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INTERNAL BENCHMARKING IN A PURCHASING CENTRE OF TRAVEL AGENCIES

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The tourist sector is a heterogeneous and highly fragmented sector. However, over these last few years, it has been reconstructing and transforming its supply of activities, showing it to be one of the most dynamic sectors of our economy: one of our key competitive sectors to enable us to face the present economic crisis.

At present, there is a difficult panorama for the travel agency sector, since they are in a situation of change due both to the new information technologies, in particular the Internet that has meant that all the value chain in tourism has had to be reorganized and changed in terms of the supply and demand, as well as in the processes of business concentration.

Travel agencies usually take on most of the functions of the intermediaries in the tourism sector, reducing the number of transactions, adapting supply to demand, creating variety, carrying out marketing activities, transmitting rights of use of services and financing, and providing additional services (Santesmases, 2004). They are the determining element in the distribution of the tourism services as intermediaries, producers and advisers (Bigné et al., 2000).

The crisis has led to a need for a redesign of products, companies and tourism distribution channels. A step already taken by some tourist operators, who in the face of the strong existing competition derived from their high concentration, both at wholesale and retail level, has been the implementation of a process of cooperation by means of strategic alliances, which allows them to act as purchasing centres in the corresponding channels, thus providing their clients with the advantages derived from this cooperation.

Travel Advisors Guild (TAG) is an example of a strategic alliance that operates in tourism distribution channels by means of an enterprise and professional union of Travel agencies, which is integrated internationally in RADIUS, one of the largest travel management companies in the world.

This association is a horizontal integration, as it groups companies that carry out the same type of activity within the industry and therefore at the same level of distribution channel (Menguzato, 1995). These alliances of horizontal type usually settle down into a strategic framework of «logic of the size», among present and potential competitors. They look for the generic objective of greater competitiveness in the face of the intensification of the competition and the globalisation of the markets.

The objective of this study is to determine, by means of internal benchmarking carried out by the application of a conjoint analysis using the Rasch model, the relative importance of the determining factors of the tourism supply of this purchasing centre, as well as the positioning of the different agencies, highlighting internal competitive imbalances identified in TAG that can cause tension in the strategic alliance that this purchasing centre is made up of.

A conceptual model of benchmarking is used to evaluate the positioning of the agencies and their tourism supply within TAG. It is done in such a way that we can obtain data derived from the relative positioning of agencies and «tourism supply» and from that knowledge try to incorporate possible improvements in the strategic behaviour of the agencies and of TAG.

In benchmarking, there is an obvious need to count on reference points or benchmarks. These would be the reference profiles necessary to make the comparison between the organizations and the reference point.

The methodology of Rasch starts from the paradigm in which the data from the travel agencies of tourism supply need to fit the Rasch model, and in this sense, it is a prescriptive model. If data fit the model, then the data can adopt the characteristics of the model as their own (unidimensionality, invariance, local objectivity, measures of interval). The comparison of the observed data with the expected data, generated by the model, allows the internal process of benchmarking to be carried out. The resulting information is useful for the adoption of decisions when highlighting the possible misfits of the observed data from the travel agencies compared to the expected data from the travel agencies generated by the Rasch model. It allows analysts to propose actions concerning tourism supply factors for the different affected agencies.

The Rasch model of ordered categories has been used (Rasch Rating Scale Model), which was developed by Andrich (1978; 1988) from the seminal contribution of Rasch (1960). In this model of ordered categories, Likert type scales are used, whose application in questionnaires determines ordinal scores. As is known, the ordinal scores are neither linear nor additive, this is why they present methodological limitations in studies of Business Administration, limiting the utility of the results in making business decisions. In order to overcome these limitations, the Rasch model is applied which transforms these raw scores. These totals are statistical sufficient for estimations to be made by interval measurements that fulfil the appropriate requirements for their later treatment by means of advanced statistical processes.

Finally, the advantage of using the Rasch model for the data processing from questionnaires obtained by means of Likert type scales can be summarised as follows: The use of this model allows us to overcome two implicit assumptions in the Likert type scales which are that all the items have the same impact on the score of the scale and that all the categories of items have the same distance with respect to the adjacent category.

