

THE EFFECTS OF SUPPLY CHAIN MANAGEMENT APPLICATIONS ON THE PERFORMANCES OF ACCOMMODATION ESTABLISHMENT OPERATING IN TOURISM INDUSTRY

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The fierce global competition in the 21st century is focused on supply chains rather than on individual companies. From a macro perspective, supply chain is a network of enterprises which are engaged in different functions ranging from the supply of the raw materials through the production and delivery of the end-product to the target customers. In this study, an investigation on large scale accommodation enterprises has been conducted that aims to find out the impact of supply chain practices on business performance.

Key words: *Tourism, service industry, supply chain management, hotels*

JEL Classification: *L83, M1, O1*

INTRODUCTION

Today, integrating and managing the services that are provided and the operational and non-operational activities during the period that passes from the source to the end users, turns into a must in order to attain a safer place in international markets. Depending on the developments and changes at accommodation establishments, this process is called as supply chain management. Although supply chain management is addressed particularly for production industry, its importance in service industry, in terms of effective and productive usage of sources, is getting well-understood day by day. Because the way to get the most efficient

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supply for the clients and operating activities of accommodation establishments, has notable effects on the performances of the establishment as well as the purposes and objectives of it.

LITERATURE REVIEW

Supply Chain & Supply Chain Management

Briefly, supply chain is the integrated overall activities that secure the delivery of final products to the user (Davis et al., 1999; Tütüncü & Küçükusta, 2008). Supply chain is a network constituted by producers and distributors, who obtain raw material, turn them into intermediate good and final products, and who distribute the final products to the customers (Lee and Billington, 1992; Özdemir, 2004). In broader terms, supply chain is a process that covers supplying, product design, production planning, materials management, fulfilling orders, inventory management, shipping, storage, and customer services (Arshinder & Desmukh, 2008). The term supply chain management, is the integration of business processes, suppliers, producers, distribution centers and retailers who are interdependent with the aim of reducing the costs system-wide while securing the required level of service to improve flow of goods, services and information from the original suppliers to the final customers (Simchi-Levi et al., 2000; Su & Yang, 2010). In other words, Supply Chain Management is an integrated approach related to the control and planning of material flow from suppliers to the end users (Cavlak, 2009).

Supply Chain Management is defined as the applications of activities that integrate suppliers, producers, storages and point of sales effectively for minimizing system costs and that are directed to increase customer service quality with determining production and distribution quantity to be the right amount, on the right time and at the right place by Waters (1999), (Çaka, 2012).

Generally the basic goals of supply chain management are: cost, speed, quality, and customer service (Arnold et al., 2003). The principal benefits that Supply Chain Management provide to the establishments are; specialization and common interest, long-term planning, less stock, and disappearance of uncertainties (Lambert et al., 1998). Supply Chain Management is process-oriented and aims to reduce costs while increasing the quality. Due to this reason, the steps composing supply chain management have critical importance on behalf of the success of the process.

Previous Studies on the Relation between Tourism Industry and Supply Chain Management

Tourism is an important driver for global development (Costa & Carvalho, 2011). Because, tourism has become a very competitive business and has a significant impact on local economies directly and indirectly (Psillakis et al., 2009). With its economic aspects, tourism is one of the fastest growing sectors together with telecommunication and information technologies in the twenty-first century's global economy. (Diamond, 1977; Britton, 1982; Copeland, 1991; Hao et al., 2003; Güngör, 2011). Also, tourism can enable public authorities to achieve a variety of social objectives, such as improving employment (Commission of the European Communities, 2005; Marino, 2010; Polat, 2013). Finally, tourism can be seen as the "engine" of employment creation and poverty eradication (Korres, 2008). Even though tourism has so great contributions to general economy, there are only a limited number of scientific studies intended for supply chain in tourism industry in literature (Piboonrunroj & Disney, 2009):

- In one of the first studies about establishments carrying on a business at service industry and supply chain management, Armistead and Clark (1993) analysed Porter's "Value Chain Employment" as a strategic tool for the mentioned establishments. Method consists of eight variables and source schedule that is used in service process. These variables in question are respectively: people, service area, information systems, materials, equipment, configuration, cost, and income.
- Hellman (1995) analysed the mergers in service industry with using the data obtained from insurance companies. Author discovered that cooperative relations are more important for service establishments in comparison with production companies, and that mergers have significant results for service establishments.
- Youngdahl and Loomba (2000) used the concept of service factory and extend service factory to global supply chains.
- Sampson (2000) searched the structure of supply chains in service industry with focusing on the issue of consumer-supplier duality.
- In their study on customizing service supply chain concept to service industry, Kathawala and Abdou (2003) focused on the exchange between cost reduction and improving service quality

in supply chain. They came to the conclusion that the central objective in reaching service quality is made up of physically effective processes and market reactive processes, and they defined how the conventional supply chain management processes – in an inventory and production focused way – can be adopted to obtain them.

