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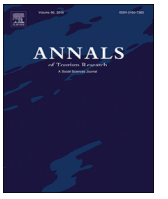

Product diversification and isomorphism: The case of ski resorts and "me-too" innovation

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ABSTRACT

Many ski-lift operators are trying to diversify their business by opening summer parks and in so doing, to reposition their resorts as year-round destinations. Almost half of ski-lift operators in Tyrol introduced such parks in the period from 2000 to 2018. The purpose of this study is to assess competitive determinants of following suit by copying these summer park introduced by competitors. Estimates using a Cox survival model show that the likelihood to adopt these summer parks is mainly determined by cooperation with competitors (coopetition) through year-round resident pass alliances and by the size of the operator. However, the park theme is, in turn, determined by location and terrain characteristics.

Introduction

A central concept of strategy research is that firms need to adjust their products over time relative to competitors in the marketplace (e.g. Porter, 1980). The goal of diversification is to create a comparative advantage between a firm's position and that of its competitors which can be achieved through innovation (Christensen, 1998). Following adoption theory, first movers face the highest costs and risks, but possibly also the highest reward (Rogers, 2003). On the other hand, late adopters follow once first movers have successfully created a market; meaning that there are customers willing to pay and familiar with the product (Hoppe, 2000). This is an incentive for "me-too" innovation, that is, the adoption of the same innovation mainly because competitors have already successfully done so (Lukas & Ferrell, 2000; Swanson & Ramiller, 2004).

However, when too many firms take on the same new position and then copy an innovation, the desired distinction and gain in competitiveness erodes. This increase in homogeneity is referred to as isomorphism (Tolbert & Zucker, 1983). Isomorphism belongs to the framework of institutional theories that aim to understand the effect of rules and requirements from within the organizational environment that need to be followed to be recognized as a legitimate actor (Kondra & Hinings, 1998). Following suit with past studies we employ institutional theories as the theoretical framework as they allow us to understand how different types of institutional and environmental pressures result in the use of natural resources (e.g. Rivera & De Leon, 2004) or the framing of initiatives to respond to environmental pressures (Spector et al., 2012). To investigate isomorphism, it is necessary to study the copying of structures, processes or strategies; in our case, we consider an innovation to diversify ski resorts with a summer product and to reposition them as year-round destinations.

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This study contributes to research in several ways. First, research on diversification examines the competitive landscape to understand the determinants of diversification, such as global competition (Wiersema & Bowen, 2008), lower profitability (Delios & Beamish, 1999) or firm size (Haveman, 1993b). Furthermore, past research addresses the attitudes toward diversification (e.g. Farmaki, 2012) and its benefits such as spreading risk (Demsetz & Strahan, 1997), increased firm performance (Delios & Beamish, 1999) and for tourism businesses also the opportunity to incorporate locally owned businesses (Nordin, 2003) or to better appreciate destination characteristics (Bramwell, 2004). However, this line of research is indiscriminate of the collective outcome of the resulting behavior, specifically isomorphism as a consequence of many firms following the same path.

Second, isomorphism in tourism research has not yet been investigated in relation to innovation, but rather to governance (e.g. Cajaiba-Santana et al., 2020) and as part of the explanation of institutional theories (e.g. Urtasun & Gutiérrez, 2006). By understanding the competitive determinants of innovation adoption that collectively result in isomorphism, this study contributes to the consequences of firm responses to pressures. Furthermore, we can better understand diversification of individual firms and processes of repositioning a destination bottom up, rather than induced top-down changes as in the case of Ireland in the 1990s (Prentice & Andersen, 2000).

The purpose of this study is to assess the determinants of the adoption of "me-too" innovations aimed at repositioning a firm in a competitive environment with increasing similarity. We investigate ski-lift operators in the Federal State of Tyrol, Austria that have copied an innovation to diversify their product offering by entering the summer market. The operators did so by opening themed parks at high elevations during the summer months, an innovation we refer to as Alpine summer parks. In the 2000–2018 period studied, all 113 resorts 59 opened such parks. While park themes and attractions vary, they all allow for a shift toward the creation of year-round destinations. We assess collaboration through pass alliances, location, resort performance and firm characteristics.

Literature review and hypotheses

Product diversification and innovation

Over time, firms in a competitive marketplace need to adjust their position relative to others (e.g. Porter, 1980; Teece, 2010). This need for diversification is often forced upon firms in their struggle to survive in a rapidly changing and competitive environment (Christensen, 1998; Prahalad & Hamel, 1994) and at the same time reflects their efforts to differentiate themselves from the current position of their competitors (Schimmer & Brauer, 2012). Firms can either refocus, that is consolidate the domains they consider their core competencies, often by divesting business lines or offerings, or they can diversify their product portfolio by adding new ones (Byerly et al., 2003; Markides, 1995). By diversifying their product lineup, firms change their position vis-à-vis competitors.

One way to facilitate this change is through innovation; either through a self-developed innovation (innovation new to the market) or by adopting an innovation developed elsewhere (innovation new to the firm) (Frambach & Schillewaert, 2002; Lefebvre & Lefebvre, 1993). An innovation adopted by firms in an economic system is new to each adopting firm, but not necessarily to all the customers in that market (Lundblad, 2003). Nevertheless, adopting an innovation allows firms to change their position in the market, for example by using new technologies in renovating a hotel to modernize it or to stay ahead of the competition (Hassanien & Baum, 2002), or by opening an outlet mall to reposition an area as a destination for shopping tourism (Rabbiosi, 2011). In the travel context innovation tends to have a medium- to long-term effect on performance rather than a short-term effect (Campo et al., 2014).

External pressures such as societal expectations (Spector et al., 2012), environmental requirements (Tashman & Rivera, 2016) and regulatory pressures (Huang et al., 2009) are drivers for the implementation of innovations. For tourism firms, this includes calls for sustainable business practices that force firms providers to adapt their operations (e.g. Warren et al., 2018) and often their business models to make better use of available resources and to reduce the environmental impact of their operations (e.g. Moscardo, 2008). However, the introduction of innovations is associated with risks and does not always bring the desired success. First movers bear the highest risk as they need to convince customers of the usefulness of their innovation (Hoppe, 2000). Once the innovation is successfully introduced in the market, competitors will follow suit and also start adopting it to maintain their legitimacy, especially if they adapt due to environmental pressures (Spector et al., 2012; Tashman & Rivera, 2016). Most tourism companies tend to adopt a successful innovation already introduced in the market rather than develop a novel innovation (Moore & Whitehall, 2005). However, repeated adoption of an innovation or a variant of it by companies in the same market leads to a more homogeneous market with similar product offerings.

