

The Lone Wolf or The Pack

A Qualitative Study About What Would The Effects Of A Centralized Online Golf Booking-System Generate For Thailand's Golf Industry

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Abstract

With today's fast moving technological development, the consumer market has moved from physical selling to online electronic commerce. Which have resulted in behavioral changes of the customers whom have adopted and uses the internet more and more. This have forced companies to provide their products and services on online platforms. One such platform and feature is online booking which is often referred to a purchase that is made in advance on an online booking site and then later consumed in an offline environment. This new form of business strategy is important for companies to implement, to be able survive, however it comes with many risks and barriers.

The purpose of this research paper is to produce an overall perspective of the problems that companies face when deciding to move to an online setting and benefits and risk that follows. To provide a picture of the advantages and risk to work with third parties and the effects a centralized online system. The research was based on a qualitative research method using in-depth interviews with seven separate golf clubs from Sweden and Thailand.

The research showed that a centralized online booking system improves and creates stronger relationship between parties in that specific industry. In doing so it creates a healthier eco-system that helps to improve the parties themselves and makes the market to become more unified and to move forward as one. It also shows that resistance to change is non-avoidable when introducing a new system but that information is the key to minimize it. Additionally the research show that there are is a significant link between what an online system brings and takes away. It gives accessibility but limits the relationship building possibilities.

Keywords: online golf-booking system, marketing channels, third-party assurance, resistance to change, brand trust, level of intention, Sweden

Introduction

With today's fast moving technology development, the consumer market has moved from physical selling to online electronic commerce, due to the behavioral change of customers (Constantinides, 2004). Whom has adopted and become increasingly more and more used to the internet, when doing their shopping, making booking reservations such as hotels, tickets or booking a tee-time for a round of golf (Peng, Xu, & Chen, 2013). Online booking is often referred to a purchase that is made in advance on an online booking site and is later consumed in an offline environment in the form of service. For a service product based company to provide an online booking service could be beneficial for the company due to the competitive advantage it may create (Constantinides, 2004).

However, it is not as easy as one can think, according to Constantinides (2014) to succeed to implement a companies present online and offer its services in a nonphysical setting has its struggles. Which is shared by the authors Ward & Peppard (2016), that mentioned that when most companies try to create a form of online presence for their company, they many times underestimates the importance of using the correct platforms or software's. Which will impact the user friendliness or the quickness of their website, factors that will create a less favorable experience for the customer when visiting. (Ward & Peppard, 2016).

The fast moving technology development, has not just created new non-physical markets, but also opened up for opportunities for new businesses to grow. Companies that works as a third parties that will handle the bookings or selling of a company's products or services, have emerged (Plunkett, 2009). According to Beritelli & Schegg (2016), so will a "third party" if chosen correctly, work as good marketing channel. A form of marketing and selling channel that more and more companies uses especially with in the hotel booking and ticket industries, due to that it lets the company exist on more places than on just their own website. However, the decision, that many of today's owners and managers stand in front of, is to choose if they should join a specific channel or use a multiple-channel-strategy, to use multiple third parties or should they not join at all (Beritelli & Schegg, 2016). The authors continue by describing that, a manager also put his or hers company's image on risk. Even if a decision to join for example an online booking system would seem to be a great strategical and potential opportunities to expand the company's clientele and increase its competitive capacity (Beritelli & Schegg, 2016). So do

