



Impact of strategic scenario planning on marketing competitive strategies: An applied study in tourism service in social media

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Abstract

The rise of the internet in the tourism sector is no longer a surprise. Not only has it transformed the way of getting a hotel to the target audience through the network, but it has also transformed the way the organization works. It is precisely the tourism sector that has most noticed the impact of the internet at all levels. Customers have gone from booking their vacations through agencies or tour operators to independently planning each and every stage of their trip, from the reservation of travel tickets and the reservation of rooms, to the registration to activities that they are part of the experience, and even opt for real-time monitoring of their experience through their smartphones. This requires a successful strategic scenario planning in order to keep pace with this technological advancement and achieve the objectives of tourism organizations. The aim of the research was to identify the impact of strategic scenario planning on marketing competitive strategies in social media networking. The strategic scenario planning was discussed through success factors (organizational strategy, environmental analysis, forecasting). A conceptual model was presented to clarify the causal relationships between the variables, and the relationship was tested by regression and structural modeling analysis. Findings reveal that strategic scenario planning indeed has a significant impact on marketing competitive strategies.

Keywords: Organizational Strategy, Environmental Analysis, Forecasting, SEM.

Introduction

The literature suggests that the success of organizations has entered a new phase of intense competition that requires a transition from satisfaction to commitment (Avery et al., 2007), as well as the search for factors that can help the organization to bring about the required change and development (Kaliannan & Adjovu, 2015). The literature examined the organizational success of competition, which distinguishes between organizational management and long-term strategic management that requires more difficult tools (Rothaermel, 2017).

With the development of information technology, the labor sector has become heavily dependent on technological factors. The tourist activity is characterized by intensive use of information, a



circumstance that explains the remarkable impact of ICT in the processes of consumption and production in this field (Eriksson, 2002). Technological evolution constitutes an important factor of change that has modified the consumer's behavior and that makes it necessary to adapt companies and tourist destinations, which can hardly keep up with technological evolution (Gretzel et al. , 2000). On the other hand, ICTs enable new services and the reorganization of traditional ones in a socio-economic situation in which greater efficiency in the management of public resources is demanded. In this context, the focus on social media marketing is derived basically from the concept of new technology and it has undoubtedly acquired success. This is thanks to the confluence between innovation and ICT, mainly motivated by the development of the Internet which can contribute to future strategic success.

The awareness of the future and its anticipation and the identification of challenges and opportunities is an important factor in having a clear vision for the future, especially in the current era, which has great challenges, thus scenario planning has become an important strategic tool (Godet, 2000). The strategic scenario planning represents the planning discipline associated with future studies, and it is used to gather relevant information in the future and to predict the correct future picture (Phaal & Muller, 2009). Strategy activities focus on customers, competitors, and technology, these activities are carried out through the company's product and innovation unit.

Scenario planning has become an important aspect and plays a vital role in the success or failure of strategic plans due to its reliance on the accuracy of environmental analysis (Bryson, 2018). Scenarios allow managers to describe a possible future as specific data are available and allow rational assumptions of potential situations under a core data set (Young & Muller, 2015). One of the tools used today by both executives and strategists to identify themselves is scenario planning. One of the core values of scenario planning is its ability to avoid the traditional entrances that competitors can embrace, but instead, it creates new business ideas. One important factor is response time and the need to reach the desired location before others (Sadatsafavi & Kim, 2015). Future scenario planning explores not only the availability of possible and coherent alternatives but also the availability of different future perspectives (Grant, 2016). This is why the essence of scenario planning is imaginative, mental, and requires cognitive abilities in more than one reality. Accordingly, this study aims to identify the effect of strategic scenario planning on marketing competitive strategies.

Strategic Scenario Planning

The strategic scenario, called planning or thinking, is a modern methodology that organizations rely on to develop strategic plans (Roney & Curtis, 2013). The strategic scenario contributes to defining the organization's long-term goals and serves as the path for organizations to follow their mission and vision (Nutt & Paul, 2014). The strategic scenario is not a modern methodology in business but rather has historical roots. Several studies in the strategic area have indicated that there have been several changes to the term 'scenario' that depend on strategic management (Okumus, 2003).

From the administration's point of view, the scenario is defined as a blueprint aimed at achieving difficult and complex long-term goals (Bradfield et al., 2005). The various studies examined the role of strategic scenarios in decision-making and depended on the nature of the scenario to be determined (Chermack, 2004). The researcher has have come to the conclusion that we must rely on a set of factors and requirements for a successful scenario, including development, change and correction, as shown in Figure 1.

