospitality and airline industries.

### Papers in this special issue

This special issue contains nine papers that cover a broad range of issues in CP including: technology, big data, decision-making, inter-organization cooperation, strategy, business intelligence, and, of course, competitiveness. These are addressed through a variety of approaches, such as critical literature review, expert interview, customer surveys, manager surveys, experimental design, thematic analysis and some very innovative statistical analysis techniques. We are very proud of this rich and varied collection.

Our first three papers deal with strategic responses to severe environmental difficulties. The first paper, *Adapt to not just survive but thrive: resilience strategies of five-star hotels at difficult times*, by Fangfang Shi, develops a Model of Hotel Resilience based on news stories and expert interviews dealing with industry disruption and resource constraints. The second paper, *How hotels adjust technology-based strategy to respond to COVID-19 and gain Competitive Productivity (CP): strategic management process and dynamic capabilities*, by Chun Liu and JingJing Yang, addresses a problem that has been faced by all of our readers over the past two years and possibly into the future – the global pandemic. The researchers used thematic analysis of in-depth interviews to find that moderate changes to self-service technologies can considerably help an organization's CP. The third paper, *Risk-induced Competitive Productivity in Times of Recession: A Chaordic Tourism Decision-Making Perspective*, by Nikolaos Pappas and Kyriaki Glyptou, applies sophisticated computer-based analysis of interview data to find consumer perceptions of three levels of CP: price-quality (micro), holiday experience (meso) and destination (macro).

Our next three papers deal with CP under recent developments in technology and Industry 4.0. *Employees' challenge-hindrane appraisals toward STARA awareness and competitive productivity: A micro-level case*, by Li Ding, finds that perceptions of whether job uncertainty, resulting from smart technology, AI, robotics and algorithms (STARA), might be beneficial to employee achievement and learning affect ICP. Findings suggest that communication and framing about technological innovation has benefits for the organization and to employees. *The Competitive Productivity (CP) of Tourism Destinations: An Integrative Conceptual Framework and a Reflection on Big Data and Analytics*, by

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Marcello Mariani, Stefano Bresciani and Giovanni Battista Dagnino, elaborates on the notion of meso-level CP to present an integrative conceptual framework of Tourism Destination Competitive Productivity (TDCP) and highlight the role of regional-cooperation and stakeholder support in the design of data analytics systems. *Toward Maximization of Peer-to-Peer Accommodation Hosts' Competitive Productivity (CP)* by Sung In Kim, JaeWook Kim, Yoon Koh and John Bowen, recognizes the power that customer reviews on social media have on FCP. A study of AirBnB providers in Austin TX, shows that hosts' management practices and communication of accommodation features affect competitiveness and revenues.

The next three papers deal with the provision of services. *Decision Model Innovation for Competitive Productivity (CP) in the Airport Industry*, by Srinath Rengarajan, Roger Moser, Louis Tillessen, Gopalakrishnan Narayanamurthy and Reddy Jayanth, highlights the fact that enterprises operating in hospitality tourism and travel, probably more than any other industry, operate in an ecosystem in which changes in one part of the system can have significant influence in other parts of the system. The authors present the Decision Support Journey (DSJ) framework used at Zurich Airport, that integrates behavior and flows of customers with activities within the airport. They show that Decision Management Innovation (DMI) is most effective when all members of the ecosystem have access to tools and information that affect their decision-making and action. *Hospitality Business Models, Customer Wellbeing and Trust: The Mediating Role of Competitive Service Advantage*, by Lenna Shulga, James Busser and Billy Bai, uses an experimental design to examine how three age cohorts judge accommodation providers with regard to trust and relative service provision. The authors found small but potentially important differences among cohorts on their evaluations and behavioral intentions. *What drives restaurant competitive productivity: A comprehensive examination at meso-micro levels*, by Meehee Cho, Mark Bonn and Hyo Sun Jung, examines a survey of restaurant managers' perceptions of their capabilities and training needs, as operationalizations of ICP, affect talent, brand and resource management, as operationalizations of FCP. The relationships differ somewhat between new enterprises and established restaurant groups.

### Concluding remarks

This special issue attracted a large number of high-quality submissions from scholars within tourism and hospitality. The articles in this special issue covered theoretical issues of organizational design, information systems and customer influence. Methods used include literature reviews, executive interviews, surveys, experiments and exemplars. The papers represent contributions from all over the world including USA, UK, Switzerland, Australia, South Korea, China and Greece. Together, they show that leadership and scholarship in hospitality and tourism is a global resource.

We would like to thank all the authors who responded to the call for papers. We are particularly grateful to the authors of the papers in the special issue and to the many anonymous reviewers who provided constructive suggestions and feedback. Finally, the studies presented in this special issue highlight the importance of continuing with CP research in hospitality and tourism and beyond in other business areas such as marketing and management, Interanatioal Business (IB) and so on. We hope that the papers in this special issue have taken a step toward recognizing this potential and will encourage more researchers to join this exciting research area. Of particuar interst for future resaerch will be to explore and better understand the association(s) between CP and Brand Competitiveness (Winzar *et al.*, 2018).

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