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The Asian Paradigm in Hospitality and Tourism

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# The Asia Paradigm in Hospitality and Tourism

## **Abstract**

The emergence of Asian countries, powered by economic growth, has set the stage for Asia's tourist destinations and hospitality companies to stand out in the global sphere. This study contemplates the shifting center of modern hospitality and tourism gravity towards Asia by implementing the three pillars of capital theory: economic, cultural, and social. The concept of the Asian paradigm was revisited to demonstrate the unique service provision and care for guests that forms the basis for Asian hospitality and tourism. This study offers perspectives about how Asian tradition and evolving Asian identities influence the leisure industry and create competitive advantage. The cycle of economic, cultural, and social capital that drives the Asian paradigm can provide implications for both hospitality practitioners and policy makers.

Keywords: Asia, Asian paradigm, hospitality, tourism, economic capital, cultural capital, social capital

# **INTRODUCTION**

Asia's hospitality industry is renowned for its rapid development and commitment to service quality (Tan, Cherapanukorn, Kim, & Chon, 2014). What makes Asian hospitality distinctive? What characterizes service quality in Asia, marking it as unique or different? The heterogeneity of the service industry makes the conceptualization of Asian hospitality a challenging task. According to the UNWTO (2018), the Asia Pacific region is the fastest-growing tourism region, with the second highest number of tourist arrivals over the past twenty years. Due to rapid economic growth, the hotel and travel markets in the Asia Pacific region are experiencing growth momentum. In 2020 alone, there are 215,443 rooms from 928 projects in the hotel development pipeline within the region (Top Hotel News, 2020). Beyond the hotel sector, many new airlines have been introduced and many new airports have been developed in the region (Skytrax, 2020a).

Both hardware, such as facilities and technologies, and software, such as people and policies, deserve attention in relation to the rise of Asian hospitality and tourism. Besides the region's unique places and newer facilities with their boldly incorporated high-tech elements, Asian hotel brands have earned a reputation for excellent service and rank among the best and fastest-growing hotel nameplates (Hotels Magazine, 2020). Asian airlines and airports occupy the highest positions on the lists of best international service providers in their categories (Skytrax, 2020a; Skytrax, 2020b). This leads to a key question: is there something that Asian brands are doing better than their Western counterparts? What factors underpin—and differentiate—Asian hospitality?

The history of modern hospitality and tourism traced the trajectory of global power dominance, from a "European ascendancy," starting with the Industrial Revolution, to the "era of

North America" after World War II (Chon, 2019; Layne, 2012). Along with the growth in Asia's economic and political status, there is a global paradigm shift in the hospitality and tourism from West to East, a change centered on China and the Four Asian dragons (Hong Kong, South Korea, Singapore, and Taiwan) (Cox, 2012). Such rapid development of hospitality and tourism in Asia, accompanied by economic development and a wealth of attractive tourism destinations, has been referred to as the "Asian Wave" or "Asian Paradigm" (Chen & Chon, 2016; Lam, Ho, & Law, 2015). This Asian paradigm shares much with the precedent paradigm shifts in the West in that the Asian paradigm emerged from the economic, political, and social development of the region. However, a unique "Asian-ness" is at the heart of the powerful dynamic of this new wave.

The main goal of this paper is to conceptualize the underlying factors that are contributing to the rather modern phenomenon of the Asian paradigm in tourism and hospitality. Studies conducted in sociology and education suggest the dynamics of growth can be comprehended by extricating interconnected causes and socio-cultural contexts (Parto, Ciarli, & Arora, 2005). Hence, this paper adopts the multi-dimensional approach to understand the key factors associated with the rapid progress of Asian hospitality. To do so, Bourdieu's concept of capital—including economic, cultural, and social capital—was adopted as a framework to understand the Asian paradigm in hospitality and tourism. In addition to the role of the unique centuries-long history of Asian culture, the changes brought on by modernization will be addressed. Further evidence of the Asian paradigm was derived from academic papers, business websites, and the personal experiences of the authors.

