Full Length Research Paper

How to tell a good tour guide under different strategic orientations

Leo Huang[1]*, and Peng-Hsiang Kao[2]

[1]National Kaohsiung University of Hospitality and Tourism, Graduate Institute of Travel and Tourism Management, Taiwan.
[2]China University of Science and Technology, Department of Food and Beverage Management, R. O. C.

The purpose of this study is to investigate the performance measurement systems, based on the balanced scorecard concept, to empirically measure the tour guide performance of outbound travel agencies under different strategic orientations. The theoretical model identifies underlying variable dimensions - financial, customer, operational process and learning perspectives - which combine traditional subjective or objective measures with operating measures of a tour guide's performances. A two-stage survey is employed to explore the performance measurement systems of tour guides and to build up a meaningful evaluating model. In the first stage, twenty experts explore and analyze those four dimensions to measuring a tour guide's performance by a three-round Delphi survey. The second stage, rating and identifying the dimension attributes and building a model that also presents those cause-and-effect relationships among the four dimensions of tour guides' performance measurement, is done through the structural equation modeling (SEM) method approach. Tour guide performance measurement is an important tourist satisfaction attribute that is of key concern to travel agent practitioners. Finally, the paper proposes an optimal tour guide performance evaluating model under a cost leadership and differentiation strategy separately that matches the essential needs of an innovative performance measurement system development under different strategic orientations, overcoming the traditional performance measuring shortcomings.

Key words: Tour guide, balanced scorecard, Delphi, structural equation modeling (SEM), travel agency.

INTRODUCTION

The relationship between tour guides' performance measurement management and travel agents' strategic orientations has been a sparsely-debated issue over the last decade. Indeed, many pioneers of Taiwan's tour managers have been to Europe or mainland China since 1998, even leading mainland Chinese package tours because China travel agents could not train enough professional tour guides in the early era of deregulating its outbound travel market. Contrarily, ever since 1979 Taiwan's government has deregulated its outbound travel market and therefore, Taiwan travel agents own numerous professional tour guides. It is believed that both Taiwan and mainland Chinese tour guides' performance will drive travel agency enterprises' strategic performance as well as the outbound travel market in the future.

Taiwan's international tourism tends to follow the earlier Japanese model, which emphasizes group inclusive travel (Prideaux, 1996). All-inclusive package tours within Taiwan are also the most popular traveling mode for Taiwan citizens. Because the package tour market is an extremely competitive market with razor-thin profit margins for Taiwan outbound travel agencies, some travel agencies prefer to use unqualified guides who accept no or low salaries and for which there is an ample supply.

*Corresponding author. E-mail: leo@mail.nkuht.edu.tw. Tel: 886-7-8060505 ex2051. Fax: 886-7-8053249.

Tour guides may sometimes even pay to bid for tour groups from tour operators. This obviously imposes the risk of the tour group being taken for more shopping excursions where the tour guide then gets a part of the sales commissions. There have certainly been some unhealthy industry practices which impinge upon the performance of tour guides (Ap and Wong, 2001). As a result, it has been suggested that a standardized reward system should be established.

The term 'tour leader' is used to describe the tour manager, tour conductor, tour director, tour guide or courier in Europe. Other terms with slightly different connotations are escort and tour escort (Holloway, 1981; Dahles, 2002). Metalka (1990) defined that, a tour manager is the person employed as the escort for tourists for the entire tour. Tour managers sometimes are supplemented by local area guides. Indeed, some tour companies prefer to call their tour leader a tour guide in order to stress their employee's sightseeing commentary skills (Bowie and Chang, 2005). Certainly, education and training directly affect operational performance (Paul and Anantharaman, 2003).

In Taiwan, most tour leaders must play the role and function of a local tour guide, because travel agents have adopted a low cost strategy. The term 'tour guide' is used in this study to illustrate a person who manages all-inclusive package tour services and escorts the tourists during their tour. According to statistics released (2006/2/28) by the Ministry of Transportation and Communications' Tourism Bureau, there are currently 18,355 tour guides in Taiwan. However, some tour guides are not qualified by international standards and require to be evaluated again. Although most travel agency practitioners do not change their traditional performance measures or even do not know how to be measured, a few travel agencies have recently considered changing or developing tour guide performance measures to improve customer relationship management, travel service quality and strategic performances.

How to assess tour guides' performances is not easily captured through short-term financial results or subjective indicators. Other additional measures can take a variety of forms, ranging from quantitative, non-financial indicators, such as shopping or optional tour commissions and customer survey results, to qualitative assessments of performance by the balanced scorecard (BSC) method, which was introduced in 1992 to provide a framework for selecting multiple performance measures focusing on critical aspects of a business. The BSC, a performance measurement and strategic management system proposed by Kaplan and Norton (1992), can be an invaluable tool for municipal administrators in transforming their organizations (Chan, 2004). Using subjective performance measures along with objective indicators has become important in service industries, such as tourism, which sell an intangible experience (Reichel and Haber, 2005). This research undertakes both qualitative and quantitative surveys to identify factors that should be taken into consideration when evaluating tour guide's performances in Taiwan.

Theoretical background

The slogans "what gets measured gets done" and "you cannot manage what you cannot measure" illustrate the importance of performance measurement in an organization (Cho and Lee, 2005). Through effective coordination of individual objectives and corporate strategy, as well as clearer communication and appropriate incentives, performance management can help companies to induce desired employee behavior and better firm performance (Tahvanainen, 2000; Jackson and Schuler, 2003; Shih et al., 2005). Competitive strategy is concerned with the patterns of choice that managers make over which markets to serve and how the business creates more value for buyers than it does for competitors (Olson and Slater, 2002).

The Porter (1980) typology of strategy is the framework most often shown to effectively represent managerial choices. Porter proposed that the product-market decision should be viewed in terms of how the business creates value, including differentiation and cost leadership. A firm can achieve high performance in one of two ways: either to supply different products or to reduce cost. Wu (2004) viewed cost leadership and differentiation as mutually exclusive. Walker and Ruekert (1987) synthesized these typologies of product-market behavior by discriminating between low-cost defenders and differentiated defenders. Strategy also plays an important role in the choice of performance measures, and that an effective performance measurement system must be able to match objectives with outcomes (Phillips, 1999). This study makes use of those two types of strategies, which implies different product position strategies result in different tour guides' performance perspectives, because cost leadership and differentiated defenders are not expected to emphasize exactly the same set of performance measures.

In the past, Taiwanese tour guides usually have a bachelor degree education, but no formal training in guiding. They are typically not permanently employed as regular guides by large-size travel agents and are even not licensed.

By contrast, professional guides need to give a most impressive and convincing display of their interpretative competences (Cohen, 1985). Furthermore, the quality and experience of escorts and tour guides are two of the major components for choosing a package tour (Wong and Kwong, 2004). In particular, a tour guide's ability to provide a service and the company's image are crucial competitive advantages for the travel industry (Duke and Persia, 1993; Mossberg, 1995). The tour guide's performance within the service encounter not only affects the company's image, customer loyalty, and word-of-mouth

communication, but can also be seen as a competitive factor. Obviously, their performances may generate repeat and new business and also affect the destinations themselves (Gronroos, 1978; Schmidt, 1979; Whipple and Thach, 1988; Geva and Goldman, 1991; Zhang and Chow, 2004).

The basic salary of a tour guide ironically is rather low, with some even guiding tours without taking any guide fees and some also paying to bid for tour groups from travel agencies. In Taiwan, two primary sources of complaints are identified: First, the tour guide's service failures; and second, the tour operator's operational process problems. Indeed, tour performance has a correlation with the performance of tour guides (Fine and Speer, 1985). The guide can help to achieve this by providing tourists with a deeper insight into the attractions they visit than could otherwise be achieved through superficial observation.

