

A meta-analysis of hotel performance. Continental or worldwide style?

Ruggero Sainaghi

Ruggero Sainaghi is
Researcher at the
Università IULM, Institute of
Economics and Marketing,
Milan, Italy.

Abstract

Purpose – The purpose of this paper is to look at the focal points of “research styles” which emerge from segmenting previous studies above all on the (continental) geographic basis of the empirical evidence employed and in particular according to their European, American or Asiatic origin. These three areas account for 88 percent of the articles identified. Geographic importance is primarily related to contextual differences and consequently to diverse research designs, in terms both of the dependent and independent variables used.

Design/methodology/approach – The paper proposes a meta-analysis of the literature. The databases for the observations proposed are made up of the main studies published in international journals in the last 20 years dealing with hospitality management, tourism and service management, despite having strategic management or special business functions as their focus, and using the hotel industry as their empirical basis. Bibliographical research made it possible to identify 180 articles.

Findings – The findings confirm the relevance of context in order to understand the research streams. 88 percent of the papers use evidence drawn from European (37 percent), Asian (32 percent), and North and Central American (19 percent) countries; five nations were taken as the basis for 67 percent of the articles examined. The present paper shows the strong link existing between the type of evidence used, research design (sample, kind of data, number of years), the choice of dependent and independent variables, thereby identifying three different research styles: European, American and Asiatic.

Originality/value – The conclusions show the strong influence which the source of evidence brings to bear on research design and hence on the factors characterizing the choice of dependent and independent variables. The conclusions also describe some evolutionary lines in the research which might reveal new perspectives in the studies of performance determinants.

Keywords Performance measurement (quality), Performance criteria, Hotel and catering industry, Research methods

Paper type Research paper

1. Introduction

Performance is the time test of any strategy (Hofer and Schendel, 1978) and performance improvement lies at the heart of firm strategy (Chakravarthy, 1986). Researchers into management agree in considering performances a polyhydric, complex issue which, in order to be suitably measured, needs the joint use of several dimensions (Venkatraman and Ramanujam, 1986; Walker and Ruekert, 1987), the integration of financial and non financial measures (Eccles, 1991), and the broadening of survey perspectives, involving the main business stakeholders (Kaplan and Norton, 1992).

These observations have certainly been stimulated by the tendency on the part of many managers and entrepreneurs to use financial, profit-based (Ezzemel, 1992), accounting-based (Rappaport, 1986), non-balanced (Kaplan and Norton, 1996) and excessively firm-oriented measurements (Neely *et al.*, 1995).

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This observation does not remain confined to strategic management studies, but also influences researchers dealing with tourism businesses with particular attention to the lodging industry (Okumus, 2002). In a previous study, starting from the analysis of papers published in the leading journals in the last 20 years, two research streams were identified: one devoted to the analysis of performance measurement systems and one to investigating performance determinants.

The first stream (performance measurement systems) sets out to outline the features which a modern performance measurement system ought to have. It is a fairly small volume of research, mainly of empirical origin, but based on the observation of a reduced number of cases analyzed in depth (Denton and White, 2000; Huckestein and Duboff, 1999; Phillips, 1999a).

The findings of this first stream are contrasting. Some papers tend to describe an unsatisfactory picture: firms in the lodging industry use performance systems which prove on the whole to be inadequate, since they are excessively centered on financial measurements (Atkinson and Brander Brown, 2001; Brander Brown and McDonnell, 1995; Geller, 1985; Phillips, 1999b). These systems are able to measure whether the firm is doing well or badly, but are inefficient in identifying areas for improvement, the prime causes by which the financial indices are influenced.

More recent studies tend instead to overturn these conclusions, underlining that the non-financial dimension is in reality widely present in the processes of measuring results and that the indices used are often balanced and linked to strategy (Bergin-Seers and Jago, 2007; Evans, 2005; Harris and Mongiello, 2001; Doran *et al.*, 2002). This development is often related to the spread of Kaplan and Norton's model, but also with the relevance that the four BSC perspectives (financing, customer, processes, learning) reveal for the lodging industry.

The second stream (performance determinants) mainly examines the decision and actions influencing a firm's success. The present article focuses exclusively on this second area of research, which is quantitatively more important, and sets out to present the state of the art on the basis of the descriptive variables identified in the methodological section.

The focal points of the article are, however, the "research styles" emerging from segmenting the studies above all on the (continental) geographic basis of the empirical evidence employed and in particular according to their European, American or Asiatic origin. These three areas account for 88 percent of the articles identified. The importance of these styles is connected to the different continental contexts. Some differences are related to firms' size, the role played in economic development (at present and in the past), their capillarity, the current organisational model and the intensity of competition.

1.1. Determinants of performance

Studies exploring relationships between determinants and firm performances have been primarily developed by researchers in the field of strategic management (Lenz, 1980; Schmalensee, 1985; Rumelt, 1991; Capon *et al.*, 1990; Kotha and Nair, 1995; Hawawini *et al.*, 2003).

This is a wide stream of contributions – the article by Capon *et al.* in 1991 numbers 320 papers – using performance as a dependent variable and one or more independent variables as explanatory factors. The studies are prevalently quantitative in nature and mainly use regression, descriptive statistics, correlation, analysis of variance, and other multivariate methods in order to measure a possible link between variables.

The independent variables have been classified in two different sub-fields according to the focus on external boundaries (environment, industry or market) or inside the company (organization, strategy or some specific functions). The relevance of this segmentation is clearly linked to the different premises of two very important research streams: industrial organisation and resource-based view.

The industrial organization view argues that industry factors are the primary determinants of firm performance, while the resource-based view argues that the firm's internal environment drives competitive advantage. Since the initial works of Schmalensee (1985) and Rumelt (1991), a number of empirical studies have examined the relative importance of firm and industry factors over the last decade (Hawawini *et al.*, 2003, p. 1).