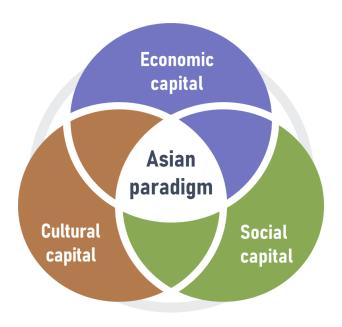


Figure 1. Bourdieu's capital theory: Economic, cultural, social capital adapted to the Asian paradigm

# THREE FORMS OF "CAPITAL" AND THE ASIAN PARADIGM

Capital theory is an integrative framework that delineates the antecedents of high performance and competitive positions (Karahanna, Chen, Liu, & Serrano, 2019). According to Bourdieu (1984), people and/or groups possess unequal levels of capitals, and these structures and degrees of capital possession determine power and advantage among diverse social actors. Bourdieu proposed three forms of capital that are most salient and important in society: economic, cultural, and social capital. Economic capital deals with monetary wealth, physical resources, and economic practices that can increase or be transformed into monetary profit (Bourdieu, 1986). Cultural capital refers to less tangible but equally valuable resources, such as lifestyle, knowledge, qualifications, and skills (Everett, 2002). Finally, social capital refers to the networks of personal relationships and group memberships that individuals and other social actors engage in for their own interests and benefit (Bourdieu & Wacquant, 1992).

Bourdieu also argued for the transformative nature of capital, in other words, that capital of one form can be converted into either of the others (Bourdieu, 1986). Bourdieu conceived of economic capital as a "root" that underpinned, and often transformed into, other species of capital. Transformation of economic capital into cultural capital and social capital requires significant time and resources. However, economic capital tends to be more vulnerable and more easily lost than other types of capital (Bourdieu & Wacquant, 1992). Compared to those of economic capital, the benefits of cultural capital tend to be longer lasting, with cultural capital sometimes even being passed on to a successor generation to secure social position and reproduce societal classes (Gunn, 2005). This study tackles all three of these forms of capital to comprehend the rise of the Asian paradigm in the hospitality and tourism industries.

### **ECONOMIC CAPITAL**

The emergence of a new paradigm is often fueled by economic growth (Møller, 2011). In the global sphere, the pace of economic growth has never been even, and, undeniably, particular countries or regions experiencing rapid economic development have played outsized roles in creating historical paradigm shifts. Over the last few decades, the Asia Pacific region—entities such as China, India, and Macao SAR—have been world leaders in enhancing gross domestic product (GDP) (International Monetary Fund, 2020). These Asian economies entered a long and sustained period of growth while restoring their devastating losses after World War II (Dowling, 1997). In many Asian countries, political and economic reforms went hand in hand as nations sought to obtain financial resources for reconstruction and industrialization (Stubbs, 1999). In the late 1970's, for example, China initiated massive economic reform, transitioning from the planned economy of a strict socialist system to a mixed-market economy with functioning

market forces (Naughton, 2007). This reformed economic policy led to industrialization and urbanization, whereby China, with its stable supply of low-wage but highly industrious labor, became the global center of labor-intensive manufacturing and exporting. From the early 1960s and into the 1990s, four Asian economies—the so-called "Four Asian Dragons" of South Korea, Singapore, Hong Kong, and Taiwan—achieved tremendous economic development by adopting export-oriented industrialization strategies. Hong Kong and Singapore also gained identities as international financial centers while Taiwan and South Korea became integral in the global value chains of the electronics industry (Frederick et al., 2017; Leung, 2008). With the accelerated pace of economic development across Asian countries, powerhouse states like China, Japan, and India have all become major players in the global economy, joining the ranks of the world's five richest countries in terms of GDP per capita by 2019 (International Monetary Fund, 2020).

In the hospitality and tourism industries, Asia's faster pace of economic growth compared with the West gave birth to an "Asian wave," a shift in the center of gravity for the hospitality and tourism industries (Chon, 2019). The hospitality and tourism sectors offer great potential for increasing foreign exchange, boosting demand for semi-skilled and unskilled labor, and developing other industries linked to hospitality and tourism (Richter & Richter, 1985). In many Asian countries, governments have actively deployed planned top-down strategies for developing tourist destinations (Richter, 2009). Since Vietnam established its own government body, the State Committee for Cooperation and Investment (SCCI), to prioritize tourism development and increase foreign investment, it has significantly accelerated its pace of evaluating and monitoring tourism-development projects (Elliott, 1997). Similarly, investment in community-based tourism is a priority for the Lao People's Democratic Republic (Lao PDR).