Tour leaders contribute not only to a quality tourist experience (Black et al., 2001), but also to an environmentally responsible tourist experience (Weiler and Davis, 1993). As Zhang and Chow's study in 2004 offers, tour guides are the front-line staffs who provide the "moment of truth". Whether they can produce a quality service for tourists is essential to the success of the tourism industry. A tour guide must possess good product knowledge, good communication skills (including proficiency in more than one language), the right attitude with respect to service, a willingness to help, respect and empathy (Ap and Wong, 2001). To sum up, there are four critical incidents of tour leader performance: Professional skills, service attitude, interaction, and leadership (Lo and Lam, 2004; Bowie and Chang, 2005). From the travel agent's point of view, education and training are important for maintaining competitive advantage. The success of the travel agent industry hence very much depends on the performance of tour guides.

In order for organizations to maintain and improve their competitive advantages nowadays, performance measures are widely used to evaluate, control, and improve business processes (Ghalayini and Noble, 1996). Performance measurement systems improve the strategic competitiveness of organizations (Chenhall, 2005). BSC also provides a tool for organizing strategic objectives into customer, internal process and learning and growth perspectives so as to augment the traditional financial perspective (Banker et al., 2004). In fact, BSC is intended not only as a strategic measurement system, but also as a strategic control system which can align departmental and personal goals to the overall strategy (Norreklit, 2000).

Many empirical studies have demonstrated that the tour guide is a crucial factor in achieving customer satisfaction and in selecting a charter tour (Lopez, 1980; Quiroga, 1990; Geva and Goldman, 1991; Mossberg, 1995; Ap and Wong, 2001; Wang et al., 2002; Bowie and Chang, 2005), but more urgently and importantly, a monitoring and evaluation system should be in place to   measure   and

monitor both tour operators and tour guides to ensure their qualifications and professionalism (Ap and Wong, 2001; Zhang and Chow, 2004). Good tour guide training should lead to change, not only in terms of knowledge and skills, but also in attitudes and behavior (Christie and Mason, 2003; Lo and Lam, 2004).

Mossberg (1995) pointed out eight service attributes concerning a tour leader's performance, but the attributes all have a quality dimension. Undoubtedly, effective monitoring and evaluation of tour guides' service performance should be adopted (Ap and Wong, 2001). Wang et al. (2000) developed 25 indicators as performance criteria to appraise the tour guide's job performance from a customer's viewpoint, but there is no related tour guide performance measurement system research from the tour operator's perspective. The study of a tour guide performance evaluation model might be crucial in upgrading travel services for this outbound travel market.

Objectives of this study

There are few studies in the literature on measuring the performance of tour guides. Therefore, the purpose of this study is to use BSC and SEM methods to explore the strategic performance attributes of tour guides and first to examine the cause-and-effect relationship among the strategic orientations and four areas of suggested measurement. A two-stage investigation on the performance measurement of a tour guide for outbound travel agencies is presented. These results provide us with an in-depth understanding on the performance of tour guides under different strategic orientations. Consequently, performance measures are implemented as a means of articulating the professionalism of a tour guide and monitoring tour guide qualifications is also explored for maintaining a travel agency's competitive advantages. There are five specific objectives of this study as follows:

1. Examine the effective monitoring and evaluation of tour guides' service performance. A three-round Delphi survey, qualitative research, is constituted by using a set of follow-up interviews with travel industry experts, through which more in-depth opinions and comments on the subject can be obtained.
2. Discern the variables relating to financial, customer, operational process, and learning perspectives of a tour guide's measuring performance.
3. Conduct a large-scale survey on the target population, including General Travel Agencies (GTAs) and Tour Operator Travel Agencies (TOTAs), which are the prominent travel agencies in Taiwan. Their responses provide much insight into the tour guide performance's evaluating indicators of travel agencies.
4. Investigate the cause-and-effect relationship among the four measurement dimensions of the identified tour guide performances   according   to   cost   leadership   and

differentiation strategy.

5. Use the data collected from the two-stage survey to build two separate models for measuring tour guide performance under cost leadership and a differentiation strategy and discover better practices for upgrading travel agent strategic performances.

6. Provide suggestions for travel agency practitioners to monitor and evaluate a tour guide's performances, thereby achieving customer satisfaction and competitive advantages.

RESEARCH METHODS

Research design

A two-stage research design is adopted, helping this study to explore tour guides' performance measures. This approach is recommended when the theory is more tentative and measures are less well developed, as it maximizes the interpretability of both measurement and structural models (Hair et al., 1998). The first stage adopts a three-round Delphi survey approach to measuring a tour guide's performance based on the BSC concepts as popularized by Kaplan and Norton. The developing and revised model includes 4 dimensions: financial, customer, operational process and learning perspectives. The second stage develops the quantitative questionnaire which stems from qualitative data based on the 4 dimensions explored in the earlier stage. Besides adopting quantitative survey data to build a model, it also presents the relationships between the 4 dimensions of tour guides' performance measurement. These research designs foster a balance between short-term and long-term objectives, between desired outcomes and the performance drivers of these outcomes and between quantitative-objective measures and qualitative-subjective measures.

Research framework

Causal relationships are stressed in the BSC structure, and this makes it possible to aggressively pursue, through close monitoring, the detailed actionable items supporting the corporate strategy (Abran and Buglione, 2003), but the BSC methodology lacks guidance that helps organizations in identifying meaningful causal relationships related to their strategic goals (Brewer et al., 2005). Each strategic area should have both lead and lag indicators, yielding two directional cause-and-effect chains (Norreklit, 2000). Kaplan and Norton (1996) did not define the cause-and-effect relationship when they use it, describing the relationship between measures on the BSC ambiguously. A good alignment between strategy and BSC use is the key for success, but having no clear link to a corporate strategy will hinder performance and may even decrease it (Braam and Nijssen, 2004).

There are three approaches to derive cause-and-effect relationships: (1) Logic approach, (2) theoretical empirical approach, and (3) inductive empirical approach. Wall (2001) favored the theoretical empirical approach, because the inductive empirical approach tries to filter relationships among strategic goals from existing data. Building future-oriented strategies on data from the past does not seem to be appropriate. On the contrary, the theoretical empirical approach utilizes expert knowledge and the experience of managers to formulate hypotheses about the future (Wagner and Kaufmann, 2004). Hence, this paper uses a two-stage research methodology to finally build up the tour guides' performance measurement system under different strategic orientations. Based on the above research design, a research framework is developed for tour guides'

performance-measuring cause-and-effect relationship under different strategic orientations (Figure 1).

Sampling

The first-stage survey constitutes using a set of follow-up interviews with a total of 20 experts who are qualified to participate in this study. They are classified into five categories: (1) Academics, (2) Travel agent chief executive officers (CEOs), (3) Chairman or Chief Secretary of Taipei, Kaohsiung, Tainan Association of Travel Agents, (4) Vice Chairman of Taiwan International Association of Tour Managers, and (5) Chairman of Certified Travel Counselors Association of the Republic of China. All the above respondents are significantly important and have valuable knowledge on academic or practical tour guide issues, so as to help us obtain in-depth and valuable opinions and comments on the subject. The interviews range between 40 and 60 min in length. Finally, this study group consists of a wide spectrum of experts who are directly involved with tour guide management, training, or researchers, including: 13 travel agent CEOs, 2 Chairmen and 1 Chief Secretary of Taipei, Tainan, and Kaohsiung Association of Travel Agents, the Vice Chairman of Taiwan Association of Tour Managers, and the Chairman of Certified Travel Counselors Association of the Republic of China and 2 related tour guide issue researchers.

