

# Exploring the Business Model with Special Reference to B2B in the Tourism Sector

Balakrishnan Ravishankar<sup>1</sup>, Prabu B. Christopher<sup>2</sup>

<sup>1</sup>Assistant Professor, School of Hotel and Tourism Management, Vellore Institute of Technology, Vellore, India <sup>2</sup>Assistant Professor, VIT Business School, Vellore Institute of Technology, Vellore, India

Abstract: The purpose of this paper is to study the business model with a special focus on B2B in the tourism sector. Further, the research is planned to study the airlines as one of the key stakeholders and how they support other stakeholders. The method used in this conceptual work is based on literature reviews from journal articles, dissertation articles, books, and online news related keywords and research. The extant tourism literature suggests that the B2B business model can contribute to the growth of the tourism sector. Our findings suggest that the B2B business model, which is closely linked to the promotion of tourism by airlines and tourism stakeholders, and in turn supports various tourism stakeholders for the development of their business. This study provides an overview of the existing literature by improving business models to analyze the links between airlines and stakeholders promoting the tourism sector.

Keywords: Tourism, Stakeholders, B2B, Airlines, Business model

#### 1. Introduction

Tourism and the airline industry complement each other. Tourism depends on transport to attract visitors, while the transport sector relies on tourism to create demand for its services. The growth of the tourism industry is directly reflected in air transportation. The number of international travelers has more than doubled in recent years. Transportation may be the cause and effect of tourism growth. The growth rates of international air traffic are related to the growth rates of international tourism. Attractive vacation packages and competitive airline tickets attract more tourists every day, therefore, the industry is growing rapidly.

## 2. Literature review

Tourism is one of the most enjoyable services that people enjoy, tourism involves the activity of people traveling and leaving home for leisure, business or other purposes, which is essentially a new phenomenon created in unique and pleasant memories. Travel is an escape from stress, experience, and relaxation at the current pace of working life. Millions of people around the world travel hundreds of miles from their homes and learn about the vast land and experience.

The tourism industry is in some form all over the world and tourists may find themselves inaccessible. Tourism infrastructure has evolved significantly over the years, allowing it to access and discover difficult areas of the world. Tourism has proven to be an economic boom, which contributes to the economic growth of many countries. Tourism is considered an important and growing industry due to increased foreign currency earnings and employment.

#### A. Historical background

The definition of tourism has been difficult since the 19th century when the word tourist was first coined in English. Two centuries later, the authors still cannot agree on a common definition, Irena Tolevska (2015) [1], the first definition of tourism is made by Guyer and Feuler (1905) [2], they defined Tourism as the unique experience of the modern world, the desire for change and entertainment, the desire to see the beauty of nature and art and its belief in the joy of the world as a human being, will fit into the desires individually and socially. Some applaud the commercial development and business and communications and transportation. The terms tourist and tourism were first used as official terms in 1937 by the League of Nations, tourism was defined as 'People traveling abroad for periods of over 24 hours', Singh L.K, (2008) [3].

Tourism Society of England (1976) [4] defined as Tourism is the temporary movement of people to their destination outside the places where they live and work normally and their activities during their stay in each destination. This includes movements for all purposes. Neil Leiper (1979) [5] stated that, it becomes evident that the term 'Tourism' did not exist before sixteenth century, Tourism is the short-term movement of people to various places outside their work location and home, the events undertaken during their stay in those places, and the services created to provide to their requirements. International Association of Scientific Experts in Tourism (1981) [6] defined as Tourism in the context of specific activities of an optional and undertaken outside the home locality. John Hultsman, (1995) [7] referring Macintosh and Goeldner (1986) [8] defined tourism as the number of wonders and contacts that comes from the interaction between tourists, entrepreneurs, host and host countries, which attracts and appreciates these tourists and other visitors. Makhlouf, H. H. (2012) [9] referring the WTO's definition of tourism is now the most accepted in the world and it defines tourists as people traveling to and staying in places outside their usual environment for not more than one



consecutive year for leisure, business and other purposes, while usual environment is considered the one that is around the residence of the person and all other places that are frequently visited, (UNWTO, 1995, p. 13) [10].

It is very difficult to precisely define the tourism and tourists in the world because these terms have a different meaning to different people, and no universal definition has yet been adopted, Theobald W.F., (2005) [11]. To provide a traveling experience, individuals, industries, organizations, and places need to be integrated in some way, the wide variety of competing definitions of tourism touches on many different aspects. Some, for instance, include day visitors who spend 24 hours differently than at home in the definition, Irena Tolevska (2015) [1], whereas others debate against that; some include business trips while others exclude them; whether the distance and purpose of the visit should be involved in the definition, Lesley Pender, Richard Sharpley (2005) [12].