National Growth and Poverty Eradication Strategy, much as the Singapore Tourism Board (originally, the Singapore Tourist Promotion Board) was established to support the rollout of sustainable tourism strategies (Singapore Tourism Board, 2020). In 1980, that board engaged its Tourism Product Development Plan, which rejuvenated the natural attractions of Singapore and created a historic district, improvements that now form the cornerstone of Singapore's destination image.

Infrastructure is the most basic and important functional resource for countries seeking to gain competitive advantage in the tourism industry (Hong, 2009). To boost their travel industries, therefore, many Asian governments have invested heavily in infrastructure, including railways, airlines, cultural-heritage products, and entertainment/recreational facilities (Eisinger, 2000). Economic-policy reforms were necessary to raise financial capital, meaning governments were often heavily involved in owning or operating tourism-related infrastructure, especially during the early days of tourism-industry development (Richter & Richter, 1985). When China initiated its "Open Door" policy, inviting direct investment from foreign businesses, hospitality companies were pioneers in seizing these new opportunities (Gross, Gao, & Huang, 2013). Massive investment in hospitality and tourism infrastructure followed, and rapid growth across the industry took place throughout China. Numerous benchmarks show how China's version of the Asian paradigm has resulted in tourism dominance. For example, the number of hotel rooms in China reached nearly four million in 2018 (National Bureau of Statistics of China, 2019). China now also boasts the world's largest convention center—the National Exhibition and Convention Center, located in Shanghai—with a gross capacity of 400,000 square meters. In fact, as of 2018, five of the world's twenty largest exhibition halls are in China (AUMA, 2019).

As a result of economic growth and the strategic allocation of substantial resources to improve destination competitiveness, the tourism industry in the Asia Pacific region accounted for over one-tenth of the area's GDP (WTTC, 2020). Particularly in Southeast Asia, where the tourism sector generates \$380 billion of revenue and accounts for 12.1% of total economic GDP, this industry's impact is enormous (WTTC, 2020). The region also has global leadership: in 2018, China was the world's second-largest tourism market, generating \$1,509 billion in revenues, a 7.3% increase year over year.

So early tourism development across Asian countries was often part of government-led top-down economic policy, heavily dependent on foreign investment and the adoption of advanced technology (Wood, 1980). Undoubtedly, this Asian paradigm was driven by Asian countries' grasping economic capital; however, the paradigm shifts recognizable in the region's hospitality and tourism development cannot be accounted for by monetary enhancement alone. Many emerging and developing countries in Asia are positioned as more attractive tourist destinations because they have leveraged government economic support (Henderson, 1999), but the core impetus that drives the Asian tourism paradigm is the rich culture of Asian countries, a heritage that is distinct from those of Western societies (Hong, 2009). As Bourdieu (1986) noted, economic capital can be transformed into cultural capital. A more detailed discussion of the role of Asian culture—in its traditional, modernized, and fused forms—is required before any understanding of the Asian paradigm can be reached.

#### CULTURAL CAPITAL

Socio-economic development leads to significant changes in politics, culture, and society in general, changes which then affect people's beliefs and values (Welzel & Inglehart, 2006).

Correspondingly, during Asia's period of rapid economic development and internationalization, Asian citizens were faced with the choice of accepting or resisting these revolutions in cultural identity (Van Hoof, 2000). This dynamic implies that economic capital and cultural identity are intertwined, with alterations in the former reverberating in the latter (Yamashita, 2000). Some have viewed such societal changes as a "cultural renaissance," while others have raised concerns about "cultural pollution" (Picard, 2017).