The second stage includes members from the Taipei, Taichung, Tainan, and Kaohsiung areas. The sample population size is 82 GTAs and 1,416 TOTAs in Taiwan. According to statistics from the Taiwan Tourism Bureau (2006/01/31), 100% of the GTAs and 76.4% of the TOTAs are located in Taipei, Taichung, Tainan, and Kaohsiung areas. Therefore, this survey is based on the above target respondents. System sampling techniques are used, and cooperation and assistance from the travel agency practitioners are implemented to improve the sample's generality and survey validity.

Several criteria have been put into place. First, the respondents include Travel Quality Assurance Association members, R.O.C. Secondly, the respondents are at the managerial level - a required condition for being directly responsible for tour guide training or dispatching the tour guide for each package tour. And finally, only members of GTAs or TOTAs are chosen for this survey. If the chosen respondent does not match any one on the above criteria or is unwilling to participate in the survey, then the next immediate system sampling unit is approached and interviewed. All questionnaires were distributed and finally 260 completed questionnaires were collected, including 69 General Travel Agencies and 191 Tour Operator Travel Agencies that were chosen, constituting a total sample size of 1,498 travel agencies and representing about 17.36% of the target population.

FINDINGS

Emerging with a construct of tour guide performance measurement

The adapted balanced scorecard used herein shows the following: financial, customer, operational process and learning perspectives. These four dimensions of criteria are suggested by the initial Delphi round and demonstrate quantitative-objective measures and qualitative-subjective measures. Nevertheless, the pattern of the revised BSC implies that evaluating the performance of tour guides should be based on measurable data. Such a construct is supported by the three-round Delphi survey analysis, which reveals that those evaluation dimensions and
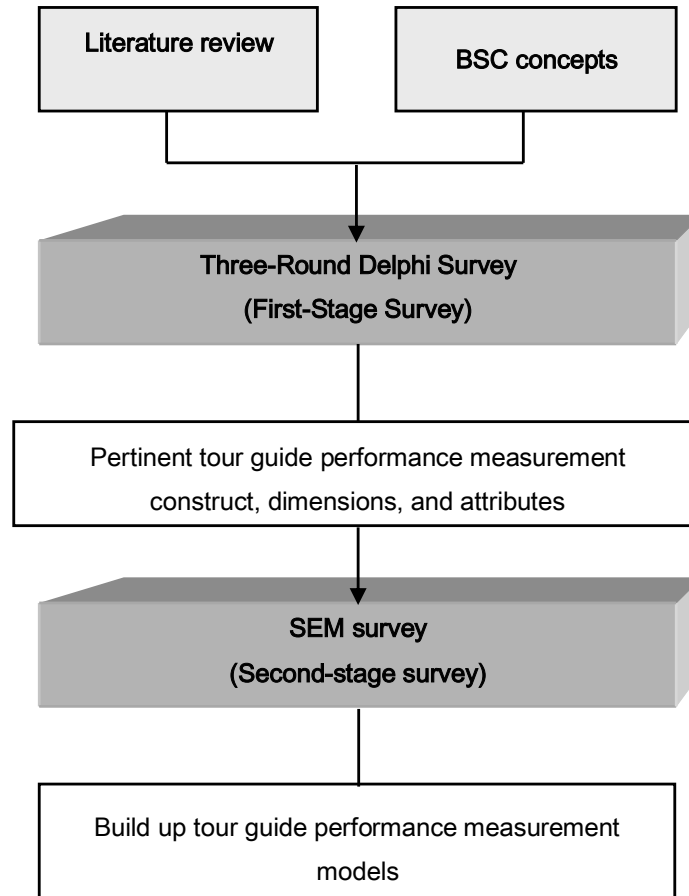
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│  Literature review  │        │    BSC concepts     │
└─────────────────────┘        └─────────────────────┘
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Three-Round Delphi Survey
(First-Stage Survey)

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┌──────────────────────────────────────────────────┐
│  Pertinent tour guide performance measurement     │
│  construct, dimensions, and attributes            │
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SEM survey
(Second-stage survey)

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┌──────────────────────────────────────────────────┐
│  Build up tour guide performance measurement      │
│  models                                            │
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Figure 1. Tour guide performance measurement model research framework.

attributes are multi-faceted and they are to be undertaken not only by using financial, but also non-financial indicators. A useful and practical model is built - one that effectively combines long-term and short-term evaluating attributes to help the performance management of tour guides.

Perceived tour guides' performance measurement attributes

The three-round results stem from the 20 panel members who present their summary findings, along with a questionnaire showing the importance score for each indicator. Following the Delphi methodology, instructions are included informing respondents that they could either take the group's mean importance score into account in their revised response, or ignore it, depending on the strength of their own expert opinion. Panel members are then asked to revaluate those indicators. The results con-firm the performance measurement construct developed earlier which comes from the initial Delphi study's results.

To address the perceived tour guides' performance

attributes by the panel experts, the values of means, standard deviations, modes, quartile deviations, and Kendall's coefficient are calculated. The survey results are presented according to the ranking of the mean scores. All 18 performance measurement attributes have a value of mean greater than 2.5, ranging from 2.76 - 4.94, denoting that the panel members ranked all these attributes between "neutral" and "extremely agree". In addition, all attributes of those four dimensions reach a value of a quartile deviation less than 0.6. This means that those attributes received a strong consensus by the respondents. Kendall's coefficient values of the four dimensions are 0.81, 0.72, 0.71, and 0.73, indicating satisfactory agreement (Table 1).

Demographic profile of respondents

Table 2 shows the demographic profile of the travel agencies. Approximately 73.5% of the respondents are the second type: TOTAs; the others are the first type: GTAs. Almost 65.4% of respondents are located in Taipei, 16.2% of travel agencies are located in Kaohsiung, 11.2%

Table 1. Summary of tour guide performance measurement dimensions.

Perspective	Factor	Three-Round Delphi Results					
		M1	M2	S.D.	Q.D.	Rank-ing	Kendall's W
Financial perspective	Tour budget control ratios	4.29	4	0.47	0.50	1	0.81
	Average tip incomes per tourist	3.88	4	0.60	0.25	2	
	Average optional tour commissions per tourist	3.29	3	0.47	0.50	3	
	Average shopping commissions per tourist	2.76	3	0.56	0.50	4	
Customer perspective	Service satisfaction ratio	4.88	5	0.33	0.00	1	0.72
	Complaint ratio	4.76	5	0.44	0.25	2	
	Delivered the service promised in itinerary ratio	4.24	4	0.44	0.25	3	
	Repeat customer ratio	3.71	4	0.47	0.50	4	
Operational process perspective	Pre-tour checking procedures	4.94	5	0.24	0.00	1	0.71
	Realizing the contract that the local agent promised	4.76	5	0.44	0.50	2	
	After-tour reports	4.24	4	0.44	0.25	3	
	After-tour R and D	3.76	4	0.44	0.25	4	
	After-tour customer service	3.71	4	0.47	0.50	5	
Learning perspective	The number of foreign language certifications	4.88	5	0.33	0.00	1	0.73
	Ability to deal with emergency cases	4.71	5	0.47	0.50	2	
	Knowledge of related travel regulations	4.12	4	0.33	0.00	3	
	The number of professional licenses	3.88	4	0.33	0.00	4	
	Frequency of participating in training programs	3.71	4	0.47	0.50	5	
Total attributes	Kendall's W = 0.70						

M1= Mean; M2 = Mode; S.D. = standard deviation; Q.D. = quartile deviation ; rating scale: 5 = Strongly agree; 4 = agree; 3 = neutral; 2 = disagree; 1 = strongly disagree.

are in Taichung, while less than 7.3% are located in Tainan. The majority of the respondents' company capital is under NT$10,000,000 (1US$=32.5NT$) (38.5%), and the numbers of tour guides are distributed from under 10 people (45.0%), 11 - 20 people (22.3%), to 20 - 30 people (12.7%). About 67.7% of the respondents have the average age of tour guides be between 31 - 40 years old. The remaining age group only accounts for a minority of respondents, with 11.9% in the 41 - 50 age groups.