The United Nations World Tourism Organization (UNWTO) embarked on a project from 2005 to 2007 to create a common glossary of terms for tourism. It defines tourism as Tourism is a social, cultural and economic event that directs the movement of people to a country or place outside their natural environment for a specific purpose or business / professional purpose. These people are called visitors (tourists or travelers; residents or nonresidents), and tourism is related to their activities, some of which require tourism costs. United Nations World Tourism Organization, (2008) [13] says that: Tourism involves the work of people traveling in unfamiliar surroundings and spending their vacation, business and other pursuits lasting a year, The World Tourism Organization (WTO), (2010) [14]. Various factors influence the tourism.

There are several definitions of tourism Guyer and Feuler, 1905 [2]; Tourism Society of England, 1976 [4]; Neil Leiper, 1979 [5]; International Association of Scientific Experts in Tourism, 1981 [6]; Macintosh and Goeldner,1986 [8]; UNWTO, 1995 [10]; Theobald W.F, (2005) [11]; Lesley Pender, Richard Sharpley (2005) [12]; Irena Tolevska (2015) [1]; UNWTO defines it as the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure & business and other purposes (UNWTO 2010) [14]; Tourism is a set of industries related to temporary movement of people from their permanent place of living to any other destination.

## B. Tourism factors

Tourism as a broad industry, ecological risks, environment, and attractions can be maintained through adequate and wellplanned tourism, Cohen Erik (1978) [15]. Vytautas Snieška (2014) [16] proposes that, while analyzing the tourism growth of countries, economic, social, cultural, environmental and political factors are necessary to determine the extent of their influence.

Gulnara Ismagilova (2015) [17] mentions that Knowledge of history and historical matters is the strongest motivation for tourism. Tourists include historical sites in their itinerary and use history as an attractive factor due to the various historical sites that provide information. Akvile Cibinskiene (2015) [18], 'The tourism model represents the external and internal environment factors, external environment factors grouped into political, legal, economic, cultural, ecological, natural and technological factors, Internal environment factors grouped into tourism enterprises, tourism resources and infrastructure of tourism and recreation'. Tourism is responsible for economic and social factors such as age, sex, income, duration of stay, race at educational level, the author also states that he contributes to changes in the value system, personal behavior, family relationships, collective lifestyles, security levels, moral behaviour, and community organization.

There are many important factors that affect the development of tourism. Environmental factors have a good climate and wonderful scenery. Social, economic factors, including accessibility, housing, services, and related services and finally historical, cultural and religious factors. In summary, factors such as environmental, economic, historical, cultural and religious factors that influence tourism development can be mentioned.

## C. Environmental factors

Valentinas Navickas and Asta Malakauskaite (2009) [19], mention that; it is widely divided into natural and artificial environments. The natural environment consists of geographical location, climate, and beautiful scenery.

Good climate; Weather is one of the most important factors in attracting the attention of individual travelers. Warm, sunny weather attracts tourists who come from warm and often cold climates. On the other hand, people are moving out of the tropics towards the winter areas and looking for a taste of a new home. Other countries have a cool climate that attracts warm travelers.

Beautiful scenery; The tourist boom in picnic areas with stunning landscapes such as sunrise and sunset, long sea beaches, freshwater lakes, and waterfalls often attracts many tourists. The artificial environment consists of tourism infrastructure, transport, entertainment equipment, entertainment services, retail stores, and hotel chains.

## D. Social factors

Accessibility; Convenience is essential and all tourist centers must be easily accessible by various means of transport such as road, rail, air, and water. Enjoying beautiful places in nature to see your journey by road and rail is a better choice, and if your travel plans to reach a remote travel destination as soon as possible, roads and railways are the best choice. In general, waterways are seldom chosen unless tourists enjoy a luxury cruise experience.

Accommodation; Tourist attractions must have sufficient capacity for good accommodation and food, the type of accommodation required by tourists depends on their lifestyle, livelihoods, ability to spend money, the nature of the services expected, the resorts' ratings (less than that, tourists should be



able to make the right choices and properly plan their trip. Amenities; The growth of tourism in certain places also affects the most important factors: How well the site is maintained for tourist activities such as skiing, popping, paragliding, skiing, fishing, surfing, safari adventures and more, and the emergency facilities are available or not.