Isomorphism

Isomorphism is the study of factors that result in organizations adopting structures (Tolbert & Zucker, 1983), practices (DiMaggio & Powell, 1983), or strategies (Oliver, 1988) already taken up by other firms in their group. Research has identified three types of isomorphism due to external environmental pressures (Cajaiba-Santana et al., 2020; Martínez-Ferrero & García-Sánchez, 2017): (a) coercive isomorphism stems from new rules that are also enforced, (b) normative isomorphism is following the unwritten rules of the profession to act professionally, and (c) mimetic isomorphism refers to successfully copying model organizations.

Innovation literature provides the terminology for actions taken by individual firms that collectively add up to mimetic isomorphism: "me-too" innovations. This refers to the copying of innovations from other organizations in the group, for example from competitors (Lukas & Ferrell, 2000). What is adopted is new to the firm and requires dedicated resources to make it compatible with other processes or products and to present it to its customers, only some of whom may be familiar with it even though competitors have already introduced it (Swanson & Ramiller, 2004). Isomorphism develops gradually as more and

more organizations in a group follow the example and move in the same direction (Tolbert & Zucker, 1983). Thus, while the adoption of the same innovation by another firm does not constitute isomorphism, the sum of all adoptions constitutes isomorphism, since each adoption gradually contributes to homogeneity.

Hence, the emphasis is on social structure to gain legitimacy, that is to be accepted by becoming more similar to others, rather than rational firm behavior, such as occupying a niche (Thornton et al., 2012). Zucker (1987) lists as examples the adoption of already existing standard operating procedures, regulatory certificates, or products, to endow adopters with legitimacy in the marketplace and thus to increase the likelihood of survival.

Drivers of isomorphism

Lukas and Ferrell (2000) find that customer orientation leads to innovations that are new to the world, whereas "me-too" innovations stem from orientation toward competitors. Indeed, firms tend to orient themselves toward others that are successful either by general or industry standards (W.R. Scott & Davis, 2015) or have high visibility or a reputation for influencing other firms (Burns & Wholey, 1993). Hence, the presence of and interaction with large and profitable competitors not only leads to isomorphism as many other firms seek to pursue that success, it may also, according to Haveman (1993a) drive market entry. A recent example in the tourism industry is lodging firms that start their own short-term rental firms or acquire existing short-term rental to compete with Airbnb (Zach et al., 2020).

While competition drives firms to mimic a successful competitor, simultaneous collaboration, as in a coopetitive environment, blurs fixed boundaries and enables firms to establish stable relationships, such as strategic alliances (Phillips et al., 2000). These are beneficial for innovation as firms can learn what new developments could help their partners (Eisingerich et al., 2009). Firms can leverage alliances to explore new knowledge and exploit existing knowledge to drive innovation, which is also ideal for firms to reposition themselves in the marketplace (Dittrich et al., 2007). Indeed, Nordqvist et al. (2010), using the example of newspaper associations aimed at change and adaptation, argue that while association leaders pursue normative goals to follow unwritten rules, operational executive use coercion to force member participation, leading to the imitation of solutions that are not beneficial to all members.

Similarly, Piña and Avellaneda (2018) note that horizontal collaboration, while creating a better understanding and trust between partners, also leads to imitation. These contradicting views can be explained when considering isomorphism and innovation. Alliance partners that innovate or adopt first can indeed create distance between themselves and partners, while others may move later and often do so by copying a successful first mover.

Ski destinations

The ski business is a rather static tourism product with little growth and few major innovations and changes which include snow canons for snowmaking in the 1950s, detachable chairlifts and gondolas as well as snowboards in the 1980s. Since the 1990s, ski resorts in Europe and North America have been challenged by stagnating markets and increased awareness of their ecological impact (Flagestad & Hope, 2001). To remain competitive, ski-lift operators have primarily improved their continued appeal as winter sports destinations. They have built new ski trails or connecting lifts between otherwise two separate ski areas to create additional trails (Falk, 2017).

More recently, climate change has been challenging the guarantee of sufficient snow coverage for all ski trails (Steiger et al., 2019). To combat poor snow conditions, ski-lift operators are installing snowmaking equipment to ensure that skiers can utilize all or at least as many ski trails as possible (Falk, 2013). However, other ski lift operators, just like certain manufacturing firms, engage in voluntary environmental programs that give the appearance of awareness but have little effect, especially when there is a lack of sanctions for non-compliance (Rivera & De Leon, 2004). Additionally, ski-lift operators often participate in ski-pass alliances where a skier can use one pass as a ticket for several resorts. According to Firgo and Kügler (2018) such passes often result in higher ticket prices. Finally, climate change is also extending the summer season in the Northern hemisphere and increasing the number of tropical nights (where temperatures do not fall below 20 °C), making the summer season increasingly important for business success (Schlemmer et al., 2019).

Hypotheses

In this section, we develop hypotheses for copying an innovation that creates mimetic isomorphism among ski-lift operators over time; specifically, we address alliances (H1), firm characteristics (H2 to H4) and competitive settings (H5 to H7).

Ski resorts often enter into ticket price alliances that allow a pass holder to use the same pass in resorts operated by different ski-lift firms (Schnitzer et al., 2018). This creates a coopetitive environment in which ski-lift operators work together to provide appealing offers to attract guests to the region while also competing for the guests' business (von Friedrichs Grangsjö, 2003). All ski-lift operators in Tyrol accept day tickets as well as multi-day passes, and season passes during winter seasons. In addition, some operators cooperate by accepting year-round passes, which are only available to residents. Schnitzer et al. (2018) and Seidl and Schnitzer (2020) show that acceptance of such resident passes results in higher visitation rates at participating resorts, particularly during the summer. Okura (2007) argues that in such cases, coopetition can result in underinvestment as customers are locked in. However, easier customer access to more ski resorts during the summer months can result in resorts competing even more fiercely for these customers and thus copying successful efforts. Indeed, as strategic alliances are a microcosm of the larger environment, firms tend to mimic other alliance members (Phillips et al., 2000), suggesting that operators of a resident pass alliance are more inclined to copy innovations.