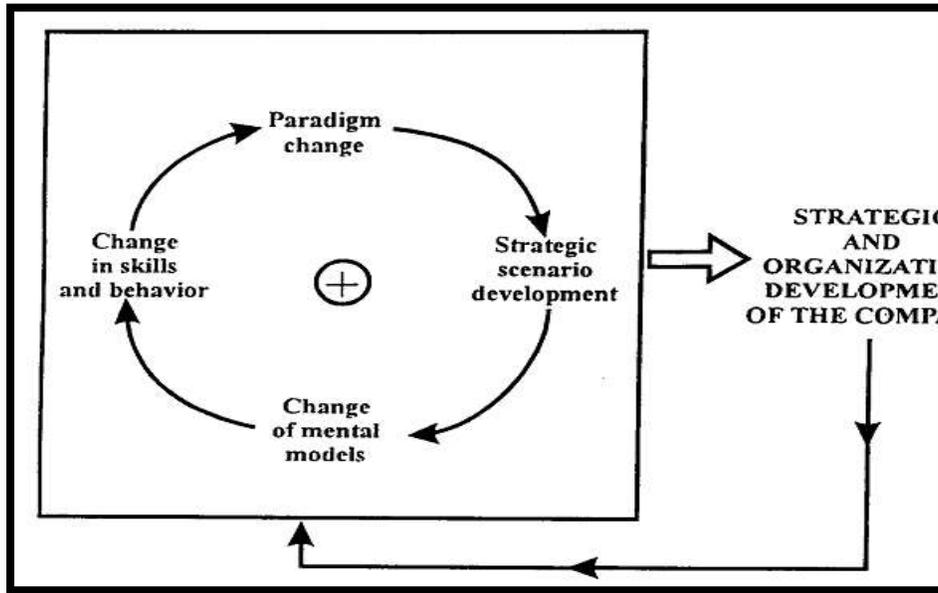


Figure 1. Strategic Scenario Loop

It is the design, development, and implementation of different operational plans by the organizations, and these plans can be either short, medium or long term in orientation (Willke & Ligo, 2007). Strategic scenario planning includes three main dimensions - Organizational strategy, environmental analysis and forecasting- as is shown in Figure 2 (Ringland, 2002).

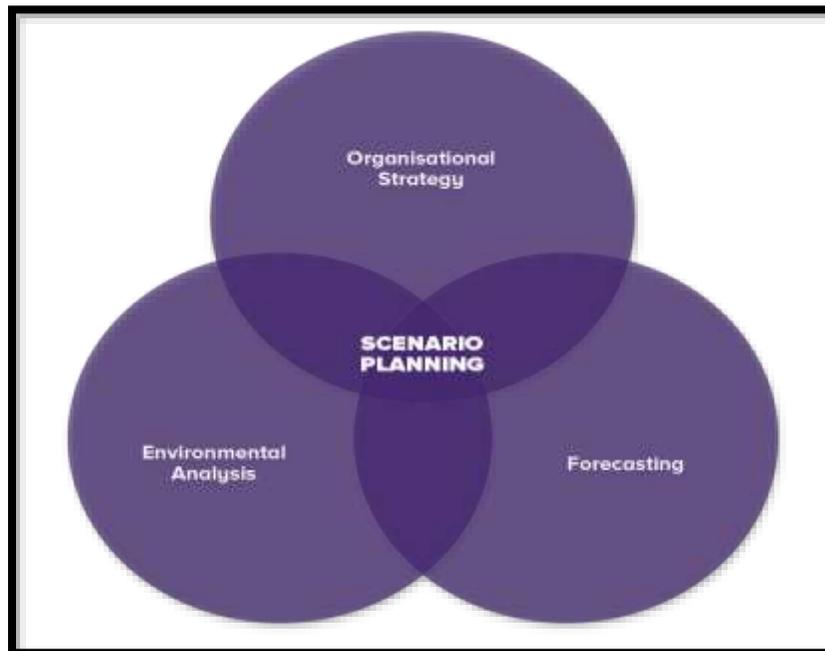


Figure 2. Strategic scenario planning dimensions

All of these dimensions belong to four main steps of scenario development and improvement as is shown in Figure 3.