According to the above findings, most of Taiwan's travel agencies are small-sized and medium-sized. The average age of tour guides is between 31 - 40 years old, which means that Taiwan's travel agency practitioners prefer to own their training tour guides and have less than 20 full-time tour guides rather than hiring under- 30 years old   and fresh tour guides. Hence, small-sized and medium-sized travel agencies face an unstable situation of tour guide human resources and lack professional performance measurement systems, prompting them to insure all-inclusive package tour service quality. It is naturally necessary to build up a tour guide performance measuring model under cost leadership and a differentiation strategy.

Table 2. Profile of the sample.

Type of travel agency	Characteristics of the strategy performance of tour guides			
	General travel agencies		**Tour operator travel agencies**	
Sample size	69		191	
Percent	26.5%		73.5%	
Company location	Taipei	Taichung	Tainan	Kaohsiung
Sample size	170	29	19	42
Percent	65.4%	11.2%	7.3%	16.2%
Company capital	Under NT$ 10,000,000	NT$10,010,000~20,000,000	NT$ 20,010,000~25,000,000	Over NT$ 25,010,000
Sample size	100	56	27	77
Percent	38.5%	21.5%	10.4%	29.6%
Number of tour guides	Under 10 people	11~20 people	21~30 people	31~40 people
Sample size	117	58	33	18
Percent	45.0%	22.3%	12.7%	6.9%
Number of tour guides	41~50 people	51~60 people	61~70 people	Over 71 people
Sample size	7	13	8	6
Percent	2.7%	5.0%	3.1%	2.3%
Average age of tour guide	26~30 years old	31~40 years old	41~50 years old	
Sample size	53	176	31	
Percent	20.4%	67.7%	11.9%	

Note: US$1 =NT$29.00.

Tour guide performance measuring model under cost leadership strategy

Development of measures

How these measures are developed is now briefly discussed. The list of variables comes from previous qualitative and quantitative surveys' results on how the 4 measuring perspectives might influence the cost leadership strategy and how those measuring attributes might be affected by a tour guide performance. All variables stem from the first stage and are reconfirmed through the second stage (Table 3). The cost leadership strategy dimension comes from Wu's Study (2004) and includes pursuing a low price in service (v_1), pursuing a low cost from suppliers (v_2), pursuing economies of scale (v_3), and pursuing operating efficiencies (v_4). These 4 dimensions cover various aspects of the financial perspective, including: average shopping commissions per tourist (w_1), average tip incomes per tourist (w_2), tour budget control ratios (w_3), and average optional tour commissions per tourist (w_4).

The second part, customer perspective, is measured by four indicators: service satisfaction ratio (x_1), repeat customer ratio (x_2), complaint ratio (x_3), and delivered the service promised in itinerary ratio (x_4). The third part consists of five operational process perspective factors: pre-tour checking procedures (y_1), realizing the contract that the local agent promised (y_2), after-tour reports (y_3), after-tour research and development (R and D) (y_4), and after-tour customer service (y_5). The fourth part offers five factors: number of professional licenses (z_1), number of foreign

Table 3. Summary of tour guide performance measuring model under cost leadership/differentiation strategy.

Model construct dimensions		Mean	Std.Dev	Factor Loading	Cum. Pro. %	Cronbach's α
Cost leadership strategy	Pursuing low price in service (V_1)	4.00	0.57	0.81	85.92	0.66
	Pursuing low cost from suppliers (V_2)	4.04	0.59	0.82		
	Pursuing economies of scale (V_3)	4.02	0.64	0.96		
	Pursuing operating efficiencies (V_4)	4.01	0.53	0.98		
Differentiation strategy	Offering superior products (V_1)	4.28	0.66	0.92	80.80	0.73
	Developing new products (V_2)	4.19	0.55	0.80		
	Developing a brand image (V_3)	4.19	0.54	0.88		
	Developing customer-specific solutions and products (V_4)	4.09	0.50	0.90		
Financial perspective	Average shopping commissions per tourist (W_1)	3.87	0.58	0.71	85.87	0.66
	Average tip incomes per tourist (W_2)	3.90	0.51	0.67		
	Tour budget control ratios (W_3)	4.07	0.63	0.68		
	Average optional tour commissions per tourist (W_4)	3.75	0.48	0.78		
Customer perspective	Service satisfaction ratio (X_1)	4.58	0.57	0.74	87.75	0.64
	Repeat customer ratio (X_2)	4.02	0.73	0.99		
	Complaint ratio (X_3)	4.47	0.58	0.95		
	Delivered the service promised in itinerary ratio (X_4)	4.45	0.60	0.91		
Operational process perspective	Pre-tour checking procedures (Y_1)	4.18	0.47	0.99	91.16	0.75
	Realizing the contract that the local agent promised (Y_2)	4.50	0.61	0.93		
	After-tour reports (Y_3)	4.38	0.63	0.84		
	After-tour R and D (Y_4)	4.30	0.70	0.91		
	After-tour customer service (Y_5)	4.24	0.67	0.74		
Learning perspective	The number of professional licenses (Z_1)	4.26	0.73	0.92	93.12	0.78
	The number of foreign language certifications (Z_2)	4.20	0.71	0.85		
	Frequency of participating in training programs (Z_3)	4.01	0.71	0.96		
	Ability to deal with emergency cases (Z_4)	4.24	0.68	0.84		
	Knowledge of related travel regulations (Z_5)	4.25	0.65	0.85		

language certifications (z_2), frequency of participating in training programs (z_3), ability to deal with emergency cases (z_4), and knowledge of related travel regulations (z_5).

Model and hypotheses

The conceptual framework of this study is divided into financial, customer, operational process and learning perspective, revised by the BSC concept. This study also summarizes the tour guide performance measuring model under a cost leadership strategy tested herein. No related studies are

directed towards assessing the relative correlation among financial, customer, operational process and learning perspective of the tour guide under a cost leadership strategic orientation. This study explores the model's dimensions in two stages. Hence, the four model dimensions are developed as exogenous variables and these variables are defined as affecting the tour guide performance measurement under a cost leadership strategic orientation. This paper now formally proposes the following hypotheses:

H_1: There is a positive relationship between the cost leadership strategy and financial perspective.
H_2: There is a positive relationship between the financial and operational process perspective.
H_3: There is a positive relationship between the operational process and customer perspective.
H_4: There is a positive relationship between customer and learning perspectives.

Confirmative factor analysis and correlation analysis

This study uses several statistical techniques, including a confirmatory factor analysis, correlation analysis, and a linear structural relationship (LISREL). A structural equation is used to test the model and the hypotheses previously stated. The set of variables initially corresponding to each theoretical construct is subject to examining the item-to-total correlation and exploratory factor analysis (Churchill, 1979; Reisinger and Turner, 1999).

After the two-stage analysis, the entire set of variables is subjected to confirmatory factor analysis to verify uni-dimensionality. Specifically, a measurement model is estimated in which every variable is restricted to load in its a priori specified factor. Those factors themselves are allowed to correlate (Gerbing and Anderson, 1988). A confirmatory factor analysis is then conducted for all four dimensions and their indicators. An adequate degree of model fit is obtained as a result (Normed Chi-square=1.28, GFI=0.92, AGFI=0.90, RMR=0.05, IFI=0.99, CFI=0.99, RMSEA=0.03, NFI=0.95, P value=0.07). The global measurement model provides overall satisfactory evidence of uni-dimensionality for the measure. Table 4 presents the means, standard deviations and inter-correlations for 22 indicators of the cost leadership strategy's attributes and the 4 dimensions. The correlation among each attribute is significant at the 0.05(*) level and the 0.01(**) level.