Hypothesis 1. Resident pass alliance membership has a positive effect on copying innovations.

Firm size is a firm characteristic linked to innovation: Damanpour (1987) shows that firm size has a curvilinearity related to the adoption of innovation since larger firms exhibit a greater complexity which reduces innovative behavior. This reduction in the management of creativity, ideas and selection favors the adoption of "me-too" rather than radical innovations (Oke, 2007). While recent studies demonstrate that the size of ski-lift operators is not related to productivity (Goncalves, 2013), larger ski-lift operators are more inclined to adopt innovations (Falk, 2013). However, in the case of isomorphic behavior, Haveman (1993a) established that larger firms are more inclined to follow only other large firms that have already proven the value of adopted strategies, processes or structures.

Hypothesis 2. Size has a positive effect on copying innovations.

In addition to size, firm age is another frequently identified firm characteristic that influences the adoption of innovation. Literature suggests that older firms are under more pressure to adopt innovations to avoid failure (Salvanes & Tveteras, 2004). For ski-lift operators, Falk (2013) observed that older resorts were indeed more likely to exit the market, especially when older equipment was not updated. The age of the company is an indicator of the experience the company has gained since its foundation (Lien & Li, 2013). Older firms, given their persistence in the marketplace, might also be better at responding to environmental pressures, thus making it more likely to adopt innovations.

Hypothesis 3. Age has a positive effect on copying innovations.

Past performance is frequently mentioned as a determinant for innovation adoption; however, it is unclear whether this effect is positive or negative. Arguments in favor of a negative relationship are that performance that meets set targets discourages firms from taking the risk of innovation adoption (Greve, 2003). Similarly, firms with low performance may engage in innovation adoption to regain their competitive edge (Gooding et al., 1996); however, there is a possibility that low-performing firms will take more risks than well-performing firms (Greve, 2003). A positive relationship between past performance and innovation adoption would suggest that well-performing firms are willing to take risks (Dutton & Jackson, 1987) and that they accumulate resources that allow them to explore alternatives in order to remain competitive in the marketplace (Bowen et al., 2010). Furthermore, consistent low performance or performance at very low levels curtails a firm's ability to innovate due to a lack of resources (Staw et al., 1981). Firms adopting new-to-firm innovations, but not new-to-market innovations know that customers are familiar with a well-tested offering, thus reducing the risk of adoption (Haveman, 1993a). This makes the adoption of similar innovations appealing to low performers.

Hypothesis 4. Low performance in years prior to adoption has a positive effect on copying innovations.

Finally, there are three location aspects that affect competition: the presence of a competitor in the vicinity, short distance to centers of agglomeration and, critical for ski resorts, elevation. Dissatisfaction with a product can result in a loss of performance if customers migrate to competitors who offer the same products that appeal to the target audience. This is particularly true for competitors who are located nearby and are relatively similar in their product range. However, in "neck-and-neck" industries where all actors operate at a similar technological level, innovation increases profits by enabling firms to escape competition (Aghion et al., 2005). A recent study on tourism and lodging innovations shows that competition has a positive impact on innovation implementation (Divisekera & Nguyen, 2018). Furthermore, it is more likely that tourism firms within a group, such as destinations or ski resorts, provide similar offerings (Kofler et al., 2018).

Hypothesis 5. Presence of a competitor has a positive effect on copying innovations.

Next, distance to customers is an important issue for travel. Previous studies have shown that greater distances result in longer stays (Nicolau et al., 2016), while shorter distances are beneficial for day visits to ski resorts (Falk, 2017). Furthermore, shorter distances can also attract more local customers. When firms are closest by choice, they can adopt an innovation already accepted by the market rather than having to stand out from the crowd.

Hypothesis 6. Shorter distance to the next area of agglomeration has a positive effect on copying innovations.

Climate change is increasingly influencing tourism (D. Scott et al., 2019). Alpine ski destinations are no exception and are increasingly being affected by shortened winter seasons, rising snow lines and reduced snow cover (Steiger et al., 2019). Over the past fifty years, average winter temperatures in Austria have risen significantly (Auer et al., 2007), which challenges international tourism (Steiger & Scott, 2020). Less snow and warmer temperatures lead to poor winter ski conditions, which make Alpine ski resorts less attractive for tourists. This is reflected in lower hotel occupancy rates for winter seasons (Falk, 2013), which is particularly the case for resorts at lower elevations (Steiger et al., 2019). Recently, Austrian ski-lift operators have been trying to overcome snow scarcity and increase attractiveness by employing the same solution: building connecting lifts to neighboring operators (Falk, 2017).

Hypothesis 7. Lower elevation has a positive effect on copying innovations.

Study context: Alpine summer parks in Tyrol

Ski-lift operators in the Federal State of Tyrol, Austria are often structured around a feeder lift that takes passengers from the valley to a hub at high elevation. Hubs serve as the starting point for other ski lifts to continue uphill and also host restaurants and après-ski bars. In Tyrol, ski-lift operators lease the land, but own the facilities they build.

