

The Contribution of Holistic Marketing in Achieving Sustainable Competitive Advantage

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Abstract: This study aims to investigate the role of holistic marketing in achieving sustainable competitive advantage in the hotel industry. Holistic marketing is treated as the independent variable, and sustainable competitive advantage as the dependent variable. Employing quantitative methodology to gather and analyze data. For data collection, a questionnaire was administered to 392 individuals, including managers, supervisors, and employees from hotels in the greater Cairo governorate. Statistical analysis was conducted using SPSS V.23.0 and the partial least squares (PLS.3) method to assess the study's hypotheses. The study's findings revealed a significant correlation between holistic marketing practices and the attainment of sustainable competitive advantage among hotels. This underscores the significance of sustaining existing holistic marketing practices and pursuing enhancements for greater competitive advantage. The findings underscore the dual importance of holistic marketing strategies and improved competitive advantage, emphasizing their role in conferring a competitive edge to hotels within the hospitality sector.

Keywords: Hospitality industry, Holistic marketing, Competitive advantage.

1. Introduction

In today's competitive business environment, a strong marketing strategy is essential for organizations' sustainability and revenue generation. Marketing has evolved into a crucial tool for survival amid intense competition, focusing on reputation, customer retention, and competitive advantage. Holistic marketing (HM), as proposed by Tzokas and Saren (2004), highlights building customer value chains through enriched relationships and direct interactions among employees, managers, stakeholders, and customers.

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Marketing's significance has gained international focus, as highlighted by Gregurec and Grd (2012), underscoring its role in enhancing competitiveness, external influence, and business growth. Organizations utilize research to transform ideas into customer-centric offerings, rectify marketing errors, and expand markets. The expansion of marketing channels is pivotal for broadening customer reach, maximizing profits, and fortifying brand influence (references retained).

The concept of marketing, originating in the 1950s, has evolved due to economic uncertainties and progress. This evolution gave rise to holistic marketing (HM), extending beyond traditional approaches. Pop and Lorga (2012) highlight HM's emergence as a significant challenge. Kotler and Keller (2012) define HM as developing, designing, and executing marketing programs for comprehensive impact. Instances like internal marketing (Purcarea and Ratiu, 2011; Munteanu et al., 2014) and organization-wide skills (Patwardhan, 2014) underscore HM's integration and quality management role (references preserved).

In today's landscape, fierce competition shapes organizational success. Sustainable competitive advantage (SCA) requires dedicated efforts, strategic market positioning, and resilience against rivals. Effective marketing strategies depend on factors including goals, strategies, target audience, product life cycle, and competition (Scrinis, 2016).

2. Literature Review

2.1 Holistic marketing (HM)

Holistic marketing (HM) emphasizes delivering long-term value to stakeholders, incorporating relationships and integrated, internal, and performance elements (Vrat et al., 1998; Pop and Vlodoi, 2009; Kotler et al., 2009). It views organizations as interconnected entities within the broader economy and society, promoting collaboration among departments for a positive brand image (Kotler and Keller, 2006; Govindarajan, 2007). HM's dynamic nature involves identifying and connecting marketing activities, while generating profit through customer loyalty and engagement (Nigam, 2011; Purcarea and Ratiu, 2011). Strong stakeholder involvement, integrated planning, and recognition of component importance characterize HM's effectiveness (Chajka, 2013). Overall, HM aims to create value by considering interdependencies and building positive relationships (Kotler and Keller, 2012; Herciu and Ogrea, 2017).

Importance of Holistic Marketing

HM involves viewing marketing as an interconnected system to enhance organizational influence, customer satisfaction, cost reduction, and differentiation from competitors (Kotler and Keller, 2006). It leads to improved customer experiences, innovative business models, brand establishment, and stakeholder relationships (Valentin and Paula, 2010). HM's benefits include attracting new business, enhancing focus, efficiency, alignment, and resource utilization (Nigam, 2011). It coordinates communication channels, integrates departments, and provides adaptability for consistent and efficient marketing (Kotler and Keller, 2012). HM fosters focus, customer satisfaction, differentiation, professional image, and success

(Mawson, 2013). Moreover, it aids in evaluating the internal environment, managing interdepartmental performance, adapting to external variables, and enhancing relationships with markets and competitors (Soliman, 2016).