The evolution of this research field suggests some interesting development paths. While, at the beginning “many of these studies are cross-sectional in nature” (Kotha and Nair, 1995, p. 497), the analysis subsequently focuses more on specific sectors (Mehra, 1996). Furthermore, the choice of independent variables become more analytical. Capon *et al.* find that researchers during the 1970s and 1980s mainly use firm size and growth as determinants. Subsequently, independent variables come from specific functions (Huber, 1982; Huselid *et al.*, 1997; Rose, 1990). The increasing number of internal determinants make it necessary to develop subjective classification (Capon *et al.*, 1990).

The present article is a part of this stream, from which some basic focuses have been taken, such as the use of only quantitative articles and the distinction between internal and external independent variables. Furthermore, due to the high number of studies focusing on firm-level determinants, the latter have been classified according to the main firm functions – strategy, organization, marketing, production and IT-ICT.

2. Data

2.1. Sample

The present paper proposes a meta-analysis of the literature. The databases for the observations proposed comprise the main studies published in international journals in the last 20 years dealing with hospitality management, tourism and service management, despite having strategic management or special business functions as their focus, and using the hotel industry as their empirical basis.

The collected papers, with various emphases, develop the theme of performance determinants. All the studies included in the review therefore use performances as a dependent variable, while researchers have identified some determinants (independent variables) when considering mainly business functions or some external primary causes (sector, market, destination, macro-economic variables).

To identify the sample of articles, a study was carried out by using keywords related to sector (hotel) and results (performance), in three databases (Science Direct, Business Source Complete, Emerald), considering titles and abstracts. The investigation was carried out on June 29 2009, and was limited to British journals.

Subsequently, each article was analyzed, excluding all papers without a quantitative analysis of performance (dependent variable) based on one or more determinants (independent variables). The final sample numbers 101 articles (see Table I).

Table I Sample				
	<i>Science Direct</i>	<i>Business Source Complete</i>	<i>Emerald</i>	<i>Total</i>
Number of papers	131	36	13	180
Included	67	25	9	101
Excluded	50	11	3	64
Total	117	36	12	165
Percent included	57	69	75	61
Percent excluded	43	31	25	39
Total	100	100	100	100

Note: A complete reference list is available on request from the author

2.2. Variables

Each paper was inserted in a database whose main fields are a series of information relating to:

- the paper;
- dependent variables;
- independent variables; and
- research design.

The specific fields employed for each family are illustrated below.

The information relating to the papers identify the year of publication and type of journal. This is a set of observations used in previous studies (e.g. Table 1 by Capon *et al.*, 1990, p. 1145).

Given the relative length of the historical series, the single years were then stratified into periods of three years each, creating a single category for the articles published before 2000 (where frequency is decidedly lower). The last three-year period is 2006-2008. The year 2009 has been added as an incomplete period of time (after 2008). According to their particular focus, the journals were segmented by distinguishing between hospitality management, tourism, service, management and economics and miscellaneous. This segmentation is based on the journal title and not on the published articles. Therefore, an article pertaining to "hospitality management" may have been published in a service or management journal.

Concerning the dependent variables (performance), a distinction is made between:

- the dimensions used to assess results; and
- the operating indices employed to measure the selected dimensions.

This method has been followed also by Capon *et al.* (1990, Table 5, p. 1154, "type of measure used").

The dimensions are identified by using the well-known classification worked out by Venkatraman and Ramanujam (1986), which is echoed in many of the studies examined. The authors propose a tri-partition of performances, distinguishing between a financial, operational and organizational dimension. The financial dimension includes mainly accounting measurements able to appreciate the margins and company profitability. The operating dimension is not clearly defined by the authors except in negative (non-financial) terms and through a few examples of indicators. The operational dimension includes the main determinants of the financial results. Therefore, in the absence of an operational success, it is impossible to achieve satisfactory financial performances. Lastly, the organizational dimension measures the satisfaction achieved by the various company stakeholders, usually employees and shareholders.

Regarding the indices, the researchers have very wide choices in the field, but tend to favor financial ratios to measure the financial dimension; occupancy, average daily rate (ADR) and revenues per available room (Revpar), customer satisfaction, repeat visit and word of mouth, product development for the operational dimension; customer and employee satisfaction or the failure rate for the organizational dimension.

The independent variables are first segmented by distinguishing the articles according to whether the performance determinants are sought inside or outside the firm or in both directions. There is wide consensus in strategy studies on the fact that the success of an organization may depend on the strategy enacted by the management (internal variables) and on a series of causes mainly due to the market or sector structure (external variables) (Kotha and Nair, 1995; Prescott, 1986). As the author will document, most of the studies use internal variables. They therefore go on to segment this sub-field by identifying some business functions from which researchers took independent variables.

Lastly, concerning research design, above all information relating to the sample and information sources is highlighted – all the papers, with one single exception, are empirical in nature.

The sample was analyzed by describing the country or, more rarely, the countries from which the empirical evidence is taken, the numerosness of the sample itself (usually in hotel units), the distinction between samples constructed on the observation of a country or a specific destination or region, seen as a sum of destinations (Dredge, 1999). This segmentation has previously not been used in the field of strategic management. However, the importance of location is well known in the hospitality sector. Baum and Mezias (1992, p. 585) write:

The location and pricing of a hotel have substantive long-term consequences for the success of the establishment . . . Among the most frequently mentioned criteria in a traveler's decision to purchase accommodation are (1) location (destination or city as well as specific address within the area); (2) price; (3) services; (4) facilities; and (5) image . . . Those familiar with the hotel industry often argue that the three most important factors for success, as with restaurants and real estate, are location, location, and location.

The first decision in location, for a firm, is to choose the country and the destination, knowing that the “rules of game” will be completely different. Monitoring the country or destination from which findings have been taken, appears to be very important, and has been carried out in previous studies (Barros, 2005; Barros and Mascarenhas, 2005; Sin *et al.*, 2005; Yang and Lu, 2006; Chen C.F., 2007).

Again concerning the sample, the number of examined observations is revealed. This is a practice used in previous research (Phillips, 1996; Barros, 2005; Barros and Mascarenhas, 2005; Sin *et al.*, 2005; Yang and Lu, 2006; Chen C.F., 2007).