- Thereby proposing a general framework adopted from production oriented supply chain management literature, Ellram, et al. (2004) set down the key service processes as; information flow, capacity and skill management, demand management, supplier relations management, customer relations management, management of service distribution, and cash flow (Baltacıoğlu et al., 2006).

In a study by Walton (1996) it is stated that supply chain management corporation has five basic aspects. These are stated as planning, sharing of interests and costs, asset specificity, operational information exchange, and extendedness. Donlon (1996) brought forward a definition that includes supplier cooperation, outsourcing, cycle time compression, continuity of flow of the processes, and sharing information technology. Alvarado and Kotzab (2001) state the reasons of supply chain development of an organization as; avoiding duplication effects with focusing on basic skills, usage of inter-organization systems like Electronic Data Interchange (EDI), elimination of redundant inventory levels with postponing individualization towards the end of supply chain. Tan (2001) sets forth that a well-integrated supply chain covers organization of materials and information flow among suppliers, producers and customers, and implementation of mass individualization to supply chain (Li, 2002:45). Table 1 lists these aspects with explanations and supporting literature:

Table 1 Factors Related to SCM and Literature

| Concepts | Definitions | Literature |
|----------------------------|---|--|
| Strategic Supplier Partner | Long-term relations designed for increasing strategic and operative capabilities of individually participating organizations in order that each side can achieve important and continuous benefits. | Monczka et al., 1998; Sheridan, 1998; Stuart, 1997; Balsmeier and Voisin, 1996; Tompkins, 1998; Lamming, 1993. |
| Customer | Applications for managing customer | Tan et al., 1998; |

| | | |
|------------------------------|--|---|
| Relations | complaints, establishing long-term relations with customers, and developing customer satisfaction. | Claycomb et al., 1999; Aggarwal, 1997; Bommer et al., 2001; Magretta, 1998a; 1998b; Noble, 1997; Wines, 1996. |
| Sharing Information | The scope where critical and special information is delivered to establishment's trading partner. | Novack, et al., 1995; Balsmeier & Voisin, 1996; Towill, 1997; Jones, 1998; Lalonde, 1998; Stein&Sweat,1998; Monczka et al.,1998; Ballou et al.,2000; Lancioni et al., 2000; Vokurka&Lummus, 2000; |
| Quality of Information | Being truly timed, sufficient and credible of the interchanged information | Alvarez, 1994; Berry et al., 1994; Metters, 1997; Lee et al., 1997; Mason-Jones and Towill, 1997; Monczka et al., 1998; Chizzo, 1998; Holmberg, 2000; Jarrel, 1998. |
| System | The application of eliminating redundant costs, time and other wastes from whole supply chain. | McIvor, 2001; Taylor, 1999; Womack and Jones, 1996; Mason-Jones and Towill, 1997; Handfield and Nichols, 1999; Burgess, 1998. |
| Support of Senior Management | Senior management's awareness of benefits of cooperation with partners | Lee and Kim, 1999; Mentzer, 1999; Balsmeier and Voisin, 1996; Dale, 1999. |
| Supply Strategy | The arranging of supply chain applications in a way to let them develop continuously. | Sheridan, 1998; Towell, 1997; Ayers, 1999; Lummus and Vokurka, 2000; Stuart, 1997. |
| Performance | The level of approaching of an enterprise to the market share and its financial goals. | Vickery et al., 1999a; Stock et al., 2000; Tan et al., 1998. |

METHOD

Research Instrument

This study is done for confirming to what extent the supply chain practices and customer relations data of 4 and 5 star accommodation establishments, which are operating in the Aegean Region of Turkey, are effective on performances of management. In this study data is gathered via survey technique. Usal and Kuşluvan (1998) argue that the survey technique is the most convenient way for attitude scaling; it presents statistical data and it facilitates easiness not only for the person being surveyed but also the researcher (Kutunis, et al., 2012). First of all, a pilot test has been carried out in order that survey results can be more valid. After that, the questionnaire has been finalized and it is conducted to the managers of sales and supply departments at 4 and 5 star accommodation establishments and at first class holiday resorts in the Aegean Region. The questionnaire consists of three parts. At the first part, there are 53 statements under 9 main headings intended for determining aspects composing supply chain management. Questions at this part are aimed at determining information about supply chain management that the managers of supply and sales departments of 4 and 5 star accommodation establishments in Aegean Region use in their establishments. At the second part, there are 7 statements about performance of management which is used as dependent variable. At the third part, there are 7 questions for determining demographic information of managers who respond to the questionnaire. During the application of the survey five point Likert scale was used. Answerers were asked to mark the level of statements as “strongly agree”, “agree”, “neither”, “disagree”, and “strongly disagree”.