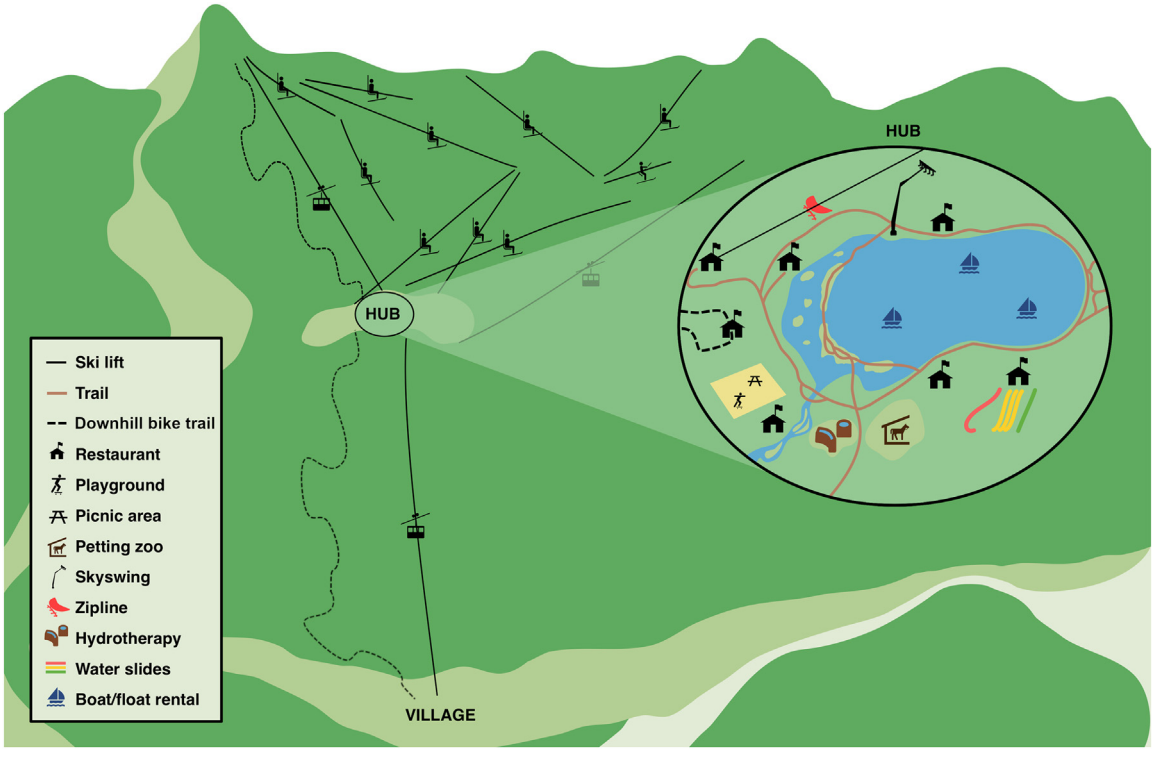
Although Tyrol is predominantly a winter destination, the ski business has faced some uncertainties since the late 1990s, such as the increasing difficulty of adding new slopes or connecting lifts due to environmental concerns and regulations. Furthermore, climate change has called into question the business success of ski-lift operators during the winter season. At the same time, more tropical nights (20 °C and above) in urban areas in Tyrol's most important source market (within a four-hour drive), provide an incentive for urban residents to take a break from hot temperatures (Schlemmer et al., 2019). Therefore summer tourism has become more important as operators have been seeking new opportunities to generate more revenue by using the longer summer season and existing infrastructure.

Since 2000, Alpine summer parks, that is themed parks at the hubs, have been opened. Before that during summer ski-lift operators usually operated only the feeder lift and an additional lift for further ascent. This is sufficient for hikers, bikers and other people interested in enjoying the panorama. Moreover, only some – often only one – of the restaurants would be open, while après-ski bars would be closed. Restaurants would typically have playgrounds similar to those in residential areas, and the few resorts with summer attractions would offer them in the car park around the feeder-lift base station.

In 2000 and 2002 respectively, two ski-lift operators added multiple attractions and linked them to the summer theme of their respective destinations. In 2002, a third operator took these parks to new heights by creating a different branding than the winter brand as it was designed around a theme that was unrelated to the winter theme and had its own dedicated website. Nearly all the following resorts adopted this prototype, although some did not create their own website, but gave their parks an independent name or mascot to distinguish them from the winter theme. Importantly, ski-lift operators in Tyrol only chose Alpine summer parks as a way of diversifying into the summer market.

Access to Alpine summer parks is free, but since they are located at the hub many guests purchase tickets to avoid the hike up. Park attractions are thematically coordinated and most, especially those for children, are free. For example, one park designed to attract downhill bikers has multiple trails ranging from easy to difficult and stations for quick repairs. Another park offers educational animal attractions such as falcon shows, petting zoos with alpine animals, and a beehive with glass panels for observation purposes. Some parks repurpose artificial lakes built to store water for the snow-making system by adding floats or water-related attractions. Finally, there are parks that have built gravity driven versions of amusement park attractions which are often accessible only for a fee, for example, thrill rides such as summer toboggans or ziplines.

Image 1. Alpine summer park illustration.
Source: Author picture.



Methodology

Survival analysis

Survival analysis has been introduced to tourism to assess the determinants of length of stay (e.g. Gokovali et al., 2007) and firm survival (Falk, 2013). It is also a commonly used approach in tourism and management research to assess innovation adoption, specifically its underlying determinants (Banbury & Mitchell, 1995). Innovation studies often drop non-adopters as too little is known about them, thus introducing invariance of results, meaning that dropping them from the data would not change the results (Ravichandran, 2000). Most other studies use logit or probit models to investigate the determinants of product and process innovations using cross-sectional data (Mairesse & Mohnen, 2010). Grover et al. (1997) suggest survival analysis with Cox regression (Cox, 1972) as a more robust method as it "allows a comparison of survival (or hazard) functions, based on different values of independent (or predictor) variables called covariates" (p. 286). The survival function is the probability that a ski-lift operator will not open an Alpine summer park while the hazard function is defined as the probability that a ski-lift operator will open such a park, given that the operator did not open one at the beginning of this period (=year). This hazard rate $h(t)$ is specified as:

$$h(t, X_i, Y_{it}, Z_{ct}) = h_0(t) \exp(X_i\alpha, Y_{it}\beta_1 Z_{ct}\beta_2),$$

where i denotes the ski-lift operator and t denotes the year. The hazard ratio depends on three vectors of covariates: time-invariant determinants at the ski-lift operator level X_i and time-varying variables at the ski-lift operator Y_{it} or state level (Tyrol) Z_{ct}. The baseline hazard is $h_0(t)$ with $T = 0$ in 2000 and $T = 18$ in 2018, while α, β_1 and β_2 are vectors of coefficients to be estimated. Ski-lift operator characteristics (elevation, size, distance to the nearest agglomeration, presence of a near neighbor) are included in vector X, while vector Y encompasses resident pass collaboration, and vector Z the growth of overnight stays and occupancy in the winter season. The survival model is estimated using Maximum Likelihood with robust standard errors. For each variable, the hazard ratio informs whether it affects the probability of adopting an Alpine summer park. A ratio higher than 1 indicates an increased hazard, whereas a ratio lower than 1 indicates a decreased hazard.