The information sources are segmented by mainly distinguishing between data collected through questionnaires and archival records, to which a residual category of other sources is added. This segmentation is based on the well-known classification made by Yin (1994, chapter 4). Regarding the papers using quantitative data, the length in years of the historic series used is analyzed. The importance of evaluating the number of years in longitudinal studies is underlined by Pettigrew (1990).

3. Determinants of results: state of the art

This paragraph has a descriptive slant and sets out to segment the articles identified by using the four above-presented variables. For reasons of space, only the empirical evidence of some details proposed is shown in tables. The articles are always identified by the same number: the legend is shown only in the first table.

3.1. Journals and years of publication

The number of articles published dealing with performance determinants (Table II) is growing, reaching its peak in the three-year period 2006-2008 (32 percent). The three-year period 2009-2011 (after 2008), not yet ended, seems to confirm the peaking in the previous three years.

The journals publishing this growing stream of research mainly specialize in hospitality management (57 percent) and tourism (23 percent), although the space devoted to it by leading management and economic (10 percent) or service (10 percent) journals is not negligible.

The growing number of journals in the field of hospitality and tourism has progressively increased the importance of this academic channel, especially since the three-year period 2003-2005. Among hospitality journals, the *International Journal of Hospitality Management (IJHM)* is the main publisher of a considerable number of papers. *Tourism Management (TM)* plays a similar role in the tourism field.

Table II Periods and type of journals

Type of journals	Before 2000	2000-2002	2003-2005	2006-2008	After 2008	Total
<i>Total</i>						
Number	11	13	23	35	19	101
Percent	11	13	23	35	19	100
<i>Journals (number)</i>						
Hospitality management (1)	8	8	11	17	12	56
Tourism (2)	1	3	8	9	4	25
Management and economics	1	2	2	4	1	10
Service	1	0	2	5	2	10
Total	11	13	23	35	19	101
<i>Journals (percent)</i>						
Hospitality management	14	14	20	30	21	55
Tourism	4	12	32	36	16	25
Management and economic	10	20	20	40	10	10
Service	10	0	20	50	20	10
Total	11	13	23	35	19	100
<i>Hospitality management (1)</i>						
IJHM						41
IJCHM						7
CHRAQ						7
THR						1
Total						56
<i>Tourism (2)</i>						
TM						18
ATR						2
IJTR						1
JST						1
JTTM						1
TR						2
Total						25

3.2. Dependent variables

The author picks up the previously introduced distinction between dimensions and indicators (Table III).

The operational and financial dimension, used both stand alone (respectively 42 percent and 19 percent) or jointly (23 percent), are those most commonly employed by researchers (85 percent). The organizational dimension, though not marginal, is less important (9 percent), while the joint use of all three dimensions (5 percent) or other combinations (1 percent) is rare. These data show the importance and spread of non-financial indices, which are normally constructed by using above all the operational dimension.

Focusing on the first three categories which include over 80 percent of the papers, and analyzing the data by periods, a high variability is seen in the percentage values. The operational dimensions is, however, the most used in all the periods and the most recent findings (after 2008) confirm this leadership. The joint use of operational and financial data also shows higher or equal percentages compared with the use of only accountable data throughout all the periods, with the exception of 2000-2002.

Focusing on the indicators used to measure the selected dimensions, generally speaking, the operational dimension is mainly expressed through indices relating to occupancy, volume, price (typically per room) or sales or their combination through Revpar (60 percent). A second area is represented by indices related to efficiency and productivity, built using only operating dimensions (19 percent). Indices based on customer satisfaction (7 percent) and market orientation (7 percent) are relatively marginal.

Table III Dependent variables: dimensions and indicators

Dimensions and indicators of performance	Before 2000		2000-2002		2003-2005		2006-2008		After 2008		Total	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<i>1. Dimensions</i>												
Operational performance	5	45	9	69	8	35	12	34	8	42	42	42
Operational and financial performance	4	36	0	0	5	22	10	29	4	21	23	23
Financial performance	1	9	3	23	5	22	6	17	5	26	20	20
Organisational performance	0	0	0	0	2	9	6	17	1	5	9	9
All three dimensions	1	9	1	8	2	9	1	3	1	5	6	6
Financial and organisational performance	0	0	0	0	1	4	0	0	0	0	1	1
Total	11	100	13	100	23	100	35	100	19	100	101	100
<i>2. Indicators – operational performance</i>												
Occupancy/volume/price/sales											25	60
Efficiency or productivity score											8	19
Customer satisfaction											3	7
Market orientation											3	7
Service quality											2	5
Service innovation											1	2
Total											42	100
<i>Operational and financial performance</i>												
Profit and volume and/or sales											13	57
Profit, volume and customer satisfaction											5	22
Efficiency or productivity score											4	17
Profit and quality of service											1	4
Total											23	100
<i>Financial performance</i>												
Financial ratios											9	45
Stock prices and/or risk											5	25
Financial margins											5	25
Efficiency or productivity score											1	5
Total											20	100

The financial dimension is seen above all in several financial ratios (47 percent), to which are added stock prices, risk (26 percent) or financial margin (21 percent). This confirms the central importance of synthetic measurements borrowed from financial statements and therefore accounting based.

The operational and financial dimension is measured jointly through synthetic profitability measurements and operational indices which are, as before, more related to occupancy and prices (57 percent), or to customer satisfaction (22 percent). The use of indices of efficiency and productivity built using financial (typically costs) and operating (volume) measures are also important.

The financial dimension is seen above all in several financial ratios (47 percent), to which are added stock prices, risk (26 percent) or financial margin (21 percent). This confirms the central importance of synthetic measurements borrowed from financial statements and therefore accounting based.

The empirical findings related to dimensions and indices are consistent with firms characterized by fixed capacity, high competitive intensity and rigidity in their cost structure. For these reasons it is more important to monitor the operating dimension, rather than the financial one.

3.3. Independent variables

An initial segmentation divides the articles according to whether the performance determinants are researched inside or outside the business or in both directions (Table IV).