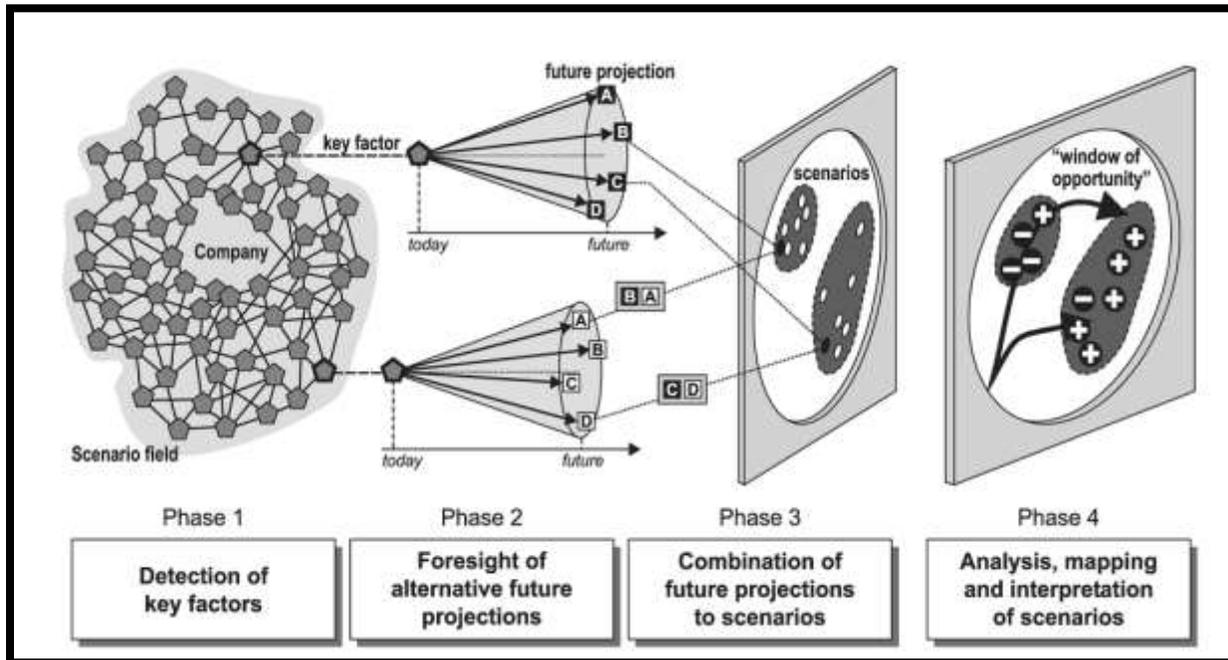


Figure 3. Steps of Scenario Development

Organizational Strategy

An organizational strategy can be defined as a management plan formulated by the highest level of leadership, to guide and operate entire business organizations (Jensen, 2001). It refers to the master plan that leads the organization to success. The higher the degree of excellence of corporate strategy, the higher the chances of success of the company in the market (Andrews et al., 2008). The organization's strategy is at the core of the strategic planning process. It determines the company's growth target, i.e. the direction, timing, extent and speed of the company's growth. It highlights the pattern of business moves and objectives related to strategic interests in different business units, product lines, customer groups, etc. It determines how the company will remain stable in the long term (Graddy & Morgan, 2006).

Environmental Analysis

Environmental analysis is concerned with studying the internal and external environments in order to uncover the strategic elements that may have a negative or positive impact on the organization in the future through SWOT analysis, a model that helps institutions and organizations to set and define the vision and mission of the institutions, as well as in setting future goals and objectives of these institutions. During the study its actual reality and its relationship and its impact on external factors and forces is unpacked. SWOT analysis can be defined as a process by a task-force to identify strengths Weaknesses in the internal environment of the organization, and opportunities and threats in the external environment that affect its potential effectiveness, contributing to the development of strategies and the development of strengths and opportunities, and to overcome weaknesses and threats (Meredith, 2005).



Forecasting

forecasting is defined as a detailed analysis of the future because planning is impossible without predicting the future as accurately as possible or making intelligent assumptions about it. When making a forecast, our focus is on establishing what somehow - totally deterministic - is expected to be the most likely to happen. This being a very limited vision of the construction of the future, because we should not limit ourselves only to the probable disregarding of the desirable, the possible, the feasible or what a totally adverse scenario may represent (Cui et al., 2015). To talk about prognosis is to ask ourselves something that can happen in the future, but it does not imply considering all possible alternatives for the future with which we can interact (Sadovnikova et al., 2013). To do this, we must refer to something broader and more diversified; that is, to be able - in a certain way - to try to visualize how to elucidate through a multiplicity of future scenarios, and from this perspective choose the most desirable and feasible future, to try to proceed to participate dynamically and interactively in its design and construction. This is what we call assuming an attitude perspective towards the future conceptualizing it as becoming, that is, as a bright and attractive horizon, full of immense possibilities.