The maximum elevation was calculated as the elevation of a ski-lift operator's highest lift station. This information was drawn from the transport database provided by the Austrian Federal Ministry of Climate Action, Environment, Energy, Mobility, Innovation and Technology (BMK). Age of the ski-lift operator was calculated by the year of the first lift installation and was drawn from the same database. Size of a ski-lift operator was measured by the length of the interconnected ski trails which was collected from ski-lift operator websites on 30 June 2018. Occupancy of accommodation (in per cent) and number of seasonal overnight stays at corresponding destinations were sourced from Statistics Austria. The distance to the nearest center of agglomeration was measured as the distance of the ski-lift operator's location to the nearest regional city with at least 50,000 inhabitants, according to the Eurostat definition of municipalities. This was calculated using Google maps. A dummy variable was used to indicate the presence of a near neighbor. The dummy was set to one if there was another ski-lift operator within 15 km or less. Gross domestic product (GDP) at constant prices was provided by Statistics Austria.

Data

The data for the variables was drawn from several sources as there is no comprehensive list. Information on the year of adoption of Alpine summer parks, that is, the first year of opening and accepting a resident pass, was collected by calling ski-lift operators and analyzing historical ski-lift operator and resident pass websites in the Wayback Machine (http://web.archives.org). We define Alpine summer parks as parks that are located at a hub and meet three of the following criteria: branded separately from the winter brand, stated summer theme, summer website, summer mascot or opening a conjoined set of attractions that are purpose built beyond traditional hiking and biking. The authors independently evaluated the summer offerings of all 113 ski-lift operators in Tyrol. Where there was disagreement, the authors discussed the resort in question. We found that 59 (52.2%) had introduced an Alpine summer park by the end of 2018, of which 31 had predominantly an adult sport & thrill theme while 28 had a family and children theme. Fig. 1 provides an overview of adoption among ski-lift operators. Furthermore, 38 ski-lift operators had accepted a resident pass since its launch in 2002.

On average, over the sample period, openings were a relatively rare event. Their frequency varied depending on the type of park. With regard to the characteristics of the ski areas, the average elevation was 2174 m and the average length of the (inter-connected) ski trails was 76 km. The ski-lift operators were relatively old, with an average age of about 60 years. Most ski-lift operators had a neighbor and on average the ski-lift operators were 67 km away from the nearest agglomeration, so that they could be easily reached within an hour's drive. Furthermore, 29% of ski-lift operators collaborated in a resident pass alliance. For the corresponding ski destinations, the mean number of seasonal overnight stays was 203,000 and the mean occupancy rate was 53% (see Table 1).

Results

Kaplan-Meier bivariate survival estimates were calculated for a preliminary assessment of the relationship between the opening of an Alpine summer park and key variables. Charts in Fig. 2 show on the Y-axis the probability of non-adoption and key variables over time on the X-axis. For the length of ski trails, the steeper curves indicate that large operators have a higher potential

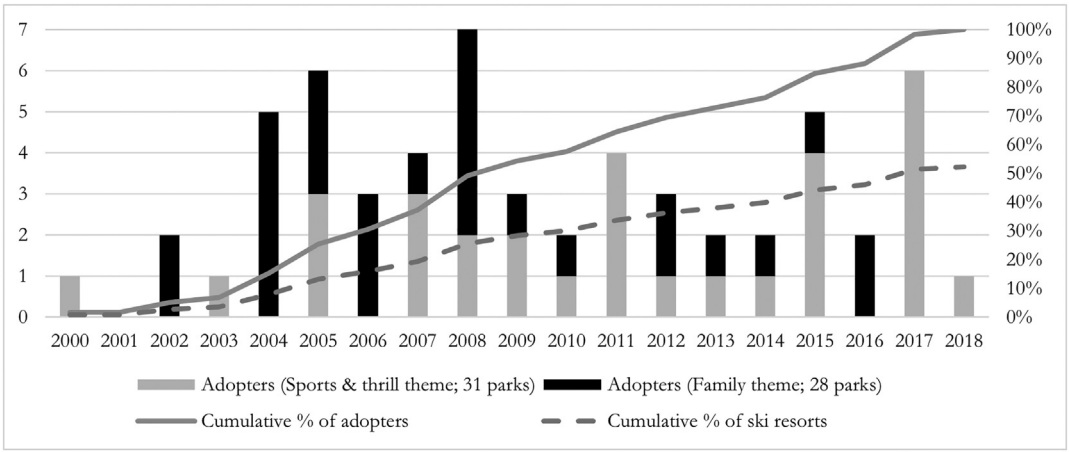


Fig. 1. Opening of Alpine summer parks by ski-lift operators in Tyrol from 2000 to 2018.

for Alpine summer park adoption than smaller operators (Fig. 2 top left). Next, estimates suggest that high elevation ski areas have a higher likelihood of adoption (Fig. 2 top right). The strongest predictor is collaboration through the resident pass alliance (Fig. 2 bottom left). Ski-lift operators who collaborate with others in accepting resident passes are much more likely to open a park if one considers the status of the previous year. It appears that distance to the next agglomeration does not play a significant role (Fig. 2 bottom right). This also holds true for the remaining variables (results are available upon request). Additionally, we calculated the log rank test to test for equality of survivor functions of opening an Alpine summer park. The results show that collaboration, presence of a neighbor and elevation are significant at the 5% level while size is significant at the 10% level. However, the tests should be interpreted with caution as only bivariate relationships were investigated (see Online Appendix A, Table A1). Furthermore, we calculated the mean differences between ski-lift operators with and without summer park (Appendix A, Table A2). The results show that the characteristics of ski-lift operators with and without a park differ significantly. Those who have a park are larger, are located at higher altitudes and are more likely cooperate in form of resident pass alliance (all significant at the 5% level).

The Cox proportional hazard model estimations were calculated on 98 ski-lift operators omitting fifteen operators due to missing data; it should be mentioned that none of the omitted operators had opened a park. The z-statistics are based on standard errors clustered across ski-lift operators. The results show that collaboration in accepting resident passes is highly significant for the likelihood of adopting Alpine summer parks. Collaboration agreements are the most important determinant for the likelihood of Alpine summer parks opening. If the ski-lift operators collaborate through the resident pass alliance, while all other variables remain constant, the opening rate increases by 191% (291%–100%) (Table 2, specification ii). Given that the hazard rate is about 5% per year on average, this means that ski-lift operators with collaborative agreements have a 1.9 factor (equal to 10%) with respect to opening Alpine summer parks given the status of the previous year (see Fig. 3 for the smooth hazard rate).

