

Research on Factors Affecting the Business Performance of Tourism Factories

Yi-Chan Chung, Yu-Wei Po, Yao-Wen Hsu

Department of Industrial Engineering and Management, Minghsin University of Science and Technology, Taiwan.

**Corresponding Author: Yao-Wen Hsu*

ABSTRACT: *As the income of Taiwanese people has increased, consumers have paid more and more attention to tourism activities. Tourism factories have become a new highlight in attracting domestic and foreign tourists for leisure and entertainment. Due to the increasing public demand for the service quality of tourist factories, to improve the competitive advantages of tourist factories, it is particularly important to improve the service quality and operating performance of tourist factories. This study used a questionnaire survey to obtain 38 valid questionnaires between August 2024 and September 2024. Through statistical methods, it explored the relationship between tourism factory Organizational culture, market orientation, organizational agility, and business performance. The research results show that higher market orientation and organizational agility significantly impact business performance. The company's development of rational culture, hierarchical culture, consensus culture, and development culture will help improve the operating performance of tourism factories. Therefore, tourism factories can improve market orientation and organizational agility. Promote rational, hierarchical, consensus, and development cultures to improve business performance.*

KEYWORDS- *tourist factory, organizational culture, business performance*

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I INTRODUCTION

The tourism factory has become an emerging tourist attraction, attracting domestic and foreign tourism groups. Establishing the tourism factory has given a glimmer of hope to the traditional industry and has successfully promoted tourism in Taiwan. However, due to the improvement of the public's requirements for the service quality of the tourism factory, the situation in the face of Faced with the increasing competition among tourist factories, many questions have arisen about how tourist factories can choose appropriate organizational culture, market orientation, and organizational agility to incorporate them into tourist factory operations, thereby providing customers with better product and service quality and improving business performance—the key points of the tourism factory business strategy. In order to explore the factors that affect the business performance of tourism factories, this study explores the impact of organizational culture, market orientation, and organizational agility on operating performance to improve the operating performance of tourism factories effectively. The purpose of this study is divided into the following four items: (1) To explore the impact of organizational culture on business performance. (2) explore the impact of market orientation on business performance. (3) explore the impact of organizational agility on business performance. The results obtained from the research provide suggestions for tourism workers to improve their business performance.

II LITERATURE REVIEW

2.1 Organizational culture and business performance

Cristiano and Wazlawick (2008) pointed out that organizational culture is the values, beliefs, and norms upheld and shared by organizational members. The competing value structure proposed by Quinn (1988) includes four cultural types: rational, hierarchical, consensus, and developmental. Since the types of organizational culture proposed by Quinn (1988) align with the needs of leadership behavior in high-tech industries, this study uses the four types proposed by Quinn (1988) as the classification of organizational culture. Naranjo-Valencia (2016) pointed out that different organizational cultures affect the company's performance differently. O'Reilly et al. (2014) believe organizational culture is essential to business performance. This study proposes hypothesis H1: Different organizational cultures impact business performance significantly differently.

2.2 Market orientation and business performance

Narver and Slater (1990) divided market orientation into three aspects, including (1) customer orientation, fully understanding the needs of customers in the target market; (2) competitor orientation, analyzing current and potential competitors; (3) Cross-department coordination: integrate company resources to create value for customers. Narver & Slater (1990) prefer to view market orientation from the cultural level. Hurley and Hult (1998) believe that although market orientation can be discussed at many different levels of an organization, the cultural level is the most meaningful. This study is based on Narver and Slater (1990), who classified market orientation into three dimensions. Adawiah et al. (2020) believe that market orientation strives to make products and services meet customer needs and positively impact business performance. After discussing the literature, the research hypothesis H2 is put forward: the higher the degree of market orientation, the more significant the impact on business performance.