Marketing Competitive Strategies

Marketing strategy is one of the most complex marketing processes, depending on the success or failure of the organization. The success of the organization and its overall strategies are largely related to the success of the management of marketing activity, and what is achieved by the marketing strategy, and appropriate performance and compatible with the organization (Ferrell & Hartline, 2012). As a result of marketing planning processes at the three levels (senior management, business unit, functional level), the marketing strategy is divided into the strategy of the target market sector, the marketing mix strategy, and marketing strategy requires matching the activities of the organization with its resources (Perreault & McCarthy, 2002). According to Kotler (1967), the organization can identify which parts of the market can be effectively served instead of competing everywhere. The marketing strategy achieves many advantages for the organization, especially as regards the opportunities and challenges of the business environment. This includes the marketing opportunities and strengths in the organization, as well as management through which these opportunities are exploited and activated, and the detection of challenges and risks in the marketing environment (Ferrell & Hartline, 2012). Nicolaides (2018) asserts that there should always be an approach to advertising in which tourism enterprises strive to reach consumers in an honest way without subjectively embellishing and making blatant untruths about their offerings which places businesses at high risk. Marketing is thus fundamentally linked to a diversity of ethical issues that require “serious deliberation and a sense of moral idealism in which universal consumer rights are not flouted, and utilitarianism in which consequences of actions are carefully mapped out so that ‘the greatest good for the greatest number’ can be realised after assessment of the costs and benefits of the desired ethical marketing”.

In this context, Michael Porter (1998) has introduced general competitive strategies that can be used by any organization, cost leadership, differentiation strategy, cost focus, and focus differentiation. As Porter has explained, managers should take into account the corporate environment, which is called the competitive environment. In general, a competitive environment means the organization's work with other institutions, which are very similar in the same products and services, and the methods of production adopted by them and their customers (Rothaermel,

2017). Competitive strategies are considered among the available alternatives, which enable the organization to achieve its objectives and increase its competitiveness.

Materials and Methods

The Model

Figure 4 shows the theoretical model considered to contrast the hypotheses raised in this work, where Y_i is the dependent variable marketing competitive strategies (MCS), which depending on the case may be the strategic scenario planning (SSP), organizational strategy (OS), environmental analysis (EA), and forecasting (FO), where strategic scenario planning is the independent variable corresponding to the degree of these factors.

$$MCS = b_0 + B_1 OS + B_2 EA + B_3 FO \dots\dots\dots 1$$

Figure 2 illustrates the conceptual model of the relationship between these variables.

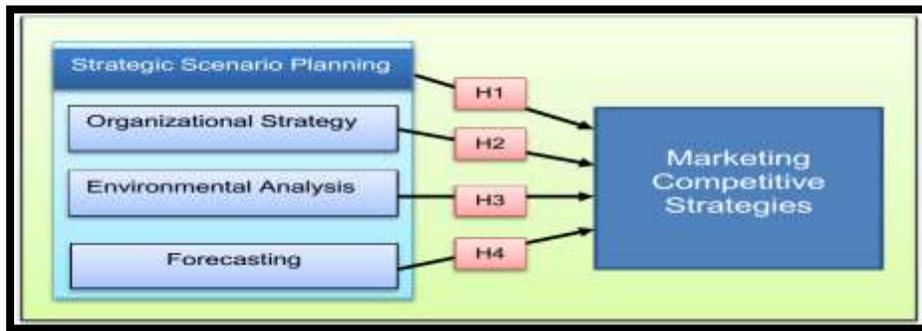


Figure 4. Conceptual Model

Instrument

The tools used to collect data are the questionnaire. The questionnaire consists of two parts. The first part includes the independent variable (SSP), which consists of three basic dimensions (OS, EA, and FO), the second part includes the adopted variable (MCS), Cronbach Alpha coefficient is adopted in Table 1 to determine the reliability of the measuring instrument. The results indicated that the scale is highly credible. Where (SSP) recorded a high value of (0.938) value greater than (0.70), and (MCS) also recorded a high value of (0.894), and in general, the questionnaire recorded high credibility of (0.959).

Table 1. Reliability Statistics

Variable	Cronbach Alpha
SSP	0.938
OS	0.879
EA	0.867
FO	0.849
MCS	0.894
All	0.959



Demographic Profile

Table 2 shows the demographic variables included in the basic information of the sample members, and it is clear that the majority is male by (77%) and that (23%) is female, The majority of respondents are from the age group (40-50), which registered a percentage (70.5%), and a high percentage of higher degrees of the doctoral degree by (77%).