Ancillary services; If a tourist destination is equipped with additional auxiliary services such as banks and finance, Internet and telecommunications connectivity, hospitals, insurance companies, etc., such a place manages to retain more tourists for a longer period. This generally helps to strengthen the local economy to a certain extent.

## E. Historical and cultural factors

Tourists are attracted to places of historical importance and those that have a rich cultural heritage. People love and enjoy exploring destinations where there are famous ancient monuments, marvelous forts, castles, and palaces of former kings and queens.

## F. Religious factors

People often take pilgrims to places of religious significance to seek inner peace, bless their favorite gods and gurus, and escape before they die. The beliefs and feelings of people help to strengthen tourism in these places of worship. Ruxandra-Gabriela Albu (2009) [20] claims that tourism is embedded in the culture by contributing to the conservation of the natural resources of the community by including environmental goals and human presence and conservation of basic principles such as water, air, plants, and animals. The purpose of the place, the relationship between tourism and the environment is very important, and environmental protection and protection are seen as the primary conditions for tourism development, as well as uncontrolled obstacles that can risk opportunities travel.

## 3. Categorization of tourism

Tourism can be classified into several categories depending on its focus and activities, these include ethnic tourism, cultural tourism, historical tourism, environmental tourism, recreational tourism, and business tourism, Valene L. Smith (1989) [21].

## A. Ethnic tourism

The concept of ethnic tourism was used for the first time in the 1980's. Modern travelers are looking for ethnic tourism and expect to find something 'simple, authentic' and 'moral' in the life and art of Native people or 'natural' people, Nelson H. H. Graburn (1984) [22]. The original idea behind the word was a portrait of tourism, which gave the visitors a sense of trendy fashion by the locals. They were often attractive people, Valene L. Smith (1989) [21]. Ethnic tourism refers to people traveling to distance places looking to their routes and attending to family obligations, marriage and death bring people together to their native places. Persons who are settled overseas during the later part of life visit place of their birth for giving boost to ethnic tourism.

## B. Cultural tourism

Tourists are interested to know how other people or communities stay, survive and prosper, the kind of culture they practice and how their art and music are different from others. Cultural tourism is one of the oldest forms of tourism and represents an important trend in the development of world tourism, Greg Richards and Wil Munsters Richards, (2010, Eds) [23]. In order to acquire knowledge, and to become familiar with the culture, tourist's undertake cultural tourism, It involves the culture of a particular country or region, most importantly it focuses with the lifestyle of the people, their history, architecture, art, music, religions, festivals, cuisines and the other elements that help to shape their life. Cultural tourism activities in urban areas may be visited by museums, theatres, art galleries, etc. those in rural areas may involve visiting traditional cultural communities and understanding their traditions, way of life, and values, Baltescu C.A (2013) [24].

Cultural tourism is a type of tourism activity in which the essential motivation of the visitor is to learn, discover, experience and consume the tangible and brief cultural attractions/products in a tourist destination. These sights/products related to a set of characteristic material, intellectual, spiritual and emotional characteristics of a society that encompasses arts and architecture, historical and cultural heritage, culinary heritage, literature, music, creative industries and the living cultures with their lifestyles, value systems, beliefs, and traditions. Cultural tourism is strongly influenced by current world trends in changing family roles, decreasing religious practices, increasing consumption and other changes in the social needs of consumers, Arimavičiute, M. (2015) [25].

The World Tourism Organisation (WTO, 2018) [26] defines cultural tourism as, the tourism includes cultural movements such as study tours, performing arts and cultural tours, festival travel, site visits, and monuments. In a broad sense, all personal movement can be included in the definition because it satisfies people's need for diversity in order to raise the level of the individual's culture, which creates new knowledge, experiences, and encounters.

## C. Historical tourism

Tourism is booming in the country's history. It is considered to be an integral part of history, a heritage with many attractions in a country where some historical rulers, legendary rulers, and the military have formed a magnificent historical background, Radhika Kapur (2018) [27].

#### D. Environmental tourism

Travel experiences vary depending on the person's changing circumstances and their geographical distribution. For most countries, tourism is based on nature. Tourism in many developed countries is based on the development of non-urban areas and related activities.



## E. Recreational tourism

Tourism is often a matter of fun. Involving people who are on vacation and relaxation, the main purpose of leisure tourism is to actively participate in any type of entertainment or participate in sports or cultural activities as a spectator. Traveling with tourists means relaxing for tourists. They can use this free time offered by the natural world or created by man in his course. Increasing the physical and mental well-being of people is one of the main goals of recreational tourism. Due to financial constraints, paid holidays, increased transportation and purchasing power, tourism has become a reality. The driving force behind stress relief is active rest, creating health, restoring jobs, safety and improving health. Recreational tourism shares many aspects of health and medical tourism as well as health tourism.