Dimensions of Holistic Marketing

Authors exhibit varying perspectives on the dimensions of HM. Sheth and Sisodia (2006) propose four components: relationship, integrated, internal, and performance marketing. Govindarajan (2007) highlights internal, integrated, relationship, and social responsibility marketing. Kotler and Keller (2006) mention relationship, integrated, internal, and societal marketing, later replacing societal with performance marketing (Kotler and Keller, 2012). Cristina and Pop (2009) introduce five dimensions, while Pop and Vladoi (2009), Grundey (2010), and Wijaya et al. (2011) suggest four. Nigam (2011) includes relationship, integrated, internal, and socially responsible marketing. Although consensus lacks, most agree on internal, integrated, and relationship marketing. This study adopts Kotler and Keller's (2012) and Samawi and Salman's (2019) four HM dimensions: internal, integrated, relationship, and performance marketing, focusing on ethics, environment, society, and profitability for hotels.

2.2 Sustainable Competitive Advantage (SCA)

Sustainable Competitive Advantage (SCA) involves durable superior performance from unique strategies and resources that are hard to replicate (Barney, 1991; Amit & Schoemaker, 1993). Key factors for SCA include value, rarity, inimitability, and core competencies (Barney, 1991; Kay, 1995). SCA spans reputation, innovation, and successful organizational variables (Flamholtz, 2003; Altenburg et al., 2006). It's about industry understanding, future orientation, and resource-based capitalization (Porter, 2004; Dirisu et al., 2013). SCA drives sales, net income, and customer retention (Esty & Winston, 2009), built upon core competencies (Srivastava et al., 2013). Overall, SCA requires distinctive resources and strategies for long-term advantage (Johnson & Scholes, 2005).

Importance of Sustainable Competitive Advantage

Hill (2009) emphasized that SCA signifies an organization's leadership, larger market share, customer retention, and coping with market challenges. SCA enables continuous development to seize opportunities and surpass yesterday's and today's achievements for tomorrow's success. SCA's significance lies in gaining an edge over peers, utilizing resources distinctively. SCA's significance includes long-term survival, above-average income, heightened profitability, value creation support, adaptability, external strength, and market control (Vinayan et al., 2012; Huang et al., 2015).

Dimensions of Sustainable Competitive Advantage

Khandekar and Sharma (2005) emphasized organizational success through SCA development by attracting, retaining, and nurturing core competency-aligned talent. Changing environments and customer needs shifted market competition dimensions. Researchers varied in defining SCA dimensions, leading to lack of consensus. Al-Qurneh's (2014) study identified innovation, quality, flexibility, and differentiation as SCA dimensions, applicable to the hotel industry in this study.

2.3 Holistic Marketing and Sustainable Competitive Advantage

HM is a comprehensive approach that aligns marketing strategies with overall business objectives, considering stakeholders like customers, employees, and society (Jönsson & Devonish, 2009; Kotler et al., 2019). Wei and Wang (2011) emphasize distribution channels and promotions for marketing advantage. HM highlights branding and differentiation (Kotler et al., 2013), involving internal, integrated, relationship, and performance marketing (Keller & Kotler, 2015). Relationship marketing fosters customer ties (Caldwell & Floyd, 2014). Performance marketing addresses societal concerns (McWilliams et al., 2002), considering financial and nonfinancial returns (Kotler & Keller, 2006). Societal impact in performance marketing contributes to Competitive Advantage (Nemec, 2010), with Gacsi and Zeman (2013) noting its value. Multifaceted returns encompass legal, ethical, social, and environmental dimensions (Kotler & Keller, 2016). HM fosters SCA through enhanced customer loyalty, strategic alignment, differentiation, consistent brand identity, positive corporate image, innovative product portfolios, stakeholder relationship prioritization, online presence integration, data-driven decision-making, innovation encouragement, sustainability integration, optimized customer experiences, technological adaptability, and commitment to innovation (Sawhney & Prandelli, 2000,2001; Polonsky & Rosenberger III, 2001; Gentile et al., 2007; Kotler & Keller, 2016; Chaffey & Smith, 2017; Dawar & Bendle, 2018). This approach empowers hotels to adapt, innovate, and prioritize customer satisfaction, ultimately leading to a lasting competitive edge.

Therefore, the primary objective of this research is to explore the significance of HM in the attainment of SCA within the context of hotels. Consequently, the subsequent hypothesis is formulated.

H1: There is a significant relationship between HM and sustainable competitive advantage.

3. Methodology

This study employs a quantitative research methodology to investigate the implementation of HM practices and their impact on SCA in hotels. The research approach involves both description and analysis of the phenomenon, starting with depicting the situation and subsequently analyzing collected data. Greater Cairo's hotels were chosen as the research location due to the city's prominence as an economic and social hub in Egypt. The study aims to establish a rational foundation for methodological choices and outline data collection and analysis procedures.

