

Balanced Performance Evaluation in the Light of the Digital Hotels Era

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Abstract

All-Inclusive (AI) package becomes one of the hotel options beside the expansion of Revenue Management (RM). AI hotels have developed the experience level to Ultra inclusive, Super-inclusive, and Unlimited Luxury. In a main purpose, this paper states evident competitive Revenue Management Structures (RMS) for (AI) hotels using the Balanced Scorecards (BSC) measures. Exclusively, BSC, unlike traditional metrics, introduces a holistic picture of hotels' financial health with regard to efficiency coupled with accounting metrics. It is basically a benchmarking evaluation designed to analysis more than their top-line revenue. Findings indicated an increase in (AI) focus increases a hotel's chance of drainage with absolute control by tour operator, nevertheless does not change a hotel's chance of enhancing performance by using selective (RMS). This general preface means that (AI) hotels need to select organisational structures to raise that chances to greater performance levels, otherwise they will get worse in other performance levels.

Keywords: All-inclusive hotels; BSC: Financial performance; learning and growth performance; Customer performance; Internal performance.

1.1. Introduction

Supply of All-Inclusive (AI) promotions with setting such competitive price equal to zero are mysterious calculation to be fully vetted since the consumption value 'as lower than its marginal cost ' (Bladh & Holm, 2013). Also there are determinants that affect the resort policy such as; the resort age, ownership, location, country destination, and management to offer such promotions. Bladh and Holm (2013) tried to explain the mystery that makes some hotels offer (AI) packages with such transaction low cost. They found that (AI) contracts mitigate various problems starting from a hotel's distance to town centre, to cultural and logistical country mechanisms such as corruption and low price level. D'Amico (2015) confirms that the quality standards of modern (AI) resorts services increased the add-on purchase options for tourists to compensate low room price. Moreover, customers are responding now more to the hotels' attempts to generate incremental sales, while hotels can leverage add-on values for guests demand through offering truly customised services and high-end products for more enjoyable experience.

Selection of (AI) holiday for both buyers and sellers, real or potential, agree on a set of travelling packages for an upfront payment. The providers of these services pledge to manage the travellers' holiday into a one product that is offered to the consumer at a fixed price (Archer & Syrratt, 2012). On one hand, tour operators assemble the package components from product owners, market and sell it directly or through travel agents to tourists who pay upfront in a one transaction. They provide quality assurance in a brand context, drive down cost, and guarantee service delivery with direct or indirect control (Cavlek, 2006); Wang et al., 2007). In addition to take responsibility of total performance, tour operators steer ultimately holidays throughout the year to match demand and supply, providing a convenient psychological and financial security to individuals (Middleton, 2009). On the other hand, hoteliers in order to gain solid competitive structures may use effectively Revenue Management (RM) to increase profitability, while, customer's purchasing behaviour differ according to type of booking. Li (2015) pointed out that (RM) is becoming recently a significant competition strategy to hotels.

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Due to this relation, various (AI) hotel categories offer various accommodation facilities, and apply effective revenue pricing and non-pricing structures. In this sense, AI hotels performance have to be established on more appropriate attitudes suited to the different everyday operating life situations and more suited behaviours to the tourists' culture. This research analyses the (AI) packages as applied in Turkey in the light of the digital (RM) era through segmentation, demand forecasting, pricing, distribution and encounter selling.

1.2. All-inclusive system.

The aim of this study is to investigate the dynamic structures of (AI) hotels, in a context where financial metrics often are observed as the only key to success, how non-financial measurement can give additional raise to new hotel business models to be competitive and sustainable dynamics. Such study is particularly important, since a wider adequate and comprehensive measurement techniques often has led to innovation in service industries to be underestimated and, hence, little examined. In order to do so, the Balanced Scorecards (BSC) in Turkish (AI) hotels industry was considered. The rationale for this tool selection is that while (AI) model has played an important role in the evolution of hotel sector, implementing Revenue Management Structures (RMS) has mostly benefited this sector, as a whole, and not a particular set of (AI) hotels, as it is the often case for other systems. Consequently, measuring the competitive advantage of (AI) hotels is less likely to arise from financial metrics than non-financial measurement, or both. Similarly to low-cost airline companies in 1985, American Airlines which was offering ultimate super saver fares to passengers competing with up to 70 % discounts had only optimised to stem the losses (Cross et al., 2011).