Many scholars have questioned whether the resulting Asian modernity is distinct from Western civilization, and, if so, what the unique essence of the new Asian identity is (Lee & Cho, 2012; Tu, 2014). Five East Asian countries—Japan and the "Four Asian Dragons"—have attained similar economic success and share common cultural roots (e.g., the Confucian ethic). These territories embody the patterns of modernity in non-Western countries (Schmidt, 2011). While the fundamental elements of Western civilization include characteristics such as European Christianity, social pluralism, and individualism (Huntington, 1996), East Asian modernization is characterized by the national desire to defend traditions and indigenous culture (Wee, 1996). Certainly, in the process of globalization, Western-oriented culture has inspired many Asian countries to transform Asian culture significantly and create new versions that combine Westernized contemporary elements with Asian traditional culture (Hogarth, 2013). Huntington (1993) also pointed out that while Western countries offer an obviously influential model, Asian cultures' commitment to sustaining tradition can be its own source of power. The Asian form of modernity is thus differentiated from the Western form due to the powerful presence of tradition (Tu, 2014). In summary, economic development and internationalization have triggered the changes in people's beliefs, social norms, and lifestyles in Asia; however, a strong Asian collective identity persists amid the unprecedented economic development and globalization.

The unique traditions and norms at the heart of Asian identities act as a form of "cultural capital" driving the Asian paradigm in the hospitality and tourism industries.

It is valid to question whether people living in different geographical regions (in the present case, Asia versus the West) have different thinking processes, and in such cases, what traditions or circumstances undergird those differences (Nisbett, 2004). As cited in Jenco (2013, p. 241), Chen in 1915 explicated the "differences in the fundamental thought of Eastern and Western peoples." Chen held these differences to be fundamental indeed: he thought of the East and West as "fire and water." Westerners, Chen said, historically and presently valued warmaking, individualism, rule of law, and practical utility, while he saw Easterners preferring "peaceful rest" (in the Chinese, *an xi*), family life, emotions, and "empty formalities" (or *xu wen*). Basic tendencies of passivity, spirituality, and community characterized Eastern cultures.

Among numerous cross-cultural studies comparing Asian and Western cultures, Hofstede's typology of cultural dimensions has been widely implemented to measure national culture (Litvin, 2019). Given that some countries share commonalties and attributes, Hofstede (1983) explored homogeneous groups of countries and created cultural clusters. Based on these clusters, Hofstede (1983) identified distinctive national characteristics and proposed that the following cultural dimensions were closely related to service quality: uncertainty avoidance, masculinity/femininity, and collectivism/individualism.

Uncertainty avoidance refers to a culture's degree of resistance to an indefinite future, making cultures with high uncertainty avoidance sensitive to risks and potential conflicts (Hofstede, 2001). Although there may be variance across countries, Asian cultures, especially Japan and Taiwan, have demonstrated higher uncertainty avoidance than have Western cultures (Hofstede, Hofstede, & Minkov, 2010; Kasper, van Helsdingen, & De Vries, 1999). In the

service setting, rigid and uniform service to all customers may actually create higher uncertainty as the chance of a firm's not meeting strict goals when faced with diverse and rapidly changing customer demands is high (De Bellis, Hildebrand, Ito, & Herrmann, 2015). Asian hospitality businesses, characterized by greater uncertainty prevention, actively implement more personalized and individually caring services, sometimes at the expense of the efficient and standardized services developed by their Western counterparts (Mattila, 2000). A good example is Thai culture's concept of *Kreng Jai* (translated as 'awe of heart' and 'consideration'), the foundation of the respectful Thai nature that guides the considerate and conflict-avoiding behaviors of employees in the workplace (Maguire, 2002).

When it comes to masculinity and femininity, Asian cultures are often viewed as relatively feminine, with enhanced focus on caring and cooperative aptitudes over assertive and goal-oriented personalities (Patterson & Smith, 2001). Similarly, collectivism prevails in Asian cultures, emphasizing the group and social harmony over the individual (Lowe, Kainzbauer, Tapachai, & Hwang, 2015). Meyer (2014) mapped cultural differences across countries to facilitate business relations and depict the routes of key differences in thought patterns, showing the Asian mode of thinking to be more holistic than the Western. Asians pay attention to their environment, surroundings, and background, regarding the individual mainly through how these surroundings link to the central social figure. Cultural perception, then, depends on origin, in line with Meyer (2014). She highlighted the importance of interdependence and interconnectedness in Asian cultures, the ways in which different elements of the universe depend upon each other and harmoniously work together. In line with this argument, previous studies have found that employees in collectivist cultures are more likely to care about organizational goals (Pizam,

Pine, Mok, & Shin, 1997), engage in organizational citizenship behavior (Magnini, Hyun, Kim, & Uysal, 2013), and have stronger commitment to their firms (Griffith, Myers, & Harvey, 2006).

