

CHAPTER III

RESEARCH METHODOLOGY

Locale of the Study

This study treats the tourism development strategy of Taoyuan City as the case and focuses on marketing strategy of tourism development in Taoyuan City as the framework. However, traditional planning tends to be subjective and easy to neglect thorough analysis of environment. It seems to be unable to respond to complicated steps due to its rigid characteristics. In strategic planning process, there are “in-depth interview” and “expert questionnaire” employed in the study. The qualified interviewees includes the opinion leaders, who are familiar with tourism resource development in Taoyuan, local people taking part in governmental works and experts & scholars, who have studied the place comprehensively. The process of empirical framework design of this study is listed as follows: stage of field study and literature review, primary establishment of objectives and conditions of internal and external environments, construction of objectives and conditions of internal and external environments and establishment of strategy of tourism development in Taoyuan. The framework is illustrated in Figure 5.

Population and Sampling Procedures

In-depth Interview

In-depth interview is employed and theory-based on “general interview guide approach”. It is also called semi-structural interview. The interviewers provide concrete topics and trigger emotion of interview in order to freely explore, investigate and inquire the subjects in limited time. The interview is individual and the researcher is the interviewer. Before interview, they obtain the subjects’ agreement to record the key points in interview. As to interview attitude and skill, the researcher interviews, listens to and inquires the subjects and have interaction

and communication with them. Questioning attitude, sensitive questions and hints are avoided. As to time of interview, each in-depth interview is less than one hour to avoid the impatience and fatigue. According to subjects' background, the researcher flexibly adjusts outline and questions of interview.

By in-depth interview with industrial, official and academic experts, this study enhances completeness and objectivity of development objectives and conditions of development. Hence, the sampling principle of subjects is shown below:

There are 9 subjects included in the study and the confirmation principle is listed as follows:

1. 4 opinion leaders and local development workers who are familiar with tourism development in Taoyuan City.
2. 2 scholars familiar with tourism development in Taoyuan City or who have studied local place.
3. 3 governmental officials of tourism in Taoyuan City.

Expert Questionnaire

There are 30 subjects of expert questionnaire included in the study and the confirmation principle is shown as follows:

1. In-depth interview is conducted with 9 scholars.
2. There are 13 workers in tourism and recreational development association of Taoyuan City.
3. There are 8 governmental officials of tourism in Taoyuan City.

Research Process

The research process includes validation of questions and research methods, related theory and literature review, confirmation of research design, empirical research and conclusion & suggestion, as shown in Figure15.