Hotel with fully capacity does not mean necessarily that a worth net revenue achieved. Indeed, promoting (AI) package with marginal cost threat the sustainability of hotels when there is operational mistakes that may lead to ground complains (Ivanov, 2014), board customers' activities are monopolised by outbound tour operator (Du et al., 2016), or ultra use of hotel assets as stated in figure (1). The leakage is a passive advantage of (AI) system toward the destination which can be minimised by linkage, while the regulations may commit hotel resources drainage through lessen hotel add-on or selling additional services that improve hotel average daily rate (ADR). AI hotels may manage their operations through cross-selling when the value is shared with other parties, or owned by hotel through up-selling service levels achieving uncounted revenue with fewer variable cost. (see figure 1.)

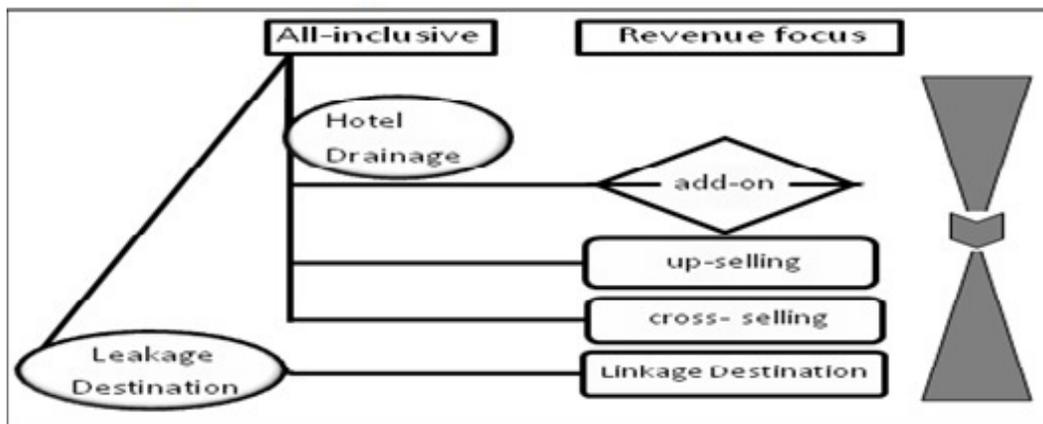


Figure 1. graphical abstract -All-inclusive leakage vs. revenue management focus.

2. State-of-Art

In the hotel business, Marriott chain was the pioneer practitioner who achieved a gigantic performance through the insert of (RM) technology to its business in 1991 (Li, 2015) Then the airline experience had rapidly entered the markets in the wide industries range, and received some appropriate modifications to the specific characteristics of each business with emerging new themes (Wang et al, 2015).

By then, RM has been recognised as a competitive potential next generation capability, called DINAMO "Dynamic Inventory Optimisation and Maintenance Optimiser " (Cross et al., 2011). These processes create correlation between the type of selected holiday and the board interaction customers' behaviour.

In this context, hoteliers need to understand customers' responses to their actions to identify their most effective up-selling and cross selling activities. This assumption is based upon the fact that hotel resorts vary above and beyond the expectations, some provide international or local gourmet cuisine, specialty beverages, a wide range of activities and service centres. AI resorts and destinations are not all the same, travellers may overlook of hotel descriptions or (AI) getaways. Upgrading the (AI) vacation holiday still an option when considering the cost differential to experience real unlimited luxury services or the endless privileges resort fun. Further, this study investigates in the performance dimensions (financial, learning & growth, customer, and internal performance level) that make the AI as a competitive structure in the hotels sector.