Table 2. Demographic Profile

Variable		Frequency	Percentage
Gender	Male	47	77.0%
	Female	14	23.0%
Total		61	100.0%
Age	Less than 30	3	4.9%
	30-40	13	21.3%
	40-50	43	70.5%
	More than 50	2	3.3%
Total		61	100.0%
Education	MSC	14	23.0%
	PHD	47	77.0%
Total		61	100.0%

Results

Variable Modeling

In order to identify the components of the variables, we use the construction of models according to the method of structural modeling. Literature indicates that conditions must be met for the quality of the model, as shown in Table 3.

Table 3. Fit Index Conditions

Fit Index	Acceptable Threshold Levels	Description
<i>Absolute Fit Indices</i> Chi-Square X2	Low χ^2 relative to degrees of freedom with an insignificant p value ($p > 0.05$)	
Relative χ^2 (χ^2/df)	2:1 (Tabachnik & Fidell, 2007) 3:1 (Kline, 2005)	Adjusts for sample size.
(RMSEA)	Values less than 0.07 (Steiger, 2007)	Has a known distribution. Favours parsimony. Values less than 0.03 represent excellent fit.
GFI	Values greater than 0.95	Scaled between 0 and 1, with higher values indicating better model fit. This statistic should be used with caution.
AGFI	Values greater than 0.95	Adjusts the GFI based on the number of parameters in the model. Values can fall outside the 0-1.0 range.
RMR	Good models have small RMR (Tabachnik and Fidell, 2007)	Residual based. The average squared differences between the residuals of the sample covariance and the residuals of the estimated covariance
SRMR	SRMR less 0.08 (Hu& Bentler, 1999)	Standardized version of the RMR. Easier to interpret due to its Standardized nature.
<i>Incremental Fit Indices</i>		
NFI	Values greater than 0.95	Assesses fit relative to a baseline model which assumes no covariance between the observed variables. Has a tendency to fit in small samples.
NNFI (TLI)	Values greater than 0.95	Non-normed, values can fall outside the 0-1 range. Favours parsimony. Performs well in simulation studies (Sharma et al, 2005; McDonald and Marsh, 1990)
CFI	Values greater 0.95	Normed, 0-1 range.

The results of the models in Figure 5 and 6 indicate that the variables have met the required conditions for modeling and that the conditions of conformity quality (fit good index) have been achieved.