3.1 Sampling and Data Collection

Questionnaire forms were dispersed among a total of 614 participants encompassing staff members from diverse positions within Greater Cairo's hotels. The sampling methodology employed was a simple random sample. The data collection period spanned from June 21, 2021, to October 13, 2021. Over this duration, a cumulative count of 448 completed forms was collected, yielding a commendable response rate of 72.96%. However, upon assessment, 56 forms were identified as unreliable and subsequently excluded. As a result, the final count of dependable questionnaire forms for the study amounted to 392.

3.2 Measurements

The research employed an anonymous questionnaire to collect data, focusing on deep-seated personal attitudes. This approach, aligned with Zikmund's recommendation, aimed to facilitate open expression of sensitive beliefs (Zikmund, 2003). To ensure data accuracy, variables were measured as per prior studies (references not explicitly provided).

The study assessed HM and its dimensions using a 17-item set from Al-Hakeem, Leila Mohsen (2019), Suma'i, Rafaa Faraj. and Salman, Kazem Dawood (2019), and Al-Taie, Youssef Hajim. and Al-Kalabi, Amir Naama (2017), employing a five-point Likert scale (1 to 5). SCA and its dimensions were evaluated with 17 items from sources including Al-Qurna, Lamis Youssef (2014), Al-Hourani, Youssef Musa (2017)¹, Al-Ziyadat, Mamdouh (2015), Auso and Nuree (2017), Al-Farjani et al. (2018) *, and Li et al. (2006), also using a five-point Likert scale (1 to 5).

4. Results and Discussion

The PLS-SEM conceptual framework and the assumed correlations underwent verification utilizing Smart PLS 3 software, while SPSS v. 23 was employed to handle descriptive statistics. The initial phase in the evaluation of the PLS-SEM findings encompassed the scrutiny of a range of criteria related to the measurement model. The configurations of the reflective measurement model were implemented, signifying that the causative flow originated from the constructs to their observable variables or assertions. Once the evaluation of the measurement model was deemed acceptable, the subsequent phase involved an evaluation of the structural model.

4.1 Descriptive Statistics of Holistic Marketing

As shown in Table (1), the collective average perception score of the respondents' regarding HM was calculated to be 4.26, accompanied by a standard deviation of 0.543. This outcome signifies a widespread and robust consensus among the respondents concerning their perception of HM. Notably, respondents' perceptions were notably positive with regards to internal marketing, as indicated by the attained mean of 4.08, coupled with a standard deviation of 0.694, which implies a general consensus.

Furthermore, integrated marketing garnered a total mean score of 4.22, alongside a standard deviation of 0.607. This outcome signifies a prevailing and resolute agreement among the respondents regarding their perception of integrated marketing strategies within their respective hotels. Similarly, relationship marketing achieved a total mean of 4.46, accompanied by a standard deviation of 0.521, underlining a compelling and substantial agreement among the respondents regarding their perception of relationship marketing strategies within their hotels.

Additionally, the collective average perception score of respondents regarding the dimension of performance marketing was determined to be 4.27, accompanied by a standard deviation of

0.652. This observation once again indicates a substantial and comprehensive consensus among the respondents concerning their perception of performance marketing.

Table (1): Descriptive statistics for holistic marketing

| Items | | Frequencies% | | | | | Mean | SD | Result |
|----------------------------------|---|--------------|------|------|------|------|------|-------|-----------------------|
| | | 1 | 2 | 3 | 4 | 5 | | | |
| 1. Holistic Marketing | | | | | | | 4.26 | .543 | Strongly agree |
| a. Internal marketing | | | | | | | 4.08 | .694 | Agree |
| 1 | The hotel management brings in competent individuals who are willing to perform the required tasks. | 0.8 | 3.8 | 13.5 | 43.6 | 38.3 | 4.15 | .848 | Agree |
| 2 | The hotel management participates employees in the setting of plans and objectives. | 3.3 | 12.8 | 15.6 | 42.1 | 26.3 | 3.75 | 1.081 | Agree |
| 3 | The hotel allocates the necessary resources to increase the awareness of employee about the products and services offered to customers. | 0.5 | 2 | 12.5 | 47.7 | 37.2 | 4.19 | .768 | Agree |
| 4 | Hotel management is working to rely on advanced training programs to improve the capabilities of employees. | 0.8 | 3.8 | 9.9 | 40.3 | 45.2 | 4.25 | .843 | Strongly agree |
| b. Integrated marketing | | | | | | | 4.22 | .607 | Strongly agree |
| 1 | The hotel offers a diverse and innovative range of products and services. | 0.5 | 1.3 | 5.6 | 54.1 | 38.5 | 4.29 | .676 | Strongly agree |
| 2 | The hotel has an efficient and active marketing function that enhances brand vision and awareness of the product. | - | 3.1 | 8.9 | 51.3 | 36.7 | 4.22 | .730 | Strongly agree |
| 3 | The hotel relies on various appropriate promotional means to familiarize customers with its products and services. | 0.3 | 2.3 | 9.7 | 47.4 | 40.3 | 4.25 | .743 | Strongly agree |
| 4 | Hotel management adopts action plans to guide all employees towards achieving marketing objectives. | 1.3 | 2.8 | 12.2 | 48 | 35.7 | 4.14 | .830 | Agree |
| c. Relationship Marketing | | | | | | | 4.46 | .521 | Strongly agree |