2.1. RM structures in Hotels

RM is a wide concept start from pre-encounter promotional strategy to encounter tactics including pricing and non-pricing tools (Ivanov & Zhechev, 2012; Ivanov, 2014; Kimes, 2016). Hotels' offers take full advantage to maximise revenues of property from strong competitive low room price and surplus capacity (Ortega & Ortega, 2016), room attributes (Sun, 2015), price discrimination (Singh et al., 2015), determination of guests' willingness to pay (Masiero et al., 2015), rate parity (Haynes & Egan, 2015). Moreover, other strategies as lowest price guarantee (Carvell & Quan, 2008), early bird/last minute offers (Chen & Schwartz, 2013; Schwartz, 2008), overbookings (Hwang & Wen, 2009; Ivanov, 2015), channel management (Law et al., 2015), in addition to cross-selling and up-selling to considerably improve the overall margin and add a value customer experience (Lau, 2015). These implementations contribute optimistically to the financial performance of a hotel variously to objectives of property. Expansion of (RMS) in hospitality industry contribute to greater pricing transparency, and proliferation of rates, on the other hand, an increasing of rate frequency and optimized match between offered prices and customers' willingness to pay (Baker, 2016). Consumers also are responding now in higher level of search to secure better-quality deals, and lower pricing fairness (Gazzoli et al., 2008). Thus, RM is practical tools for industries featuring by low fares and facing a competitive threat to the establishment. AI hotels may develop strategies to match low room rates on a very selective basis of segment or encounter selling activities, while preserving as much as possible of its full-capacity business.

Based on these fundamentals, a number of theories has been developed on customer preferences and purchasing decision when (AI) is offered. The most common of these theories are grounded on the economic assumptions. Some of these theories include Prospect theory (Kahneman & Tversky, 1979), Hold-up and Contractual theory, Mental Accounting theory (Thaler, 1985), classical Trade-off theory (Kraus & Litzenberger, 1973). When a prospective customer trade-off in a given time, there is a potential to trade-up or down for a number of products he/she is interested in or not (Silverstein et al., 2008). In a more recent study, Adlung and Mamdouh (2013) conceptualised this concept in service sector, a context of bottom-up or positive-list in scheduling approach where an organisation undertakes trade commitments and selected individually by customers. Relevant given example, a tourist decided go (AI) with regular standard room might have willingness to pay more on a larger room, while reduce spending on souvenir shops.

Understanding the different segments' needs, pricing, capacity management, forecasting future demand, and selection the right activities increase chances for direct sales and control where the opportunity is available to up-sell more expensive service or cross-sell an alternative product (Anderson, 1997). Anderson found in his study that the implementation and awareness of this (RM) discipline varies greatly amongst countries, types of hotel, and management perception. While Urtasun, and Gutiérrez (2006) suggest that location, price, size, and type of hotel services are determining variables for differentiation.

In a related study to (AI) system, Du et al. (2016) analysed the hotel's trade-off between market segmentation on the basis of booking lead time and cooperation with third parties. The study found that adopting two strategies simultaneously may enhance customer loyalty and strengthen cooperation with tour operators that possess large market shares or small switch rates, nevertheless reduce the profitability and pull down the effectiveness of (RM). In addition to the traditional fragmentation and media market (one-to-mass), the pioneers of nano/micro/ hyper-targeting (e.g., Mena, 2013; Jovanovic, 2014; Sora, 2016) found novel techniques to segment and target customers based collecting a large amount of psychographic and behavioural data about customers.

New marketing issues have taken place like; Hyper Targeting Apps (Mena, 2013), potential customers search queries through Google, their thoughts and activities through Facebook, and analysing their shopping cart history through Amazon (Sora, 2016). Jovanovic (2014) stated that the new marketing methods moved companies to more interpersonal communication, a step toward software programs "for instance, Crawlers and Spiders".

Queenan et al. (2011) indicated that hotel's performance correlates positively to forecasting aptitude and organisational focus on (RM), explaining these findings as the most important techniques with social structures in effective (RM). In daily hotel operations, forecasting creates differences between optimised demand and confirmed booking. This gap requires taking actions such as displaying choices, reviewing pricing, control of discounts, identifying the problem, collecting and interpreting Data, and shifting demand. Lee (2016) found that lead time and poor performance are critical determining factors that lead hoteliers to make discount choices. Indeed, and due to the sensitive fluctuations in demand of hotels, it is crucial to forecast demand, not only to control fluctuations, nevertheless to track higher occupancy rates (Yüksel, 2007).