2.3 Organizational agility and business performance

Overby et al. (2006) divided organizational agility into two aspects: sensing capability and response capability. Pavlou & El Sawy (2011) pointed out that sensing capability is the ability of enterprises to identify, interpret, and pursue in the environment. The ability to respond to opportunities represents the ability of an enterprise to reconfigure and integrate its resources, technology, knowledge, and information when faced with environmental changes and demands. This study uses the two dimensions of organizational agility proposed by Overby et al. (2006) to measure organizational agility activities. Abdel-Qader (2021) believes that agility positively impacts business performance. Alhadid (2016) believes there is a correlation between organizational agility and organizational performance, and the higher the degree of organizational agility, the more positive the impact on business performance will be. Through discussion of the literature, it is proposed that H3: The higher the degree of agility, the more significantly it will impact business performance.

2.4 Business performance

Kirca et al. (2005) used four indicators, including overall business performance, profitability, sales, and market share, to measure performance. Pelham (2000) measures business performance based on effectiveness, growth, share, and profitability. Croteau and Bergeron (2001) measure performance through profitability and sales growth. Slater and Narver (2000) use return on investment as an indicator to measure performance. Farrell (2000) pointed out that operating performance is the relative performance of its customer retention rate, new product success rate, sales growth rate, return on investment, and overall performance compared with other peers. Based on the discussion of relevant literature and consideration of the operating characteristics of tourism factories, this study is based on the achievement rate of operating goals, satisfaction with service quality, growth rate of revenue, and re-tourism of old customers. ratio, improvement of service operation efficiency, growth rate of tourist numbers, and competitiveness of tourist factories as indicators for measuring operational performance.

III RESEARCH METHOD

This study will discuss based on the literature and deduce the research hypotheses as follows:

H1: Different organizational cultures have significantly different impacts on business performance.

H2: The higher the degree of market orientation, it will have a significant positive impact on business performance.

H3: The higher the degree of organizational agility, it will have a significant positive impact on business performance.

3.1 Questionnaire collection and data analysis

The first part of this research questionnaire is the size of the enterprise. The second to five parts are measured on a Likert five-point scale. The second part, organizational culture, mainly includes four aspects: (1) rational culture, (2) consensus culture, and (3) developmental culture. The third part is the degree of market orientation, including (1) customer orientation, (2) competitor orientation, and (3) cross-department coordination. Part 4: Organizational agility, mainly including (1) perception ability; (2) response-ability; Part 5: Business performance, including the achievement rate of operating goals, service quality satisfaction, and revenue growth rate. Seven indicators include the rate of return of old customers, improvement of service operation efficiency, growth rate of tourist numbers, and competitiveness of tourist factories. This study takes 147 tourist factories in Taiwan as the research object and collects relevant information by mailing questionnaires. The people who answer the questionnaires are the supervisors or store managers responsible for the operation activities of the tourist factories. This study obtained 38 valid questionnaires through a questionnaire survey between August 2024 and September 2024.

3.2 Variable measurement

The measured variables include organizational culture, market orientation, organizational agility, business performance, and factory size. The measurement methods of the variables are described below.

3.2.1 Measurement of organizational culture

The content of the scale design refers to the organizational culture measurement indicators proposed by Quinn (1988), Al-Khalifa & Aspinwall (2001), and others and is modified according to the characteristics of the high-tech industry. In this research questionnaire, Organizational culture is divided into four types, namely:

1. Rational culture: Contents include: (a) The company focuses on work performance and task achievement; (b) Leaders play a guiding role in encouraging employees to achieve the company's goals; (c) The company's cohesive strength comes from based on work performance and task achievement; (d) the company's organizational climate is one of competition and emphasis on achievement; (e) the company's method of rewarding employees will be based on work goals or performance achievement.
2. Hierarchy culture: Contents include: (a) The company has clear rules and systems; (b) The company is an organization with clear class divisions, and there are detailed regulations on what everyone should do; (c) The company emphasizes stability and acts prudently; (d) the company formulates many management methods to regulate employees; (e) the company pays attention to authority and is power-oriented in dealing with things.
3. Consensus culture: Contents include: (a) The company is an organization that values humanity and emphasizes employee autonomy; (b) The company provides employees with a stable working environment and a sense of security; (c) The company's employees trust each other and interact well; (d) the company will use various methods to encourage and reward employees; (e) the company will treat every employee equally.
4. Developmental culture: Contents include: (a) The company's employees are willing to take risks and meet challenges; (b) The company encourages employees to pursue innovation and accept new ideas; (c) The company often encourages employees to think and provide new ideas or solutions; (d) The company values growth and acquisition of new resources, and is always ready to respond to new challenges; (e) The company will actively collect work-related information.