# The Forms of Cultural Capital

So far, this study has examined the rich culture of Asia from the service-quality perspective. Yet to understand how Asian cultural capital drives the Asian paradigm in the hospitality and tourism industries, all three forms of cultural capital proposed by Bourdieu (1986) need to be discussed with examples. Bourdieu (1986) considered various forms of cultural capital, including an embodied state, objectified state, and institutionalized state, which he defined as follows (Bourdieu, 1986, p. 17):

"Cultural capital can exist in three forms: in the *embodied state*, i.e., in the form of long-lasting dispositions of the mind and body; in the *objectified state*, in the form of cultural goods (pictures, books, dictionaries, instruments, machines, etc.), which are the trace or realization of theories or critiques of these theories, problematics, etc.; and in the *institutionalized state*, a form of objectification which must be set apart because, as will be seen in the case of educational qualifications, it confers entirely original properties on the cultural capital which it is presumed to guarantee."

### **Embodied State**

People are influenced by the common values and standards that are prevalent in a certain social period and locale. For instance, unique traits originally shared by a small family can be transmitted to communities, countries, and even larger regions to create an individualized culture that characterizes a group of people. Naturally, the distinctive Asian cultures accumulated

through long epochs were absorbed by Asians themselves, creating Asia's version of the embodied state of cultural capital described by Bourdieu (1986).

One of the greatest differences to be observed between Asian and Western hospitality is in customer service. Culture plays a key role in differentiating Asian customer service; it affects the way that a hospitality staff thinks and behaves. Hospitality is particularly a "people business." Hence, the service provided depends on the individuals who provide it, on whether an employee offers hospitality genuinely from the heart or simply as the execution of a job task. According to Musa and Thirumoorthi (2011), travelers who stayed in Asian lodging accommodations frequently had the impression of a friendly and welcoming environment, one rich in personal service, where customers were treated like family.

The rise of the Asian hospitality and tourism industry stems not only from its excellent servicescape, but also from the growing interest of tourists seeking authentic cultural experience (Ateljevic & Doorne, 2005). As a way of experiencing authenticity, many travelers desire to make social connections with local residents (Yi, Lin, Jin, & Luo, 2017). Those who have more direct interactions with locals have tended to stay longer to develop social relationships with the local communities and capture the authentic lifestyle (Tussyadiah & Pesonen, 2016). In other words, a channel of delivering authentic and special experience to travelers is not just limited to hospitality and tourism employees but extends to local residents. Their unique Asian traits can also play a significant role in empowering Asian-ness to attract more travelers.

## Objectified State

The objectified state of cultural capital refers to the material goods or properties that contain cultural and symbolic meaning (Bourdieu, 1986). Both the objectified state of cultural

capital and economic capital are commonly concretized in material objects. However, cultural capital is distinguished by the fact that it is a type of material object that can be transformed into an objectified state, as when a traditional cuisine is reduced to a meal. The owner of the cultural capital, in such situations, then becomes the owner of a cultural object, an object that can be marketed and sold—in other words, a piece of economic capital derived from cultural capital.

Shangri La, Peninsula, Dusit Thani, Amman, Banyan Tree, and Okra are just some of the Asian hotel brands that, after becoming renowned for providing a high level of service, have started successful penetration of non-Asian markets. These are not businesses deriving monetary profits solely on the basis of their material buildings. As Roll (2015) has argued, Asian hospitality brands are reinforcing traditional Asian values. The Shangri La Hotel brand, for example, is emphasizing hospitality from the heart and has based its inner and outside branding on that concept (Shangri La, 2020). The Thai brand Dusit Thani is similarly committed to spreading the courteous and caring nature of Thai culture to those visiting Thailand (Dusit, 2020).

Similarly, transportation systems, which are typically economic capital, can be transformed into cultural capital in its objectified state if they are embedded with cultural meaning. The outstanding performance of the airport sector in Asian countries is a good example: Singapore's Changi Airport has ranked among the world's best and most innovative airports for seven years in a row (Skytrax, 2020b). Changi is known for its thoughtful and relationship-oriented service and its collaboration with the community, an alignment that clearly echoes collectivist culture. This positive phenomenon is not limited to airports; airlines headquartered in Asia outshine other regional cohorts, with seven of the world's ten best airlines being Asian companies (Skytrax, 2020a).