In parallel economic situation to (AI), distribution structures may use the room capacity allocation according to the definition of Talluri and van Ryzin (2004, p. 3): 'the decision of whether to accept or reject an offer to buy; how to allocate capacity to different segments or channels; when to withhold a product from the market and sell at later points in time'. Since (AI) demand is upfront and discounted paid (Kotler et al., 2010; Kotler et al., 2006), consequently, hotel (RM) users determine based on their available information if they should sell their room capacity to a low paying operator today, or hold all or partial of that capacity for a later arriving with higher paying customer. Hotels allocate capacity using various allocation algorithms, optimising more profitable future demand. In daily hotel operations, managers try to incorporate no-shows and moving from one-leg of a derivatives selling strategy to network control (Talluri & van Ryzin, 2004). Additionally, structuring hotel website content designed for more straightforward to navigate is another competitive value generated by people on social networks (Constantinides & Fountain, 2008).

Pricing structures also have received central attention in economic studies due to its decisive impact on hotels and operators' performance, in a term of determining revenue and profit (Lieberman, 2011; Tse & Poon, 2012; Liu, 2012). From another side, affecting demand and competition (Mauri, 2016). It is a competitive tool and a string in the marketing mix variables that can be modified responding to changes in the value received, in addition to its psychological and economic indicator to the service quality (Rowley, 2016). Furthermore, existing research have provided evidence of effective further pricing tools such as, rate parity agreements for loyal consumer groups (Haynes & Egan, 2015), best rate guarantee (Carvell & Quan, 2008), advantage of advance booking (Schwartz, 2008), and last minute offers when the discount season starts to sell out, and customers expect to be offered a better deal later in the process (Chen & Schwartz, 2013; Schwartz, 2008). In addition to overbookings distributed through managing the contracted channels (Hwang & Wen, 2009; Ivanov, 2015). Its adoption by hoteliers is largely led by the argument that the application of (RM) contributes positively to the financial results of the hotel although the exact contribution varies greatly by property (Rannou & Melli, 2003). While profit equation in hotels is related to two main touch points-pricing and cost (Butscher et al. 2009). Therefore, pricing structures are traditionally determined by costs.

Hotel revenue management generate additional profits to its bottom line from some trade activities such as cross/up selling more than room division (Ivanov, 2014). These promotions have more chances to success than traditional mass markets as there is less leakage, and determine which activities have been the most successful (Berman, 2006).

Existing research support the link between CRM and RM to improve hotel margins and enhancing short-term gains, such as cross-sell, up-sell, attracting more valuable customers, and better managing customer life cycle retention (e.g., Danubianu & Hapenciuc, 2008; Leena et al., 2015; Bhaduri & Fogarty 2016). Although it can also happen as an operative selling tactic without assuming earlier customer-seller relationships (Heidig, 2012), nevertheless the greater understanding customers and prospects, the most often sales happened and handled (Vinod, 2016). As Siguaw and Bojanic (2004) stated, the volume of hotels' sales is determined by the property's size, segment (budget, mid-scale, up-scale), and type (e.g., resort, hotel, holiday village). Gaining information about customers' variables provide front desk sellers a greater insight for new business opportunities, and perform revenue upsurge, guests fulfillment, cost shrinkage against bearable competition, more successful selling activities (Leena et al. 2015). Regardless the tools that can serve these activities, the levers of control and managing these encounter activities by the hotel remain the most valuable decision. Butscher et al. (2009) provide example solutions in downturn time as price discrimination, loyalty programs, smart packaging and up selling services. To conclude, the linkage is a step to solve the leakage with local business ignoring the damage that can happen for the host hotel or resort. Therefore, AI hotels or resorts have to focus on (RMS) that enhance their economy right up and cross selling activities.

2.2. Measuring (AI) hotels performances using Balanced Scorecard (BSC).

Since the inception of (BSC) in 1992, the initial work of Kaplan and Norton has grown as an effective tool help business to implement its strategy throughout many global modern organisations (Coe & Letza, 2014). Furthermore, this multidimensional performance measurement system can help business to recognise where and why the strategy failed related to financial and non financial performance (Campbell et al., 2015). The modern context of (BSC), the so-called third generation phase, and to attain this balanced performance, the founders introduced four relevant perspectives to link organisations' overall performance namely: Customer, Internal Business Processes, Learning and Innovation, and Financial Performance. Each one of these perspectives have been designed to answer a basic performance questions (Kaplan & Norton, 2005). Rayna and Striukova (2009) recognised that companies to gain a competitive advantage need to be successfully innovated either by differentiated their products and cut costs, or both. In this context, Vij (2016) optimises that hoteliers proactively manage their internal operations and exert attention to reduce costs with raising service quality. Vij identifies realigning process and cost as essential aspects of competitiveness and sustainability in the hotel industry. Falle et al. (2016) emphasis on the importance of consider the company's characteristics when developing sustainability (BSC) methods such as strategic management, organisational structures and resources.

