

UNIVERSITI TEKNOLOGI MARA

DEPLOYMENT OF AN E-COMMERCE IN INBOUND TOUR
OPERATORS IN SABAH RESPONSE TO GLOBALIZATION:
A CASE STUDY IN IDEAL
HOLIDAYS (B) SDN BHD

ADRENNE ANNA OVOD
ALBERT NORMAN
BOLKIAH HJ. ISMAIL (YB. DATUK)

MASTER IN BUSINESS ADMINISTRATION
FACULTY OF BUSINESS MANAGEMENT
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ABSTRACT

This study examined the competitive advantage of Ideal Holidays Travel and Tours Sdn Bhd (IHB) in a highly competitive tourism and hospitality industry. The primary focus of the study was on how IHB analyze and manage their external and internal environments and exploit their internal resources in order to position their company to gain competitive advantage. The study also examined the e-commerce deployment in IHB and how it exploits e-business to gain and sustain competitive advantage in order to achieve increased market shares. Seven research questions were formulated to guide the study. The mostly qualitative data were gathered through semi-structured interviews with key informants, documents analysis and observations. The research findings revealed that: the management of IHB are not deliberate and systematic in their strategic planning, basing their decision more on intuition, although they do take stock of the external and internal factors affecting their tour company. The five competitive forces espoused by Porter (1980) were found to be applicable in the study and depending on their strength; these forces do influence the competitiveness of IHB. In addition, IHB do try to exploit their internal resources to deal with the competitive forces and make their company more competitive. The study also discovered that in order to be more competitive, IHB adopted the focus strategy in their early years of establishment, after which there were attempts to switch to the differentiation strategy. It was also revealed that the e-business of IHB which could confer on them competitive advantage were mostly temporary and hence, the competitive advantage accrued was not sustainable. Overall, it was discovered that the IHB in the study were struggling to make ends meet. The implications of the findings are discussed and recommendations made to the inbound tour operators and tourism

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