
Editorial

Simona Mihai-Yiannaki

Department of Economics, Accounting and Finance,
European University Cyprus,
16 Diogenes, Engomi,
P.O. Box 22006, 1516, Nicosia, Cyprus
Fax: 00357-22590539
E-mail: S.Mihai@euc.ac.cy

Biographical notes: Simona Mihai-Yiannaki is Programme Coordinator for Banking and Finance BBA, Assistant Professor for the MBA programme at the EUC (<http://www.euc.ac.cy>), and EuroMed Research Business Institute Country Director. She has started her career as a Banker, then as a C.F.O, currently being involved as Executive Bank Consultant, and Educator in financial services for GLG Research. She is accredited Trainer by HRDA-Cyprus for the U.S. Certified Manager. She published in and edited international journals, book chapters (IGI Global) in risk management, bank marketing, strategic M&As, corporate governance, SMEs, and creative education. She coordinated and won E.U. funds (IPE-2012, ERASMUSIP 2010–2012, TEMPUS IV, ENPI, etc.).

Under a general trend of diversity and innovation in the attempt to recover markets after economic imbalances and financial distress, the editor selected a particular set of ten papers from the 4th Annual EuroMed Conference ‘Business Research Challenges in a Turbulent Era’, Elounda, Crete, Greece, 19–22 October 2011 and one from the area of globalised relocation.

The selected 11 papers represent innovative studies chosen as trendy applications in a combined unique way from both a contrasting and a complementary perspective from research areas such as: heavy industry (automotive) vs. tourism, the perspective of the globalisation trends on human resources relocation enriched by local business innovation vs. traditional industry reforms (wine business), low-tech knowledge intensive vs. strategic alliances in pharmaceutical industry, the preservation of cross national governance: developing vs. developed economies, the effects of satisfaction on service loyalty as well as testing early households recycling, as part of the future trend in energy saving.

Nine of the 11 papers have a profound impact in the EuroMediterranean economic analysis, the studies being confined to a relatively diverse pool from these countries, such as: Cyprus, Greece, Italy, France, Portugal, Croatia, Israel, and Egypt but also completed by other countries, such as Germany and Peru, for a more global view.

- 1 Valentin Beck and Bernd Britzelmaier analysed the global automotive industry which has generally recorded continual growth under the paper ‘A value-based management perspective for the automotive industry’. This study examines the value-based management (VBM) strategy and its implementation by the automotive industry. The major findings of the study are four-fold. First, the automotive industry operates on the basis of the VBM model. Second, the overall goal of the VBM

model there is to maximise the value of an organisation. Third, VBM enhances profitability in the automotive industry. Fourth, to achieve their target of creating value, organisations should design their VBM strategy to reflect their overall mission and goals.

- 2 Carolina Dinis Fernandes and Manuela Sarmiento wrote ‘Analysis of InterRailers satisfaction regarding tourism services and activities in Italy, Greece and Croatia.’ Tourists are often confronted with a large quantity and variety of services and activities, aimed to satisfy their every quest and dream of knowing new places and people of different backgrounds. This research analyses backpacking with the objective of defining and comparing the satisfaction of InterRailers concerning the quality of services offered in Italy, Greece and Croatia. For the purpose of this investigation, two scientific methods of observation were used: direct observation and inductive natural quantitative exploration. This study was based on 70 enquiries and ten interviews done on InterRailers travelling between the dates of the 4th December 2009 and the 13th March 2010 respectively. The application of descriptive and multivariate statistics allowed us to extract diverse conclusions to our study, being important to emphasise that there are substantial differences in InterRailers satisfaction.
- 3 Carlos M. Santos, Vitor Ambrósio, Antónia Correia and Rita Peres have analysed in a very interesting paper ‘The importance of religious tourism segmentation for tourism destination management: the case of the island of S. Miguel, Azores’. The numbers of tourists visiting tourism destinations during religious festivities have been steadily increasing over the years. They are very important for destinations managers’ officers (DMOs) in many places developing aggressive marketing and management strategies targeting religious festivities. Therefore, for destination management purposes it is important to identify the different characteristics of the different types of tourists who attend these festivities and the appropriate marketing strategies used to attract them more efficiently. This paper analyses the segmentation of tourists that attend the Ecce Homo religious festivities (EHF) in the island of S. Miguel, Azores. The island of S. Miguel is one of the nine islands of the Azores, an emergent tourism destination in Portugal. The research findings have some policy implications, particularly those related to the tourist’s loyalty, the maximisation of tourism spending in the destination, the decrease in seasonality and the implementation of the right marketing strategies.
- 4 Hana Ornoy and Shlomo Yedidia Tarba tracked down ‘The relocation processes and international business travellers in the era of globalisation and their impact on employee experiences’. In recent years, multinational companies have offered new alternatives to expatriation. One of the important and widespread alternatives is business travels – short, frequent business trips abroad for work purposes, which enables face-to-face business interaction without the need to physically move with the family to a foreign company as is the case in the process of assignment. Although this phenomenon is steadily increasing in the business world, the research of this topic is most limited and very little is known of its impact on the family, the career, the personal characteristics, and other relevant issues. The increasing power of globalisation and with it the expectation of the increase of the phenomenon of business travels necessitates research on the topic. The present research study is an

initial exploratory study. The article presents a qualitative research that included 44 research participants examined the feelings and attitudes of managers who frequently travel for business.