Overall model fit

The relationships among the variables are assessed simultaneously via correlation analysis. A correlation matrix is used to understand the relationship patterns among a cost leadership strategy and financial,

operational process, customer and learning perspectives. The LISREL method has been described as being well suited for modeling, testing and development. The model fit assessment approach is taken up, using several diagnostics to judge the simultaneous fit of the measurement and structural models to the data collected for this study. The goodness-of-fit index (GFI) for the overall model is 0.92 and the adjusted goodness-of-fit index (AGFI) is 0.90. Other diagnostics include RMR=0.05, IFI=0.99, CFI=0.99, RMSEA=0.03, and the P value=0.07. This model has a normed fit index (NFI) value of 0.95, which means that 95% of the observed-measure covariance is explained by the composition model. The structural model results in Table 5 show that the overall structural model fit is within an acceptable level (Bentler, 1988; Bentler, 1990).

Having the path exceptions from mutual disclosure to the cost leadership strategy, financial, operational process, customer and learning perspectives of tour guide performance measuring relationships under a cost leadership strategy, and four hypothesized paths are supported at the 0.05 significance level. In the initial hypothesis, mutual disclosure is found to be significantly related to the cost leadership strategy and financial perspective relationships (path coefficient = 0.73, t = 6.86). Thus, this result indicates that H_1 is supported. The financial perspective is positively related to the operational process perspective (path coefficient = 0.68, t = 4.27). Thus, the result supports H_2. The operational process is also positively related to the customer perspective of the tour guide performance measuring model (path coefficient = 0.91, t = 4.53). Thus, the result also supports H_3. The customer perspective is positively related to the learning perspective of the tour guide performance measuring model (path coefficient = 0.78, t = 6.44). Thus, the result also supports H_4.

Tour guide performance measuring model under differentiation strategy

Development of measures

All variables also come from the first stage and are reconfirmed through the second stage (Table 3). The differentiation strategy dimension also stems from Wu's(2004) study and includes offering superior products (v_1), developing new products (v_2), developing a brand image (v_3), and developing customer-specific solutions and products (v_4). The other 4 dimensions of the tour guide performance measurement model under the differentiation strategic orientation are the same as the tour guide performance measuring model under cost leadership strategic orientation.

Model and hypotheses

In this structural model the four model   dimensions   are

Table 4. Cost leadership strategy correlation matrix.

	Mean	S.D.	V1	V2	V3	V4	W1	W2	W3	W4	X1	X2	X3	X4	Y1	Y2	Y3	Y4	Y5	Z1	Z2	Z3	Z4	Z5
Pursuing low price in service (V1)	4.00	0.57	1																					
Pursuing low cost from suppliers (V2)	4.04	0.59	0.42**	1																				
Pursuing economies of scale (V3)	4.02	0.64	0.38**	0.34**	1																			
Pursuing operating efficiencies (V4)	4.01	0.53	0.25**	0.33**	0.25**	1																		
Average shopping commissions per tourist (W1)	3.87	0.58	0.28**	0.16**	0.34**	0.14*	1																	
Average tip incomes per tourist (W2)	3.90	0.51	0.13*	0.20**	0.17**	0.34**	0.31**	1																
Tour budget control ratios (W3)	4.07	0.63	0.28**	0.15*	0.30**	0.24**	0.30**	0.26**	1															
Average optional tour commissions per tourist (W4)	3.75	0.48	0.18**	0.16*	0.28**	0.17**	0.39**	0.37**	0.38**	1														
Service satisfaction ratio (X1)	4.58	0.57	0.20**	0.17**	0.17**	0.26**	0.18**	0.19**	0.27**	0.20**	1													
Repeat customer ratio (X2)	4.02	0.73	0.28**	0.28**	0.28**	0.23**	0.23**	0.21**	0.15*	0.18**	0.24**	1												
Complaint ratio (X3)	4.47	0.58	0.22**	0.22**	0.16*	0.18**	0.22**	0.23**	0.23**	0.15*	0.44**	0.27**	1											
Delivered the service promised in itinerary ratio (X4)	4.45	0.60	0.24**	0.17**	0.18**	0.25**	0.25**	0.15*	0.22**	0.13*	0.49**	0.14*	0.37**	1										
Pre-tour checking procedures (Y1)	4.18	0.47	0.25**	0.20**	0.14*	0.15*	0.14*	0.22**	0.19**	0.19*	0.13*	0.23**	0.20**	0.15*	1									
Realizing the contract that the local agent promised (Y2)	4.50	0.61	0.24**	0.14*	0.24**	0.21**	0.19**	0.18**	0.28**	0.23**	0.30**	0.20**	0.30**	0.34**	0.23**	1								
After-tour reports (Y3)	4.38	0.63	0.21**	0.24**	0.24**	0.28**	0.15*	0.17**	0.23**	0.17**	0.32**	0.24**	0.29**	0.32**	0.25**	0.49**	1							
After-tour R and D (Y4)	4.30	0.70	0.20**	0.23**	0.24**	0.19**	0.18**	0.19**	0.21**	0.18**	0.33**	0.32**	0.34**	0.43**	0.18**	0.39**	0.47**	1						
After-tour customer service (Y5)	4.24	0.67	0.2**	0.1**	0.3**	0.2**	0.23**	0.19**	0.30**	0.24**	0.38**	0.35**	0.36**	0.29**	0.19**	0.38**	0.52**	0.53**	1					
The number of professional licenses (Z1)	4.26	0.73	0.23**	0.16*	0.34**	0.18**	0.17**	0.14*	0.23**	0.21**	0.20**	0.31**	0.23**	0.20**	0.18**	0.36**	0.43**	0.46**	0.60**	1				
The number of foreign language certifications (Z2)	4.20	0.71	0.26**	0.17**	0.28**	0.15*	0.20**	0.17**	0.18**	0.16**	0.21**	0.26**	0.15*	0.35**	0.18**	0.36**	0.39**	0.44**	0.33**	0.54**	1			
Frequency of participating in training programs (Z3)	4.01	0.71	0.20**	0.13*	0.17**	0.32**	0.28**	0.30**	0.29**	0.13*	0.21**	0.19**	0.17**	0.34**	0.15*	0.26**	0.22**	0.35**	0.30**	0.29**	0.44**	1		
Ability to deal with emergency cases (Z4)	4.24	0.68	0.25**	0.21**	0.31**	0.19**	0.17**	0.20**	0.19**	0.19**	0.26**	0.26**	0.23**	0.30**	0.15*	0.40**	0.40**	0.48**	0.33**	0.41**	0.46**	0.37**	1	
Knowledge of related travel regulations (Z5)	4.25	0.65	0.24**	0.20**	0.28**	0.17**	0.17**	0.28**	0.15*	0.24**	0.20**	0.30**	0.16**	0.23**	0.18**	0.26**	0.35**	0.37**	0.26**	0.29**	0.46**	0.35**	0.62**	1

Significant at the 0.01 (**) level; Significant at the 0.05 (*) level.

Table 5. Cost leadership strategy structural model results.

Model parameter	Path coefficient	T value	Hypothesis testing
Endogenous constructs			
Cost leadership strategy (V)➜Financial perspective (W)	0.73	6.86	H_1: Supported
Financial perspective (W)➜Operational process perspective (Y)	0.68	4.27	H_2: Supported
Operational process perspective (Y)➜Customer perspective (X)	0.91	4.53	H_3: Supported
Customer perspective (X)➜Learning perspective (Z)	0.78	6.44	H_4: Supported
	Indicators		**Criteria**
Normed Chi-square (Chi-square/df)	1.28		<2
GFI	0.92		>0.9
AGFI	0.90		>0.9
RMR	0.05		<0.1
IFI	0.99		>0.9
CFI	0.99		>0.9
RMSEA	0.03		<0.05
NFI	0.95		>0.9
χ^2 test	0.07		P>0.05

developed as exogenous variables and these variables are defined as affecting the tour guide performance measurement under a differentiation strategy. This paper now formally proposes the following hypotheses:

H_1: There is a positive relationship between the differentiation strategy and financial perspective.
H_2: There is a positive relationship between the financial and customer perspectives.
H_3: There is a positive relationship between the customer and operational process perspectives.
H_4: There is a positive relationship between the operational process and learning perspectives.