Harden and Upton (2016) highlighted that adopting these evaluations' system enables to maximise the hotel's return and the performance of employees. Indeed, it lessens the stress of high financial target on the hotels' senior managers as solely financially orientated view in decentralised decision-making (Bangchokdee et al. 2016). Garvin (1993) referees to Learning organisation as its capability to create, acquire, transfer knowledge, and the skills to modify its behaviour to reproduce new knowledge and useful insights. Accordingly, Kaplan and Norton (1992, 1996, 2006) were keen to emerge the value of employee training to firm cultural attitudes. In the same time, they were looking to "learning" as a wider than concept of "training" as it is also a functional tool to; mentor and tutor the organisation performance frequently, enable effective communication within the company, solve problems effectively (Pitt & Tucker, 2008).

Engagement metrics is also measurable and account for profitability such as web analytics, social media platform, and consumer surveys. Costumer engagement metrics enable hoteliers to identify the most valuable customers through using mining data or cloud-based CRM (Dursun & Caber, 2016). However, academics and hotel practitioners emphasis that integrating professional customer experiences is considerable performance for service industries. For example, Wang et al. (2016) consider delivering professional facilities and delightful service in hotels as a differential service target to provide unforgettable guest experience, and provide advanced service performance exceeds customer expectations. Organisations can develop its own performance measures based on its objectives to suit the company's specific strategy aligning to customer needs and viewpoint which is critical in any industry (Coe & Letza, 2014). In this regard, Customer Relationship Management (CRM) has become undoubtedly a crucial concern and a niche accounted for hotel performance with little measured payback (Mohammed & Rashid, 2012; Richards & Jones, 2008).

Hospitality scholars continue to emphasis on the benefit of (CRM) in maximising hotel sales through better use of market segmentation, increasing promotion-focused behaviours ensuring customer trust and loyalty (Lwin et al., 2016), obtaining higher quality of communication and distribution infrastructure (Ozgener & Iraz, 2006), increase a firm's equity (Richards & Jones, 2008), and above all, guest retention and customising services via giving more special services for guests (Memon, 2016).

Findings from Wang's (2011) study included that internal-service quality influence positively on the international tourist hotels' performance, and create a satisfying workplace for employees while customers receive sense of value. Campbell et al. (2015) distinguished between the poor financial performance and its fail due of a weak fit between the firm strategy in a term of formulation, implementation, and the internal capabilities and skills. As a result, Gibbons and Kaplan (2015) envisioned that (BSC) enable organisations to create a new culture not only aligned to achieve its strategy and goals, nevertheless, it also helps to react when achievements do not go according to plans. Halachmi (2005) challenged the general pro-assertion for these measures; first, due to the cost of performance scorecards is not always considered; and, second, there might be a problematic competing functions between accountability and productivity.

3. Methodology

This study involves a descriptive analysis; descriptive research identifies what is, while analytical research determines “why it is that way or how it came to be” (Ethridge, 2004, p.24). Descriptive research strategy is also used in this position to cast the light on current issues of (AI) system through describing its competitiveness more completely when implement (RM) principles. Indeed, it provides a balanced description within the four (BSC) that the casual strategy could not answer. Thus, the reasoning to adopt descriptive investigation is to study on how (RM) principles increase an awareness of (AI) hoteliers to control their business, and to find what in (RM) spectrums are significant on the hotel performance.