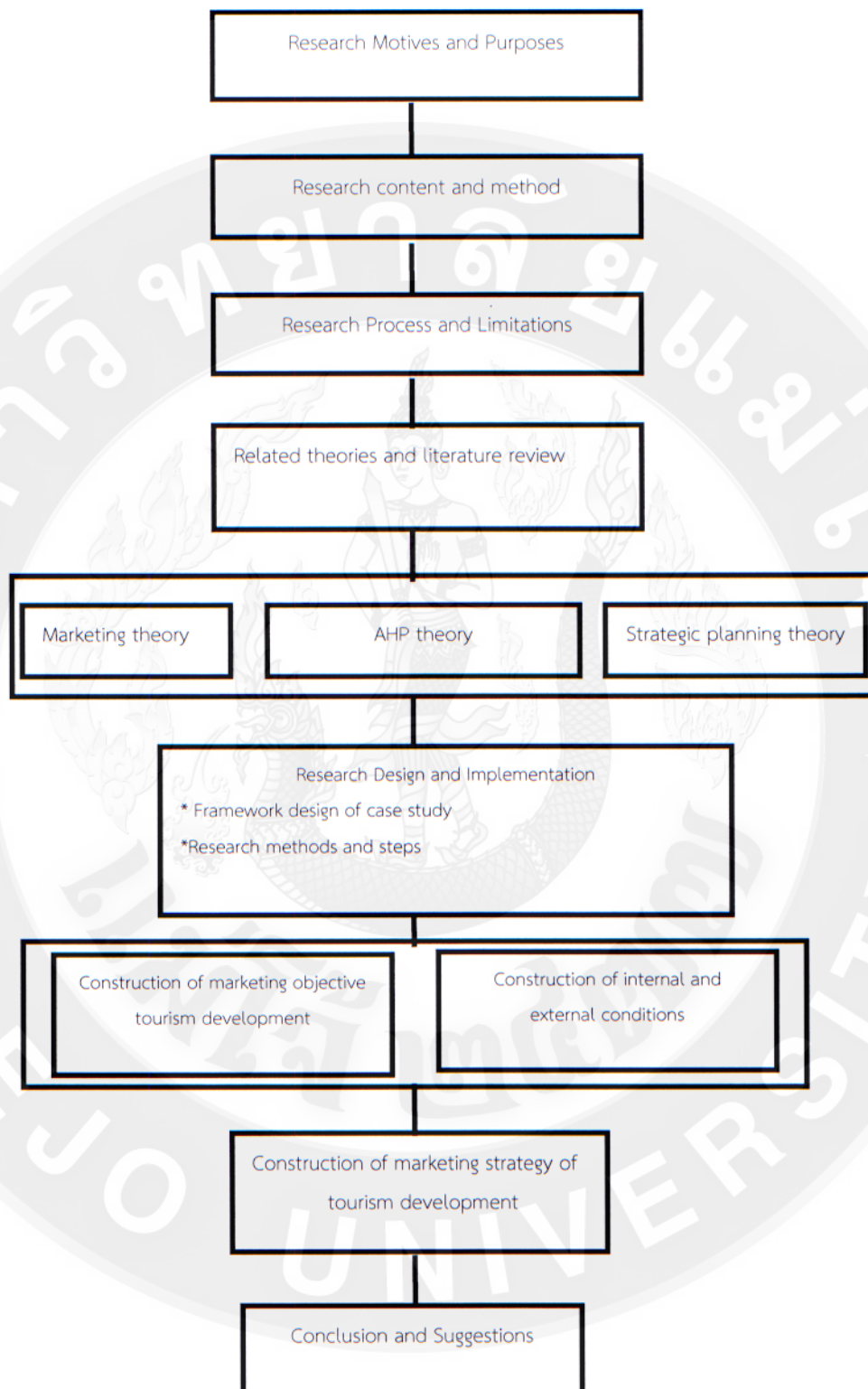


Figure 15 Research process

Measurement of Variables

Hierarchy Structure

Prioritizing involves using judgments to determine the importance of one element over another. Therefore, the basic principle to follow in creating this structure is to answer the following question: Can I compare the elements on a lower level using some or all of the elements on the next higher level as criteria or attributes of the lower level elements? (Saaty 1994: 19–43) A useful way to structure a decision hierarchy is to come down from the goal by decomposing it into the most general and most easily controlled factors. Some suggestions for an elaborate design of a hierarchy include the following:

1. Identify the overall goal. What are you trying to accomplish? What is the main question?
2. Identify the sub-goals of the overall goal.
3. Identify criteria that must be satisfied to fulfill the sub-goals of the overall goal.
4. Identify sub-criteria under each criterion.
5. Identify the actors involved.
6. Identify the actors' goals.
7. Identify the actors' policies.
8. Identify options or outcomes.
9. For yes-no decisions, take the most preferred outcome and compare the benefits and costs of making the decision with those of not making it.
10. Do a benefit/cost analysis using marginal values. Because we are dealing with dominance hierarchies, ask which alternative yields the greatest benefit; for costs, which alternative costs the most, and for risks, which alternative is more risky. (Saaty, 1994: 19–43).

Following the suggestions list above, the structure of hierarchy in this study can be drawn as the following.