The scoring method adopts a 5-point Likert scale. If you strongly agree, you will be given 5 points; if you agree, you will be given 4 points; if you have no opinion, you will be given 3 points; if you disagree, you will be given 2 points; if you strongly disagree, you will be given 1 point.

3.2.2 Measurement of market orientation

Based on the discussion of relevant literature and taking into account the business types of high-tech manufacturers, the research that needs to be implemented to summarize the market orientation includes:

1. Customer-oriented aspect: content includes (a) will systematically measure customer satisfaction; (b) will take customer satisfaction as the primary goal; (c) will provide perfect services; (d) will keep its promises to customers ;(e) Will collect relevant information to understand customer needs.
2. Competitor-oriented aspect: Content includes (a) supervisors will regularly discuss the strengths and weaknesses of competitors; (b) will use various channels to collect competitor-related information for reference to each unit; (c) will focus on competition respond quickly to the activities of investors; (d) continue to look for markets that can bring competitive advantages to the company.
3. Cross-department coordination aspect: Contents include (a) each unit will exchange customer-related information and intelligence with each other; (b) all units will be integrated according to the overall strategy; (c) each unit will be able to share resources; (d) Each unit plays an integral role in providing customer value.

The scoring method adopts a 5-point Likert scale, with 5 points for strongly agreeing, 4 points for agreeing, 3 points for having no opinion, 2 points for disagreeing, and 1 point for strongly disagreeing.

3.2.3 Organizational agility

This study refers to the definition of agility by Overby et al. (2006) and Pavlou and El Sawy (2011) in assessing the agility of enterprises. It also refers to the questionnaire questions by Hsu (2012) and Chang(2020). The activities required for organizational agility are divided into:

1. Perception capability aspect: Content includes (a) the company can efficiently collect customer information; (b) the company can efficiently collect competitor information; (c) compared with competitors, the company can learn from above, obtain more information from downstream manufacturers; (d) the company will pay attention to issues of concern to competitors.
2. Responsiveness aspect: Content includes: (a) The company can respond efficiently to customer expectations; (b) The company can respond more effectively to the actions of competitors; (c) The company can respond efficiently Make full use of the resources and capabilities of strategic partners to enhance products and services.

The scoring method adopts a 5-point Likert scale. If you check the box, you will be given 5 points if you strongly agree, 4 points if you agree, 3 points if you are average, 2 points if you disagree, and 1 point if you strongly

disagree.

3.2.4 Measurement of Business Performance

Based on the discussion of relevant literature and considering the operating characteristics of tourism factories, this study measures business performance using the achievement rate of operating goals, service quality satisfaction, revenue growth rate, the rate of old customers visiting again, the improvement of service operation efficiency, and the growth of the number of tourists. Seven indicators, including the efficiency and competitiveness of tourist factories, are used to measure operational performance.

The scoring method adopts a 5-point Likert scale. If you check the box, you will be given 5 points if you strongly agree, 4 points if you agree, 3 points if you are average, 2 points if you disagree, and 1 point if you strongly disagree.

3.2.5 Measurement of the scale of tourism factories

This study divides the scale of tourism factories into two categories based on the amount of capital and number of employees: large-scale tourism factories, which have more than 200 employees; medium-scale tourism factories, which have more than 20 employees and less than 200 employees; and small-scale tourism factories, which have more than 200 employees and less than 200 employees. Tourism factory: The number of employees is less than 20, and the size of the enterprise is measured based on the nominal scale.

IV. RESEARCH RESULTS

4.1 Narrative statistics

38 valid questionnaires were collected, of which three tourist factories have more than 200 employees, 20 have 20-199 employees, and 15 have less than 20 employees, as shown in Table 1.