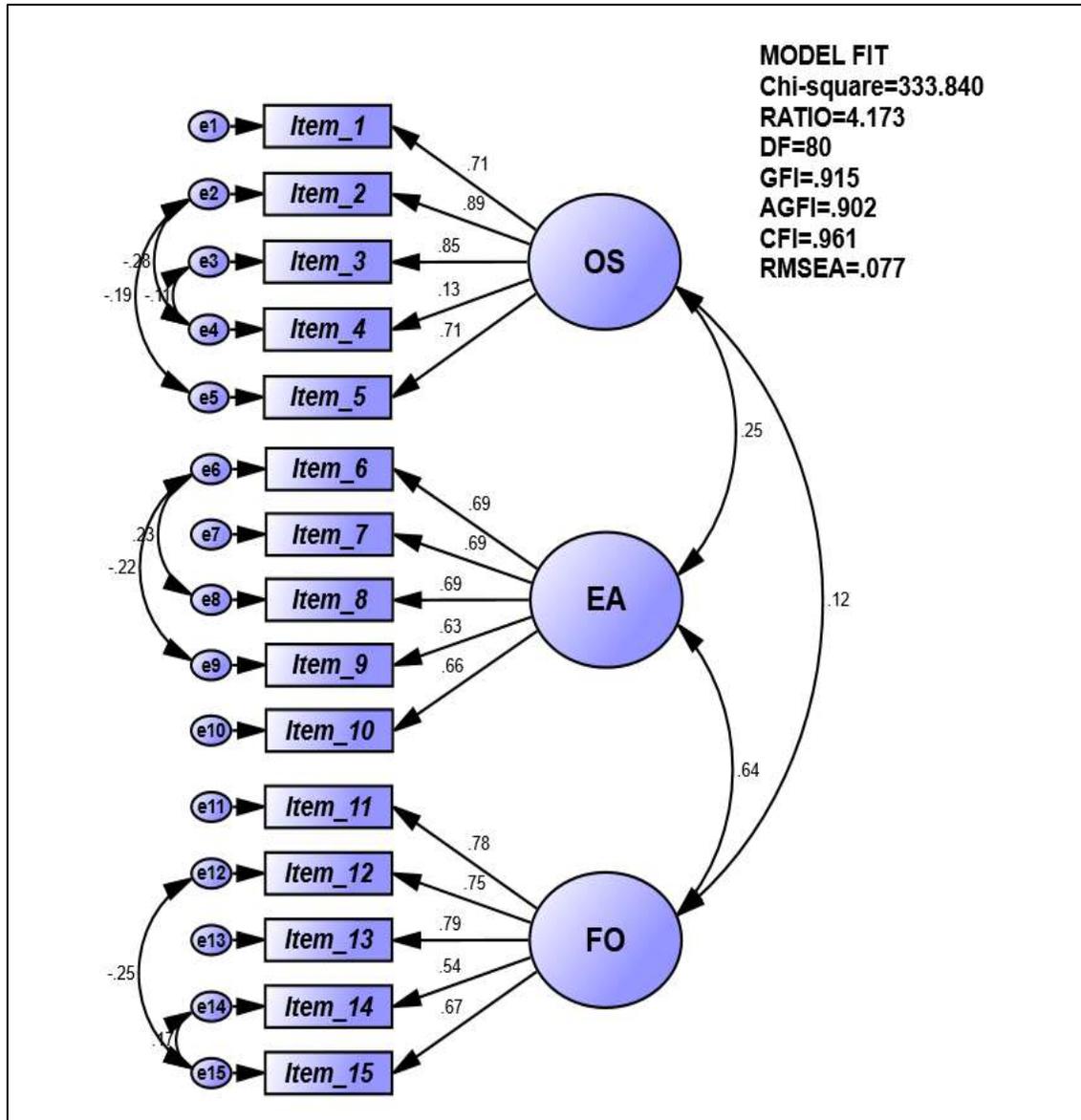


Figure 5. SSP Structural Model

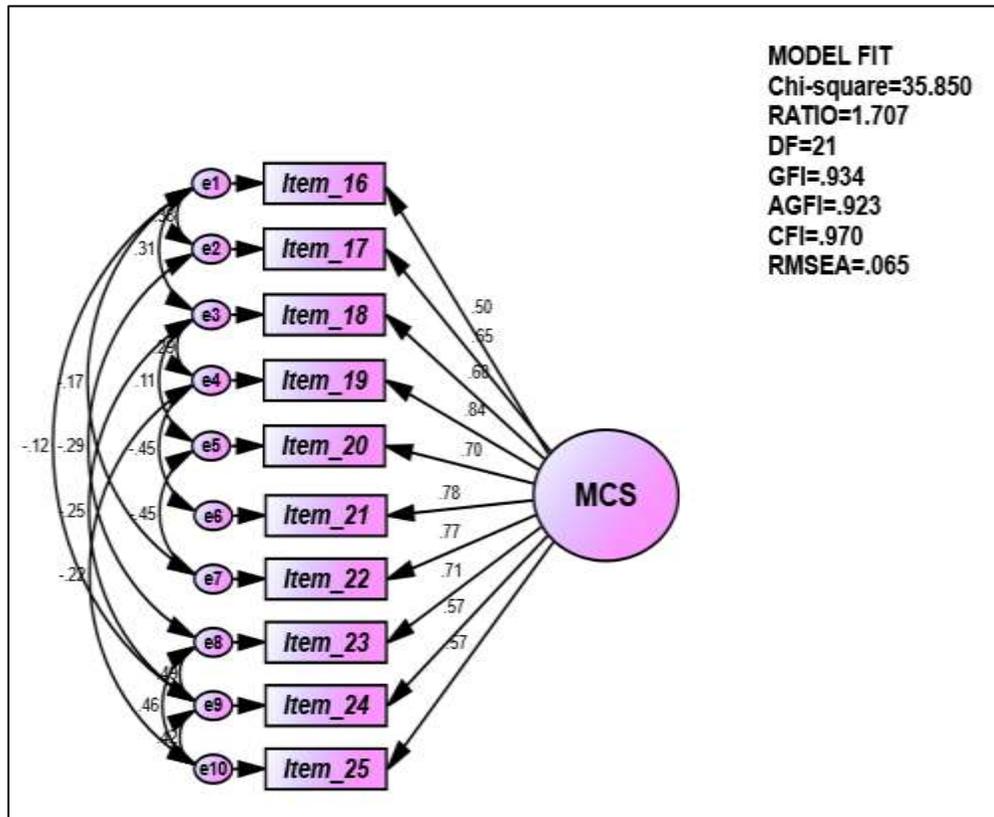


Figure 6. MCS Structural Model

Regression Analysis

In order to test the effect between dimensions and variables, a simple regression test was applied to determine the effect of each dimension, and the multiple regression is then identified within structural modeling. The results in Table 4 indicate the following:

Hypothesis 1: The results indicate that there is a positive significant impact of SSP on the MCS, where the value of the fixed effect (0.890), and the slope reached (0.750) in addition to that the model explains (0.727) based on the value of the coefficient of interpretation (R²). These results support the H1 hypothesis, and the regression equation is as follows:

$$Y_i = a + BX + e_i$$

$$MCS = 0.890 + 0.750 \text{ SSP}$$

Hypothesis 2: It is clear that OS effect positively MCS, where the value of the fixed effect (0.744), and the slope reached (0.792) in addition to that the model explains (0.875) based on the value of the coefficient of interpretation (R²). These results support the H1 hypothesis, and the regression equation is as follows:

$$Y_i = a + BX + e_i$$

$$MCS = 0.744 + 0.792 \text{ OS}$$

Hypothesis 3: The results indicate that EA has a positive effect on MCS, where the value of the fixed effect (1.009), and the slope reached (0.750) in addition to that the model explains (0.790)



based on the value of the coefficient of interpretation (R2). These results support the H1 hypothesis, and the regression equation is as follows:

$$Y_i = a + BX + e_i$$

$$MCS = 1.009 + 0.750 EA$$

Hypothesis 4: It is clear that FO effects MCS positively, where the value of the fixed effect (0.250), and the slope reached (0.931) in addition to that the model explains (0.927) based on the value of the coefficient of interpretation (R2). These results support the H1 hypothesis, and the regression equation is as follows:

$$Y_i = a + BX + e_i$$

$$MCS = 0.250 + 0.931 FO$$

Table 4. Effect Analysis

Var.	a	B	R2	Adj-R2	F	Sig
OS	0.890	0.750	0.727	0.724	232.08	0.000
EA	0.744	0.792	0.875	0.766	285.32	0.000
FO	1.009	0.750	0.790	0.625	144.83	0.000
SSP	0.250	0.931	0.927	0.860	534.12	0.000

SEM Analysis

In order to test the multidimensional effect between dimensions and variables, we use structural modeling testing. It is clear from Table 5 and Figure7, that there is a positive effect of the variable OS on (MCS) and the value of the path coefficient (0.12) with (S.E.=0.023 ,C.R=3.102 and Sig=0.002), in addition, the effect of the variable EA is positive and significant with a path coefficient of (0.83) with (S.E.=0.060 ,C.R=7.862 and Sig=0.000). The independent variable FO affects positively and significantly on the dependent variable with path coefficient of (0.67), with (S.E.=0.088 ,C.R=7.435 and Sig=0.000), These results prove that the model is significant and can be adopted.

Table 5. Path Coefficient Results

Path	Estimate	S.E.	C.R	P
OS.....> MCS	0.118	0.023	3.102	0.002
EA.....> MCS	0.668	0.060	7.862	0.000
FO.....> MCS	0.829	0.088	7.435	0.000