Confirmative factor analysis and correlation analysis

A structural equation is also used to test the model and the hypotheses previously stated. A confirmatory factor analysis is then conducted for all four dimensions and their indicators. An adequate degree of model fit is obtained as a result (Normed Chi-square=1.12, GFI=0.93, AGFI=0.91, RMR=0.05, IFI=0.99, CFI=0.99, RMSEA= 0.02, NFI=0.96, P value=0.13). The measurement model provides overall satisfactory evidence of uni-dimensionality for the measure. Table 6 presents the means, standard deviations and inter-correlations for 22 indicators of the differentiation strategy attributes and 4 dimensions. The correlation among each attribute is significant at the 0.05(*) level and the 0.01(**) level.

Overall model fit

The GFI for the overall model is 0.93 and the AGFI is 0.91. Other diagnostics include RMR=0.05, IFI=0.99, CFI=0.99,

RMSEA=0.02, and P value=0.13. This model has a NFI value of 0.96, which means that 96% of the observed-measure covariance is explained by the composition model. The structural model results in Table 7 show that the overall structural model fit is within an acceptable level (Bentler, 1988; Bentler, 1990).

Given that the path exceptions from mutual disclosure to the differentiation strategy, financial, customer, operational process and learning perspectives of tour guide performance measuring relationships under a differentiation strategy, four hypothesized paths are supported at the 0.05 significance level. In the previous hypothesis, mutual disclosure is found to be significantly related to the differentiation strategy and financial perspective relationships (path coefficient = 0.66, t = 5.67). Thus, this result indicates that H_1 is supported. The financial perspective is positively related to the customer perspective (path coefficient = 0.77, t = 4.93). Thus, the result supports H_2. The customer perspective is also positively related to the operational process perspective of the tour guide performance measuring model (path coefficient = 0.89, t = 4.16). Thus, the result also supports H_3. The operational process is positively related to the learning perspective of the tour guide performance measuring model (path coefficient = 0.78, t = 4.56). Thus, the result also supports H_4.

DISCUSSION

This paper develops the cause-and-effect model, a powerful model, which can be used to manage and evaluate the tour guide performance under cost leadership and a differentiation strategy. Morrison and King (2002) adopted a set of critical success factors to evaluate

Table 6. Differentiation strategy correlation matrix.

	Mean	S.D.	V1	V2	V3	V4	W1	W2	W3	W4	X1	X2	X3	X4	Y1	Y2	Y3	Y4	Y5	Z1	Z2	Z3	Z4	Z5
Offering superior products (V1)	4.28	0.66	1																					
Developing new products (V2)	4.19	0.55	0.56**	1																				
Developing a brand image (V3)	4.19	0.54	0.27**	0.37**	1																			
Developing customer-specific solutions and products (V4)	4.09	0.50	0.20**	0.42**	0.64**	1																		
Average shopping commissions per tourist (W1)	3.87	0.58	0.16**	0.14*	0.20**	0.28**	1																	
Average tip incomes per tourist (W2)	3.90	0.51	0.20**	0.10	0.15*	0.24**	0.31**	1																
Tour budget control ratios (W3)	4.07	0.63	0.17**	0.28**	0.31**	0.34**	0.30**	0.26**	1															
Average optional tour commissions per tourist (W4)	3.75	0.48	0.15*	0.15*	0.17**	0.20**	0.39**	0.37**	0.38**	1														
Service satisfaction ratio (X1)	4.58	0.57	0.27**	0.22**	0.24**	0.22**	0.18**	0.19**	0.27**	0.20**	1													
Repeat customer ratio (X2)	4.02	0.73	0.24**	0.20**	0.23**	0.22**	0.23**	0.21**	0.15*	0.18**	0.24**	1												
Complaint ratio (X3)	4.47	0.58	0.20**	0.22**	0.15*	0.19**	0.22**	0.23**	0.23**	0.15*	0.44**	0.27**	1											
Delivered the service promised in itinerary ratio (X4)	4.45	0.60	0.25**	0.22**	0.25**	0.29**	0.25**	0.15*	0.22**	0.13*	0.49**	0.14*	0.37**	1										
Pre-tour checking procedures (Y1)	4.18	0.47	0.13*	0.15*	0.17**	0.15*	0.14*	0.22**	0.19**	0.19*	0.13*	0.23**	0.20**	0.15*	1									
Realizing the contract that the local agent promised (Y2)	4.50	0.61	0.19**	0.22**	0.15*	0.20**	0.19**	0.18**	0.28**	0.23**	0.30**	0.20**	0.30*	0.34**	0.23**	1								
After-tour reports (Y3)	4.38	0.63	0.31**	0.29**	0.20**	0.20**	0.15*	0.17**	0.23**	0.17**	0.32**	0.24**	0.29**	0.32**	0.25**	0.49**	1							
After-tour R and D (Y4)	4.30	0.70	0.27**	0.33**	0.25**	0.25**	0.18**	0.19**	0.21**	0.18**	0.33**	0.32**	0.34**	0.43**	0.18**	0.39**	0.47**	1						
After-tour customer service (Y5)	4.24	0.67	0.39**	0.38**	0.31**	0.31**	0.23**	0.19**	0.30**	0.24**	0.38**	0.35**	0.36**	0.29**	0.19**	0.38**	0.52**	0.53**	1					
The number of professional licenses (Z1)	4.26	0.73	0.29**	0.25**	0.19**	0.22**	0.17**	0.14*	0.23**	0.21**	0.20**	0.31**	0.23**	0.20**	0.18**	0.36**	0.43**	0.46**	0.60**	1				
The number of foreign language certifications (Z2)	4.20	0.71	0.27**	0.30**	0.20**	0.23**	0.20**	0.17**	0.18**	0.16**	0.21**	0.26**	0.15*	0.35**	0.18**	0.36**	0.39**	0.44**	0.33**	0.54**	1			
Frequency of participating in training programs (Z3)	4.01	0.71	0.16**	0.22**	0.14*	0.22**	0.28**	0.30**	0.29**	0.13*	0.21**	0.19**	0.17*	0.34**	0.15*	0.26**	0.22**	0.35**	0.30**	0.29**	0.44**	1		
Ability to deal with emergency cases (Z4)	4.24	0.68	0.25**	0.18**	0.20**	0.16**	0.17**	0.20**	0.19**	0.19**	0.26**	0.26**	0.23**	0.30**	0.15*	0.40**	0.40**	0.48**	0.33**	0.41**	0.46**	0.37**	1	
Knowledge of related travel regulations (Z5)	4.25	0.65	0.23**	0.20**	0.21**	0.21**	0.17**	0.28**	0.15*	0.24**	0.20**	0.30**	0.16**	0.23**	0.18**	0.26**	0.35**	0.37**	0.26**	0.29**	0.46**	0.35**	0.62**	1

Significant at the 0.01 (**) level; Significant at the 0.05 (*) level.

the effectiveness of hotel websites which consist of four major perspectives - technical, marketing, internal and customer - but they failed to incorporate the views of hoteliers into the research instrument (Chung and Law, 2003). In this study these two models utilize qualitative and quantitative approaches for describing the linkage relationships among tour guide performance measure perspectives under different strategic orientations by travel agent enterprise's viewpoints such as: Financial perspective, Customer perspective Operational process perspective, Learning perspective

Financial perspective

From the findings of this research, it is clear that the financial perspective has cause-and-effect relationships both with the cost leadership and differentiation strategies. Four factors are significantly represented by financial perspective indicators: the average shopping commissions per tourist, average tip incomes per tourist, tour budget control ratios and average optional tour commissions per tourist. The top important attribute is "tour budget control ratios", indicating that budget control is the most crucial factor in travel agent enterprises' viewpoints, particularly for tour wholesalers adopting a low cost strategy for all-inclusive package tours. Relatively speaking, "average shopping commissions per tourist" and "average optional tour commissions per tourist" are perceived as the least important attributes, meaning that most respondents, especially some retailer travel agent practitioners, believe a tour

Table 7. Differentiation strategy structural model results.