The study included the description of the state of (RM) affairs that existing in Turkish Mediterranean coast destination within 116 all-inclusive hotels, as well as comparing their significance and inferences to the larger hotel population. Cluster sampling design was selected to carry out the present research. In simple terms, survey method through large sampling clusters within cross-sectional design using direct online contact method in order to collect data powered by survey monkey. This study targeted the star rated seaside hotels cluster across the Mediterranean coast in Turkey. The cluster ranges from three to five registered star hotels and a number of resorts. The targeting of seaside hotels was necessary because of the all-inclusive nature. Mediterranean coast in Turkey is one of the six regions in the country and is the top state by the number of arrival tourists. It has seven provinces including: Antalya, Mersin, Hatay, Adana, Isparta, Kahramanmaras, Burdur. The region has a significant number of luxury and medium rated hotels where (AI) system is widely spread. According to the statistics (Statistical Institute of Turkey, 2016; Turkish Ministry of Culture and Tourism, 2016), Turkey today is becoming globally the 6th most tourist arrivals' destination in the world, and seek to attract more than 50 million incoming tourists annually within the next upcoming years. The state has also more and better beaches and resorts than does the Turkish Aegean coast, and warmer water than the Black Sea coast. RM has many application possibilities in the fluid situations of all-inclusive hotels, vocational hotels or resort that claimed to serve one leisure segment of the market. Cluster sampling method was used to select the sample study as it is the most time and cost-efficient probability technique for large geographical areas (Jackson, 2011). From perspective viewpoint, Dudovskiy (2013) states that larger sample size can be used when there is increasing level of accessibility of perspective sample group members. The Turkish seaside hotels were the units of study in this research; consequently, a census was conducted.

AI Hotels and resorts properties were the research population units. There are (7500) classified and star-rated hotels in all Turkey as licensed by TripAdvisor.com, which provides access to “the largest online network of travel consumers” (O'Connor, 2008, p.47). This number of hotels is out of total 13,615 registered accommodation facilities by the end of 2015. Tripadvisor.com introduces only (323) properties that provide (AI) accommodation in the Turkish Mediterranean coast, these were the population of study, from which the instrument identified characteristics and measure the performance of each unit.

The sample was contacted via mail to request for participation and only (164) hotels were willing to take part in the study, Out of the (164), only (132) responses have been received after closing time period. A reminder has been sent every three days for receivers including the partial respondents. Finally, the study considered only the completely responses which were (116) hotels giving a (100 %) response rate. From these hotels, the study identified and established both their (RM) characteristics and operational performance levels.

The independent variables of this study included the (RM) structures measured through the Balanced Scorecards perspective. RM structures are expected to be familiar terms for many respondents such as market segmentation, occupancy forecasting, pricing, distribution, and the ingredients are used to bundle the encounter cross and up selling activities. Data was thus collected through focusing on these five (RM) characteristics structures, whose meaning is familiar to the respondents. A comprehensive tool to measure the efficacy of (RM) application was required. The dependent variables of this study were, the efficiency performance indicators, that included specifically the financial performance, simultaneously with learning and growth performance, customer performance, and internal performance. The component implementation levels were, thus, considered against the various levels of performance indicators. Cronbach's coefficient alpha calculated for, the results were in the range from 0.613 to 0.706. This range is considered high, and result ensures the reliability of the data collecting instrument. The data was collected through a descriptive study, and SPSS version 19.0 was used to tabulate the statistical analysis. Accurate statistical tests were used to analyse the differences in means of the groups such as independent sample t-test, Multiple Linear Regression, One-way ANOVAs, and Scheffe test.

The results of Person correlation between the items and their belonging factors present that there is a significant influence between the items factors at level of (0.05). Consequently, this indicates that there is a validity of items construction. The Multiple Linear Regression was applied to find out the impact of RMS on the (AI) hotels performance. The following table demonstrates the test results.

Table 1: Multiple Linear Regression for effect of the implementation of RM elements on AI hotels performance.

Coefficients					Model Summary		Anova	
Independent Variables	β_i	Std. Error	t-value	Sig.	R	Adjusted R ²	f-value	Sig.
Segmentation	0.180	0.108	1.661	0.100	0.489	0.204	6.903	0.000
Forecasting	0.330	0.111	2.968	0.004				
Pricing	0.060	0.082	0.727	0.469				
Distribution channels	0.261	0.085	3.067	0.003				
Encounter selling	0.087-	0.101	0.864-	0.389				