The enterprise and professional union of travel agencies Travel Advisors Guild (TAG) has been studied. TAG is a strategic alliance made up of a select group of travel agencies that aims to supply its clients with quality services in the national and international tourism market.

The codification of the travel agencies has been done at random, with the aim of safeguarding the identity of the agencies in the public presentation of this internal study of benchmarking. The agencies considered are codified as AVX, being X = {1 ..... 29}. The construct analyzed in this internal benchmarking has been defined as «tourism supply». It is limited by the public information the 2009 Directory of TAG (TAG, 2009) provides and information from the SABI (*Sistema de Análisis de Balances Ibéricos*).

The items that make up this construct are the following ones: In-Plants; Development of market; Offices (Central +Branches); Supply of products; Level of associationism; Number of employees (Last year and Active Total —in thousands of Euros /Last year—).

The computer program used is Winsteps 3.68.0 (Linacre, 2009).

The examination of the results starts with a Rasch residual based Principal Components Analysis (PCAR) and its interpretation highlights the tensions of dimensionality of these studies. Nonetheless, the assumption of unidimensionality with a variance explained by the measurements of 59.2% can be allowed and an eigenvalue in the first contrast of the 2.1, which can be considered insufficient to be a dimension different from the Rasch one.

When presenting the measurements, the origin of construct in 10 logits has been adjusted to avoid the presence of negative values that make the interpretation for non-experts in the Rasch model difficult.

From this perspective, the measurements of the travel agencies have an average value with regard to their positioning which is below the average measurements of the supply factors. This implies that these items reflect a joint tourism supply that is above the average of the positions of the travel agencies. This is mainly a result of the action of the agencies AV6 and AV26, which lead a small group of agencies that are better positioned on the map of conjoint analysis.

The reliability levels of the separation of the measurements are also acceptable for a preliminary analysis of this type, indicating values of over 80%. The levels of global fit (global validity) are permissible, showing in both cases values near the unit. The individual validity of subjects and items will be appraised in specific analyses, pointing out different aspects in each case.

Among the different aspects to take note of are the deviations in the items «supply of products» and in the «level of associationism» of the agencies.

In the item «supply of products» an adequate fit in the vast majority of the agencies can be noted, nevertheless the position below that of the one expected from agencies AV18 and AV14 stands out. The analysis of their supply of products allows suggestions to be made for redesigning their product portfolio. Whereas agency AV13 maintains a supply of products higher than expected, the analysis of its portfolio and the profit from the supply allow strategies of maintenance or redesign to be identified.

In the item «Level of associationism» the membership of different agencies to associations is linked to their visibility in the market. The general level of presence is the expected one, despite some agencies not fitting. With lower levels than expected are the agencies AV3 and AV26, for which it would be necessary to review their strategies of communication with the aim of adapting them to the rest of the group. On the other hand, two other agencies, AV18 and AV8, are above the model's expected value. This situation would allow us to analyze the benefits of their strategy and to integrate that information in the TAG association.

Overall, the analysis of the agencies that present some misfits in different items of the construct allows us the opportunity of an in-depth analysis to look for the explanatory causes of such misfits in agencies AV3, AV7, AV8, AV13, AV14, AV18 and AV23 The knowledge of the causes of the misfit, both favourable as well as unfavourable ones, identified in this internal process of benchmarking will lead to the accumulation of capital knowledge for the TAG group and to suggestions to different agencies of possible guidelines for strategic performance for the collective improvement of the supply of the TAG group.

This study is part of a line of investigation focusing on the problems of travel agencies with tourism distribution channels, mainly deriving from the use of Internet. The strategic responses of the agencies require both efficiency in achieving objectives and effectiveness in the use of the resources and capacities of the agencies. The measurement of the achievement of the success of the strategic alliances is a research aim that we have considered, both from the internal perspective as well as the possible comparisons between the alliances. This research would lead us to effective and efficient strategic proposals for the success of businesses in the tourism distribution channels.