- 5 Stefano Bresciani, Alkis Thrassou and Demetris Vrontis designed 'Change through innovation in family businesses: evidence from an Italian sample'. This research investigates the innovative capacity of family businesses and the degree and manner to which innovation can lead to change or even be the change needed in the context of strategic reorientation. The research investigates innovation with reference to the resource perspective, which is measured in terms of the human, social and marketing capitals. The findings highlight the innovative strength of family businesses and suggest that innovation is indeed not simply the means of strategic change, but, in its deeper sense, the strategic change itself. Moreover, innovation and change, as a unified goal, are required to be dynamic and constant, as opposed to static and instant. Methodologically, the paper combines the knowledge drawn from an extensive literature review with the primary research results of a structured questionnaire survey on Italian firms. The Llach Pagès and Nordqvist (2009) analysis model was employed in the process, and to identify family firms, the AIDA database was utilised, in conjunction with the Chua et al. (1999) principle: that a family firm must also perceive itself to be one.
- 6 Paola Corsinovi, Diego Begalli and Davide Gaeta in 'Public choice theory as a tool for CMO wine reform analysis' drew a partial reconstruction the role of agricultural lobbyist and national alliances, determining the effort of re-opening the Common Market Organisation (CMO) of wine Reg. 479/2008. The case considered is the liberalisation of replanting rights chosen as a tool of public choice (PC) analysis. The paper is divided into three parts. The first part is a brief summary of PC literature and methodological applications. The second part is a study of the structure, behaviour and the relationship of the main actors involved in the policy genesis of the CMO. Thirdly, it analyses the effects that lobbyist actions have generated in the case of vineyard liberalisation. The methodological approach is the PC model derived from Pokrivcak et al. (2006). This is partially used in this discussion, to explain the general idea and concept of bargaining and trade-offs in wine policy by the mayor actors in a simplified scenario.
- 7 Glykeria Karagouni and Yannis Caloghirou authored 'The nature and dimensions of autotelic capabilities in knowledge-intensive low-tech ventures: an introduction', a study which she based it on a framework based on a multiple-case exploratory research is a first endeavour to describe the nature and dimensions of the entrepreneurial capabilities, necessary for new low tech but knowledge intensive ventures to create strong and knowledge based competitive advantages, in order to survive early death and prosper in an open economy. The dimensions of autotelic capabilities, bricolage, improvisational and transcendental capabilities, influence the location, selection and the ways of selection of resources and skills and use a priori knowledge in order to capture existing knowledge from various domains. They are strategic higher order capabilities since they enable the shaping of the entrepreneurial ecosystem. The framework advanced can add to the understanding of core issues of the emerging stage of low tech ventures and the creation of initial competitive

advantage, while assisting entrepreneurs/managers select priorities and make relevant strategic decisions.

- 8 Emmanuel N. Roussakis and Edmundo R. Lizarzaburu developed under a case study format the paper 'Strategic alliance: case study in competitive positioning'. The case seeks to identify some of the issues encountered in the development and growth of a family-owned firm in the pharmaceutical business in Lima, Peru. Having overcome the initial challenges of its establishment, the company has become a visible and viable competitor in the Peruvian market and is poised to expand in cross border markets by exploring the prospect of a strategic alliance with a suitable pharmaceutical firm or a chain store in these markets. Senior management must evaluate the issues associated with an alliance that entails manufacturing for foreign companies.
- 9 Rosa Caiazza and Graziella Ferrara authored 'Cross national analysis of different systems of governance: developing versus developed economies'. Despite of many studies on corporate governance very few articles are focused on MENA regions. Institutional specificity of MENA call for a better comprehension of corporate governance in these regions. The article helps to explain differences between systems of corporate governance and why certain practices are more widely spread in developed countries than in developing ones.
- 10 Evangelos Tsoukatos and Maria Koulentaki analysed the 'Effects of satisfaction on service loyalty dimensions'. This study examines overall satisfaction effects on individual loyalty dimensions and causal relationships between the latter. Between the statistically significant effect estimates of satisfaction on loyalty dimensions the strongest was the one on 'word-of-mouth' followed by that on 'retention intentions'. The direct effect on 'business extension intentions' was statistically insignificant. Indirect effects on 'retention intentions' and 'business extension intentions', via 'word-of-mouth' were three-fold and fourfold stronger than the direct ones respectively. The causality of relationships between loyalty dimensions was found to run along the path: 'word-of-mouth' → 'retention intentions' → 'business extension intentions'. Previous findings indicating that service loyalty dimensions are interrelated and the causality runs from 'affectionate' to 'continuance' loyalty are supported. It is confirmed that 'word-of-mouth' communication enhances the communicators' own loyalty. Customer satisfaction campaigns, in services industries, would yield more if primarily targeted at enhancing customers' 'affectionate' rather than 'continuance' commitment.
- 11 Our last, but not least pool of papers ends with the 'Household recycling in Cyprus: attitudes, barriers and behaviour' authored by Athanasios Hadjimanolis. The paper examines the factors, which influence the recycling behaviour in Cyprus, a country at an early recycling stage. These factors include socio-demographic variables, environmental attitudes and knowledge, and especially policy controllable institutional factors like barriers to recycling. A random sample of 301 consumers has been surveyed with questions on the above determinants of recycling and their actual recycling behaviour. Recycling rates were found to be higher for women and older people. Education and environmental attitudes have a positive impact on recycling, while a high level of perceived barriers has a negative association with the recycling effort. The relationship between environmental attitudes and recycling rate

has been found to be moderated by the level of perceived barriers to recycling. The empirical exploration of recycling factors is a very important issue for policy makers. They can improve their recycling policies with research results based on actual recycling behaviour.

Eventually, we would like to thank the *EuroMed Research Business Institute* for all the support received during the development process of this special issue and to Prof. Demetris Vronits, President of EMRBI and to Dr. Rudinger Hans Kauffman, Vice-president of EMRBI, and Prof. Leo Dana, Editor of *WREMSD*, for providing this opportunity to publish this *WREMSD* special issue.