HYPOTESIS

H1: Customer relations affect the general performance of accommodation establishments.

H2: The support of senior management affects general performance of accommodation establishments in supply chain management.

H3: Usage of technology is effective in supply chain management of accommodation establishments.

H4: Usage of information and quality of information in supply chain management is effective in sales.

H5: Within the context of supply chain management, strategic supplier partnership in accommodation establishments affects net profit.

H6: Supply strategy is effective on profit margin of accommodation establishments.

H7: As part of supply chain management, supply strategy is effective on customer satisfaction.

H8: In accommodation establishments, the usage of technology within the scope of supply chain management affects customer satisfaction.

RESULTS

After gathering survey data, firstly to determine reliability of questionnaire, a reliability analysis was done with SPSS 18.0. According to this reliability analysis, the reliability of totally 53 statements turned out to be 95.3%. This results shows that the questionnaire is highly reliable. The reliability, which was 92.4% according to the results observed in the pilot test, improved further in the final analysis due to the clarifications of the statements.

Demographic Findings and Evaluation

According to the survey results, it is seen that among the age groups of supplier and sales directors in 4 and 5 star hotels and first class holiday resorts in Aegean Region, people of 31-40 age group are at a higher rate with 62.7%. Generally it is possible to say that the directors in these departments are in a younger age group. When gender statuses of supplier and sales directors are taken into account, it can be seen that men dominate with 99 people and 78.6%. The results of analysis with regard to level of education of the participants shows that university graduates are 73 people with 57.9% and that they form the biggest group in total. It is possible to see that the number of people who received education other than tourism and who managed to become directors at these departments is considerable. This situation can be seen as seen as a challenging issue to be investigated. When this is taken into consideration together with age groups and when it is thought that generally age groups consist of middle and young age groups, it is possible to conclude that people in this group of 17, start working in tourism sector at very young ages. The other remarkable point is that 2 of these directors are working as department managers at the hotels in this region although they stated that they have less than 1 year of experience.

Table 2 General Characteristics of Directors Who Attended the Study

| Group of Age (n=125) | Number (N) | Percent Value (%) |
|---------------------------------------|-------------------|--------------------------|
| Aged 30 and below | 21 | |
| 31-35 | 41 | |
| 36-40 | 38 | |
| 41-45 | 14 | |
| Aged 46 and above | 11 | |
| Total | 125 | 100 |
| Gender (n=125) | | |
| Male | 99 | |
| Female | 26 | |
| Total | 125 | 100 |
| Level of Education (n=125) | | |
| Primary Education | 4 | |
| Secondary Education | 24 | |
| Associate Degree | 18 | |
| Bachelor's Degree | 73 | |
| Postgraduate Degree | 6 | |
| Total | 125 | 100 |
| Field of Education (n=118) | | |
| Tourism | 64 | |
| Other | 54 | |
| Total | 118 | 100 |
| Duty (n=123) | | |
| Employer | 3 | |
| General Director | 15 | |
| Vice General Director | 9 | |
| Department Manager | 96 | |
| Total | 123 | 100 |

When Table 16 is looked in respect to duties of respondent directors, it is seen that with 76.2% and 96 people department managers create the biggest group. Others are arranged as 15 general directors, 9 vice general directors and 3 employers.

Results of Factor Analysis and Their Evaluation

As a result of factor analysis 9 variables appear to affect supply chain management. These are stated as: customer relations management, quality of information, support of senior management, supply strategy, usage of technology, strategic supplier partnership, sharing information, usage of information, and system. From the data gathered by the application of the scale and from factor analysis done to determine the factor structure of the scale, it is possible to clarify 72.3% of the changings observed in data gathered from the scale with 9 factors independent of each other.

Results of Regression Analysis and Their Evaluation

In this study, multiple regression model is applied with the thought that more than one independent variable are going to explain dependent variable.