The papers focusing on external causes (9 percent) or making joint use of internal and external variables (4 percent) are essentially marginal compared to the papers focusing on internal variables (87 percent).

Given the large number of the articles, the author decided to classify the papers above all in relation to the specific theme on which the independent variables hinge, identifying the following streams:

- strategy;
- marketing;
- organization;
- production; and
- IT, ICT.

The development of the publications according to time periods shows that marketing was a highly important research stream up to the early 2000s, and then revealed a significant reduction. Strategy remains a favored field of enquiry, with consistently high percentages after 2000. The emerging themes include organization and production. IT and ICT peaked in the period 2003-2005, to then fall in more recent years.

Due to the limits of space, some factors regarding the first three themes are presented below.

Strategy. Strategy is the area of greatest research (30.0 percent) and within it three main distinct, although correlated sub-fields are identified: competitive strategies (31 percent), hotel traits (27 percent) and corporate social responsibility (CRS) and environmental strategy (19 percent).

The link between performances and competitive strategies has been explored by adapting to the hospitality industry some frameworks developed primarily in other contexts. Claver-Cortés, Molina-Azorín and Pereira-Moliner (2006, 2007) apply the framework of strategic groups. "The conclusions drawn reveal that significant differences in performance exist regarding the competitive advantages for the occupancy percentage per room and bed and the total gross profit" (Claver-Cortés, Molina-Azorín and Pereira-Moliner, 2006, p. 1110).

Table IV Independent variables

	Number of papers	%	Before 2000 (%)	2000-2002 (%)	2003-2005 (%)	2006-2008 (%)	After 2008 (%)
External	7	7					
Internal and external	4	4					
Internal	90	89					
Total	101	100					
<i>Internal (% per column)</i>							
Strategy	24	27	10	45	19	27	33
Marketing	20	22	50	45	24	15	0
Organisation	19	21	30	0	10	33	20
Production	18	20	10	0	29	15	40
IT, ICT	9	10	0	9	19	9	7
Total	90	100	100	100	100	100	100
<i>Strategy (% per line)</i>							
Competitive strategy	8	33	13	13	13	50	13
Hotel traits	5	21	0	60	20	0	20
CRS and environmental strategy	5	21	0	0	20	40	40
Asset management an/or capital structure	4	17	0	25	25	25	25
Entrepreneurship and innovation	2	8	0	0	0	100	0
Total	24	100					
<i>Marketing (% per line)</i>							
Market orientation and customer satisfaction	6	30	17	17	50	17	0
Seasonality	5	25	20	60	20	0	0
Quality and pricing	5	25	20	20	0	60	0
Relationship marketing	2	10	50	0	0	50	0
Brand management and chain affiliation	2	10	50	0	50	0	0
Total	20	100					
<i>Production (% per line)</i>							
Efficiency and productivity	14	78	7	0	29	29	36
Outsourcing	4	22	0	0	50	25	25
Total	18	100					

Lee and Jang (2007) suggest the importance of diversification and the business portfolio, Phillips (1996) the links with planning, Blayney (2009) the role of capabilities.

Generally speaking, these papers find a positive relationship between the chosen independent variables and performance measured using operational and financial dimensions.

Hotel traits include a series of often structural features linked to dimension, location, the range of services, quality level and the decision to join a chain. These are primary strategic decisions, many of which must be taken on founding, and which will influence company strategy for a long time, giving content to “what” and “where” (Baum and Mezas, 1992). It is a relative “simple” research field, because the independent variables are usually taken from the official statistics or from trade publications (such as hotel guides). Findings often suggest positive and convergent links between star rating (category), service offered and performance (Pine and Phillips, 2005; Israeli, 2002). More complex is the relationship with chain affiliation, judged not positive in some works (Israeli, 2002) and positive in others (Ingram, 1996; Ingram and Baum, 1997a).

The use of independent variables taken from the CRS and environmental strategy is an emergent subfield of research and shows a profound link between the hotel sector and a wide set of stakeholders, on the one hand, and to the environment protection, on the other.

Looking at the temporal evolution of each specific subfield of strategy, the table reveals a progressive reduction in studies focusing on hotel traits. This is probably due to the high generalizability of findings. The CRS and environment and competitive strategy are growing subfields. The latter is clearly related to the increasing pressure of international competitive.

Marketing. A second dominant theme is dealt with in the articles exploring some marketing issues as an independent variable (23 percent). They particularly concern the management of market orientation and customer satisfaction (30 percent) seasonality (25 percent), and quality and pricing (25 percent).

The importance of market orientation and customer satisfaction is grasped by simply comparing the contrasting findings of the study carried out by Au and Tse (1995) with the research work made by Tse *et al.* (2005). In the mid 1990s, the first study reveals a negative correlation between market orientation and performance, while the second finds a positive, significant link. Both studies have a sufficiently homogeneous research design. The apparent paradox of the empirical findings is explained by Sin *et al.* as a consequence of the new competitive climate.

During periods of economic downturn, the orientation of a property to the market becomes a deciding factor on its survival and profitability, because the market is considerably smaller and customers more carefully differentiate between the values of competing hotel services before making a final decision (Tse *et al.* 2005, p. 1146).

The use of seasonality as an independent variable appears a promising area for research, above all when, instead of being divided on a monthly basis, as generally happens (Koenig and Bischoff, 2004), the data used have a daily basis. The explorative study carried out by Jeffrey and Barden (2000a, b), for example, thus highlights a strong correlation between the segments of customers served by reception structures and location, described by the type of destination. Seasonality is definitely a research approach to better understand the mechanisms of price formation, as in part emerges from the work made by Chung (2000). Seasonality ought to be inserted as a control variable in many studies devoted to performance. The use of daily data is also useful to isolate the effects of specific events (Enz *et al.*, 2001).

Lastly, some articles explore the link between quality management and pricing. Claver-Cortés, Tarí and Pereira (2006) concentrate on reasons justifying the implementation and certification of quality systems, but only analyze two cases. The results underline that the development and certification of quality have had little influence on

financial performance, but generate an internal tension towards quality and become an effective signal for the clientele.