| Items | | Frequencies% | | | | | Mean | SD | Result |
|---------------------------------|--|--------------|-----|------|------|------|------|------|----------------|
| | | 1 | 2 | 3 | 4 | 5 | | | |
| 1 | The hotel's operations are efficient and timely service is ensured. | 0.8 | 1.5 | 5.1 | 52.3 | 40.3 | 4.30 | .705 | Strongly agree |
| 2 | The hotel places the customer's interests at the center of its interests and provides personalized services to them. | 0.5 | 1.6 | 3.8 | 39.3 | 54.8 | 4.46 | .692 | Strongly agree |
| 3 | The hotel management works to make the employees aware that customers should be respected and complimented. | 0.5 | 0.3 | 3.1 | 37.8 | 58.3 | 4.53 | .623 | Strongly agree |
| 4 | I realize that customers have the right to efficient and timely service. | - | 0.8 | 3.3 | 33.4 | 62.5 | 4.58 | .598 | Strongly agree |
| d. Performance marketing | | | | | | | 4.27 | .652 | Strongly agree |
| 1 | The hotel improves the effectiveness of its marketing operations to increase financial benefits. | 0.8 | 1.8 | 6.6 | 43.6 | 47.2 | 4.35 | .748 | Strongly agree |
| 2 | The hotel works to improve the performance of its employees to improve and develop competition with others. | 0.8 | 2.8 | 8.4 | 42.9 | 45.2 | 4.29 | .797 | Strongly agree |
| 3 | The hotel is working on introducing advanced mechanisms and technologies that contribute to improving staff performance. | 1.3 | 2.6 | 11.7 | 43.6 | 40.8 | 4.20 | .839 | Strongly agree |
| 4 | The hotel encourages customers to provide feedback to help evaluate staff performance. | 0.8 | 1.5 | 10.5 | 40.3 | 46.9 | 4.31 | .780 | Strongly agree |
| 5 | The hotel is concerned with the social, ethical, healthy, and legal environments within the community. | 0.8 | 3.6 | 10.2 | 44.3 | 41.1 | 4.21 | .825 | Strongly agree |

❖ Strongly disagree = 1. Disagree = 2. Neutral = 3. Agree = 4. Strongly Agree = 5

4.2 Descriptive Statistics of Sustainable Competitive Advantage

As presented in Table (2), the aggregate mean score for SCA was computed at 4.16, accompanied by a standard deviation of 0.632. This outcome underscores a prevailing consensus among most respondents concerning sustainable competitive advantage. Examining

its facets, the mean score for Innovation was 4.04, with a corresponding standard deviation of 0.788, indicating a general accord among the respondents. Additionally, the dimension of quality obtained a mean score of 4.30, coupled with a standard deviation of 0.699, reflecting a widespread and robust consensus among the respondents regarding quality. Furthermore, the dimension of flexibility attained a mean score of 4.09, with a standard deviation of 0.707, signifying a prevalent agreement among the surveyed participants. Likewise, the dimension of differentiation garnered a mean score of 4.23 and a standard deviation of 0.659, affirming a significant and consistent agreement among most respondents concerning differentiation.