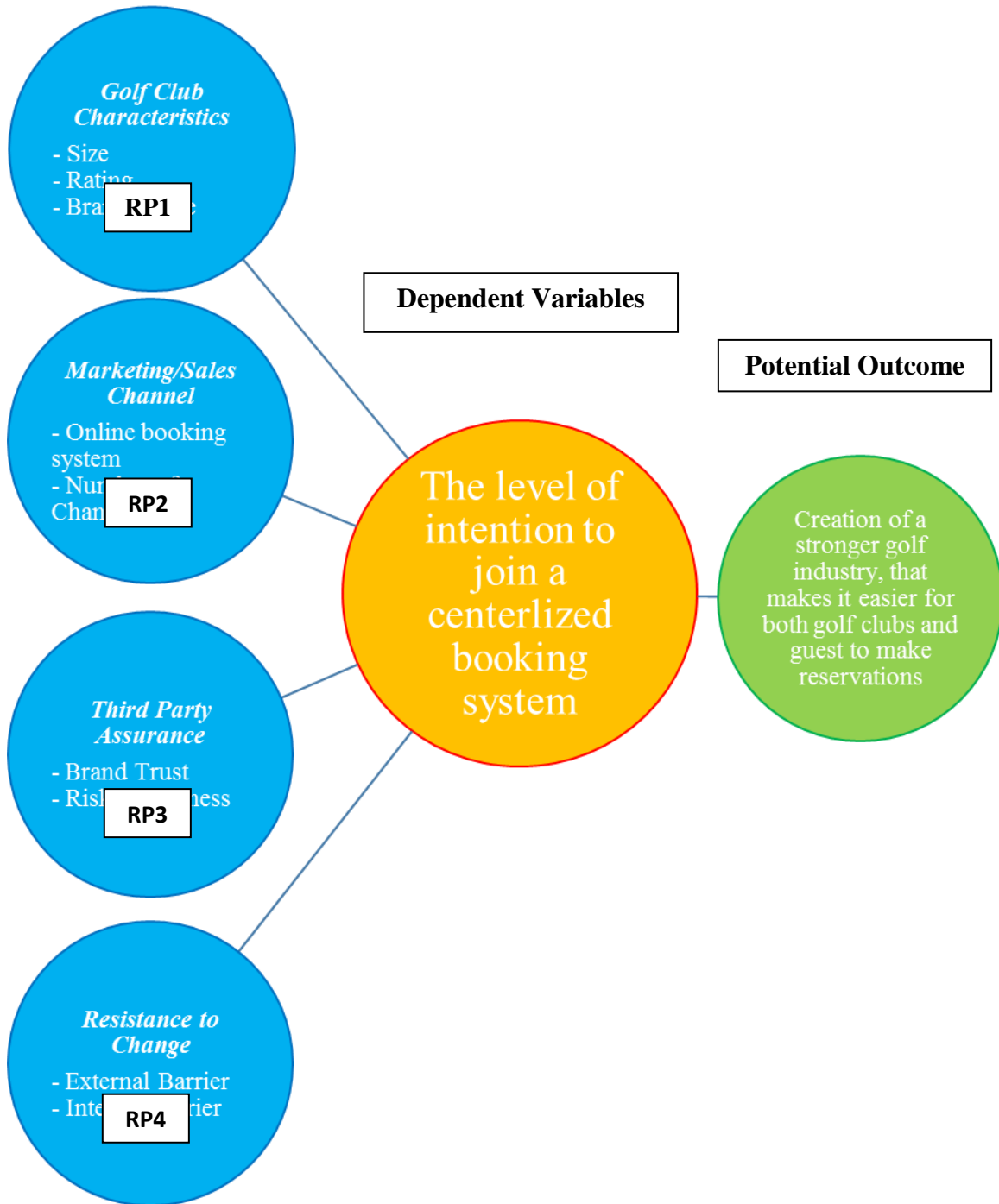
they risk that a company's image might get distorted by the third parties performance, by the service that is provided (Nenonen, Ahvenniemi, & Martinsuo, 2014).

The following background about the emerge of online booking market, about the opportunities and dangers of what the effect of joining a channel and using a third party could lead to for a company. Leads up to why Thailand, whom is one of the world's top golf countries with a both domestically and internationally based golf industry, which has been growing quickly for the last couple of years (Federation, 2015). A country that have over 250 registered golf courses, yet no national based online booking system exist. There are third party companies such as golfasia.com, easygolfbooking.com and thailandgolfers.com, however these companies only offers online booking for a certain amount of the golf courses not all of them. For example, Thailandgolfers.com offers only 42 golf courses which is less than 15% of the whole Thai-market. With the majority of the sites not even provide up-to-date/live tee-time booking options. Which begs up the question, how come no nationwide system like this exists and what would be the effect of a centralized online golf course booking-system could hypotechnically generate for Thailand's golf industry?