The temporal evolution of the articles suggests the importance of the quality issue (2006-2008) as an independent emergent variable, while, on the contrary, seasonality was used above all in the past. Lastly, market orientation and customer satisfaction show a certain continuity, although peaking in 2003-2005.

Production. A third important theme is the use of independent variables variously linked to the production function (20 percent), in which a central importance is seen in the studies devoted to the analysis of efficiency and productivity (83.3 percent). The growing interest in this type of study is definitely related to the growing competition to which firms are submitted. The oligopolist features of the market (Barros, 2004) have caused the search for efficiency to become “essential not only for profitability, but also for a hotel’s survival” (Chen C.F., 2007, p. 696). Efficiency and productivity may be measured at the level of single chains, by constructing indices for their units (Barros, 2005), destination (Chiang *et al.*, 2004), country (Hwang and Chang, 2003) or category (Sigala, 2004), constructing rankings to assess the relative efficiency of the single firms. The findings are not univocal, but more recent studies underline a progressive growth in productivity, the symptom of a real increase in competitive pressure.

The temporal evolution shows an increasing number of papers published in this subfield, mainly since 2003. The success of this stream could be tied to the relative simplicity of input and output variables used to measure efficiency and productivity, often taking the form of financial statements or other public statistical sources. These indices represent an evolution to develop benchmarking analysis (Morey and Dittman, 2003).

3.4. Research design

The sample is explored by analyzing the geographic element and the numerosness of firms. In this section the sample counts 100 cases because one theoretical article has been excluded from this detail, due the absence of both geographic elements and empirical data.

In geographic terms (Table V), the empirical research studies show a main focus on countries (75 percent), compared with a decidedly smaller number of destinations (19 percent) or continent or world (6 percent).

Of the articles, 88 percent concentrate on three continents: Europe (37 percent), Asia (32 percent) and Northern and Central America (19 percent); in terms of countries, five nations have a predominant importance: the USA (18 percent), Taiwan (14 percent), Spain (12 percent), the UK (12 percent) and China (12 percent). It is interesting to note that major countries for international tourism, like France and Italy, do not appear in the list.

Regarding the numerosness of the sample, some dimensional groups are subjectively outlined. Most of the articles are broad samples, made up of a number of observations – normally hotel units or number of questionnaires – equal to or over 200 units (38 percent), medium-small (50-99, 32 percent) or small samples (1-49; 27 percent).

The collected data are classified, in the case of the empirical papers, by distinguishing between data collected through questionnaires, archival records or both, and documentation. 58 percent use archival records, while 37 percent of the articles use data collected through questionnaires. Only 3 percent of the papers make joint use of the two sources of information.

The papers using archival records generally focus on a small historic series (one to three years, 60 percent), although giving relative importance to data covering four to six years (18 percent) and a higher number of years (> ten years, 15 percent).

4. Research styles

After the synthetic analysis of the four segmentation variables, the author will now analyze these variables jointly, using as macro-segmentation the geographic area of origin for the

Table V Research design

	<i>Numbers of papers</i>	<i>Percent</i>
Destination	19	19
Country	75	75
Continent or world	6	6
Total	100	100
Europe	37	37
Asia	32	32
America	19	19
World	4	4
Africa	3	3
Australia	3	3
Middle East	2	2
Total	100	100
USA	17	18
Taiwan	13	14
Spain	11	12
UK	11	12
China	11	12
Other (22 countries)	31	33
Total	94	100
<i>Sample size</i>		
1-49	27	27
50-99	32	32
100-199	13	13
≥ 200	28	28
Total	100	100
<i>Kind of data</i>		
Questionnaire	59	58
Archival	37	37
Questionnaire and archival	3	3
Documentation	2	2
Total	101	100
<i>Number of year (only archival data)</i>		
1-3	24	60
4-6	7	18
7-9	3	8
≥ 10	6	15
Total	40	100

empirical evidence, concerning Europe, Asia and North and Central America. The continental adjective (e.g. European style) is used exclusively to refer to the origin of the evidence and not of the researchers. Table VI synthesises the different connotation of the variables previously introduced with reference to the three styles.

The relevance of geographic factors could be linked to the different contexts in term of cultural, economical, political and social forces. Focusing attention on tourism and hospitality, important country differences are related to the rate of growth, the types of firms (size, ownership), the relative importance for GDP. At the beginning of the following paragraph, the main characteristics of each context are described.

4.1. European style

Europe is the world's largest and most mature destination region, accounting for over 54 percent of all international tourist arrivals and 51 percent of international tourism receipts (WTO, 2008). The supply is almost fragmented (Flagestad and Hope, 2001; Phillips and Louvieris, 2005). There are many experiences of large and integrated companies, but the processes are not so widespread as in the American model. Furthermore, European tourism companies are often related to specific local contexts (destinations), generating strong ties

Table VI Research styles

	European style		Asiatic style		Americian style		World	
	Number of papers	Percentage	Number of papers	Percentage	Number of papers	Percentage	Number of papers	Percentage
<i>1. Paper</i>								
Years (periods)								
Before 2000	7	19	0	0	3	16	11	11
2000-2002	5	14	2	6	4	21	13	13
2003-2005	8	22	11	34	2	11	23	23
2006-2008	14	38	13	41	3	16	35	35
After 2008	3	8	6	19	7	37	19	19
Total	37	100	32	100	19	100	101	100
<i>2. Dependent variables</i>								
Operational performance	9	24	20	63	7	37	42	42
Occupancy/volume/price/sales	8	89	8	40	5	71	25	60
Efficiency or productivity score	1	11	6	30	1	14	8	19
Operational and financial performance								
Profit and volume and/or sales	8	89	3	38	1	33	13	57
Profit, volume and customer satisfaction	0	0	3	38	1	33	5	22
Financial performance	7	19	3	9	7	37	20	20
Financial ratios	3	43	1	33	4	57	9	45
Stock prices and/or risk	2	29	2	67	1	14	5	25
Organisational performance	7	19	1	3	0	0	9	9
All three dimensions	4	11	0	0	2	11	6	6
Financial and organisation performance	1	3	0	0	0	0	1	1
Total	37	100	32	100	19	100	101	100
<i>3. Independent variables</i>								
External	3	8	3	9	3	16	9	9
External and internal	2	5	2	6	0	0	4	4
Internal	32	86	27	84	16	84	88	87
Total	37	100	32	100	19	100	101	100
Internal								
Strategy	10	31	5	19	7	44	24	27
Marketing	10	31	5	19	1	6	20	23
Production	4	13	9	33	3	19	18	20
Organisation	7	22	3	11	4	25	17	19
IT, ICT	1	3	5	19	1	6	9	10
Total	32	100	27	100	16	100	88	100