Table (2): Descriptive statistics for sustainable competitive advantage

| Items | | Frequencies% | | | | | Mean | SD | Result |
|--------------------------------------|---|--------------|-----|------|------|------|------|------|----------------|
| | | 1 | 2 | 3 | 4 | 5 | | | |
| 2. Sustainable Competitive Advantage | | | | | | | 4.16 | .632 | Agree |
| a. Innovation | | | | | | | 4.04 | .788 | Agree |
| 1 | The hotel provides full support for creative individuals. | 2.3 | 4.3 | 25 | 37.8 | 30.6 | 3.90 | .964 | Agree |
| 2 | The hotel evaluates the performance of the staff using modern methods. | 2.1 | 5.1 | 16.3 | 40.3 | 36.2 | 4.04 | .956 | Agree |
| 3 | The hotel focuses on creating new products and services. | 1.3 | 4.1 | 12 | 49.2 | 33.4 | 4.09 | .852 | Agree |
| 4 | The hotel can devise advanced methods and tools that help persuade customers to purchase hotel products and services. | 1.3 | 3.6 | 11.5 | 46.9 | 36.7 | 4.14 | .849 | Agree |
| b. quality | | | | | | | 4.30 | .669 | Strongly agree |
| 1 | The hotel has a clear and documented quality policy. | 1 | 2.5 | 9.2 | 41.1 | 46.2 | 4.29 | .816 | Strongly agree |
| 2 | The hotel can compete on quality. | 0.8 | 4.1 | 7.6 | 39.5 | 48 | 4.30 | .837 | Strongly agree |
| 3 | The rate of customer complaints about the quality of services and products decreases. | 1 | 2 | 13.5 | 45.7 | 37.8 | 4.17 | .812 | Agree |
| 4 | The hotel takes care of customers' problems and finds appropriate solutions to them. | 0.5 | 0.8 | 4.6 | 38.8 | 55.3 | 4.48 | .671 | Strongly agree |
| c. flexibility | | | | | | | 4.09 | .707 | Agree |
| 1 | The hotel can reduce the time required for customers to obtain products and services. | 0.5 | 2.3 | 7.4 | 43.6 | 46.2 | 4.33 | .754 | Strongly agree |

| | | | | | | | | | |
|---------------------------|--|-----|-----|------|------|------|------|------|-----------------------|
| 2 | The hotel's appliances and equipment are multipurpose. | 0.8 | 3.3 | 16.3 | 48 | 31.6 | 4.06 | .824 | Agree |
| 3 | The hotel seeks to develop the skills of its employees, enabling them able to perform more than one job or business. | 2.6 | 6.1 | 13 | 46.4 | 31.9 | 3.99 | .962 | Agree |
| 4 | The hotel is flexible enough in production processes in terms of changing machines and equipment and any other requirements. | 1.3 | 3.6 | 16.8 | 50.5 | 27.8 | 4.00 | .840 | Agree |
| d. differentiation | | | | | | | 4.23 | .659 | Strongly agree |
| 1 | The hotel can change its product and service offerings to satisfy customers. | 0.8 | 2.1 | 11.2 | 52 | 33.9 | 4.16 | .760 | Agree |
| 2 | The hotel can provide products and services as requested by clients. | 0.8 | 2 | 7.9 | 51.5 | 37.8 | 4.23 | .744 | Strongly agree |
| 3 | The hotel has a clear tendency to work towards Excellence Awards. | 1 | 3.1 | 10.7 | 43.4 | 41.8 | 4.22 | .833 | Strongly agree |
| 4 | The hotel strives to provide distinguished products and services. | 0.8 | 2 | 4.9 | 45.9 | 46.4 | 4.35 | .735 | Strongly agree |
| 5 | The hotel offers products and services to customers at affordable prices. | 0.5 | 3.1 | 11.2 | 48 | 37.2 | 4.18 | .788 | Agree |

❖ Strongly disagree = 1. Disagree = 2. Neutral = 3. Agree = 4. Strongly Agree = 5

4.3 The Measurement Model (Outer Model)

The outer model, or measurement model, delineates the relationship between latent variables and their corresponding indicators (manifest variables) (Ringle et al., 2010). Reliability assessment in reflective models involves examining internal consistency and indicator reliability. Validity, ensuring alignment between measurement items and constructs, is evaluated through convergent and discriminant validity assessments (Henseler et al., 2009).

Convergent validity is assessed by Average Variance Extracted (AVE), indicating the proportion of variance explained by a latent variable (LV) compared to measurement error. An AVE over 0.5 implies strong construct validity, while AVE below 0.5 questions it. Discriminant Validity checks unrelated constructs' correlations and is assessed using Fornell-Larcker Criterion and cross-loadings (Henseler et al., 2009) - references preserved.