Table 1 Distribution of employee numbers in tourist factories

Number of employees	Frequency
More than 200 people	3
20 people ~ 199 people	20
Less than 20 people	15
Sum	38

4.2 Reliability analysis

This study conducted a reliability analysis on five measurement aspects of tourism factory organizational culture: market orientation, information technology investment, organizational agility, and business performance. The reliability analysis showed that Cronbach's α of all aspects was higher than 0.7. The results show that each aspect factor has a degree of consistency. The results of the reliability analysis are summarized in Table 2.

TABLE 2 RELIABILITY ANALYSIS

Questionnaire aspects	Cronbach's α	
Organizational culture	Rational	0.825
	Hierarchical	0.792
	Group	0.817
	Developmental	0.810
Market orientation	Customer-oriented	0.823
	Competitor-oriented	0.834
	Cross-department coordination	0.837
Organizational agility	Perception capability	0.841
	Responsiveness aspect	0.851
Business performance	0.865	

4.3 The correlation between organizational culture and business performance

This study divides the degree of organizational culture (rational, hierarchical, consensus, and development) into two groups (high and low execution levels). It examines whether there are differences between the two groups based on the average scores of their respective operational performance. Significant difference. Table 3 shows the ANOVA (Analysis of Variance) test of organizational culture on business performance. The research results reject H1: Different organizational cultures significantly impact the execution of business performance. The degree of implementation of the four organizational cultures will affect business performance.

TABLE 3 ANOVA OF ORGANIZATIONAL CULTURE AND BUSINESS PERFORMANCE

		Rational	Hierarchical	Group	Developmental
Business performance.	Low [#]	3.278	3.371	3.250	3.032
	High [#]	3.864	4.000	3.831	3.759
	F-value	7.098	7.414	6.761	8.085
	P-value	0.011*	0.010*	0.013*	0.007*

Note : Low[#] : the average score lower than 3.50 ;
 High[#] : the average score above 3.50 ; * p < 0.05.

4.4 The relationship between market orientation and business performance

This study divides the degree of market orientation type into two groups (high and low implementation levels), and examines whether there are significant differences between the two groups based on the average scores of their respective operational performance (see Table 4). Table 4 shows the ANOVA (Analysis of Variance) test of market orientation on business performance. The findings accept H2.

TABLE 4 ANOVA OF MARKET ORIENTATION ON BUSINESS PERFORMANCE

		Customer-oriented	Competitor-oriented	Cross-department coordination
Business performance.	Low [#]	3.181	3.342	3.248
	High [#]	3.851	3.962	3.925
	F-value	9.337	7.718	10.145
	P-value	0.004*	0.009*	0.003*

Note : Low[#] : the average score lower than 4 ;
 High[#] : the average score above 4 ; * p < 0.05.

4.5 The correlation between organizational agility and business performance

This study divided information technology investment into two groups (high and low implementation levels) and examined whether significant differences exist based on the average scores of the two groups' respective business performance (see Table 5). The research results accept H3.

TABLE 5 ANOVA OF ORGANIZATIONAL AGILITY ON BUSINESS PERFORMANCE

		Perception capability	Responsiveness
Business performance	Low [#]	3.362	3.057
	High [#]	4.214	3.932
	F-value	13.338	19.943
	P-value	0.001*	<0.001*

Note : Low[#] : the average score lower than 4 ;
 High[#] : the average score above 4 ; * p < 0.05.

V. CONCLUSION

In empirical studies, few have explored the impact of organizational culture, market orientation, and organizational agility on business performance. This study takes Taiwan's tourism factories as the research object to explore the correlation between organizational culture, market orientation, organizational agility, and business performance of tourism factories. This study found that higher market orientation and organizational agility significantly positively impact business performance, and organizational culture (rational, hierarchical, consensus, and development) contributes to the business performance of tourism factories. promote. Therefore, tourism factories can improve business performance by improving market orientation, organizational agility, and organizational culture (rational, hierarchical, group, and developmental culture).

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