Therefore, the research aims to identify what effects a centralized booking-system would have for a golf industry. The underlying factors that has acted as barriers for the implementation of a centralized booking-system in Thailand. How Thai Golf Clubs fell about online booking system. And what risks Golf Clubs associate with using third parties.

The conceptual framework of the study is shown in Figure 1 below.

Figure 1: Conceptual Framework



Formed from the above research question and conceptual framework, the research propositions of the research is as follows:

Research Proposition 1: *A golf clubs who have a high popularity, rating and reputation, are more likely to have a more selective view of which marketing and sales channels they are willing to use.*

Research Proposition 2: *A golf clubs view of what an online booking system will give for competitive advantages are likely to influence the decision to join.*

Research Proposition 3: *The willingness of allowing a third party to represent the golf course and their image are likely to be influenced by the personal connection and trust of the owner of the third party.*

Research Proposition 4: *The level of resistance to change are likely to have an influence on the possibility to implement and for a golf club to join an online booking system.*

Research Methodology

The research paper used the deductive and a qualitative approach, by first collecting the theoretical framework, in order to create the conceptual framework and research propositions, which then acted as the basis when the constructing of the questionnaire used during the in-depth interviews. The qualitative method chosen due to that the significance of the research was on the words, feelings and attitudes, not as quantitative methods that is based on search of the association between variables through the use of numbers. The collection of secondary data were acquired from the literature, journals, articles, and press releases. The primary was data collected through the in depth-interview with semi-structured questions designed from the secondary data and its theories. The structured part of the questionnaire acted as a bases and validated that every interviewee got the same questions. And by structuring open-ended questions allowed the researcher to easier probe for relevant data during each interview. The empirical data was then put against the theoretical framework to find similarities and differences, by comparing theory and reality.

For this research the respondents were deliberately chosen, which means that the non-probability sampling selection method was used. This was done due to two reasons, first by choosing the respondents helps speed up the collection time of data. Secondly due to the difficulties of finding respondents willing to participate in the research so was all participated respondent chosen based on recommendation and introduced by a third part.

The aimed sample size for managers or owners from Thailand was 5 respondents, for this research 35 respondents was contacted only 3 respondents agreed to participate. The aimed sample size for managers or owners from Sweden was 5 respondents, for this research was 6 respondents contacted and 4 respondents agreed to participate. The aimed length of each interview was 30 minutes in order to ensure enough data could be collected. The following respondents are shown in Table 1.

Table 1 Respondents Information:

Fictional Name	Size	Interview length	Country
Swedish Club Wind	1100 members	50 minutes	Sweden
Swedish Club Sand	200 members	41 minutes	Sweden
Swedish Club Sea	1800 members	30 minutes	Sweden
Swedish Club Earth	400 members	29 minutes	Sweden
Thai Club Mountain	300 members	34 minutes	Thailand
Thai Club Cloud	1800 members	1 hour 5 minutes	Thailand
Thai Club Sun	100 members	45 minutes	Thailand

The motivation for data collection from two separate countries was done, in order to foresee and understand the plausible effects of an online booking system might have for the Thai golf industry. In this case Sweden was chosen, based on two primary factors, it has a successfully implemented online booking-system. Secondly it was chosen due to connection to the respondents.

Results of Research Propositions

Research Proposition 1: *A golf clubs who have a high popularity, rating and reputation, are more likely to have a more selective view of which marketing and sales channels they are willing to use.*

Result 1: The research found that there was a partial support for this relation between the rating and their brand image of a golf club and their selectivity of which channels they use. Golf clubs with a high rating and image will be more selective of which channel they will use due to the concern of loss control and damage towards their brand. Golf clubs with lower rating and brand image are less selective in their choices. Which follow the lines of research done by Schoenbachler & Gordon (2002), whom found that the brand image a company perceive to have of themselves affects the type of channel they decide to use. Also supported by You, Donthy & Lee (2000) who found that a more exclusive brand image often tend to use more exclusive distribution channel and vice versa. However, the research found that there is an as high relationship between a golf clubs business model and the level of selectiveness, that the level is higher if the golf club have member based model compare to a green-fee guest model. Additionally the research found that the perceived brand image by the owner of the club in some cases have more influence than the actual brand image of a golf club.