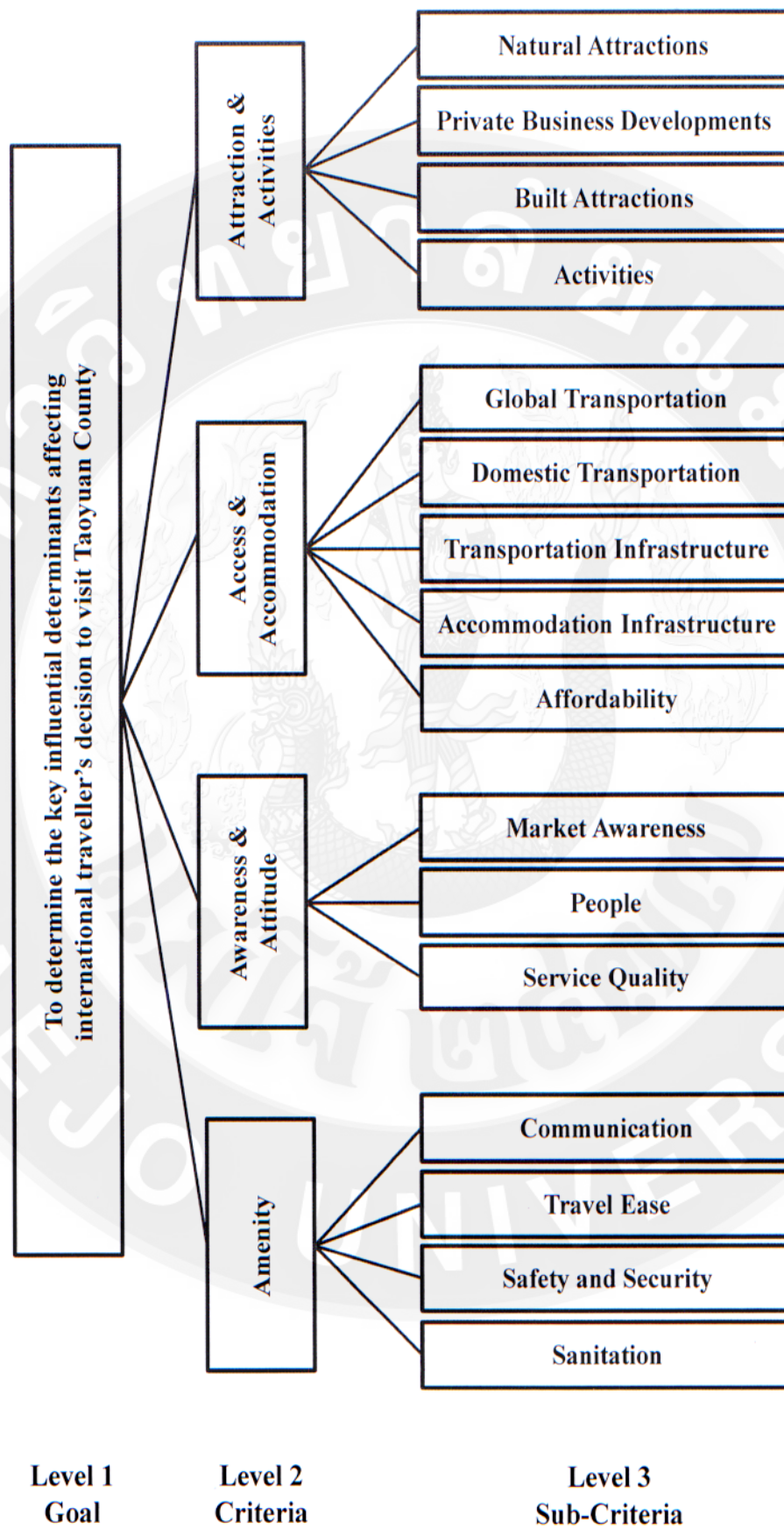


Figure 16 AHP Structure

Analysis of Data

In this study, expert questionnaire is employed to proceed with questionnaire survey. By Likert Scale, this study measures experts' attitude toward the items and quantifies the data to screen proper factors. The purpose is to result in multiple participations emphasized in strategic planning. Qualitative data are transformed into quantitative data, and the research findings are expected to be more objective.

General Descriptive Statistical Analysis

This study describes the distribution of data by means of percentages, which is taken as the base of inferential statistics.

AHP (Analytic Hierarchy Process)

AHP is applied to uncertainty and decision making with several evaluation criteria. It is suitable for evaluation of qualitative information. In AHP, the elements of the previous level are the criteria of those of the next level. In other words, any two elements at certain level are based on elements of the previous level as criteria of assessment. This study evaluates the relative contribution or importance of the two elements to assessment criteria. In the process, the complicated problems are based on pair comparison to lower the evaluators' thinking burden. They can focus on relationship between two elements. Assessment scale of AHP is basically divided into "equally important", "slightly important", "relatively important", "extremely important" and "absolutely important". They are upon evaluation values of nominal scale 1, 3, 5, 7 and 9. The other four are among five basic scales and they refer to evaluation values 2, 4, 6 and 8. As to evaluation points of cognition, AHP adopts ratio scale from nominal scale (Teng & Tzeng, 1989) (see Table 10).

