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### RESEARCH ARTICLE

#### SUSTAINABILITY AS A FACTOR OF COMPETITIVE ADVANTAGE IN TOURISM INDUSTRY

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#### Abstract

This study aims at the role that sustainability in general and sustainable marketing (SM) in particular plays in improving competitive advantage (CA) that help hotels its continuity and survival in the market. The purpose of this article is to study the impact of SM on achieving the CA of classified hotels in the capital of Jordan- Amman. The descriptive and analytical approaches were employed in the study to classify and analyze data. A total of 94 valid questionnaires were collected, and the data were analyzed using the descriptive analytical approach. The major findings suggest that SM affects CA in general and hotel revenues and economic success in particular.

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#### Introduction:-

It is difficult to approach the concept of sustainability because it intersects with numerous terms and theories such as sustainable development, social and green marketing (Nan andHeo, 2007), not to mention that it is one of the flexible concepts that are constantly subject to modification by tourism specialists (Hsieh, 2012). Organizations are facing difficult situations that require a comprehensive review of their business and marketing strategies, which led them to prepare a well-defined marketing strategy that includes social and environmental responsibility in order to provide the necessary ingredients to deal with the emerging conditions in the new global labor system (Andreasen, 2002; Bandura, 2007).

The SM contributes to paying attention to environmental considerations by adopting the principles of green and environmentally cleaner marketing, and specifically by providing green products and directing individuals and organizations to the need to change their view towards responsible consumption and attention to social costs (Hussein &Çağlar, 2019). Some argued that it also contributes to the economic dimension effectively through responsible marketing, whose role is to deal with all parties, the society in which it operates, and the environment responsibly, built on ethical foundations, principles and transparency. The role in the social dimension of sustainable development is evident by applying the principles of social marketing that go beyond contributing to charitable work to include providing effective mechanisms to address existing social challenges and trying to find solutions to them, in addition to providing support and assistance from the organization's management (Crane, 2000).

Alternatively, CA is a main goal that all business organizations seek to achieve, as the main problem that these organizations face is the problem of continuity and survival in the industry or market they choose, which requires their possession of the supporting factors for that, namely goals, resources, capable and motivated individuals, as well as options for the correct and necessary strategy for the survival of the organization (French and Stevens, 2006). Likewise, the organization's possession of a sustainable CA is an indication of its ability to face the changes

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in the environment in the market and its careful examination of the industry environment, and thus, its ability to confront competitors and the possibility of survival and continuity (Chan, 2014). Therefore, despite the increasing environmental and competitive pressures, it seeks to achieve wide production rates or accumulate sufficient resources (tangible and intangible) to build strategic capabilities and achieve the organization's CA by outperforming competitors and adapting to the rising dynamics of the competitive environments in which it operates, thus contributing to its ability to achieve sustainability for CA to prevent new competitors from entering the sector in which it operates (Fuller, 1999).

Due to the challenges surrounding sustainable tourism demand, it has been addressed if this market exists by any means (Hsieh, 2012). According to older research, truly sustainability minded tourists account for only about 10% of the market. Both conventional marketing and environmental sustainability marketing assume that there is a consumer sector dedicated to environmental sustainability and that products must be tailored to these consumers (Chan, 2014). Recently, there has been a significant increase in the number of eco-type adventures and environmental sustainability enterprises in the tourism industry; however, those principles do now no longer match into both the environmental sustainability marketing due to the fact travelers regularly are looking for an experience and not good.

In the case of tourism industry in Jordan, some may wonder if it is worthwhile for businesses to portray themselves as eco or environmentally sustainable in order to create their CA from the manager point of view, considering the fact that some believe that sustainability could be detrimental to a corporation and may fall short of expectations.

## **Literature Review:-**

### **Sustainable marketing (SM):**

Since the beginning of the sixties, as a result of technological development and the increase in population numbers, individuals showed great concern about neglecting the environment. At the beginning of the seventies, this concern increased due to the emergence of other issues that harm the environment, such as natural resources depletion, pollution of various kinds, climate change and decreasing green spaces, not to be overlooked the contribution of SM organizations (Rodriguez et al, 2002). In general, sustainability entails paying close attention to actions that have an influence on the environment. The development of SM as a concept and a practice came as a result of the increased interest in environmental issues, and organizations believed that there were some customers who wanted to buy products that did not harm the environment in return for paying high prices (Charter et al, 2002). Catoiu, (2012) pointed out in his concept of SM the novelty of the topic and stated that SM is one of the modern topics as it focuses on the optimal use of the resources owned by the organization in order to provide products of high value to customers and other relevant parties, taking into account environmental issues and long-term social.