As a result of regression analysis done in order to determine the relation between dependent variable of general performance and factors of supply chain management, R^2 value came out as 341. As the sig. value (p) appears to be 0.001 at Analysis of Variance (ANOVA) table, regression results are significant.

It was seen that among the generated factors, factors called customer relations, quality of information, support of senior management, supply strategy and usage of information have statistically significant effects on dependent variable named general performance.

As a result of regression analysis done in order to determine the relation between dependent variable of market share and factors of supply chain management, R^2 value came out as 303. As the sig. value (p) appears to be 0.001 at Analysis of Variance (ANOVA) table, regression results are significant

In regard to the regression results, as the sig. (p) value of customer relations, quality of information, supply strategy, sharing information and usage of information factors of supply chain management, it was inferred that they are influential on market share dependent variable. On the hand, it is set that support of senior management, usage of technology, system and strategic supplier partnership factors have no relations with the dependent variable of market share of accommodation establishments.

In consequence of regression analysis done in order to determine the relation between dependent variable of sales and factors of supply chain management, R^2 value came out as 318. As the sig. value (p) appears to be 0.001 at Analysis of Variance (ANOVA) table, general regression results are significant. From the survey results it was seen that customer relations, quality of information, supply strategy, and usage of

information factors of supply chain management factors have influence upon sales dependent variable.

Table 3 Results of Regression Analysis

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|--------------------------------|-----------------------------|----------------|---------------------------|--------|------|
| | B | Standard Error | Beta | | |
| 1 (Constant) | 1.738 | .062 | | 27.855 | .000 |
| Customer relations | .150 | .063 | .181 | 2.401 | .018 |
| Quality of information | .153 | .063 | .184 | 2.438 | .016 |
| Support of senior management | .145 | .063 | .174 | 2.314 | .022 |
| Supply strategy | .135 | .063 | .162 | 2.149 | .034 |
| Usage of technology | .113 | .063 | .136 | 1.808 | .073 |
| Strategic supplier partnership | .020 | .063 | .024 | .321 | .749 |
| Sharing information | .067 | .063 | .081 | 1.072 | .286 |
| Usage of information | .351 | .063 | .422 | 5.600 | .000 |
| System | -.098 | .063 | -.118 | -1.568 | .120 |

Dependent Variable: General Performance

As a result of regression analysis done in order to determine the relation between dependent variable of net profit and factors of supply chain management, R2 value came out as 137. As the sig. value (p) appears to be 0.001 at Analysis of Variance (ANOVA) table, general regression results are significant. In accordance with regression results it was seen that usage of technology and usage of information factors of supply chain management factors are effective on net profit dependent variable.

As a result of regression analysis done in order to determine the relation between dependent variable of profit margin and factors of supply chain management, R2 value came out as 195. As the sig. value (p) appears to be 0.001 at Analysis of Variance (ANOVA) table, general regression results are significant.

Table 4 Results of Regression Analysis

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|--------------------------------|-----------------------------|----------------|---------------------------|--------|------|
| | B | Standard Error | Beta | | |
| 1 (Constant) | 1.818 | .069 | | 26.534 | .000 |
| Customer relations | .151 | .069 | .171 | 2.193 | .030 |
| Quality of information | .157 | .069 | .178 | 2.282 | .024 |
| Support of senior management | .073 | .069 | .082 | 1.059 | .292 |
| Supply strategy | .210 | .069 | .236 | 3.023 | .003 |
| Usage of technology | .085 | .069 | .095 | 1.224 | .224 |
| Strategic supplier partnership | .002 | .069 | .002 | .025 | .980 |
| Sharing information | .160 | .069 | .179 | 2.299 | .023 |
| Usage of information | .320 | .069 | .365 | 4.684 | .000 |
| System | .050 | .069 | .057 | .729 | .468 |

Dependent Variable: Market Share

According to the data of analysis only usage of information factor among supply chain management factors is effective on profit margin dependent variable. As the sig. value of other supply chain management factors appears higher than 0.05, the result that there isn't any significant relation in between is inferred. The beta value of usage of information factor explains profit margin at the rate of 35.4%.

As a result of regression analysis done in order to determine the relation between dependent variable of customer satisfaction and factors of supply chain management, R2 value came out as 175. As the sig. value (p) appears to be 0.001 at Analysis of Variance (ANOVA) table, general regression results are significant.