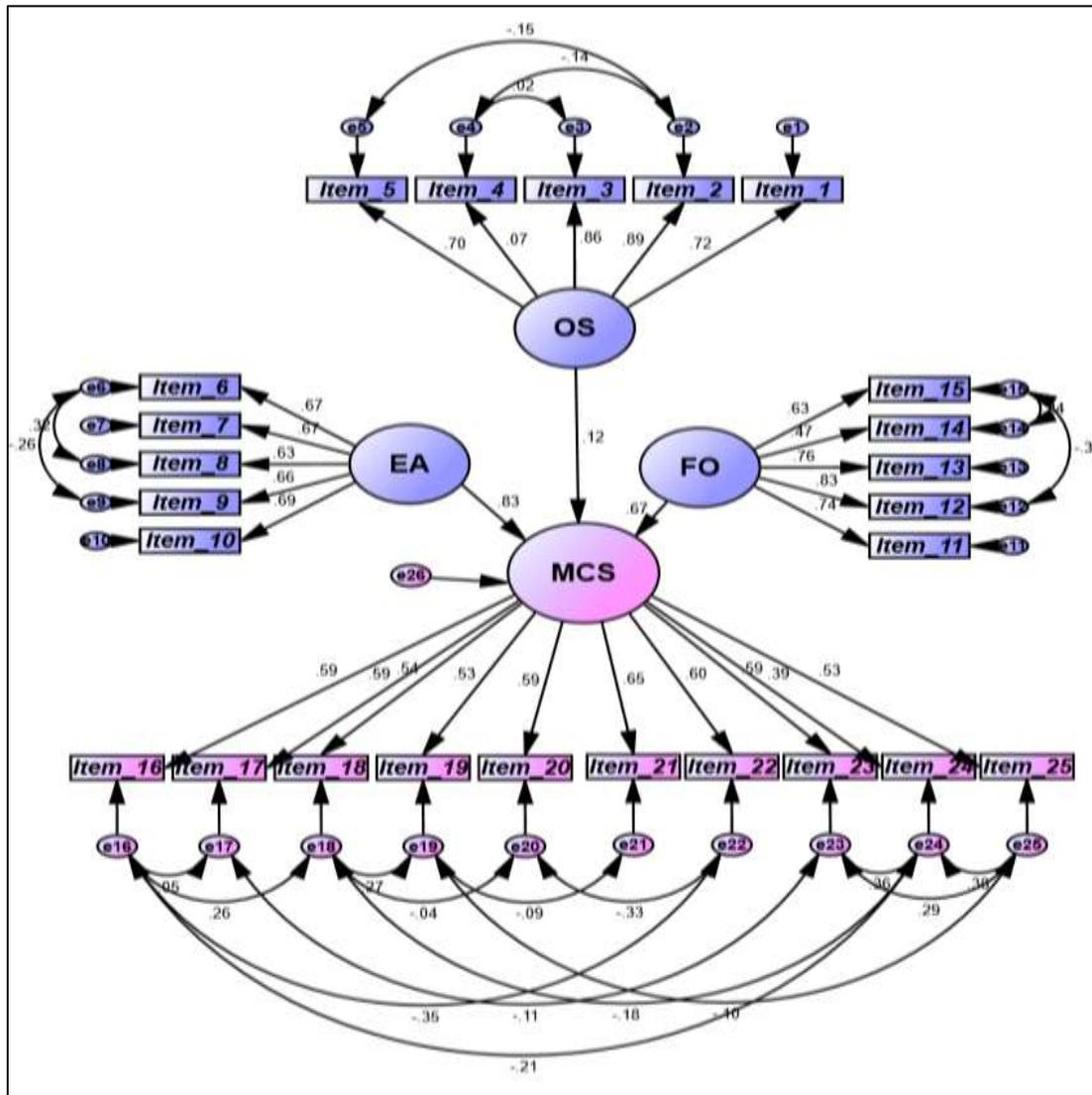


Figure 7. Structural modeling of the relationship between variables

Discussion

In recent years, the tourism sector in Iraq has suffered from the conditions of the war on terror, which have affected the provision of logistical and financial capabilities. Therefore, the need for a strategic tool to improve the marketing competitive strategies, especially via the internet and social networks, became vital. Having a clear vision and being able to communicate is clearly important in aspects of leadership, because it offers a clear picture of what the organization will be like in the future (Leithwood, 2003). Developing a long-term strategic vision reflects the personal views of the inspiring leadership (Hitt & Lerland, 2012). All of these depend on strategic scenario planning which can improve the decisions of marketing competitive strategies via social media networking.

The results of the research show that strategic scenario planning has a significant positive impact on marketing competitive strategies. This is particularly considered in the results obtained from



regression and structural modeling analysis of strategic scenario planning against marketing competitive strategies.

The results proved that there is a positive impact on the strategy of the organization in marketing competitive strategies through social networks. Where the organization needs to adopt a successful marketing strategy in order to achieve its objectives and meet the various challenges of its environment, and this is not only the adoption of an effective marketing strategy, and within the overall strategy of the institution, taking into account the events of the strategic thinking, especially with regard to the reconciliation of special strategic resources environmental and structural conditions of the market. The results also proved that there is a positive impact of environmental analysis in marketing competitive strategies through social networks, and this indicates that internal environmental analysis procedures help to identify strengths and weaknesses that exist. In addition to external environmental analysis that helps to identify opportunities and threats, this reflects positively on competitive and marketing decisions. Today, organizations are very competitive and there is openness to global markets, trade liberalization, and an information explosion.

This competitiveness has put the organization in the position of defending its position for survival and excellence, which requires mechanisms and tools that enable it to monitor the sudden external transformations and try to identify and deal with them, whether opportunities or threats, which earns the institution a strong competitive advantage and enhance it. The results shows that the strategy requires attention to the forecasting of the future vision, as this contributes to the improvement of the competence in carrying out the tasks entrusted to the organization. Several studies have confirmed that forecasting contributes to improving the success and innovation of the organization future. This is also reflected in the social relationship, especially with regard to shared skills and knowledge within the networking arena. On the social relationship side, especially social networking is important to get information about the service, by sharing success information and positive information and this is invariably reflected in the competitiveness levels of an organization.

Conclusion

The objective of this study was to study the effect of strategic scenario planning on marketing competitive strategies service in social media networking. The present study supports previous studies that linked organizational strategy and marketing success and also the importance of environmental analysis for success marketing. Moreover, the study concludes that there are positive effects of forecasting on the marketing competitive strategies

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