The table illustrates a significant effect for the implementation of (RMS) on (AI) hotels performance, where R (0.489) is a significant, and the value of F is (6.903); this value is significant due to the Sig (0.000). This indicates that there is a significant relation between the independents and the dependent variables. In more detail, this correlation can be explained by the implementation of competitive (RMS) in arising the effectiveness and efficient of (AI) hotels performance. Indeed, R2 value interprets the percentage of (0.204) from the disparity in (AI) hotels performance; this means that (20.4 %) of changes that occur in (AI) hotels performance are caused by the change of implementation of (RM) elements level. More precisely, there is a positive effect at the level of $\geq \alpha$ 0.05(for the Forecasting on (AI) hotels performance; where the effect level () is equal to (0.330); this means that when the value of Forecasting increase by (1) that leads to enhance the (AI) hotels performance value by (33 %), this also ensures the T-value (2.968) was positive and significant at level (0.05). Additionally, there is a positive effect at the level of $\geq \alpha$ 0.05) for the Distribution channels on (AI) hotels performance; where the effect level () is equal to (0.216); this means that when the value of Distribution channels increase by (1) this leads to enhance the (AI) hotels performance value by (21.6 %). This also ensures the T-value (3.067) was positive and significant at level (0.05). Meanwhile, there is no significant effect for Segmentation, Pricing, and Encounter selling on (AI) hotels performance; where T-values was not significant at the level of $\geq \alpha$ 0.05(. Accordingly, there is significant effect of the implementation of (RMS) on the (AI) hotels performance levels.

4. Findings Discussion

Results from this research reveal a significant effect of the implementation of (RMS) on the (AI) hotels' performance levels (Financial, Learning & Growth, Customer, Internal performance). More precisely, AI hotels have competitive performance when selectively implementing the constellation of demand forecasting and distribution channels elements on the hotel general performance. These elements assisted those hotels to reduce the substance of the tour operators without conflict channel, and forecasted accurately for effective allocation capacity, whereas, the encounter selling indicated negative impact on the general performance due to the nature of (AI) customers.

In consistence with Li (2015), RMS would maximise revenue even with one pre-paid price because of the specialised attention they provide. This is similar to the results of this research which indicated statistically a significant effect of the implementation of (RM) elements on the financial performance where R (0.396) is a significant, and the value of F is (4.086); this value is significant due to the Sig (0.002). By examining the results separately, there is evidence for demand forecasting and distribution channels elements on the hotel general performance. Generally, the higher hotel focus on controlling deals with optimally capacity management, the higher increased the financial performance. However, further evidence signifies that the greater performance level was due the right distribution channels used by those hotels. In other words, a hotel diversifies his market between leading tour operators and on-line sources to rise out revenue. The well designed hotel website is supposed to be another reason to enhance the financial performance without third party to share the profit.

Conversely, in a destination like Turkey with such number of hotel supply, changes in (AI) hotel distribution structures could be the causing of performance measures, instead it may harm performance. Čavlek (2006) and Wang, et al. (2007) argue that tour operators provide quality assurance in a brand context, drive down cost, and guarantee service delivery with direct or indirect control.

In line with Garvin (1993), Harden and Upton (2016), Kaplan and Norton (1992, 1996, 2006), results of this research indicated that an increase in organisational focus on implementing (RM) elements increase hotel's chances of learning and growing in the term of improving service, and occurring positive organisational trends. The Encounter selling in a particular draw has a positive effect at the level of $\geq \alpha 0.05$ on learning and growth performance; where the effect level () is equal to (0.188) with T-value is (1.937). The result can be interpreted to say the Turkish hotel management are aware to developing new sources of revenue to achieve further performance gains. Moreover, the little residual of the discounted room price encouraged hotels to investigate in how to maximise revenue in order for the hotel to remain profitable, in particular when the wholesale price of the room is closed to marginal costs.

AI hotels achieved a competitive set in the term of significant effect of the (RM) on customer performance. It was arisen from the Multiple Linear Regression test, where the value of F (3.944) is significant due to the Sig (0.003) and R2 value interprets the percentage of (0.113) from the disparity in (AI) hotels performance; this means that (11.3 %) of changes, that occur in customer performance are caused by the change of implementation of (RM) elements level. While the most significant effect was due using the right distribution channels where () is equal to (0.122) and T-value is (1.892). Those hotels focused to diversify its tourist's sources and provided higher service levels, and then they could reach high-value guests, and improved customers' hotel experience.