Table (3): The assessment criteria to determine the reliability and validity of the measurement model

| criterion | Description |
|-----------------------------------|--|
| Cronbach's alpha | The minimum acceptable threshold is 0.7, and preferably is more than 0.8. |
| Composite reliability | The composite reliability must not be less than 0.7. |
| Factor loading | Absolute standardized outer loads should be significant at the 0.5 level and higher than 0.7. |
| AVE | The average variance extracted should be greater than 0.5. |
| Cross-loadings | The item loading of each indicator is highest for its designated construct. |
| Fornell– Larcker criterion | The square root of the AVE of a construct should be higher than the correlations between the construct and other constructs. |

Table (4): The results of measurement model reliability and convergent validity

| Construct | Dimension | Items | Factor Load | VIF | Ave | CR | Cronbach's Alpha |
|---------------------------|------------------------|--------------|--------------------|------------|------------|-----------|-------------------------|
| Holistic marketing | Internal marketing | Im 1 | 0.645 | 1.721 | 0.615 | 0.863 | 0.788 |
| | | Im 2 | 0.791 | 2.129 | | | |
| | | Im 3 | 0.831 | 2.470 | | | |
| | | Im 4 | 0.850 | 1.538 | | | |
| | Integrated marketing | Imc 1 | 0.780 | 2.155 | 0.670 | 0.890 | 0.834 |
| | | Imc 2 | 0.855 | 2.978 | | | |
| | | Imc 3 | 0.881 | 2.779 | | | |
| | | Imc 4 | 0.752 | 3.521 | | | |
| | Relationship marketing | Rm 1 | 0.823 | 2.002 | 0.633 | 0.873 | 0.808 |
| | | Rm 2 | 0.821 | 1.665 | | | |
| | | Rm3 | 0.801 | 2.142 | | | |

| | | | | | | | |
|--|-----------------------|--------|-------|-------|-------|-------|-------|
| | | Rm 4 | 0.735 | 2.002 | | | |
| | Performance marketing | Pm 1 | 0.734 | 2.318 | 0.669 | 0.909 | 0.875 |
| | | Pm 2 | 0.884 | 1.294 | | | |
| | | Pm 3 | 0.875 | 1.664 | | | |
| | | Pm 4 | 0.796 | 1.855 | | | |
| | | Pm 5 | 0.787 | 2.029 | | | |
| Sustainable competitive advantage | Innovation | Inv 1 | 0.886 | 1.599 | 0.758 | 0.926 | 0.894 |
| | | Inv 2 | 0.874 | 2.985 | | | |
| | | Inv 3 | 0.885 | 2.948 | | | |
| | | Inv 4 | 0.838 | 1.876 | | | |
| | Quality | Qua 1 | 0.878 | 1.826 | 0.727 | 0.914 | 0.874 |
| | | Qua 2 | 0.884 | 2.618 | | | |
| | | Qua 3 | 0.841 | 2.688 | | | |
| | | Qua 4 | 0.804 | 2.024 | | | |
| | Flexibility | Flex 1 | 0.791 | 1.820 | 0.698 | 0.902 | 0.856 |
| | | Flex 2 | 0.844 | 1.728 | | | |
| | | Flex 3 | 0.839 | 1.769 | | | |
| | | Flex 4 | 0.867 | 1.751 | | | |
| | Differentiation | Diff 1 | 0.821 | 1.529 | 0.731 | 0.931 | 0.908 |
| | | Diff 2 | 0.883 | 2.807 | | | |
| | | Diff 3 | 0.870 | 2.662 | | | |
| | | Diff 4 | 0.903 | 2.644 | | | |
| | | Diff 5 | 0.794 | 2.076 | | | |

As indicated in Table (5), the square root of the Average Variance Extracted (AVE) surpasses the intercorrelations, signifying that the AVE values for each construct are greater than those for other constructs. This outcome serves as evidence of discriminant validity, as the AVE values consistently exceed the correlations between constructs.

Table (5): The Fornell-Larcker-criterion measurement model results

| | Qua | Imc | Diff | Flex | Im | Pm | Rm | Inv |
|--|-----|-----|------|------|----|----|----|-----|
|--|-----|-----|------|------|----|----|----|-----|

| | | | | | | | | |
|-------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Qua | 0.852 | | | | | | | |
| Imc | 0.704 | 0.818 | | | | | | |
| Diff | 0.715 | 0.664 | 0.855 | | | | | |
| Flex | 0.725 | 0.689 | 0.755 | 0.835 | | | | |
| Im | 0.576 | 0.726 | 0.632 | 0.642 | 0.784 | | | |
| Pm | 0.731 | 0.729 | 0.707 | 0.730 | 0.709 | 0.818 | | |
| Rm | 0.703 | 0.704 | 0.646 | 0.628 | 0.604 | 0.746 | 0.796 | |
| Inv | 0.712 | 0.700 | 0.728 | 0.777 | 0.694 | 0.758 | 0.606 | 0.871 |