Table 11 AHP assessment scale

Assessment scale	Definition	Description
1	Equally important	Equally strong (two factors are equally important)
3	Slightly important	Slightly strong (experience and judgment slightly refer to certain factor)
5	Relatively important	Relatively strong (Experience and judgment strongly refer to certain factor)
7	Extremely important	Extremely strong (extremely preference to certain factor)
9	Absolutely important	Absolutely strong (preference to certain factor with sufficient evidence)
2,4,6,8	Median in neighboring scale	Median in neighboring scale

This study conducts AHP assessment on “strategic objectives of Taoyuan tourism development” and “conditions of tourism development in Taoyuan tourism development” and it is based on pair comparison and nominal scale which is classified into 9 levels, from “equally important” to “absolutely important” (1~9). Evaluation of AHP questionnaire is mainly based on pair comparison of elements at each level. The weights are indicated according to degree of importance to recognize the evaluators’ subjective views.

In-depth Interview

In-depth interview is proceeded and theory-based on “general interview guide approach”. It is also called semi-structural interview. The interviewers provide concrete topics and trigger emotion of interview in order to freely explore, investigate and inquire the subjects in a limited time. The interview is individual and

the researcher is the interviewer. Before proceeding with the interview, they will obtain the subjects' agreement to record the key points in interview. While proceeding with the interview, the interviewees are required to make sure to prevent any questioning attitude, sensitive questions and hints from the interview. As to the time required for interviewing, each in-depth interview is less than one hour to avoid the impatience and fatigue. According to subjects' background, the researcher flexibly adjusts outline and questions of interview.

In order to develop "market competitiveness" of tourism industry development strategy in Taoyuan City and match "market demand", this study introduces "marketing mix" in the outline of interview, i.e., product mix, price mix, channel mix and promotion mix. Besides, there are several elements for "place marketing", i.e., image, attraction, basic facility and culture. Based on the definitions and meanings for the two concepts and eight principles, this study develops principle to construct framework of in-depth interview. After reorganization, this study adopts "development positioning", "integration of resources", "integration of marketing conditions" and "integration of operational management conditions" of tourism in Taoyuan City as framework of in-depth interview. The interview outline and contents are shown in Appendix 1.

Expert Questionnaire

The adopted measurement of questionnaire is by means of Likert 5-point Scale. The scales for "tourism objective of Taoyuan City" are from "strongly disagree" (-2) to "strongly agree" (2); those for "internal and external conditions of tourism development in Taoyuan City" are from "strongly unimportant" (-2) to "strongly important" (2). Besides close-ended checking, the subjects can fill in suggestions and views in other fields. The draft of expert questionnaire content is shown in Appendix

Research Instrument

This study conducts questionnaire statistics by SPSS 22.0 and calculates means and standard deviations of agreement with the items of "marketing objective

and strategy of tourism development in Taoyuan City” and importance of “internal and external conditions of tourism development of Taoyuan City”. Through means and standard deviations, we can recognize experts’ and scholars’ identification with marketing objective of tourism development in Taoyuan City and factors of industrial development. The indicator of Mean > 0 (agreement or importance >0) is the threshold of selection for acquiring the future development goals and the external & internal factors of tourism in Taoyuan City.

Pretesting of Instrument

Before proceeding mass amount of questionnaire investigation, an experimental investigation by a small quantity of questionnaire (i.e., 10 participants) will be employed to testify the validity (i.e. effectiveness) and reliability of the sampling design.

Data Collection

SWOT Matrix

Porter (1985: 62) proposed a complete strategic operation and management procedure, including 9 steps: definition of objectives, environmental analysis, organizational resource analysis, definition of opportunities and threats, definition of strengthen and weakness, evaluation of objectives, formation of strategies, execution of strategies and assessment of results. The 9 steps can be classified into strategic planning in primary business, strategic execution in business and evaluation after business, as shown in Figure 17. “Strategic planning” is extremely significant in strategic management procedure. It shows that a case must be based on careful advanced planning and detailed analysis. After execution, the result is assessed to form the whole cycle. Strategic management is an extremely complicated process. Present and future situations should be analyzed to decide organizational development and develop strategic plans to accomplish the goals. Therefore, a systematic approach is required to confirm and analyze the elements of the

organizational development. SWOT is critical in strategic planning. It refers to relationship among input variables and enhances Scenario Analysis and study on competitive dimensions.