Model Parameter	Path coefficient	T value	Hypothesis testing
Endogenous constructs			
Differentiation strategy (V)➜Financial perspective (W)	0.66	5.67	H_1: Supported
Financial perspective (W)➜Customer perspective (X)	0.77	4.93	H_2: Supported
Customer perspective (X)➜Operational process perspective (Y)	0.89	4.16	H_3: Supported
Operational process perspective (Y)➜ Learning perspective (Z)	0.78	4.56	H_4: Supported
	Indicators		**Criteria**
Normed Chi-square (Chi-square/df)	1.12		<2
GFI	0.93		>0.9
AGFI	0.91		>0.9
RMR	0.05		<0.1
IFI	0.99		>0.9
CFI	0.99		>0.9
RMSEA	0.02		<0.05
NFI	0.96		>0.9
X^2 test	0.13		P>0.05

guide should not just be eager to get commissions from shopping or optional tours, even though a tour leader's personal income sources are through tips or commissions which come from shopping and optional tours (Wang et al., 2000). The results imply that evaluating tour guides' performances should not just concentrate on shopping and optional commissions, but also emphasize on budget control. Indeed, shopping and optional commissions are not the largest income resources of tour guides anymore. Travel agent practitioners cannot appraise tour guides' performances only by the commissions they earn for travel agents.

Customer perspective

Performance indicators also show how tour guides can create value services for current and future customers. This may be interpreted as customer perspective indicators, including the service satisfaction ratio, the repeat customer ratio, the complaint ratio, and the delivering the promised service in the itinerary ratio. The same is true for tour guides' ability to deal with complaints (Mossberg 1995; Lo and Lam, 2004). Related studies (Gronroos, 1978; Schmidt, 1979; Whipple and Thach, 1988; Quiroga, 1990; Geva and Goldman, 1991; Mossberg, 1995; Zhang and Chow, 2004; Bowie and Chang, 2005) state that tour guides' performances can generate repeat and new business. The tour guide's role also contributes to fulfilling the service promised in the itinerary such as upgrading service satisfaction (Black et al., 2001) and eliminating tourist complaints. When tourists' expectations - in regards to the promised standard of travel agents - are met as well as tourists' trip

dreams are realized by offering great performances by the tour guide, a higher repeat customer ratio is gained.

If travel agencies adopt a differentiation strategy, then the financial perspective has a positive relationship with the customer perspective. Contrarily, using a cost leadership strategy, the financial perspective has a positive relationship with the operational process. Clearly, results from this significant difference show a hierarchical top-down model, and financial-customer-operational process-learning perspectives are used to measure the tour guide performance under a differentiation strategy. On the other hand, financial-operational process-customer-learning perspectives are used to measure the tour guide performance under a cost leadership strategy through a revised hierarchical top-down model.

Operational process perspective

By realizing financial performance goals and evaluating tour guides' performances under a cost leadership strategy, travel agency practitioners may first enhance their future operational process capabilities. Within the above given context and this study's results, the operational process perspective of a tour guide's performance under a cost leadership strategy can be clearly categorized as: pre-tour checking procedures, realizing the promised contracts of the local agent, after-tour reports, after-tour R and D and after-tour customer service. According to these two-stage surveys, realizing the contract that a local agent promises is one of the most successful factors in the operational process during a tour. The tour guide is the first and only reliable protector for realizing the promised service among travel agents,   tour

operators and local agents. At the same time, "pre-tour checking procedures", "after-tour R and D" and "after-tour customer service" are the three least attributes in the operational process, implying relatively fewer concerns and endeavors in those fields. Additionally, the travel agency practitioners also consider "after-tour reports" as an important attribute for evaluating tour guides. Tour guides are the front-line staffs who provide the "moment of truth for tourists, and can make or break their trip (Schmidt, 1979; Quiroga, 1990; Zhang and Chow, 2004). The findings of this study show how well tour guides operate procedurally in order to insure an all-inclusive package tour quality.

Learning perspective

By using performance measurement indicators, travel agents can enhance their future tour guide service quality. According to the findings of this study, the learning perspective of tour guide performance measurement can be clearly categorized as: The number of professional licenses, the number of foreign language certifications, the frequency of participating in a training program, the ability to deal with emergency cases, and knowledge of related travel regulations. Zhang and Chow (2004) found twenty pertinent tour guide service quality attributes, in areas mainly related to their professional skills, problem-solving ability, and language ability.

Ap and Wong (2001) also discovered that a tour guide must possess good product knowledge and proficiency in languages. In addition, the absence of any formal and basic training for a new tour guide is a problem for the travel industry, which leads to variable standards of service provision and a lack of product knowledge.

Most Taiwan travel agencies in fact do not sponsor any kind of relevant training programs and even the tour guide license examination fees are paid by the tour guides themselves. On the other hand, tour guides are necessary to help solve problems encountered during tours and they even suffer sometimes from no basic salary. However, such an unfair labor relationship and insufficient training could cause higher labor turnover rates and service failures of tour guides. To conclude, travel agent practitioners might offer better learning incentives and opportunities for tour guides.

Conclusions

After two-stage surveys have been carried out, this study obtains a reliable consensus of travel agency enterprises' opinions. These findings can provide valuable contributions in order to resolve tour guide performance management. Consequently, different strategies have different requirements for success and it follows that performance evaluation should be tailored to strategic orientation.

The same is true in Olson and Slaters' studies (2002). The tour guide performance evaluating model under a cost leadership strategic orientation can formulate optimal measuring steps such as financial-operational process-customer-learning dimensions, and they can be implemented in order to optimize strategic goals (Figure 2).

The tour guide performance evaluating model under a differentiation strategy by contrast may adopt an appropriate measuring step, which is the financial-customer-operational process-learning dimension (Figure 3). To sum up, those two models enable travel agency practitioners to better manage tour guide performance measurement systems by adopting their different strategies and achieving strategic goals - that is, by using a combination of a BSC framework and SEM methods.

In short, a tour guide's performance not only can affect the travel agency's cost leadership strategic performances, but it can also be the factor that differentiates the tour service from the competitors' tours. Generally, both in Taiwan and China there exists no solid tour guide performance evaluating system.

The aim of this paper is to identify what criteria are necessary for tour guide performance measurement indicators and how to measure those indicators under different strategic orientations. Such an understanding is useful not only in performance management, but also for recruiting and training tour guides. In Taiwan the all-inclusive package tour market is an extremely competitive one with razor-thin profit margins for outbound travel agencies. Travel agencies are unable to withstand any reimbursement due to tour guides' service failures, nor can they lose out in the performances of their shopping or optional tours. In the past, travel agent practitioners relied heavily on experience rules to evaluate tour guides' performances.