Beyond air travel, lodging is also affected. The designs of hotel or tourist attractions can serve as tangible cues to enhance authenticity (Tolkach, Chon, & Xiao, 2016). Many Asian hotel properties incorporate local design and Asian scents to create destination-based experiences for guests (Lam et al., 2015). It is undeniable that the East sports a discernably unique culture that adds to visitors' encountering of Asian-ness. Feng shui originates from China and refers to both a philosophy and a practice based on the symbolism of landscapes, the timing of construction, and spatial arrangements. It has both tangible and intangible elements, such as the flow of energy through a building, ensured by proper architecture. Buzinde, Choi, and Wang (2012) analyzed the claims of feng shui tours. The mysticism around this phenomenon could add to the diversity, and exoticness, of Asian-ness. The ineffable quality of difference in Asian-branded hospitality establishments could be related to the use of such design schemes and elements.

# Institutionalized State

The institutionalized state is the cultural capital that exists in educational qualifications. In the institutionalized state, an exchange of the cultural capital becomes possible beyond the physical limits of individuals, and fundamental issues related to the culture can be questioned and discussed. In the case of the embodied state of cultural capital, people who are exposed to the cultural heritage for long periods of time can attain its value. Similarly, the objectified state of cultural capital requires physical objects that are often located or created in the birthplace of the culture. However, the institutionalized state of culture, or simply education, is open to international students who are interested in the culture or foreign teachers and who are willing to contribute to an education system. Moreover, people who behold this cultural value can be officially recognized, evaluated, and ranked.

As latecomers to the hospitality and tourism industry, many Asian countries have tried to cultivate skilled and talented professionals to provide high quality service in order to surpass their Western counterparts (Wong & Chan, 2010). Hence, a high volume of educational institutions with good reputations have entered hospitality education, a development made possible by governmental support for hospitality education. Although many academic programs in Europe and North America still boast strong performance, numerous Asian programs stand out, especially through their excellent research performance (Hsu, 2015). According to ShanghaiRanking's Global Ranking of Hospitality & Tourism Management institutions, the School of Hotel and Tourism Management of the Hong Kong Polytechnic University has been ranked as the world's best hospitality university for three consecutive years since 2017 (Academic Ranking of World Universities, 2020). In 2019, Sun Yat-sen University, both in South Korean, were ranked eleventh and twelfth, respectively (Academic ranking of World Universities, 2020).

## SOCIAL CAPITAL

Apart from the previously mentioned cultural capital, a particular Asian trait that is indispensable for this analysis the emphasis on social relationships. In the Chinese language, *Guanxi* refers to trust and networking in relationships, a concept that turns business into a personal matter. At the same time, family holds very high importance in Chinese culture, which includes taking good care of the elderly. In East-Asian culture, the concept of "face," or *Mianzi*, widely affects social behavioral norms (Oetzel & Ting-Toomey, 2003), which reflects on the possession of a positive image in front of peers and the avoidance of direct disagreement or contradiction. Such relationship-driven aspects can be understood as social capital. The concept

of social capital has been widely discussed in various disciplines, such as sociology and economics, and more recently in the tourism and hospitality literature. Social capital is a complex concept that contains various aspects and meanings. Before examining social capital in the hospitality and tourism context, the definitions and conceptualizations of social capital should be discussed.

Bourdieu's (1986) approach was an early attempt to conceptualize social capital. He proposed social capital as a resource tied to social networks or group memberships based on mutual acquaintance and recognition. Like other types of capital, social capital takes considerable time and effort to build and maintain. Social capital is, directly and indirectly, connected to other types of capital and can even sometimes be converted into other forms.

Similar to Bourdieu's analysis, Coleman (1998) acknowledged social capital as only occurring in social relationships. Coleman detailed the following three forms of social capital: (1) obligations and expectations grounded on trust, (2) the flow of information, and (3) social norms and sanctions. Coleman also demonstrated the structure of social relations inside and outside of the family. Putnam (1993) applied social capital at the regional level, explicitly discussing social networks as being equipped with trust and social norms that can facilitate cooperation and coordination for public good.