Table 5 Results of Regression Analysis

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|--------------------------------|-----------------------------|----------------|---------------------------|--------|------|
| | B | Standard Error | Beta | | |
| 1 (Constant) | 1.857 | .065 | | 28.748 | .000 |
| Customer relations | .158 | .065 | .187 | 2.440 | .016 |
| Quality of information | .191 | .065 | .225 | 2.937 | .004 |
| Support of senior management | .122 | .065 | .145 | 1.888 | .062 |
| Supply strategy | .132 | .065 | .156 | 2.038 | .044 |
| Usage of technology | .092 | .065 | .108 | 1.412 | .161 |
| Strategic supplier partnership | -.009 | .065 | -.010 | -.134 | .894 |
| Sharing information | .112 | .065 | .132 | 1.723 | .088 |
| Usage of information | .331 | .065 | .391 | 5.104 | .000 |
| System | -.056 | .065 | -.066 | -.866 | .338 |

Dependent Variable: Sales

In accordance with the regression data, quality of information, supply strategy, and usage of information factors have significant influence on customer satisfaction dependent variable. There is no relation among quality of information, support of senior management, usage of technology, strategic supplier partnership, sharing information, and system factors and customer satisfaction dependent variable. Whether there is any relation between customer satisfaction factor and supply strategy dependent variable is tested and sig. value appears to be 0.022. As sig. value comes out lower than 0.05, it is inferred that there is a significant relation between supply strategy factor and customer satisfaction dependent variable. In accordance with the information obtained in consequence of research data, while some of the research hypotheses are supported, some are rejected.

Table 6 Results of Regression Analysis

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|--------------------------------|-----------------------------|----------------|---------------------------|--------|------|
| | B | Standard Error | Beta | | |
| 1 (Constant) | 2.098 | 0.77 | | 27.261 | .000 |
| Customer relations | .080 | .077 | .090 | 1.037 | .302 |
| Quality of information | .052 | .077 | .059 | .682 | .497 |
| Support of senior management | .045 | .077 | .051 | .588 | .558 |
| Supply strategy | .073 | .077 | .083 | .954 | .342 |
| Usage of technology | .159 | .077 | .180 | 2.074 | .040 |
| Strategic supplier partnership | -.135 | .077 | -.153 | -1.756 | .082 |
| Sharing information | .038 | .081 | .041 | .468 | .641 |
| Usage of information | .212 | .077 | .241 | 2.769 | .007 |
| System | -.001 | .077 | -.001 | -.014 | .989 |

Dependent Variable: Net Profit

Table 7 Results of Regression Analysis

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|--------------------------------|-----------------------------|----------------|---------------------------|--------|------|
| | B | Standard Error | Beta | | |
| 1 (Constant) | 2.205 | 0.78 | | 28.393 | .000 |
| Customer relations | .065 | .078 | .071 | .840 | .402 |
| Quality of information | .149 | .077 | .161 | 1.921 | .057 |
| Support of senior management | .045 | .078 | .048 | .577 | .565 |
| Supply strategy | .102 | .077 | .110 | 1.315 | .191 |
| Usage of technology | .133 | .077 | .145 | 1.723 | .088 |
| Strategic supplier partnership | -.060 | .078 | -.065 | -.770 | .443 |
| Sharing | .033 | .077 | .035 | .420 | .675 |

| | | | | | |
|----------------------|------|------|------|-------|------|
| information | | | | | |
| Usage of information | .329 | .078 | .354 | 4.212 | .000 |
| System | .020 | .078 | .021 | .255 | .799 |

Dependent Variable: Profit Margin

Table 8 Results of Regression Analysis

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|--------------------------------|-----------------------------|----------------|---------------------------|--------|------|
| | B | Standard Error | Beta | | |
| 1 (Constant) | 2.508 | .090 | | 27.930 | .000 |
| Customer relations | .051 | .092 | .047 | .547 | .585 |
| Quality of information | .228 | .092 | .215 | 2.474 | .015 |
| Support of senior management | .080 | .097 | .072 | .823 | .412 |
| Supply strategy | .216 | .093 | .201 | 2.326 | .022 |
| Usage of technology | -.031 | .090 | -.030 | -.346 | .730 |
| Strategic supplier partnership | -.018 | .092 | -.016 | -.190 | .850 |
| Sharing information | .012 | .089 | .012 | .140 | .889 |
| Usage of information | .261 | .090 | .250 | 2.903 | .004 |
| System | -.124 | .091 | -.118 | -1.365 | .175 |

Dependent Variable: Customer Satisfaction

The results of hypotheses can be summarized as follows as a result of statistical analyses done:

- H1: Accepted.**
- H2: Accepted.**
- H3: Rejected.**
- H4: Accepted.**
- H5: Rejected.**
- H6: Rejected.**

H7: Accepted.