## F. Business tourism

Tarlow, Peter E (1992) [28] says, the tourism industry plays an important role in business, entertainment and family life. Business trips are a tourist attraction and a place to leave their place of work or home for celebrities and or purposes with the intent to host a meeting, event or event. The key components of business tourism are meetings, incentives, conventions, and exhibitions. Business tourism can be combined with all other types of travel in the same destination. Primary business tourism activities include meetings, and attending conferences and exhibitions. Even with the term business in business tourism, when individuals from government or non-profit organizations engage in similar activities, this is still categorized as business tourism.

International Congress and Convention Association (ICCA) [29] uses the following definition for business tourism: Business travel is the provision of amenities and services to millions of delegates each year attending meetings, congresses, exhibitions, business events, motivational trips, and corporate hospitality. Business travel covers with business or professional purposes without the income of temporary residence. This type of tourism WTO classifies travel to participate in congresses, scientific congresses and conferences, production meetings and seminars, trade fairs, exhibitions, saloons, and for the negotiation and conclusion of contracts, installation, and commissioning of equipment. Business includes business travel, convention, and exhibition tourism and incentive tourism (incentive - incentive, inducement). Incentive tourism is a travel management company provided to employees free of charge as a reward for good work. Incentives, as a rule, provide a good quality service for an 'all-inclusive'. Overall share of business travel is 10 to 20% in the volume of international tourism.

## 4. Tourism category by statistics

Statistically tourism categorized into 3 forms of tourism, these forms of tourism flows can be distinguished as domestic tourism, outbound tourism, and inbound tourism. World Tourism Organization (UNWTO), International recommendations on tourism statistics (2008) [13].

- A. Domestic Tourism: Persons making tourism trips within their country of residence.
- B. Outbound tourism: Visit by residents of country to another country.
- C. Inbound tourism: Visits to a country by non-residents.

## 5. Forms of tourism

The three main forms of tourism can be combined in various ways to create these categories of tourism. Internal tourism, comprising domestic and inbound tourism. National tourism, covering domestic and outbound tourism. International tourism includes inbound and outbound tourism.

## 6. Selected type of tourism by UNWTO

The UNWTO (2016) [30] has favored some of the selected types of tourism and agreed on the following definitions, namely: cultural tourism, ecotourism, rural tourism, adventure tourism, health tourism, wellness tourism, medical tourism, business tourism, gastronomic tourism, wine tourism, coastal, marine and inland tourism, city tourism, mountain tourism, educational tourism and sports tourism

A. Ecotourism

Ecotourism is a type of tourism activity where the primary motivation of the visitor is to observe, learn, discover, experience and appreciate biodiversity and cultural diversity, with a responsible attitude to protect the veracity of the ecosystem and enhance the well-being of the tourist the local community. Ecotourism raises awareness amongst both locals and visitors of the need to preserve biodiversity, the natural environment, and cultural values, and specific management processes are needed to minimize adverse impacts on the ecosystem.

## B. Rural tourism

Rural tourism is a kind of tourism movement in which the visitor's experience is associated with a wide range of products, usually related to nature-based activities, agriculture, rural lifestyle/culture, fishing, and sightseeing. Rural tourism activities happen in non-urban (rural) areas with the following characteristics: (i) low population density, (ii) predominantly agricultural and forestry agriculture and (iii) social structure and lifestyle traditional.

#### C. Adventure tourism

Adventure Tourism is a type of tourism which usually takes place in destinations with specific geographic features and landscape and tends to be associated with physical activity, cultural exchange, interaction and engagement with nature. This experience may involve some kind of real or perceived risk and may require significant physical and/or mental effort. Adventure Tourism generally includes outdoor activities such as mountaineering, trekking, and bungee jumping, rock



climbing, rafting, canoeing, kayaking, cannoning mountain biking, bushwalking, scuba diving. Likewise, some indoor adventure tourism activities may also be practiced.

## D. Health tourism

Health tourism covers those types of tourism which have as a primary motivation, the contribution to physical, mental and/or spiritual health through medical and wellness-based activities which increase the capacity of individuals to satisfy their own needs and function better as individuals in their environment and society. UNWTO - Exploring Health Tourism (2016) [30], Health Tourism is the umbrella term for the subtypes: Wellness Tourism and Medical Tourism.