In a society with high social capital, in which generalized reciprocity is a social norm, individuals voluntarily and selflessly participate in collective actions. Putnam (2000) also argued that many of the social problems facing the world today can be attributed to the depletion of social capital. Burt (1997) proposed a structural hole theory to explain how social capital functions. The theory claims that there are structural holes in social networks that disconnect people and create disparities in information, resulting in some people's being left out. To survive

in a highly competitive marketplace, people build social relationships to exchange information actively and support insiders. An individual's status in this social structure is an asset, and this asset is social capital. In summary, researchers have commonly presupposed that the fundamental element of social capital is any social community of two or more people (Chou, 2006). Also, social relationships or community can generate various byproducts, such as trust, cooperation, and social norms, which are the key attributes of social capital (Pawar, 2006).

How, then, does social capital support the development of the hospitality and tourism industries? The hospitality and tourism industries are highly contingent on societal changes and the external environment, and thus require timely access to innovative ideas for prompt strategic responses (Agheorghiesei & Valentin, 2009). People, organizations, and societies with strong social networks or ties are advantageous for attaining novel ideas and solutions (Horak, Taube, Yang, & Restel, 2019). Furthermore, tourism development requires the cooperative efforts of various stakeholders, and social capital can be a key ingredient in facilitating these endeavors (Nunkoo, 2017).

Given the strong relationship-oriented nature of Asian countries, scholars have also underscored leaders' social capital and its value for successful business operations (Hsu, Liu, & Huang, 2012; Ooi, Hooy, & Som, 2015). Among the Asian tourism companies, Ooi et al (2015) tested the effectiveness of boards' social capital, which is defined as "ties with other social units/organizations, through which the board can obtain or exchange resources" (p. 141). They found boards' external networks and partnerships influenced corporate performance. Researchers have accordingly argued that social capital can help companies develop innovative ideas to carry out appropriate risk management initiatives and maintain good relationships with various stakeholders. Similarly, Hsu et al. (2012) identified the importance of managerial networks

among Chinse hotels. Unsurprisingly, managers' business ties were found to serve as crucial resources in Chinese society, where social relationships and connections are fundamentally valued. Moreover, maintaining strong political ties was found to be important due to the special circumstances of the Chinese hotel sector, which is under the special control of government authorities in the construction and business operations.

The significance of partnerships and solid social ties for business success is no exception in Asia's international brand hotels (Li, Tse, & Xie, 2007). As many international brand hotels have entered into and invested heavily in emerging Asian countries, hotel management teams have recognized the importance of finding employees who understand both standardized brand value and local cultures (Wong & Chan, 2010). Thus, international hotel chains are eager to seek skilled talents who are multilingual and can bridge the gap between the management team and local stakeholders, such as area workers, government officials, and suppliers (Wong & Wickham, 2015). Since Asian hospitality is a latecomer compared to its Europe and North American counterparts, Asian-based hotels often seek out international executives who can bring high standards into their operations (Kong & Cheung, 2009). This creates a multicultural working environment wherein employees with cultural sensitivity and good social skills are appreciated and are more likely to excel.

Another stream of social capital research regards hospitality and tourism education.

According to Liu (2017), students' social capital, measured by mutual trust, network ties, and shared goals, contribute to creating a learning environment in which students voluntarily share their knowledge with their peers and, ultimately, enhance students' creativity. In the hospitality and tourism sectors, especially in Asian countries, social capital is a crucial resource for boosting operational efficiency and corporate performance. Therefore, it is advisable for leaders to train

hospitality and tourism students to build social capital throughout their higher education (Kim, Lee, Paek, & Lee, 2013; Liu, 2017).

The role of social capital has also been viewed in tourism-destination development (Park, Lee, Choi, & Yoon, 2012; Zhou, Chan, & Song, 2017). Similar to Putnam's (2000) approach, scholars have delved into social capital at the regional level to address community-level issues regarding sustainable tourism development, with particular emphasis on rural tourism. Park et al. (2010) deemed communities with high social capital to be more cooperative and better at resolving internal conflicts. From 380 rural communities in South Korea, they found four dimensions of social capital (i.e., cooperation, trust, norms, and networks) and characteristics of areas with high social capital. Zhou et al. (2017) also adopted social capital as having three dimensions (i.e., personal social networks, institutional support, and community openness) to understand the mobility of rural tourism entrepreneurs in China. They found that the entrepreneurs' decisions on migration and investment in the region could depend directly on the social capital of the community.