H1 (collaboration), H2 (size as measured by ski trail kilometers) and H6 (distance to nearest agglomeration) cannot be rejected at conventional significance levels. However, significant H3 (age) has the reverse effect in that younger ski-lift operators are more likely to adopt, and thus has to be rejected. Next, H7 (elevation) and H5 (presence of a ski-lift operator within 15 km) are not significant and thus rejected. Finally, past performance was measured as summer overnight occupancy rates and the number of summer overnight stays. However, none of these measures was significant, thus rejecting H4 (see Online Appendix B,

Table 1
Descriptive statistics.

Variable	Mean	Std. Dev.	Min	Max
Dependent variables				
Opening (Alpine summer park)	0.033		0	1
Opening with adult sport & thrill theme	0.018		0	1
Opening with family and children theme	0.014		0	1
Independent variables				
Resident pass alliance membership (per cent)	0.290		0	1
Maximum elevation of the ski-lift operator (meters)	2173.6	534.9	775.0	3434.0
Length of ski trails (kilometers)	75.9	85.8	1.0	279.0
Age of the ski-lift operator (years)	58.8	10.2	36.0	91.0
Presence of a neighboring operator within 15 km (per cent)	0.837		0	1
Distance to the nearest agglomeration (kilometers)	67.1	31.0	2.0	148.0
Summer season occupancy (per cent)	53.1	22.1	8.3	133.9
Summer season overnight stays	203,435.3	169,990.9	8387.0	985,134.0
Growth rate of gross domestic product per capita (per cent)	1.5	1.6	−3.8	3.7

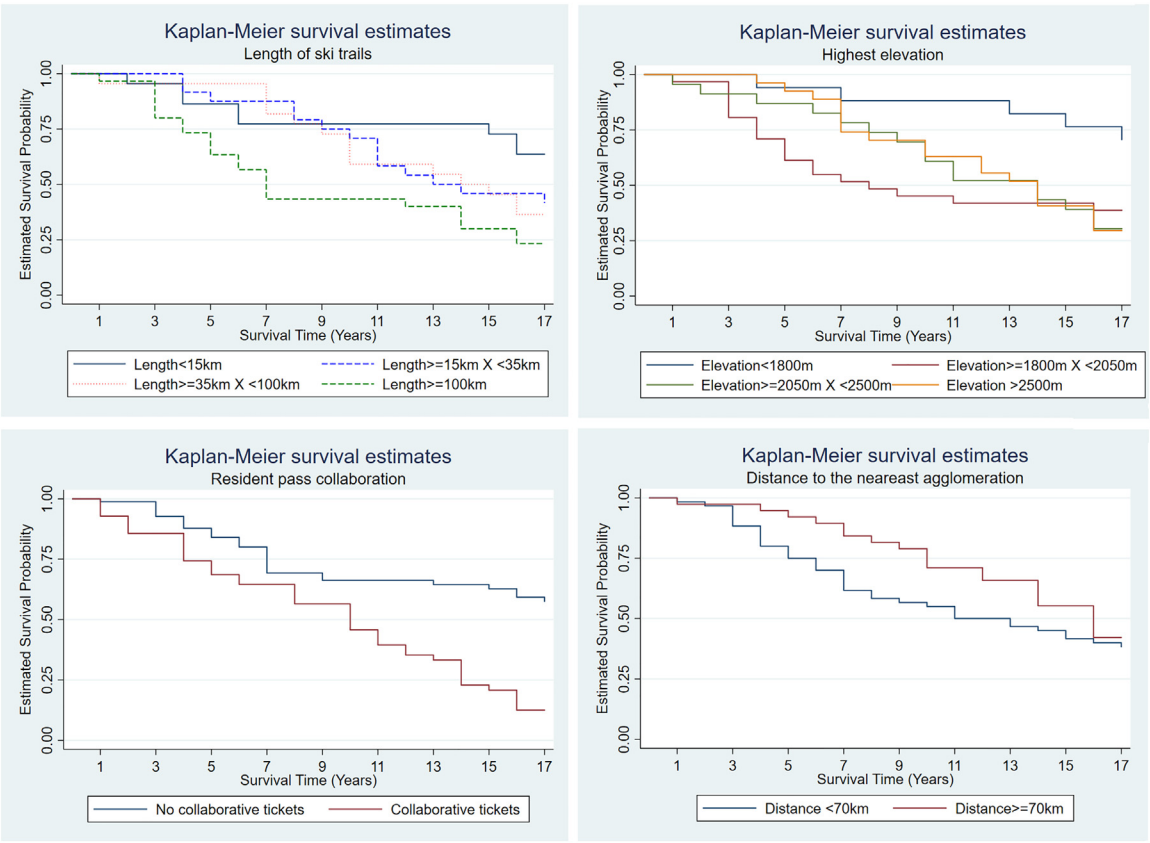


Fig. 2. Kaplan-Meier estimates for key variables.

Table B1 for analysis results). Hence, of the determinants specific to ski-lift operators, only size and age play a significant role for adopting an Alpine summer park if resident pass collaborations are taken into account.

The estimation results, excluding the collaboration variable, show that the determinants specific to the ski-lift operators, such as size and age, as well as distance to the nearest agglomeration remain significant (Table 2, specification i). However, distance to the neighbor and elevation are again not significant at conventional significance levels. It is, therefore, not location characteristics that drive the opening of Alpine summer parks, but the decision to collaborate in accepting resident passes and the marketing of the attractions.

As several variables are not significant at conventional levels of significance, they are not included in the final specification. This includes past overnight performance (current year and delayed by one year). Furthermore, the decision to open is independent of the economy's growth rate. Thus, the decision to launch a new Alpine summer park does not depend on the economic cycle.

Several robustness checks were conducted. First, elevation was measured as the mean of the ski-lift operators' valley and peak station rather than as the elevation of the highest lift station in the respective ski area. In addition, a set of dummy variables

Table 2
Determinants of opening Alpine summer parks; Cox proportional hazard model.