(Continued)

Table VI

	European style		Asiatic style		Americian style		World	
	Number of papers	Percentage	Number of papers	Percentage	Number of papers	Percentage	Number of papers	Percentage
4. Research design								
Geographic scope								
Country	28	76	22	69	19	100	75	75
Destination	8	22	9	28	0	0	19	19
Continent or world	1	3	1	3	0	0	6	6
Total	37	100	32	100	19	100	100	100
Weight first two countries								
Total number of countries	22	59	24	75	18	95	30	30
Sample size (units)	14	0	6	0	3	0	31	0
1-49	9	24	11	34	4	21	27	27
50-99	14	38	9	28	6	32	32	32
100-199	6	16	4	13	1	5	13	13
≥ 200	8	22	8	25	8	42	28	28
Total	37	100	32	100	19	100	100	100
Kind of data								
Questionnaire	29	78	16	50	6	32	59	58
Archival	6	16	14	44	13	68	37	37
Questionnaire and archival	1	3	2	6	0	0	3	3
Documentation	1	3	0	0	0	0	2	2
Total	37	100	32	100	19	100	101	100
Number of years (archival)								
1-3	6	86	9	56	6	46	24	60
4-6	0	0	5	31	2	15	7	18
7-9	1	14	1	6	0	0	3	8
> 10	0	0	1	6	5	38	6	15
Total	7	100	16	100	13	100	40	100

between tourism and hospitality supply (Barros, 2004; Claver-Cortés, Molina-Azorín and Pereira-Moliner, 2006). Tourism and hospitality, despite having a long tradition, have not (historically) been the determinants of economic growth. The “magnitude of the tourism sector” has been recovered especially in the last two decades.

After having succinctly described the context, we may analyze the main empirical findings reported in Table VI.

The scientific production (point 1) shows a regular development over the years, though with an intensification in the last two completed periods; it was published primarily in two main channels: hospitality journals (46 percent) and reviews of tourism (41 percent), with marginal values for the other categories.

The performance concept (point 2) is expressed by using the operational dimension stand alone (24 percent) or the financial and operational dimension used jointly (24 percent). Especially if compared with the American style, the use of the financial dimension alone is more limited (19 percent against 37 percent). This style reveals the highest values according to the organizational dimension (19 percent) and to the joint use of all three perspectives (11 percent).

The operational dimension is primarily measured using indices tied to volume and sales (89 percent), while the joint use of the financial and operational dimension adds information related to economic margins to the above indicators.

The independent variables (point 3) are almost always sought inside the firm (86 percent), by exploring the various business functions, with shares perfectly in line between strategy and marketing – always at 31 percent.

The papers utilizing empirical evidence taken from European countries have some recurrent features in their research design (point 4). As in the other styles, a main focus is seen on countries (76 percent), compared with an importance essentially in line with the overall average (world) of destinations (22 percent against 19 percent). However, an interest in tourism destinations is more characteristic of this style and the Asiatic one.

The data are mainly collected through questionnaires (78 percent), the highest percentage, while archival records obtain the lowest value (16 percent). The samples are prevalently medium-small (50-99, 38 percent) or small (one to 49, 24 percent), and the historical series when archival records are used (16 percent) are above all short (one to three years, 86 percent).

Reading together all the information detailed in the table, it is possible to discern some distinctive characteristics of European style. The researchers usually do not have access to secondary data that fit with the research design. For this reason, many studies make a large use of questionnaires (78 percent). Given the high complexity of making an empirical survey in a fragmented supply context, the European samples are usually small (one to 49, 24 percent) or medium-small (50-99, 38 percent). This research strategy, however, enables a more open choice of independent variables, reducing, for example, the high focus on operational dimension shown by the Asiatic style. This last dimension is measurable using secondary data related to occupancy and prices, often widely recorded in public statistics.

The independent variables are prevalently tied to marketing (31 percent) and strategy (31 percent). These values are consistent with the European context, where the tourism and hospitality sectors are characterized by strong rivalry, making market orientation and customer satisfaction prime goals for companies. The relevance of strategy is tied to the processes of growth achieved by some firms that have implemented a “chain affiliation” model. This could explain the importance of organization (22 percent), used as an independent variable.

The high variability in the chosen independent variables is also linked to the large number of countries that have been studied in the European style (14) and to the minor importance obtained by the first two countries (59 percent) compared with the other styles (Asiatic 75 percent, American 95 percent). Scientific production is addressed also to tourism journals (41 percent, the highest value). This could be related to the above-mentioned relationship

between hospitality and local destinations. In this context, the theme determinants of performance generate and lead to important implications for the determinants of destination success.

The presence of numerous research agencies together with a highly fragmented supply structure may also explain the continuity of European publications in time.

4.2. Asiatic style

This is a context characterized by high growth rates in GDP and the tourism sector (WTO, 2008). Tourism is, for many countries, is a key industry, not only for economy, but also for policy in order to acquire international visibility and create strong ties with western countries (Hwang and Chang, 2003).

Tourism is a relatively new industry (at least in its current size) and much work remains to be done to increase the qualitative standards and the models of growth. Often there is a clear segmentation in the hospitality sector, according to whether the target is international or domestic (Pan, 2005; Hsieh and Lin, 2009).