## E. Wellness tourism

Wellness tourism is a type of tourism activity which aims to improve and balance all of the main domains of human life including physical, mental, emotional, occupational, intellectual and spiritual. The primary motivation for wellness tourism is to engage in preventive, proactive, lifestyleenhancing activities such as fitness, healthy eating, relaxation, pampering and healing treatments.

## F. Medical tourism

Medical tourism is a type of tourism activity which involves the use of evidence-based medical treatment and services, this may include diagnosis, treatment of various diseases and the stages with extremely therapeutic purposes, to treat any severe diseases, treatment of injuries, accidents and surgeries which can't be performed in their home country due to several reasons like cost of treatment, experienced physicians, hospital infrastructure and treatment methods.

# G. Gastronomy tourism

Gastronomy Tourism is a type of tourism activity which is characterized by the visitor's experience linked with food and related products and activities while traveling. Along with authentic, traditional, and/or innovative culinary experiences. Gastronomy Tourism may also involve other related activities such as visiting the local producers, participating in food festivals and attending cooking classes.

# H. Wine tourism

As a sub-type of Gastronomy Tourism, refers to tourism whose purpose is visiting vineyards, wineries, and tasting, consuming and/or purchasing wine, often at or near the source.

## I. Coastal, maritime and inland water tourism

Coastal Tourism refers to land-based tourism activities such as swimming, surfing, sunbathing and other coastal leisure, recreation and sports activities that take place on the shore of a sea, lake or river. Proximity to the coast is also a condition for services and facilities that support coastal tourism. Maritime Tourism refers to sea-based activities such as cruising, yachting, boating, and nautical sports and includes their respective land-based services and infrastructure. Inland water tourism, such as cruise boating, yachts, boat trips, and marine sports, which takes place in a water-based environment on land, including rivers, lakes, streams, ponds, springs, groundwater, dance but traditionally grouped as inland wetlands.

## J. Urban/city tourism

Urban tourism is a kind of tourism movement that takes place in an urban space that has features that are non-agricultural in nature, such as administration, production, commerce and services, and small transport points. The cities/towns offer a wide and heterogeneous cultural, architectural, technological, social and natural symptom, as well as complements the business activities.

## K. Mountain tourism

Mountain Tourism is a kind of tourism activity which takes place in a well-defined and restricted geographic space such as hills or mountains with distinctive characteristics and attributes that are intrinsic to a specific scenery, topography, climate, biodiversity (flora and fauna) and native community. It encompasses a broad range of outdoor holiday and sports activities.

## L. Education tourism

Educational tourism involves tours lasting from 15 days to 3 months, represents a broad range of products and services related to academic studies, self-improvement, intellectual growth, and skills or improve knowledge on various subjects. The most popular at present are educational tours to study foreign languages or improve knowledge of a foreign language and career development courses.

## M. Sports tourism

Sports Tourism is a type of tourism activity that refers to the travel experience of the tourist who either observes as a spectator or actively participates in a sporting event generally involving commercial and non-commercial activities of a competitive nature. Sport tourism involves travel for sporting events in different countries and regions. Tourism contributes greatly to economic growth, personal income, savings, and investment, as well as to commercial activities, Mohaidin, Z (2017) [31]. Tourism is one of the most important and dynamic sectors of the world economy, Martha Ofelia Lobo Rodriguez (2018) [32]. The future of tourism depends heavily on its ability to meet growing demand without increasing the environmental footprint or the pressure on the destination communities, Elena Cavagnaro (2015) [33].

# 7. The airline industry towards tourism business

Air transport plays a dominant role in the movement of tourists, which usually involves long-distance travel. Accessibility is the main function of the bases of tourist transport. To access the main target areas, tourists will use any mode of transport. However, air travel is the main mode of international tourism. The role of international airlines in the



tourism industry is to transport a large number of tourists at good speed between countries under secure, standardized economic conditions. Due to fast and efficient transport, people are encouraged to travel for a variety of reasons to get better access to destinations.

It is very important to study the contribution of airlines towards increasing tourism in and to support tourism stakeholders. So far, limited academic research has been undertaken to explore the B2B models in the airline industry. The study identified six stakeholders who support tourism activity. In particular, based on the literature review, the study wants to consider airlines as one of the most important players, and the study also wants to know what services they offer to its consumers to increase tourism, the development conditions and the challenges they face. Below objectives to be considered.