Variables	Haz. Ratio	(i)	z-Stat	Haz. Ratio	(ii)	z-Stat
H1 - resident pass alliance membership (per cent)				2.91	***	3.17
H2 - log length of ski trails (kilometers)	2.00	***	3.46	2.12	***	3.60
H3 - log age of the ski-lift operator (years)	0.09	***	−3.65	0.14	***	−2.83
H5 - presence of a neighboring operator within 15 km (per cent)	1.33		0.71	1.36		0.75
H6 - log distance to the nearest agglomeration	0.52	***	−3.38	0.60	***	−2.59
H7 - log maximum elevation of the ski-lift operator (meters)	0.98		−0.03	0.32		−1.48
Number of ski-lift operators	98			98		
Number of ski-lift operators with park openings	59			59		
Number of observations	1177			1177		
Log pseudolikelihood	−236			−230		

Notes: asterisks ***, ** and * denote significance at the 1, 5 and 10% levels. Haz. Ratio means hazard ratio. Estimated by maximum-likelihood with standard errors cluster-adjusted at the ski-lift operator level.

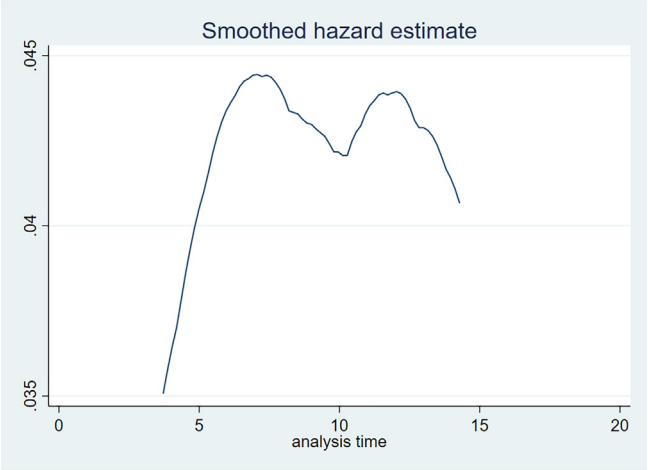


Fig. 3. Smoothed hazard rate for the foundation of summer parks.

representing maximum elevation categories were used to allow a nonlinear specification. Unreported results show that the results are robust with respect to the measurement of elevation. Second, estimations were conducted for different subsamples to distinguish between early and late adopters. For instance, when looking at the first five years of the sample period 2001–2006, the effect of collaboration remains significant at the 5% level (hazard ratio of 3.9 and t-stat of 2.01). Results are available upon request. Size also remains significant at the 5% level while maximum elevation becomes significantly negative. Overall, the age of the ski-lift operator and its location are relatively unimportant for the decision to open a park (Table 2, specification ii).

As an extension of the survival model, the determinants of the theme for Alpine summer parks were modeled. We investigated the likelihood of adopting an Alpine summer park that is primarily aimed at adults with a sport & thrill theme or at families with a children's theme. This was estimated using the competing risk model (Fine & Gray, 1999). The dependent variable was based on the two types of park where one type was considered as the competing event. The competing risk model was estimated using maximum likelihood (ML) and with the same vector of coefficients for both dependent variables.

Table 3 shows the results of the competing risk survival model. Since the sub-risk ratios are difficult to interpret quantitatively, the focus is on the sign and significance of the sub-hazard ratio (Falk, 2013). The results of the competing risk model for the two park themes show that the sign and significance of the characteristics differ between themes. For the adult sport & thrill theme, alliance membership is the main driver for the opening of parks. The maximum elevation is significant at the 10% level. In addition, the length of ski trails has a slightly negative impact on the opening of parks specializing in an adult sport & thrill theme.

For a family theme, the maximum elevation, the length of ski trails, the age of the ski-lift operator and the distance to the nearest agglomeration are significant at the 5% level. Size is an advantage for park openings, while lower elevation and having no neighbors is not relevant. In addition, the existence of a resident pass alliance is no longer significant indicating that alliance collaboration is only important for the adult sport & thrill theme.

Discussion

Diversifying with a "me-too" innovation

Our findings suggest that the most important determinants for copying innovation to diversify ski resorts are membership of a year-round resident pass alliance and firm size. Alliance membership is the main determinant for copying an innovation that has already been adopted by competitors. Operators that are not part of the resident pass alliance exhibit a disadvantage when diversifying through the same innovation. These alliances have no regulatory framework to force members to open a summer park, thus ruling out coercive pressure. However, alliance members experience mimetic pressure as they become less attractive destinations if they have not opened an Alpine summer park but other alliance members already have. Alliance members therefore have an incentive to keep up with adopters as pass holders visit other resorts and can thus compare offerings. This is supported by Nordqvist et al. (2010) who revealed that operational executives pursue mimicry to and – if provided through the alliance framework – coercion to pursue the alliance goals. Furthermore, ski resorts do join ticket alliances to be a year-round destination for local residents, thus feeling pressure to keep up, similar to tourism organizations joining a sustainable tourism association (Peters et al., 2020).

Firm size as the second most important determinant differs from Haveman's (1993a) line of argument: We found that larger firms copy innovations from others regardless of size the competitor. As argued by Rivera and De Leon (2004) larger ski resorts experience more institutional pressure on their response to environmental challenges from stakeholders, media, government

Table 3
Results for the competing risk survival model.

Variable	Park theme					
	Adult sport & thrill			Family and children		
	Sub-Haz. Ratio		z-Stat	Sub-Haz. Ratio		z-Stat
H1 - resident pass alliance membership	3.696	***	2.67	2.108		1.38
H2 - log length of ski trails (kilometers)	0.667	*	−1.79	3.972	***	5.70
H3 - log age of the ski-lift operator (years)	1.181		0.15	0.050	***	−2.67
H5 - presence of a neighboring operator within 15 km	1.782		1.36	0.807		−0.34
H6 - log distance to the nearest agglomeration (kilometers)	1.214		0.58	0.340	***	−3.73
H7 - log maximum elevation of the ski-lift operator (meters)	5.482	*	1.70	0.087	**	−2.20
Number of ski-lift operators	98			98		
Number of ski-lift operators with park openings	31			28		
Number of observations	1558			1481		
Log pseudolikelihood	−118			−106		

Notes: estimation from the competing risk survival model. Asterisks *, **, *** denote statistical significance at the 10, 5 and 1% level respectively. Z-values are based on robust standard errors. Coefficients above one indicate an increase in the sub-hazard rate (increase in probability of opening).

agencies and environmental agencies than smaller ski resorts. Normative pressures therefore force larger resorts to behave like role models to represent the values and norms of the ski resort industry.