At this moment of time, there is an urgent need to build up both a subjective-qualitative and an objective-quantitative tour guide performance evaluating model under cost leadership and differentiation strategies in order to meet both Taiwan's and mainland China's travel market development needs in the future. Although, there is no one perfect performance measurement system to fit the various strategic orientations adopted by travel agent practitioners as they attempt to obtain competitive advantage, these two models indeed are the first to show a causal link between tour guide performance and strategic goals.
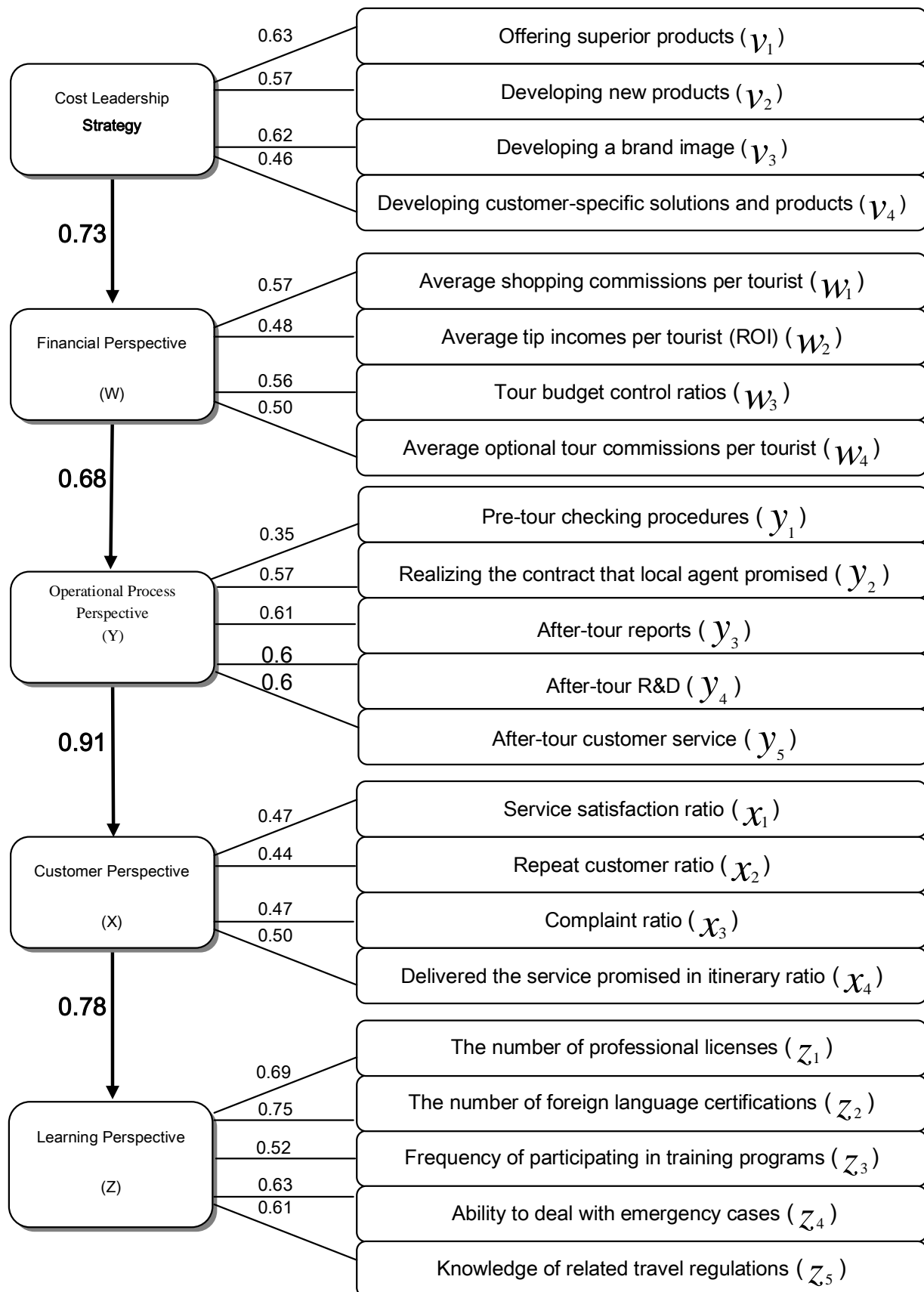
Figure 2. Tour guide performance measuring model under cost leadership strategy.
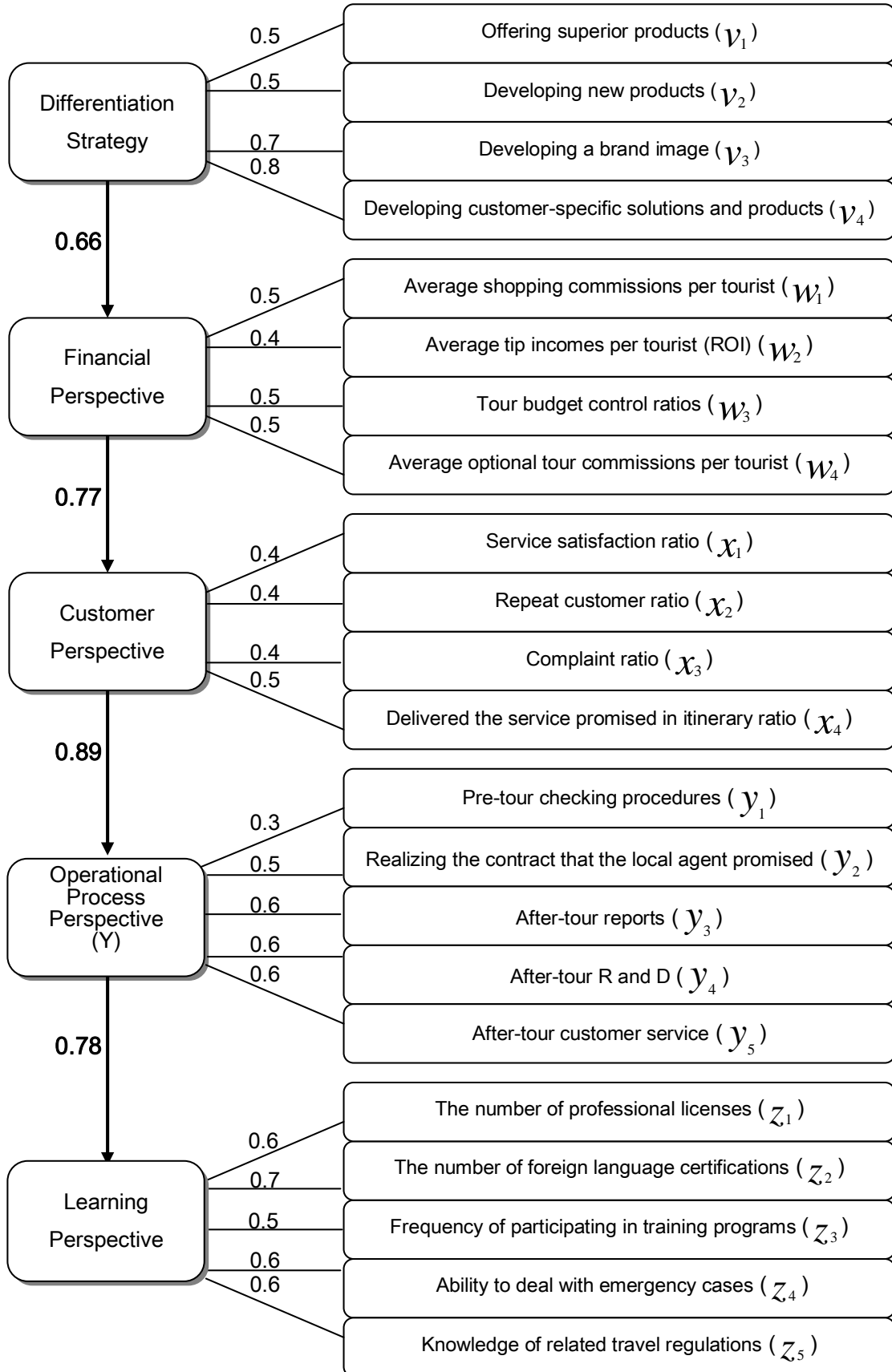
Figure 3. Tour guide performance measuring model under differentiation strategy.

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