H8: Rejected.

The summary of the relations among dependent variables and supply chain management factors according to the results of regression analyses is given at Table 9.

Table 9 Relations among Dependent Variables and SCM Factors

| | | FACTORS | | | | | | | |
|---------------------|-----------------------|--------------------|-----------------|--------------------------|-------------------|----------------|------------------------|--------------|---------------|
| | | Customer Relations | Quality of Inf. | Support of Senior Manag. | Supply Strategies | Usage of Tech. | Str. Supplier Partner. | Sharing Inf. | Usage of Inf. |
| DEPENDENT VARIABLES | General Performance | X | X | X | X | | | | X |
| | Market Share | X | X | | X | | | X | X |
| | Sales | X | X | | X | | | | X |
| | Net Profit | | | | | X | | | X |
| | Profit Margin | | | | | | | | X |
| | Customer Satisfaction | | X | | X | | | | X |

CONCLUSIONS

It is known that establishments avoid from cooperative enterprises in tourism industry owing to the rivalry. Tourism supply chain aims effective management of every process needed from source markets to every single ring of the chain so as to provide tourists' needs at a certain destination and to reach enterprise goals. Such a method requires all partners to be in close and well-supported relations.

It is seen that the primary factors effecting customer satisfaction are quality of information, supply strategy, and usage of technology when the findings obtained from data are analysed. Another attracting finding here is that there is no significant relation between usage of technology and customer satisfaction. In fact, an information network that an establishment can set up with its customers may increase the competitive capacity of firms with providing advantages like hearing about the market and following developments. At this point it is possible to say that those accommodation establishments which follow current developments in information technologies cannot comprehend totally how to use the

customer data they obtain yet. It is a necessity to use the software which is used today by almost every accommodation establishments as a database in order to maintain continuity of both supply and relationships with customers. In this way waste of resources, which is one of the common problems at this sector, can be prevented and customer loyalty can be secured.

Another of the findings obtained is that those establishments attended to the survey do not correlate system factor, which means strategic management of supply chain management, with performance of management. The fact that system variable, which contains improvement programs, business to business and internal integration, and time to prepare service for serving, is not related to performance of management in tourism industry where service quality is the most indicative element for the continuity of the establishment is thought-provoking. The main cause of this might be that continuity of the systems wanted to be formed cannot be provided as the worker turnover rate is high and it is one of the problems of the sector.

The setting and leadership required for improving service quality should be provided by the senior management. The first requirement is the acceptance of supply chain management by senior management. In this sense, senior management has to play a leading role. Thanks to developing computer and data processing methods, establishments are now enable to fix any kind of negations that are possible to emerge and take precautions against them by immediate interference with transforming daily, monthly or annual historical data into information. The results obtained from the study also shows that establishments are aware of the effects of information quality and the way it is used on supply chain management. At this point, waste of resources, which is one of the fundamentals of supply chain management, can be prevented by founding a central databank for accommodation establishments and by forming a system, where both customer and supplier information is stored, and from which any establishment can reach any information it needs.

The essential points to be taken into account by the accommodation establishments to plan and apply supply chain management successfully can be listed as follows:

- Generating a supply chain strategy by the coordination of supply chain activities with management activities, and paralleling this to management strategy,

- Comprehension of the importance of supply chain management by senior management, and their continuous support with determination of strategies proper to the goals and objectives,
- Developing a system that can follow market demands and changings continuously and rapidly, and perpetual observation of these changings,
- Properly and on time sharing of information with every single ring of the chain (public or private sector),
- Extending usage of customer relations management systems that focus on customer demands and expectations,
- Effective management of supply resources by getting into partnerships with suppliers so as to reduce material costs,
- Measuring supply chain performance at general and functional levels, and attempting to improve it.
- Developing information systems supporting decision-making about activities that form basics of supply chain,
- Generating plans to obtain the utmost added value from each ring and element in supply chain.

Consequently, it will be beneficial to the accommodation establishments to adopt supply chain management, a modern approach, in order to prevent waste of resources, which has an important place in the industry apart from staff related problems, and to use available resources in a way to get the most possible profit. As the chains potential is determined with the weakest link, every element in the chain – tour operator, travel agency, local authorities, transportation services supplier, and factors depending on political will, accommodation establishments and suppliers – is needed to be in continuous and complete touch and coordination. It may be proper for accommodation establishments to act in accordance with academicians and authorities about making technological and managerial investments for providing this.

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