A studies by Belz&Peattie, (2009) agreed with this proposition in their expression of SM as representing a new look in marketing. It will replace traditional marketing and lead to achieving sustainable development. SM is the advancement of naturally and socially dependable items, practices, and brand values. Assuming you've spent somewhat more on something since you realize it's locally sourced or 100% recyclable, you've attempted SM (Edwards et al, 2009). Sustainability is about continuity, embracing ways of behaving and practices to guarantee that the planet is livable and assets are accessible for people in the future. In a lot the identical way, SM is set longevity, swapping short-time period advantage for long-time period success (Nan and Heo, 2007).

### **Competitive Advantage (CA):**

The CA is what distinguishes an entity's goods or services from all other possibilities for a customer (Moses, 2010). The CA is commonly used for business, strategies work for any organization, country, or even individuals in a competitive environment (Adner et al. 2006). The CA is a collection of distinct characteristics of a firm and its products that the target market regards as important and outperforms the competition. This is why a brand is loyal to one product or service over another (Grahovac and Miller, 2009).

Companies can utilize three different forms of CA, these are as follows: cost and revenue (the economic outcomes), product or service differentiation, and niche strategies (Walsh, 2014). CA is a theory that aims to answer some of comparative advantage's objections. According to CA theory, states and corporations should seek policies that produce high-quality items that can be sold at high market prices. The CA is necessary for satisfied customers who will get higher value in the products delivered to obtain a higher income than what owners demand from management. These requirements can be met through production organization, higher application, and lower

production costs as possible (Ranko et al., 2008). A company that uses a differentiation strategy can acquire a CA over its competitors because of its capacity to establish entry barriers for future entrants by building customer and brand loyalty through superior offerings, advertising, and marketing strategies. As a result, a company that uses a differentiation strategy benefits from price-inelastic demand for its product or service (Moses, 2010). Firms have the ability to create barriers to entry in order to prevent counterfeiting by their competitors and to utilize their resources for the purpose of maintaining an international CA.

Previous research has concluded that sustainability initiatives can help businesses to gain a CA by encouraging efficiencies, attracting customers from certain segment market, and gaining business (Walsh and Dodds, 2017). This study conserve in examining this idea critically in the context of the hotel industry by comparing the strategic intent and implementation of sustainability initiatives in hotels in Jordan in order to win a CA. More precisely, we investigate the reason behind implementing sustainability initiatives, as well as the perceived impact of such tactics on a hotel's economic sustainability from the managers' point of view.

### **Theoretical Framework and Hypotheses:**

The previous discussed literatures support the facts that SM could influence or even create CA in most cases. As discussed in this study, this research investigated the effect of SM on improving CA in classified hotels in Jordan. More specifically, the present study adopts Walsh and Dodds, (2017) framework which investigates the impact of hybrid sustainable strategy (low cost sustainable strategy and differentiating sustainability strategy) on creating CA. In their study, they conceptualized the CA of hotel industry as the combination of these variables (continued economic success, enhancing revenues, enhancing occupancy, and tourists' satisfaction). Nevertheless, while all sustainability methods are intended to generate financial gains for hoteliers, those that come under the low-cost strategy appear to have a higher possibility of success, as they often represent efficiency gains that result in a measurable financial benefit (Gilmore et al., 2014; Jones et al., 2014). There is no single acknowledged definition of sustainability, according to Bern et al. (2009). Companies define it in a variety of ways, with some focusing solely on environmental repercussions and others considering a wide range of economic concerns. When it comes to finite resources, the economic and political outlooks are same. As a result, in light of the previously cited literature and in pursuit of the study's objectives, the following hypotheses were proposed:

**H1: SM has a positive impact on CA**

**H1a: SM has a positive impact on the hotel** continued economic success.

**H1b: SM has a positive impact on the hotel** enhancing revenues.

**H1c: SM has a positive impact on the hotel** enhancing occupancy.

**H1d: SM has a positive impact on the hotel** enhancing tourists' satisfaction.

### **Methodology:**

To achieve the purpose of the current study, quantitative data related to the study variables to investigate the impact of SM on improving CA were collected and analyzed using the descriptive approach in order to determine the levels of variables within the research community as well as the analytical method to test the research hypotheses.

### **Research Instrument:**

The questionnaire, which is the main tool of the study, was divided into two sections. The first section took the demographic information of the sample. The second section was designed to study the dependent and independent variables, which are SM and CA. A five-point Likert scale was used on all items of the current study, determines the respondent's answer, where the lowest value of (1) indicates "strongly disagree" and the highest value of (5) indicates "strongly agree". The current study employs the four dimensions suggested by Walsh and Dodds, (2017) to measure the CA (continued economic success, revenues, occupancy, and tourists' satisfaction). To measure the sustainable marketing, items were adopted from previous study of El-Dief and Font, (2010).

### **Study Population and Sample:**

The study population consists of managers of classified hotels operating in Jordan – Amman. According to the Jordanian Ministry of Tourism (2020), there are more than 600 hotels in Jordan, with approximately 400 of them located in the capital Amman. The sample was drawn using the persuasion sampling approach and consisted of classified hotel managers in Amman. About 110 questionnaires were distributed and the size of the returned questionnaires was 94 suitable for analysis, with a percentage of 85% of the total questionnaires.