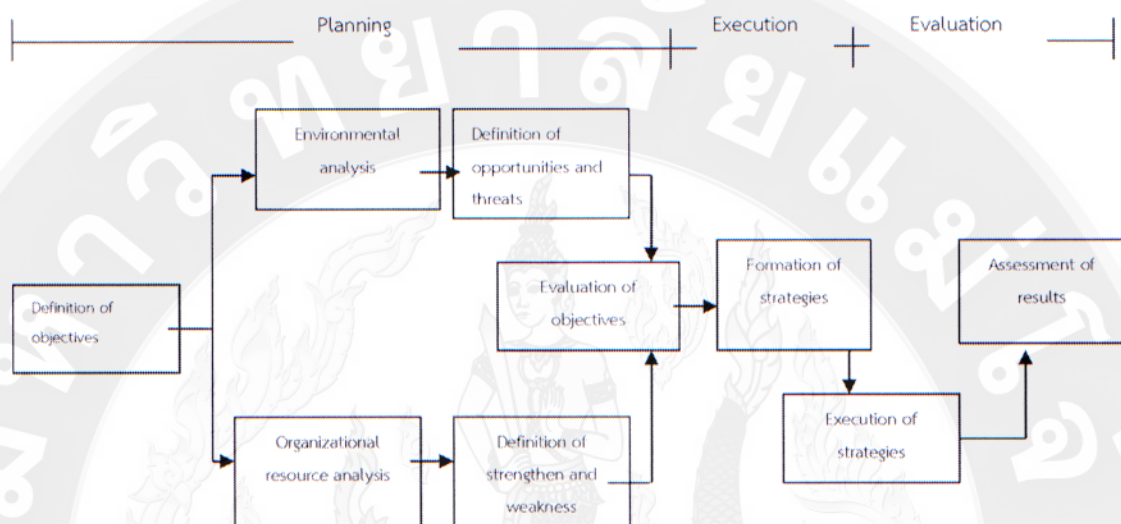


Figure 17 Process of strategic management

Source: Porter (1985: 62)

According to strategic matching of SWOT matrix proposed by Weihrich (1982:65), this study combines internal and external environmental factors, including strength, weakness, opportunity and threat. By cross-simulation analysis, as shown in Table 11, to demonstrate strength, control opportunity, overcome threat and supplement weakness in order to establish the related strategies. The strategic matching principle is shown below:

1. S.O. strategy is “Maxi-Maxi” rule and it means that there is opportunity in the environment and the organization has the strength. The key of the strategy is to use strength and opportunity.
2. W.O. strategy is “Mini- Maxi” rule. It means that there is opportunity in the environment; however, the organization does not have sufficient condition. The key of strategy is to overcome weakness and control opportunity.
3. S.T. strategy is “Maxi- Mini” rule. It means there are some threats in the environment. The organization is advantageous. The key of strategy is to use strength

and avoid threat.

4. W.T. strategy is “Mini-Mini” rule. It means there are threats in the environment and the organization is weak. The key of strategy is to reduce the weakness and avoid the threat.

Table 12. SWOT strategic analysis matrix

Internal factors External factors	Internal strength (S.)	Internal weakness (W.)
	S.1, S.2, S.3...	W.1, W. 2, W. 3...
External opportunity (O.) O.1, O.2, O.3...	S.O.1 Strategy	W.O.1 Strategy
	S.O.2 Strategy	W.O.2 Strategy
	S.O.3 Strategy	W.O.3 Strategy
	To use strength and opportunity	To overcome weakness and control opportunity
	Maxi-Maxi rule	Mini-Maxi rule
External threat (T.) T.1, T.2, T.3...	S.T.1 Strategy	W.T.1 Strategy
	S.T.2 Strategy	W.T.2 Strategy
	S.T.3 Strategy	W.T.3 Strategy
	To avoid threat by strength	To avoid thread by reducing weakness
	Maxi-Mini rule	Mini-Mini rule

Source: Dyson (1993: 99)

In-depth Interview

This study adopts in-depth interview, and the purpose is to recognize current development of tourism in Taoyuan City, present and future development plans and issue and internal and external obstacles by industrial, official and academic experts who are familiar with Taoyuan City and marketing and strategy, in order to generalize

future objectives of tourism industry in Taoyuan City and internal and external conditions of industrial development.

1. Design of Interview Outline

In order to develop “market competitiveness” of tourism industry development strategy in Taoyuan City and match “market demand”, this study introduces “marketing mix” in outline of interview: product mix, price mix, channel mix and promotion mix. Besides, there are elements of “place marketing”: image, attraction, basic facility and culture. By definitions and meanings of two concepts and eight principles, this study develops principle to construct framework of in-depth interview. After reorganization, this study adopts “development positioning”, “integration of resources”, “integration of marketing conditions” and “integration of operational management conditions” of tourism in Taoyuan City as framework of in-depth interview. Interview outline and content are shown in Appendix 1.