- a) To study the contribution of airlines towards increasing tourism.
- b) To identify the important relationship between airlines and tourism stakeholders increasing tourism.
- c) To determine how efficient, the operation of the airlines has helped the tourism sector to flourish
- d) Find out how satisfied airline tourists and ultimately improve their stakeholder business

People move from place to place for a variety of reasons, tourist needs are split by purpose and recreation, and they support different stakeholders in their business (Fig.1). The current trend in tourist demand shows that visitors are increasingly selective in their choice of destinations and businesses, Mirjam Dibra (2015) [34]. Tourism destinations consist of a combination of different actors in the tourism industry located in a specific geographical area, such as accommodation and food and beverage suppliers, attractions, cultural / heritage operators, supplier's transportation, etc., Marianna Sigala (2013) [35]. The travel industry plays a major role in business, leisure and family life, Tarlow, Peter E (1992) [25]. Travel and tourism is probably the largest sector in the world, with annual travel-related sales in the order of \$2 trillion worldwide, WTO (2018) [26]. Based on the above review of literature, the tourist movement categorized by needs of purpose or recreational and thus supporting tourism stakeholders (Fig. 1).

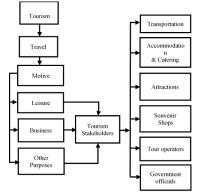


Fig. 1. Flow of tourism support stakeholders

#### 8. Stakeholders

According to Freeman, R. E. (2004) [37], Stakeholders are identified as any group or individual that can influence or influence the development of tourism in the region. Similarly, Donaldson, T. & Preston, L.E. (1995) [38] refined Freeman's decision, stating that to be identified as the stakeholder or individual of the group must have a legitimate interest in the organization. Lorraine Nicholas et al (2010) [39] identified major stakeholder sectors that include local communities, tourists, government sector, private sector and industry, Lorraine Nicholas (2010) [39] referring (Mitchell et al. 1997); (Sauter and Leisen 1999) and mentioning in his journal that the stakeholder identification is important because there are many identifiable entities based on one or all of these characteristics; their ability to influence this decision; the legitimacy of their relations with companies; and their immediate business need.

The UNWTO defined stakeholders in tourism destinations as tourism professionals, authorities, print in other media. Ezekiel A. Chinyio and Akintola Akintoye (2008) [40] referring Johnson, Scholes & Whitington (2006), mentions that stakeholders refer to the individuals or groups on which the organization's goals depend and on which the organization depends. Erick T. Byrd (2007) [41], Stakeholders should be involved in the planning process for sustainable tourism development and experts should be able to advise them on the importance of discussing decision making. If all members of the organization have the same level of knowledge, a decision can be made that uses the collective wisdom of all involved.

Tourism may be defined as a collection of activities, services, and industries that provide a travel experience comprising transportation, accommodation, eating establishments, retail shops and the hospitality services provided for individuals or groups traveling away from home. Tourist destinations involve a variety of stakeholders such as airlines, hotels, restaurants, gift shops, tour operators and government officials (Fig. 2) to support the development of international tourism.

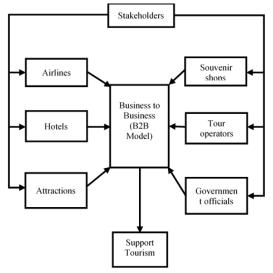


Fig. 2. Stakeholders create B2B and support tourism



#### 9. Business model

The airline sector differs from other sectors in that there are still government regulations that control many aspects of their operation, Mark Neill (2004) [42]. Cooperation between airport management, the government and major airlines is an important part of any successful airline business model, Ryan Neill Stott (2016) [43]. The business model describes the fairness of an organization's value for creating and understanding customer value and can be briefly depicted on a number of interrelated elements related to customer value, organizational structure, and financial aspects, Business model as a depiction of the value organization logic for creating and recording customer value, Erwin Fielt, (2014) [44]. The experience gained by the tourist also depends on the airline business model, Ryan Neill Stott (2016) [43].

It is important to develop a business model with a B2B concept, B2B, which stands for business-to-business, is a process for selling products or services to other businesses. Business to Business (B2B) provides value by connecting customers and suppliers in a virtual environment, Mark Neill (2004) [42]. B2B or sales process between companies refers to a series of events, steps, or activities that occur when a company sells (or attempts to sell) a product or service to another company. The B2B sales process is applicable in many areas. B2B demand is coming from consumer markets; suppliers can benefit by helping their customers become more competitive, and almost all businesses serve both consumers and business customers, Gummesson, E. and Polese, F. (2009) [45]. It is important to develop B2B business plans that reflect the developments, opportunities, and threats for the external environment - such as social, cultural, political and economic aspects, Mark Neill (2004) [42]. B2B should be seen as a component or perspective of a service system, not as a separate marketing category, Gummesson, E. and Polese, F. (2009) [45]. Therefore, designing a business model for the tourism sector is essential for tourism development.