4.4 The Structural Model (Inner Model)

The structural model is a configuration of directed paths that delineate a causal sequence connecting different constructs (Henseler et al., 2009), where the causal relationships emanate from one construct and extend towards another. According to Ringle et al. (2010), a structural model usually represents a theorized model. Furthermore, Mateos-Aparicio (2011) remarked that the structural model employs a path analysis approach to evaluate its parameters. The values attributed to the pathways between each construct in the structural model are referred to as "path coefficients" (Hair, et al., 2014). When assessing the structural model, Hair et al. (2014) employed five criteria. Firstly, path coefficients should be at least 0.100 and significant (with a significance level of at least 0.05). Secondly, coefficient of determination (R^2) values approximately equal to 0.67, 0.33, and 0.19 are considered indicative of substantial, moderate, and weak effects respectively, following the classification by (Hair et al., 2012). Thirdly, effect size (F^2) values of predictor variables at 0.02, 0.15, and 0.35 indicate low, medium, and large effects respectively, as defined by Henseler and Chin (2010). Fourthly, the predictive relevance threshold value for a tested model, denoted as Q^2 , should be greater than 0; higher Q^2 values indicate stronger predictive relevance, aligned with Urbach and Ahlemann (2010). Finally, the goodness of fit (GoF) is the geometric mean of both the extracted Average Variance Extracted (AVE) and the average R^2 of the endogenous variables. The formula for calculating GoF is as follows:

$$GoF = \sqrt{(\overline{R^2} \times \overline{AVE})}$$

When the GoF is less than 0.1, it means the model is no fit, if GoF is between 0.1 and 0.25 it means the model is a small fit, if GoF is between 0.25 and 0.36 it means the model is a

medium fit, and when GoF is greater than 0.36 it means the model is large fit (Tenenhaus et al., 2005; Wetzels et al., 2009).

As shown in Fig. 1 and Table (6) the results of the structural model show that HM explains **73.4%** for Sustainable competitive Advantage; this result indicates a high explanatory power of HM on Sustainable competitive advantage. In addition, Table (6) indicates that HM had a large/ strong appositive effect on the SCA as the value of f^2 value is **2.759** which is **> 0.35**. As shown in Fig. 1 and Table (6) the result of the structural model shows that the value of Q^2 for the SCA **> Zero** which means that there is Predictive Relevance, and these results support the claim that this study model has adequate predictability. Furthermore, the result of the **GoF** for The Structural model is **0.710** which is **>0.36**, this result means that the model is a large fit.

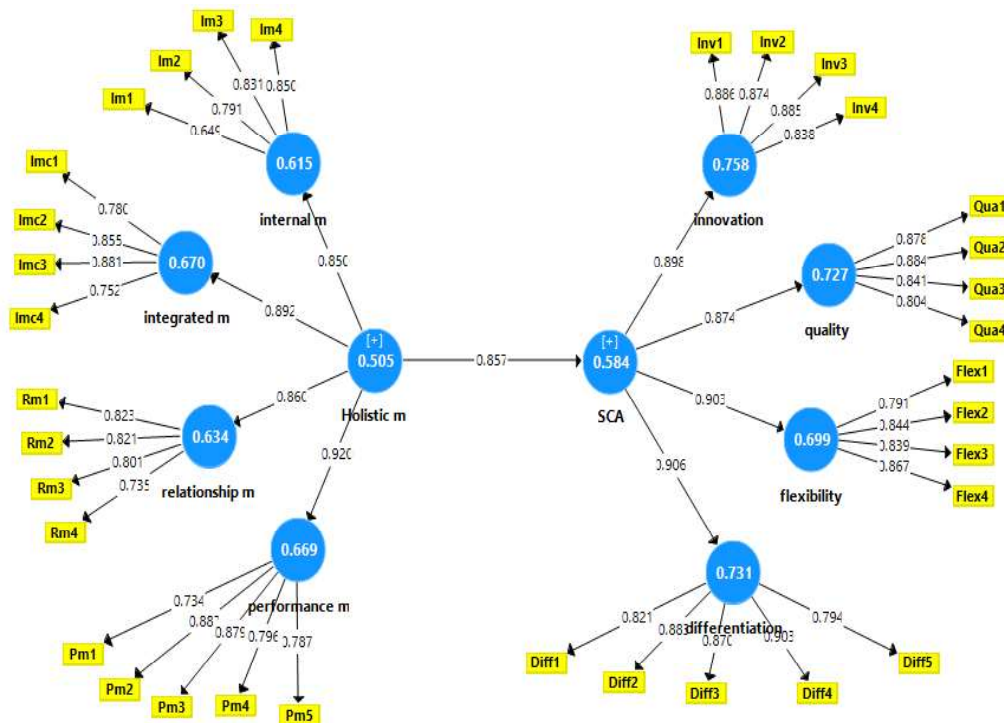


Figure (1): Structural model (Path coefficient, significance, and R²)