### Results:-

The alpha crambach coefficient was used in this study to assess the internal consistency of the questionnaire paragraphs after the researchers designed the questionnaire to cover all dimensions of the independent and dependent variables so that the study hypotheses could be tested using the questionnaire that was distributed and prepared for the sample members. to obtain a high degree of reliability and credibility, the data was used to verify the data collected and that the sample responses were distributed according to the likert scale, consisting of five points, which indicates the extent of the respondent's approval of the paragraphs of the questionnaire. the table (1) below displayed the internal consistency coefficients (reliability coefficient-cronbach alpha).

**Table 1:-** Cronbach Alpha.

VARIABLES	Reliability coefficient
I. SM	II. .770
III. CA	IV. .880
V. TOTAL	VI. .823

Looking at table (1) above, and in order to test the reliability of the questionnaire using SPSS to find the value of the reliability coefficient, it turned out to be acceptable, and it is higher than 71%, i.e., the ratio of security transactions to the variables, and this indicates the existence of internal consistency between the corridors in total of. 823 confirmed that the theory is legitimate through the poll.

### Hypotheses Testing and Findings

Since there are multiple dependent variables that are affected by the dependent variable, we used multiple regressions to test our hypothesis. Regression analysis interruptions are based on a standardized coefficient of beta, R-squared, where the calculated value is higher than the tabular value that reveals whether the above hypothesis is supported. Because regression analysis is extremely sensitive to outliers, standardized residual values greater than or less than (3.0) have been eliminated by the case-sensitive diagnostic of regression analysis in SPSS packages.

SM was regressed on the four dependent factors (continued economic success, enhancing revenues, enhancing occupancy, and enhancing tourists' satisfaction) as well as the CA in general. From the primary run of the test, the casewise diagnostics shows that perception number 22 and 89 viewed as anomalies and thus erased in the following relapse run. The estimated F value is greater than the tabulated F value at the confidence level (0.05), while the statistical significance level is (0.000), which is less than the confidence level (0.05). The F-statistic (F= 20.575, p.01) indicates that there is a significant association between the independent and dependent variables. The computed R square indicates that SM account for 44% of the variation in the CA.

The findings demonstrated that SM has a significant impact on hotel CA, implying that the general hypothesis (H1) is accurate and that there is a direct correlation between the independent and dependent variables. More specifically, the result showed that only two out of four dependent variables (enhancing revenues and hotel continued economic success) found to be significantly influenced by the sustainable marketing. As a result, it is reasonable to conclude that the following hypotheses (H1c and H1d) are rejected, whereas the hypothesis (H1b and H1a) is accepted. The beta values were utilized to investigate which factors were most influenced by sustainable marketing. Based on the strength of the beta values, the predictor factors exerting the greatest influence by SM were increasing hotel revenues ( $\beta = .21$ ), followed by improving continued economic success ( $\beta = .18$ ).

### Discussion:-

The results of the research confirmed that there is an impact of SM on the CA. The current study's findings not only add to the ongoing debate over the viability of using sustainable marketing approaches in the context of the Jordanian hotel sector, but they also have implications for business strategy. Firstly, it appears that Jordanian hotel management believes that being branded as an environmentally sustainable hotel is critical to their future success and revenue growth. This finding would call into question the strategy literature's emphasis on low-cost strategies to create CA since tow out of four factors found to be influenced by sustainable marketing. However, this result

doesn't call for ignoring this strategy which can give hotels management with immediate financial benefits by lowering operating expenses and increasing net revenue margins. In addition, this strategy can lead to create CA in terms of pricing that gives the hotel management the ability to invest more in sustainable strategies which finally leads to differentiation in terms of sustainability from the potential tourists point of view. Based on these findings, the present study suggests improving hotel manager training in order for them to realize the economic benefits of such strategy, as well as to train them to educate the potential and current tourists of the importance of applying such strategy on the environment and the society.

### Conclusion:-

To summarize, SM is founded not just on reducing social and ecological "environmental" concerns, but also on attempting to align these objectives with those of customers. As it turns out, what we mean by SM is developing long-term relationships with customers, the social environment, and the natural environment. The marketing approach to sustainability tries to enrich social capital (a phrase coined by the late French sociologist Pierre Bourdieu to refer to the network of ties that a social actor has with his surroundings) as well as to empower and grow the local community. This concept, SM, has its origins in a variety of fields of knowledge; on the one hand, it is associated with social responsibility and the creation of social capital, and on the other hand, it gets deeply into the true and basic meaning of marketing. The current study emphasizes on the idea of establishing long-term and profitable customer relationships as well as being closely tied to sustainable development and everything associated with it. As a result, CA is reached by well-planned and long-term plans, and SM can result in higher-value products, successful sales, and loyal customers. Finally, it is fair to conclude that SM plan will give you the time you need to start your brand and maintain sales without resorting to fads.

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