The tourism sector is more related to business destinations (Chiang *et al.*, 2004; Chung and Law, 2003), while the sector is populated by local companies together with international companies that are positioned in these emergent markets (Chu and Choi, 2000; Jogaratnam and Tse, 2006; Huang *et al.*, 2007). For these reasons, despite the high growth rates, many articles describe an intensive rivalry, generating high pressure in order to increase efficiency and productivity (Ooncharoen and Ussahawanitchakit, 2008; Tseng *et al.*, 2008).

A first important factor is the relative “youth” of this style: 94 percent of the articles have their publication date after 2002 (point 1). The number of published papers in hospitality management journals is the smallest percentage (44 percent). Numerous publications are found in journals related to services (19 percent), management and economy (16 percent) and tourism (16 percent). These last percentages could suggest a greater “status” attributed to the hospitality and tourism sectors compared to the other two styles.

Performances (point 2) are analyzed by making considerable use of the operational dimension (63 percent), a value which is unequalled in the other two styles (world average 42 percent). However, the table shows a lower importance of indices related to volume, price and sales (40 percent, world average 60 percent).

However the indices used to operationalize this dimension show a low importance of volume, price and sales (40 percent, world average 60 percent) and a significant role played by efficiency and productivity indicators (30 percent, world average 19 percent). This style rarely uses the financial dimension (9 percent, world average 20 percent), the organizational dimension stand alone (3 percent) or jointly with the operational and financial ones (0 percent).

The independent variables (point 3) are mainly sought inside firms (84 percent), as in the other two styles. The choice of independent variables shows a significant importance of the production function (33 percent, world average 20 percent) and relative marginality of strategy (19 percent, Europe 31 percent, America 44 percent) and organization ((11 percent, Europe 22 percent, America 25 percent). Finally, papers that used independent variables taken from IT, ICT account for 19 percent, but only for 3 percent in European and 6 percent in American styles.

From the point of view of research design (point 4), the main subject of enquiry is again the country (69 percent), whereas destination has the highest percentage (28 percent), generally represented by a city. The research activity shows a strong regional concentration: the first two countries account for 75 percent of the sample; furthermore the total number of researched countries is only six.

The data structure suggests an intermediate positioning compared with the other two styles, with high values of questionnaires (50 percent), even if lower than the European style (78 percent), and archival records (44 percent). The samples are prevalently medium-small (62

percent) and 34 percent of the papers use fewer than 49 observations, the highest percentage.

In the case of archival records, the historical series are both short (one to three years, 56 percent), and medium-term (four to six years, 31 percent).

The small sample size is often related to the exclusion of domestic structures linked to the difficulty in accessing information and, often, to their mismanagement (Hwang and Chang, 2003). For this reason, the samples are therefore often composed of a very small number of firms and in many cases scientific production does not address hospitality journals (56 percent).

In this context, one might however expect the collected data to be strongly based on questionnaires, in line with the European tradition. On the contrary, the papers using Asiatic evidence make considerable use of archival records (44 percent), a higher value if compared with Europe (16 percent), and not much lower than the American style (68 percent). This fact is partly linked to the decision to study international companies above all and to the specificity of context:

The international tourist hotels commonly have larger spaces and offer more deluxe services than regular tourist hotels. Besides rooms, the international tourist hotels also provide food, beverages, swimming pools, banqueting rooms, conference rooms, health clubs, gift shops and various recreational facilities (Pan, 2005, p. 846).

The greater complexity of management together with a sufficiently homogeneous size and service profile tends to favor the exchange of data and information between hotels, in line with the benchmarking services usually present in the main American and European destinations. The result is a relatively greater facility of data access by researchers. Thus, for example, Yeung and Lau (2005, p. 619) emphasize that:

[. . .] five publicly listed hotel holding firms with a total of 12 operations in Hong Kong were selected. This is because listed firms have public information.

A second reason may account for the increased use of archival records. In many Asiatic countries, studies generally made by agencies for local development have been carried out, taking international companies as their target. Chung (2000, p. 141) refers to the data gathered from the Korea Tourism Association; Chiang *et al.* (2004, p. 712) take their data from the Annual Operation Report of the ITHs.

4.3. American style

The North American context presents some traits similar to the European one: the tourism industry shows less growth (WTO, 2008); this sector has a long tradition (Baum and Haveman, 1997), high capillarity (Ingram and Baum, 1997b) and attracts tourists with a higher spending capacity (WTO, 2008). As in the European style, the economic development of American countries has not been tied to the tourism sector, but rather to manufacture and commercial industries.

Some distinctive features of the American model are surely linked to the size of hospitality firms, that usually present the traits of large firms (Ingram and Baum, 1997a; Lee and Jang, 2007). The chain affiliation model and more generally the use of organizational innovation have sprung up and become successful in this context (Ingram, 1996; Chung and Kalnins, 2001).

The large dimensions of hospitality firms have supported the development of a corporate strategy implemented at national or international level (Lee and Park, 2009; Kang *et al.*, 2009). Many firms have internationalized, with an increasing attention to Asiatic countries.

The number of published papers describing this style is relatively small (19). Therefore, particular attention is necessary in interpreting percentage values and in generalizing conclusions emerging from Table VI.

The American style has developed the performance issue with continuity using the temporal segmentation reported at point 1, describing a structure comparable with European one. The number of published papers in hospitality management journals is the highest percentage (79 percent). The debate in tourism reviews has been marginal (11 percent).

The dependent variables (point 2) are mainly of a financial nature (37 percent, the highest percentage) and the indices are above all represented by financial ratios (57 percent) – in this case the value is again the highest.

The second dimension explored is the operational one (37 percent), with a value perfectly in line with the financial dimension. The indices are prevalently represented by occupancy, price and sales (71 percent). The joint use of operational and financial variables presents a small value (16 percent), especially if compared with European (24 percent) and Asiatic (25 percent) styles. The use of the organizational dimension (jointly or stand alone) is marginal (11 percent).

Independent variables (point 3) are mainly researched inside the firm (84 percent), however the use of external determinants obtains the highest value (16 percent).

The firm-level determinants are prevalently operationalized in the field of strategy (44 percent) or organization (25 percent). These percentages appear consistent with the size of American firms.