2. Confirmation Principle of Subjects

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3. Construction of interview

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Expert Questionnaire

1. Design of Questionnaire

It is developed and based on the selected information in in-depth interview and the results of field study & related literature review. There are three categories included in the developed questionnaire. First is "the subjects' basic information"; the second is "marketing strategy objective of tourism development in Taoyuan City" and the third is "internal and external conditions of tourism development in Taoyuan City", which indicates the strength and weakness of internal environment in tourism industry development of Taoyuan City and possible opportunities and threats in external environment. Measurement of questionnaire is based on Likert 5-point Scale. The scales for "tourism objective of Taoyuan City" are from "strongly disagree" (-2) to "strongly agree" (2); those for "internal and external conditions of tourism development in Taoyuan City" are from "strongly unimportant" (-2) to "strongly important" (2). Besides close-ended checking, the subjects can fill in suggestions and views in other fields. The draft of expert questionnaire content is shown in Appendix 2.

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Research Duration

The data collection is by means of interview, fax, e-mails and telephone. This study conducts in-depth interview in field study and collection of related literatures. After being analyzed and reorganized, the investigated results are taken as the principle of interview for the investigation.



Figure 18 How to develop Performance Measures

Proposed performance measures should be examined in the following contexts:

1. Relevance to the strategic objectives
2. Ability to set targets (i.e. some target levels are unknown)
3. Ability to collect data (both ease and consistency)
4. Appropriate frequency of collection and review
5. Understanding of any underlying calculations

The resulting measures should be documented with the following information:

1. Measure name (short and brief)
2. Measure description (full explanation and any calculations)
3. Strategic objective linkage
4. Measure owner (who will track and report on performance)
5. Data source(s)
6. Collection frequency (weekly, monthly, etc.)
7. Chart display format (line chart, bar chart, etc.)
8. Target level (the numerical goal to achieve over time)

It is important to review and update performance measures.

Management teams rarely ever believe their performance measures are 100% (or even 80%) correct after the initial development. It is imperative that the strategic review process (see below) be allowed to occur during which the initial measures are utilized. Over time and through use, the measures can be refined and evolve. Some will be dropped, some will be added and others will be edited.

The idea of identifying ‘leading’ and ‘lagging’ performance measures has emerged as a best practice in recent years. Lagging measures represent the desired result or a view of what has already happened. For example, ‘client satisfaction’ is often labelled a lagging measure, the result of past service quality. Leading measures represent indications of how a lagging indicator will perform in the future. For example, ‘service timeliness’ would be a leading performance measure to ‘client satisfaction,’ if one believes that client satisfaction will increase if service timeliness improves.

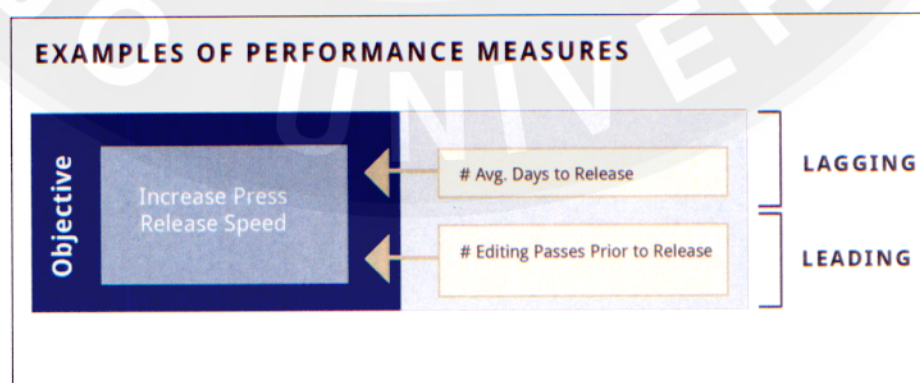


Figure 19 Examples of Performance Measures

The diagram illustrates how two performance measures – one lagging and one leading – are aligned to a specific objective within a strategy. It is important to always align performance measures in the context of the objective they support, and most objectives will have two or more measures.

Research Budget

The research of tourism development of Taoyuan City, which is located between northern and southern Taiwan, is a crucial issue for keeping Taiwan stay prosperity-growing and being of competitiveness in the future. In order to accomplish the study and contribute its research results as a blue-print of metropolitan planning for the local and central government to refer, we plan to apply for financial aids from the central and local governments.