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Destination management organizations and destination marketing: adopting the business model of e-portals in engaging travel agents

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ABSTRACT

Destination management organizations (DMOs) have an important role in engaging stakeholders in collaboration. Collaborating with stakeholders is useful for both stakeholders and destinations. However, it takes time and needs rigorous coordination to avoid conflicts with stakeholders. This study measures travel agencies’ attitudes towards engaging in online collaboration with DMOs for marketing purposes. It incorporates collaboration and technology acceptance models to predict the attitudes and intentions of travel agents using structural equation modeling. Data were collected from travel agents in Cairo, Egypt, using the random sample technique. This study will be useful for travel and tourism stakeholders and governmental marketing bodies.

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Destination management organizations; stakeholders; Egyptian tourism authority; collaborative marketing; travel agents

Introduction

Destination management organizations (DMOs) have an important role in uniting destination stakeholders by serving as intermediaries between their different interests (Slocum & Everett, 2014). Considering the marketing role of DMOs, they collaborate with stakeholders to improve destination competitiveness (Chung & Petrick, 2013). Therefore, the engagement of stakeholders in DMOs is vital to supporting their functions, and for a successful branding strategy of the destination (Sartori, Mottironi, & Corigliano, 2012). In addition, collaboration with stakeholders could be a source of funding for DMOs (Bornhorst, Ritchie, & Sheehan, 2010).

Despite the importance of stakeholders’ engagement with DMOs, this process takes a long time to establish a stable network. According to Pike (2008) it took 50 years to involve the private sector in the first national tourism organization established in 1901 by the government of New Zealand. This would be true within the context of developing countries too. Unlike most DMOs in developed countries, DMOs in developing countries are owned and operated by the government, and the engagement of stakeholders is minimal if any. Furthermore, DMOs lack the incentives for partnering with stakeholders and therefore they need creative ideas to be involved (Gretzel, Fesenmaier, Formica, & O'Leary, 2006). In addition, although most DMOs have developed interactive websites, they tackle the challenge of developing cooperation in a way that is meaningful for electronic commerce purposes.

One successful business model that succeeded in engaging stakeholders, and markets their activities globally is e-portals of online travel agencies (OTAs). DMOs could learn from OTAs to provide better marketing and competitive benefits to their partners. The fact that DMOs in most developing countries are governmental and lack the incentives to engage stakeholders, this study aims to measure the attitudes and intentions of travel agents to engage in a partnership/network with the Egyptian Tourism Authority (ETA) for a better marketing efficiency of the Egyptian tourist destination. Enabling this partnership, ETA and local travel agents win. This partnership/collaboration will be established online through a collaborative online website that includes travel, tourism, and hospitality suppliers and attractions at the destination. Currently, ETA is a governmental body, owned and operated by the Egyptian government, and mainly focuses on promoting tourist attractions of the destination.

The main purpose of this study is to empirically measure travel agent managers’ attitudes towards online collaboration for marketing purposes. This study is exploratory in nature, however, it adds to the extant knowledge of stakeholders’ engagement in DMO networks where the literature has not yet focused on stakeholder engagement (Al Alawi, 2015) and mostly focused on the DMOs’ roles and tasks, funding and