Research design (point 4) shows a decided orientation for studies carried out at country-level (100 percent). The research approaches favor archival records (68 percent, the highest value), above all using large-size samples (42 percent), while questionnaires are less frequently used (32 percent, the lowest percentage). The historical series appear to be polarized: 38 percent of the studies use data with a time spread of over ten years, while 42 percent use historical series with a one to three year span (86 percent for European style). Researchers tend to focus more on the USA and this explains why the first two countries account for 95 percent of the sample.

A distinctive feature in American style is therefore the close link between research design, independent variables and performance dimensions.

The research design favors the use of quantitative data, referring to broad samples and short or very long historical series. The use of broad samples is definitely favoured by the geographic size of the North American states, especially in the USA, the presence of many hotel chains and destinations with large concentrations of reception – one may think of the 614 cases utilized by Baum and Haveman (1997) on Manhattan, or the several thousand structures examined by Ingram and Inman (1996) in the study devoted to Niagara Falls. More recent publications in any case show the use of archival records on decidedly shorter time spans (Chathoth and Olsen, 2007; Lee and Jang, 2007; Namasivayam *et al.*, 2007).

Furthermore, the presence of many affiliated firms has made possible a higher standardization of performance measurement systems and the development of public databases with operative and financial data. This could explain the lesser use of questionnaires, on the one hand, and the large utilization of archival records, large samples and long historical series, the great use of dependent variables measured by financial ratios or occupancy and price, on the other hand.

5. Conclusions

The conclusions are spread over two levels: a first part shows the strong influence which the source of evidence brings to bear on research design and hence on the factors characterizing the choice of dependent and independent variables. A second part describes some evolutionary lines in the research which might reveal new perspectives in the studies of performance determinants.

Regarding the first aspect (research design), “the adequacy of a theory for sociology cannot be divorced from the process by which it is generated. Thus one canon for judging the usefulness of a theory is how it was generated” (Glaser and Strauss, 1967, p. 5).

The bibliographical work behind the present article highlights the different research processes utilized by researchers according to the source of the empirical evidence gathered.

The characteristics taken on by the tourism industries are particularly those which determine research design in terms of sample numbers, methodologies of data gathering, and type of evidence used. The research design is then reflected in the type of dependent variable used and in particular:

- in the dimensions utilized to assess business success; and
- in the particular indices employed to measure them.

The prevalent type of business (individual or chain, large or small, high or low quality level) and the context conditions (emerging or structured economy, importance of the tourism industries, presence of leisure or business flows), on the other hand, influence the independent variables chosen to identify the performance determinants.

In this way, the American model with its widespread chains favors broad samples, and has numerous public sources of a quantitative nature guiding researchers above all towards financial and operational success dimensions (used stand alone) with mainly quantitative indices (above all occupancy and financial ratios).

Given its traditional fragmentation and the importance of destinations and individual firms, the European model makes greater use of medium-small samples, data gathered through questionnaires, favoring performance measurements along the (stand alone and joint) operational and financial dimension, with a strong focus on the variables taken from inside firms and linked to the main business functions.

The Asiatic model is strongly influenced by the recent development of the tourism industry, generally centered on destinations which tend to identify with the main cities. The business components are often considerable. A few hotels, those with the highest quality standards, generally described as “international tourist hotels”, have a high complexity and management techniques comparable with those of an American and European stamp. These are the structures which tend to attract the interest of researchers. The result is a structural downsizing of samples.

Regarding the second aspect (new research guidelines), the theme of performance determinants is certainly important for any type of business. However, from a strictly scientific point of view, a crucial question is whether the conclusions the single papers reach have a valence limited to the sample in question or whether the findings may be the subject of generalization. Until now, research has been moving above all at country level (75 percent) or more rarely that of destination (19 percent), insisting primarily on the importance of internal variables (87 percent).

Two directions for development are suggested, in particular:

1. to identify key success factors for the different local contexts;
2. to favor a deeper understanding of the effects generated by external factors on firm results.

Concerning the first aspect, the three research styles highlight the profound diversity of the American, European and Asiatic contexts and, within them, researchers tend to then identify numerous causes which make the single domestic contexts different. An interesting research agenda could be the identification of different business models that are able to achieve a “fit” between firm and its context. Some initial reflections have been developed describing single styles, for example the increasing attention to efficiency and IT-ICT in the

Asiatic environment, the relevance of organization and strategy for American studies, or strategy, marketing and organization in the European context.

Lastly, a second approach suggests the utility of seeking performance determinants not only inside the firm (89 percent), but also outside (jointly or stand alone). Attempts made in this direction are not lacking, but there is still much work to be done.

Some conclusions, furthermore, appear to be relevant, for example the effect generated by: monetary policies (Chen M.H., 2007), macroeconomic variables (Barros and Naka, 1994; Davis, 1999; Chen *et al.*, 2005; Tang and Jang, 2009), shocks (Enz and Canina, 2002; Chen *et al.*, 2007), public government acts (Qu *et al.*, 2005). A prominent research path demands more understanding of the role played by the local context (destination) in firm performances.

6. Limitations

Two potential limitations of this study should be noted. First, the literature review has been analyzed primarily using two keywords (hotel and performance) in three important databases. This research strategy was not able to identify relevant articles, which affected comprehensiveness and integration of the analysis and the value of the findings.

Second, this paper includes only papers that develop a quantitative approach in order to explore some relationships between independent and dependent variables. This choice has involved the exclusion of qualitative papers.

Finally, each paper has been analyzed by coding some information about independent, dependent variables and research design. Regarding the findings, also for reasons of space, the author has not coded either the sign of relationship between independent and dependent variables (positive or negative), or the score of this link. This bias has not made it possible to apply statistical procedure in the analysis of findings. However, the goal of the present study is not to make a meta-analysis of the literature regarding performance, but rather to map research streams and to discern state of the art. This limitation could be the topic for further investigation in later studies.

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Corresponding author

Ruggero Sainaghi can be contacted at: Ruggero.sainaghi@iulm.it

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