Airlines and tourism are two interlinked areas that are highly interdependent. Tourism has been a driving force and supporter of many stakeholders as a new business model (Fig. 3). It is necessary for airlines to evaluate and understand the tourism business models and their stakeholders.

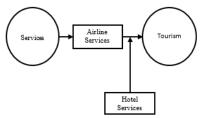


Fig. 3. Proposed conceptual model - Airline services influence Tourism in harmony with hotel services

#### **10.** Scope of the study

The study further posits the B2B model where airlines can

partner with various stakeholders especially with hotels to get better prices, and they can earn air miles by spending on hotels that can be used in the future for airline tickets. In turn, hotels can promote on-board magazines, such as the promotion of food and beverage outlets, pictures of food and rooms that can increase hotel activities during the stay of tourists. There may be a high contribution to each other as stakeholders.

#### 11. Hypotheses

H1: There is important relationship between airlines and tourism stakeholders increasing the tourism.

H2: Efficient airlines operations & tourist satisfaction eventually increases stakeholders business.

#### 12. Conclusion

The method used in this conceptual work draws on literature reviews from journal articles, dissertation articles, books, and online news keywords, and research. The extant tourism literature shows that the business model can contribute to the growth of the tourism industry. This paper concludes that B2B business model in the tourism sector links airlines and tourism stakeholders to promote tourism and in turn supports various stakeholders in the development of tourism.

#### References

- John Hultsman, (1995) "Just tourism: An ethical framework" Annals of Tourism Research, Vol 22, Issue 3, 1995, Pages 553-567
- [2] Macintosh and Goeldner (1986) "Tourism: Principles, Practices, Philosophies" Edition 5, Wiley publishers.
- [3] Makhlouf, H. H. (2012), "The Multi-Dimensional Impact of International Tourism. International Business & Economics Research Journal", (IBER), 11(2), 233-240.
- [4] UNWTO (United Nations World Tourism Organization) article 1995, p. 13). Annual report,
- http://cf.cdn.unwto.org/sites/all/files/pdf/annual\_report\_2016\_web\_0.pdf [5] Theobald W.F., (2005), "The Meaning, Scope and Measurement of Travel
- and Tourism", [in:] Global Tourism, Elsevier, London, pp. 1-6, Theobald, William F., 1934- Lonely Planet Publications (Firm)
- [6] Lesley Pender, Richard Sharpley (2005), "The Management of Tourism" Business and economics SAGE Publications.
- [7] UNWTO (United Nations World Tourism Organization) (2008) "International recommendations on tourism statistics" (2008), Compilation Guide.
- http://statistics.unwto.org/content/irts2008\_cg
- UNWTO (United Nations World Tourism Organization) (2010) "Introduction to tourism and hospitality in BC" https://opentextbc.ca/introtourism/chapter/chapter-1-history-andoverview.
- [9] Cohen Erik, (1978), "The impact of tourism on the physical environment" Annals of tourism Volume 5, Issue 2, April–June 1978, Pages 215-237
- [10] Vytautas Snieška, Kristina Barkauskienė and Vytautas Barkauskas (2014), "The impact of economic factors on the development of rural tourism: Lithuanian case", Social and behavioral sciences, 156, pp 280-285.
- [11] Gulnara Ismagilova, Lenar Safiullin and Ilshat Gafurov (2015), "Using Historical Heritage as a Factor in Tourism Development," Social and Behavioral Sciences, 188, pp 157-162.
- [12] Akvile Cibinskiene (2015), "Evaluation of city tourism competitiveness", Social and behavioral sciences, 213 pp 105-110.
- [13] Valentinas Navickas and Asta Malakauskaite (2009), "The Possibilities for the Identification and Evaluation of Tourism Sector Competitiveness



Factors", the economic conditions of enterprise functioning, Vol. 61, No. 1.