Research Proposition 2: *A golf clubs view of what an online booking system will give for competitive advantages are likely to influence the decision to join.*

Result 2: The research found a full support for the relationship between the competitive advantages of an online booking system and influence on the decision to join. Golf clubs that see high advantages with using an online booking system were more interested in joining compare to golf clubs that saw less. Moore (2006), found that a company that has a more dynamic view of their surroundings are more likely to be willing to collaborate and compete with other similar companies at the same time.

Research Proposition 3: *The willingness of allowing a third party to represent the golf course and their image are likely to be influenced by the personal connection and trust of the owner of the third party.*

Result 3: The research found a full support for the relationship between allowing a third party to represent a golf club and the personal connection to the third party. The personal connection between the person who will choose the third party and the owner of the third party was found to be an unconscious factor which have definite influence on the choice of the third party. Additionally the research found other factors that influence the willingness to be represented by a specific third party, such as; Size, Experience, Reputation and Connection to the industry. The researchers Cai (2010), Kotler & Keller (2015) and Beritelli & Schegg (2016) have found similar results in their research, that it is important that the company choose the correct third party, that knows what they are doing. That a company and the third party needs a natural connection function correctly together.

Research Proposition 4: *The level of resistance to change and restructure both internally and externally are likely to have an influence on the possibility to implement and for a golf club to join an online booking system.*

Result 4: The research found there was a full support for the relationship between resistance to change and the influence it have on the implementation. Resistance was found to be a non-avoidable factor when any form of change will occur. Petrou, Demerouti, & Schaufeli (2016), also found in their research that resistance is a non-avoidable factor when change is introduced to a company or organization.

Moreover, so did the research reveal that the level of resistance from both internal and external stakeholders and speed of implementation depends on how much information and education that they have been given. The more information given the lower the resistance and the higher education the quicker the implementation. Quat (2012), stresses the same argument in its research, in order to easier be able to implement both smaller and bigger changes to an organization, the flow of information is important.

Conclusion & Discussion

The combined conclusion based on the results from both the research proposition and primary and secondary data are that the effect of a centralized online booking system would have significant impact on Thailand's golf industry. The research revealed that a centralized online booking system would improve and create stronger relationships between the golf clubs in

Thailand. This would create a more healthy business eco-system that would help to improve both the golf clubs themselves and the market. Through the empirical data collected from the Swedish interview, it was found that one of the core strength of a golf club was to exist and work in a region with multiple other golf clubs. That competitions and collaboration can exist simultaneously.

As for what barriers that will influence the implementation of a new system it was found that resistance for change, both from internal and external parties, is something that is non-avoidable. That change will always bring with it resistance, nonetheless the research showed that information is the key tool for both developers and the company that will implement the system in to their business model. Information both have the possibility to minimize the resistance faced but also help to increase the speed of adaptation and change of mentality that follows a implementation of something new and foreign.

The research also found a significant link between what an online booking system bring and what it takes away. Accessibility is the greatest advantage that comes with making a company's product available online, something that in today's highly technical society is an absolute necessity and seen as a key survival tool. However, it also takes away a crucial part of the service, it limits the human connection and relationship building possibilities that companies have with it clients. Which both can limit the personal service and the company's ability to up sale.

Lastly, in the term of what risk golf clubs associate with third parties, so was it found that the highest risk was loss of control. Additionally so did the research reveal that a company's perceives a high risk with that their brand will be more affected than the third parties brand in case of a situation. Due to that for customers the third party is the same as the company itself.

Recommendations

The following research used a qualitative research approach and with a more concentrated sample size, the research can replicated with an increase in the number of respondents, both with a qualitative approach to gain a deeper understanding or with a quantitative approach that focus more on numbers and patterns.

Future research may include additional affected players from the industry, such as agents and tour companies. To understand how a centralized system might affect their business. Additionally future research may focus on the users of the system in this case the guest and members instead of the golf clubs, to get an better understand how online systems would influence and how they would feel towards such a system.

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