Likewise, selective (RMSs) have a role in arising the effectiveness and efficient of internal performance, where R2 value interprets the percentage of (0.080) from the disparity in internal performance; this means that (8 %) of changes that occur in internal performance are caused by the implementation of (RM) elements level. More precisely, segmentation variables contributed mainly as proved to strengthen the internal situation for (AI) hotels in Turkey; this claim is in conjunction with Anderson (2010) who pointed out that the kind of customers is a central determinant of expenditure either pre-encounter or on destination economies, when (AI) vacationers have the least expenditure habits. Possibly, as (AI) hotels improved their (RM) ability and become more independent, they changed their structures to adapt to a more control on encounter selling and fluid structures. AI hotels, management and the staff within them have started to use better (RMS) and, their interest to reach the high-value guest have encouraged them to build strong internal system. Running a successful encounter selling is an exact science. Much of what Front desk and sellers team do requires a set of regular training for everything they set out to sell. The training programmes focus on how they sell and react to situations such as how to up sell room based on its installing facilities, or skills to differentiate cross sold products. It is manageable to set boundaries that sellers can control, this coming when hotel set its goals appropriately which build a client base that truly appreciates the brought value to the table. This can be achieved through focusing on high or low scoring on booking websites, and analysing customer feedbacks.

As Siguaw and Bojanic (2004) stated, the volume of hotels' sales is determined by the hotel's size, segment, and type. Results indicated that five-star hotels and resorts differentiate themselves from all other hotel categories through increasing encounter selling abilities. Basically, those properties provide more service levels that should play a fundamental role in (RM). Diversity in services directly impact the optimal cross or up selling to allocate for high value customers, then lead to increases hotel performance.

In regard to hotel location, Scheffe test was used for post-comparing between the Means for Pricing among hotel locations. These comparisons indicate that seaside hotels have higher accurate pricing policies. Furthermore, the financial realm achieved based on hotel category and size. The post-comparison shows that the financial performance of these hotels were affected by the general performance. Scheffe test indicated that small hotels size achieved higher financial performance comparing to medium size hotels. Whereas, less use of strategies is leading to lower financial performance in both medium size and big hotels. The high operation cost for these hotels is why they need to maximise room revenue of this market to reduce drainage, with highly discounted room price.

5. Conclusion

Early (AI) literature illustrated why the system is expected to be unsustainable and unprofitable (Bladh & Holm, 2013), when hotel market packages to everyone. Findings from this research support that assumption due to the weak level of the financial performance of (AI) in consistence with Mbaiwa (2005).

We measured the use of (RMS) in all-inclusive organisations across various performance levels to improve revenue, and support further achievements. This outcome could be interpreted to say management should invest awareness of the (RM) disciplines in order to improve financial performance, but focus on profit alone will not help a hotel to achieve the highest levels of further performance gains. RM influence hotel mechanism and its performance evaluation. In this research, AI system went into how (RM) structures would maximise revenue even with upfront price because of the specialised attention they provide. It was arisen that both distribution channels and encounter selling leave a significant and positive predictor that contributed to improve the (AI) hotels performance. Those hotels focused to diversify its tourists sources and provided higher service levels, then they could reach high-value guests, and improved customers' hotel experience. The model demonstrated the possible treatments of the leakage or drainage in (AI) hotels according to different treatments and stages- which increase the hotel control upon its operations. In the light of Turkish (AI) hotels, these structures use effective tools and actions such as charging a different room rates to different market segments, analysing the position of the various distribution channels to selecting the most cost-effective when there are options, the accessibility of customers to book through on-line travel agents (OTAs) or hotel's website, and applying similarly room availability guarantee for all distributors.

Working for only high occupancy rate is a lofty goal that will definitely force hotel to run a business model to drainage. When (AI) capture vacationers, hotel marketers need to think about their company's image and marketing communication strategy, with no need to forecast every possible client. The purpose of forecasting is to focus on who can be ideal customers are and what they entail, analysing customer feedback, and focusing on high or low scoring through booking websites. Hotel can target a broad range of segments or distributors, avoiding settling for everyone. This can be more profitable when the selection is based on buying behaviour, and its contribution to profit supported by geographical and demographical reference. However, as a matter of policy, hotel will not be able to change rooms pricing due to good word of mouth and contract, even if that guest is not an ideal one. While, frequently restructuring rooms pricing and evaluating its operations continuously are impressive to control. Therefore, setting the expectations properly of customers and search for clients that match management expectations.

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