## CONVERSION OF CAPITAL FOR SUSTAINABLE GROWTH

The three forms of capital can be transformed into one another, given sufficient time and resources, so a stable cycle of capital conversion is critical for sustainable growth of the industry. To illustrate this argument, one need only examine the conversion of capital in Asian hospitality and tourism (See, Figure 2). Economic growth in Asia creates opportunities for Asia's unique culture to stand out in the global hospitality and tourism market. Developing hospitality and tourism is a major strategic decision for Asian countries to attain or improve their economic power, which paves the path for the even greater development of hospitality and tourism companies in Asia. While Asian companies accept Western service standards, they also strive to

reflect unique Asian culture in their brand identities. Moreover, as Asia has moved to the center of the global economy, Asian-ness has become a cultural product to promote the industry, which in turn, increases tourism receipts by attracting international tourists.

Given that culture can be cultivated within a social group, cultural capital and social capital are closely related. Especially in Asia societies, where social relations are keenly important, social capital has even stronger relationships with other forms of capital. As a latecomer to the sector, Asian hospitality and tourism strive to garner the accumulated knowledge and experience of Western counterparts by hiring Western executives and making strategic alliances with Western companies. Such interactions not only create new culture within an organization and society but also become a competitive advantage to survive in the global market.

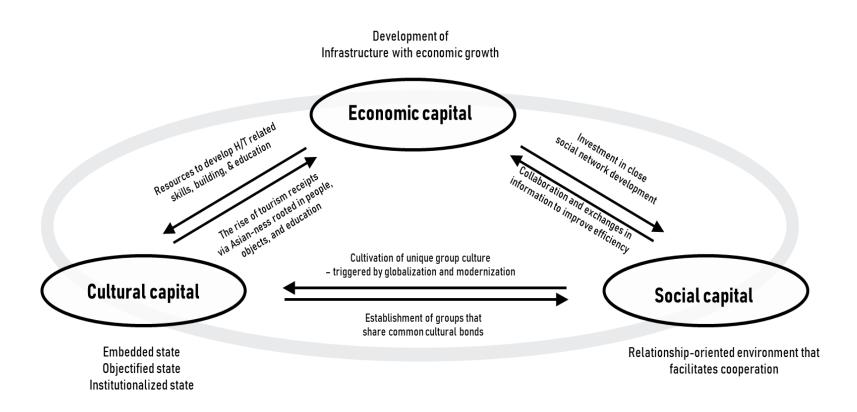


Figure 2. Application of the three forms of capital in Asian hospitality and tourism

#### CONCLUSION

This study aimed to elaborate on a new school of thought which is uniquely Asian, one proclaiming the emergence of an "Asian paradigm in hospitality and tourism." Grounded in the tripartite capital theory, factors constituting this new "paradigm" have been discussed through academic outlets and business practices. Each pillar of capital theory explains how Asian-ness paves the way for enhanced excellence in Asian hospitality. The pipeline of hotels and airport development plans in the region shows a strong commitment and focus on the industry. Asia's distinctive and rich cultures serve as a predominant pathway, or source of capital, to drive the paradigm shift (Radcliffe, 2006). Moreover, strong social ties can stimulate innovative business practices and cooperation among social actors.

There is still great room for future research based on the Asian paradigm framework. For example, depending on generational differences of customers or travelers, views or opinions about service quality and/or experiences in Asian destinations may differ. Baby boomers, or even older generations, mainly recall the Asia of the postwar era; these older groups may have different expectations and images about Asia compared to Gen X, Gen Y, and Gen Z, those who have grown up readily exposed to the Asian wave in media (Li, Li, & Hudson, 2013). At the same time, many Asian countries have thus far enjoyed great benefits in terms of low labor costs and transportation costs, crucially important factors supporting the region's global competitive advantage (Dwyer, Forsyth, & Rao, 2000). Yet with the rapid economic growth in Asian countries, that lauded cost competitiveness may not be sustainable in the long term. Thus, it is necessary for the literature to identify the core resources and veins of capital that will enhance the competitiveness of Asian hospitality and tourism in years yet to come.

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