- [14] Ruxandra-Gabriela, Albu (2009), "Management of sustainable touristic development at regional level", Annals of DAAAM & Proceedings, p. 1745. Publisher: DAAAM International, Vienna, Austria.
- [15] Valene L. Smith (1989), "Hosts and Guests: The Anthropology of Tourism" Edition 2 Published by: University of Pennsylvania Press.
- [16] Nelson H. H. Graburn (1984), "The evolution of tourist arts", Annals of Tourism Research Volume 11, Issue 3, Pages 393-419.
- [17] Greg Richards and Wil Munsters Richards, (2010, Eds) "Cultural Tourism Research Methods". Wallingford: CABI.
- [18] Baltescu C.A and D. Boscor (2013), "An analysis of cultural tourism development in Romania", Economic Sciences, Tourism and international relations, Vol. 6 (55) No. 2 - 2013 Series V, pp 115-120.
- [19] Arimavičiute, M. (2015). Developing cultural tourism strategies in Lithuania. Public Policy and Administration, 14(2), 321-334.
- [20] UNWTO (United Nations World Tourism Organization) (2018), "Tourism and Culture Synergies," page 15. https://www.e-unwto.org/doi/pdf/10.18111/9789284418978
- [21] Radhika Kapur, (2018), "The Significance of Historical Tourism"
- [22] Tarlow, Peter E and Mitchell J.Muehsam (1992), "Wide Horizons: Travel
- and Tourism in the coming decades", The Futurist: Washington Vol.26. Iss. 5, 28 (p 1 to 8) ProQuest.
- [23] International Congress and Convention Association (ICCA)
- [24] UNWTO (United Nations World Tourism Organization) "Exploring Health Tourism" (2016),
- https://www.e-unwto.org/doi/book/10.18111/9789284418145
  [25] Mohaidin, Z., Wei, K. and Ali Murshid, M. (2017), "Factors influencing the tourists' intention to select sustainable tourism destination: a case study of Penang, Malaysia", International Journal of Tourism Cities, Vol.
- 3 No. 4, pp. 442-465.
  [26] Martha Ofelia Lobo Rodriguez, Carlos Alberto Flores Sanchez, Jorge Quiroz Felix, and Isaac Cruz Estrada (2018), "Factors that affect the demand of tourism in Mexico: competitive analysis", Journal of tourism analysis, Vol. 25, No. 2, 2018 pp. 154-166.

- [27] Elena, Cavagnaro and Simona, Staffieri (2015), "A study of student's traveler's values and needs in order to establish futures patterns and insights" Journal of tourism future, Vol. 1 No. 2, 2015 pp. 94-107.
- [28] Mirjam Dibra (2015), "Rogers's theory on diffusion n innovation The most appropriate theoretical model in the study of factors influencing the integration of sustainability in tourism business", Social and behavioral sciences, pp. 1453 – 1462.
- [29] Marianna Sigala (2013), "Examining the adoption of destination management systems - An inter-organizational information systems approach" Management decision, Vol. 51 No. 5, 2013 pp. 1011-1036.
- [30] UNWTO (United Nations World Tourism Organization) (2018), "Annual reports" https://www.unwto.org/annual-reports
- [31] Freeman, R. E. (2004). "The stakeholder approach revisited", 5(3), 228-254.
- [32] Donaldson, T. & Preston, L.E. (1995), "The stakeholder theory of the corporation: Concepts, evidence, and implications". The Academy of Management Review, 20(1), 65-9.
- [33] Lorraine Nicholas and Brijesh Thapa (2010), "Visitor perspectives on sustainable tourism development in the Pitons management area World heritage site St. Lucia" Environ Dev Sustain, 12:839 – 857.
- [34] Ezekiel A. Chinyio and Akintola Akintoye (2008), "Practical approaches for engaging stakeholders: findings from the UK", Vol 26, pp 591-599
- [35] Erick T. Byrd (2007), "Stakeholder's in sustainable tourism development and their roles: Applying stakeholder theory to sustainable tourism development", Tourism review, Vol. 62 No. 2, pp. 6.
- [36] Mark Neill and Sharon Purchase (2004), "An Asian Perspective on Airline Industry e-Markets" Australasian Marketing Journal, Vol. 12, Iss. 1, (2004): 37-50.
- [37] Ryan Neill Stott, Merlin Stone and Jane Fae Ozimek, (2016), "Business models in the business-to-business and business-to-consumer worlds what can each world learn from the other?", Commentary papers, 31/8, pp. 943-954,
- [38] Erwin Fielt, (2014), "Conceptualizing Business Models: Definitions, Frameworks and Classifications" Journal of Business Models; Vol. 1, No.1, pp. 85-105.
- [39] Gummesson, E. and Polese, F. (2009), "B2B is not an island," Journal of Business & Industrial Marketing, Vol. 24 No. 5/6, pp. 337-350.