Table (6): The results of the structural model

| Construct | Effect Size (f^2) | coefficient of determination (R^2) | Prediction relevance (Q^2) | Goodness of Fit (GoF) |
|-----------|-----------------------|--|--|-----------------------|
| HM → SCA. | 2.759 (large) | 0.734 (high) | 0.421 (There is a Predictive Relevance) | 0.710 (Large fit) |

As evident from Fig. 1 and Table (7) the result of the structural model reveals a positive relationship between HM and SCA, with a statistically significant relationship established ($\beta = 0.857$, p-value = 0.000). Consequently, this result lends support to **H 1**, affirming the

existence of a substantial and significant connection between HM and sustainable competitive advantage. This finding underlines the dynamic interplay between HM and SCA, a perspective echoed by Wei and Wang (2011) who emphasized the importance of efficient distribution channels and compelling promotional strategies compared to competitors, contributing to the attainment and retention of a competitive edge in the realm of marketing. Keller and Kotler (2015) assert that HM encompasses the understanding of internal marketing, integrated marketing, relationship marketing, performance marketing, and the varied outcomes stemming from marketing efforts. It necessitates that organizations identify the requisites and preferences of target markets to serve them effectively and efficiently, ultimately achieving sustainable competitive advantage.

In alignment with the outcomes of Kotler et al. (2013), this study's findings affirm that HM represents a specialized facet of marketing utilizing specific techniques to enhance the perceived value of a brand. Branding and differentiation strategies grounded in the brand concept are potent tools for cultivating and sustaining competitive advantage. Furthermore, these findings resonate with the insights of Kotler and Keller (2016), indicating that HM comprehends the breadth and intricacies of marketing endeavors. Marketers are progressively expanding their purview beyond mere sales figures, delving into metrics encompassing market share, customer contentment levels, product quality standards, sustainable competitive advantage, and other pertinent measures.

Table (7): Results of the research hypothesis

| Impact | Std. Beta | Std. Error | T- Value | P- Value | Result |
|---------------------|------------------|-------------------|-----------------|-----------------|---------------|
| HM -> SCA | 0.857 | 0.018 | 47.02 | 0.000 | Supported** |

❖ **Significance at (0.05)**

5. Conclusion

The findings of the research demonstrate that HM accounts for 73.4% of the variation in SCA. This outcome suggests a highly substantial capacity of HM to elucidate the nuances of SCA. Additionally, the impact of HM on SCA is substantial and positive. Furthermore, the study's results underscore a positive correlation between HM and SCA, with a coefficient (β) of 0.857 and a p-value of 0.000. This outcome accentuates the dynamic and mutually relationship that exists between HM practices and the achievement of SCA.

6. Implications of the Study

The study emphasizes HM and its components' significance in the hotel industry, contributing to theoretical frameworks and practical insights. It explores the relationship between HM and SCA, highlighting how integrating HM enhances SCA in hotels. The research introduces a comprehensive model and offers valuable insights for Egyptian hotels, while also suggesting applicability to other service sectors and future studies. Ultimately, the study advances understanding of HM's impact on competitive advantage and its broader implications.

The study's insights offer vital recommendations for effective hotel management: prioritize marketing strategies, enhance awareness of HM and SCA interplay, invest in human resources for innovation, provide specialized marketing training, align decisions with strategic goals, emphasize innovation and differentiation, strengthen internal and relationship marketing, and address lower employee perceptions. These guideposts enable hotels to optimize marketing, nurture resources, and attain SCA.

7. Limitations of the Study

The study acknowledges several limitations: reliance on questionnaires for five-star hotels in Cairo and Giza, with some hotels not distributing paper surveys due to Covid-19; exclusivity to the five-star hotel segment, limiting generalizability; confinement to a specific region; data collection within a specific timeframe; and the correlational nature of the study, lacking causal insights. These constraints highlight areas for potential improvement and consideration in future research endeavors.

8. Direction for Future Research

This study highlights the importance of revitalizing our comprehension of HM, especially within the realm of hotel real estate, and urges further research to integrate practical insights from organizations employing HM strategies. Furthermore, it offers a wellspring of inspiration for future research directions, such as exploring HM's impact on customer relations, linking HM to profitability and change management, extending the study's scope to different sectors, applying HM to presidential and social projects, and implementing HM strategies across diverse fields. By suggesting these avenues, the study paves the way for comprehensive future research efforts that can enhance our understanding of HM's implications and applications across various domains.

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