Another finding was the change in size and elevation determinants over time. First, initially smaller ski resorts opened Alpine summer parks, later followed by larger resorts. Second, the first adopters are likely to be ski-lift operators at lower elevations. This suggests that early adopters are smaller operators stimulated by the prospect of snow scarcity at lower elevations. However, elevation is not significant for the whole sample. The elevation effect dissolves over time as operators at higher elevations also start to adopt. Furthermore, the comparison between early and late adopters indicates that larger ski-lift operators adopted to keep up with smaller competitors that had already opened parks due to concerns over snow scarcity or to create distinctiveness. Hence, larger operators who adopt later are also diversifying into the summer season and thus repositioning themselves as year-round destinations.

Furthermore, the Cox proportional hazard duration model shows that location-specific determinants, such as distance to the nearest area of agglomeration, the presence of a close neighbor and elevation as well as the destination's overnight performance, have little to no effect on the probability of ski-lift operators copying Alpine summer parks to diversify the resort. Although tourism is a place-based activity, the analyses therefore show that location and terrain of a ski-lift operator are not relevant for the opening of Alpine summer parks. The surprising finding that older operators are less likely to adopt can be explained by their established position, which does not yet make it necessary to consider entering the summer market.

Selecting a market segment

As for the theme chosen for an Alpine summer park, determinants driving the decision diverge. Our findings indicate that ski-lift operators of any size are more likely to opt for the adult sport & thrill theme if they are a member of a strategic alliance, which suggests mimetic pressure from the alliance. To a smaller extent ski resorts opted for sport & thrill when located at a higher elevation. Due to the topography of Tyrol, resorts at higher elevations have steeper trails. Therefore, operators in the resident pass alliance and with a more challenging terrain adopt an already suitable adult theme. This indicates that small resorts do not have a disadvantage compared to large ones in the opening of Alpine summer parks.

Hence, ski-lift operators choosing the adult theme engage in resident pass alliances to overcome the presence of a competitor, distance to areas of agglomeration and firm age and firm size, which are factors that are difficult or impossible to change. On the other hand, the family and children theme seems to be defined by these inflexible determinants, but not by alliance membership. This suggests that larger resorts closer to urban areas are trying to attract families who want to escape the increasing number of tropical summer nights and thus to position themselves as day-trip destinations for urban dwellers in summer. However, by attracting additional guests with resident passes, resorts with adult sport & thrill themes can recoup their costs more quickly through higher revenues as sport & thrill attractions often require an additional fee to be paid regardless of the lift ticket used.

Thus, we find that isomorphic behavior differs between the second step, which involves choosing the type of innovation, in our case the Alpine summer park theme, and the first step, which is to adopt a “me-too” innovation at all. Adoption is driven by mimetic pressures stemming from alliance membership and normative pressures due to resort size as well as an entrepreneurial spirit to diversify and to increase its chances of survival. The segmentation of the Alpine summer park market is driven by location and terrain factors and, in the case of an adult theme also by alliance membership.

By assessing determinants across the two steps of adoption, our findings are more nuanced than previous work which identified both an effect of collaboration on isomorphic behavior or a lack of it (e.g. Piña & Avellaneda, 2018). Our research thus complements a recent call by Schilke (2017) to gain a better understanding of why not all firms in the same field – in our case ski-lift operators in Tyrol – are the same although they are exposed to the same pressures and to achieve a better insight into strategic collaborative efforts at tourism destinations (Saxena & Ilbery, 2008).

Conclusion

Implications for research

Our study investigates determinants of adopting "me-too" innovations by ski resort operators. Despite mixed support for our hypotheses, we found several determinants that contribute to a better understanding of isomorphism in tourism. Alliance membership and firm size are crucial for the copying of innovations that result in mimetic isomorphism among firms. Indeed, collaboration in various forms has been identified as a crucial determinant for innovation in tourism enterprises (Rodríguez et al., 2014; Zach, 2016). This suggests that operators in a poor location can overcome this disadvantage by joining a pass alliance. Hence, ski-lift operators facing a substantial threat to their business can leverage an alliance to diversify their resort and to avoid failure. Finally, by finding that determinants such as the presence of neighbors, past destination performance or resort elevation do not drive the adoption of "me-too" innovations suggests that ski resorts function differently than traditional study objects.

The adoption of Alpine summer parks by Tyrolean ski resorts from 2000 to 2018 has enabled the resorts to diversify their traditional winter product and reposition themselves as year-round destinations. This reduces their dependence on the winter season. As a result, an operator can generate additional revenues during the summer from the sale of lift tickets, from the fees for park attractions and from hospitality (Schnitzer et al., 2018). This diversification is also an adaptation strategy in response to global warming as more evenly spread lodging occupancy throughout the year can also be regarded as a contribution to the resorts' sustainable development. Furthermore, resorts may retain more employees by opening all year, thus reducing the gap between seasonal employment peaks. As a result, these parks represent more than just an additional product offering for individual ski-lift operators. With an increasing number of operators adopting these parks, Tyrol, typically known as a winter destination, is decidedly being repositioned bottom-up as a year-round destination.

Implications for practice

The finding that more than half of the ski resorts have introduced the same type of summer attractions has several implications. Late adopters copying summer parks may not have the same benefits as those who were early adopters. While first-time adopters were able to distinguish their resort from others, this advantage was eroded over time as more and more ski-lift operators copied existing summer parks. This raises the question of how the product can be altered beyond the theme. One suggestion would be to bundle the products into packages that include food, lift transport and entrance fees for paid attractions. Another suggestion would be to introduce different opening hours for the summer parks, such as longer hours or floodlit evenings to attract day trippers, or the use of environmentally friendly products to build the adventure-park attractions. Furthermore, as the importance of determinants differs for the two current park themes, more specific regional support measures are necessary. This could include the addition of new themes and more radical product innovations, even new-to-the-market innovations, if the number of resorts copying Alpine summer parks continues to increase. From an organizational perspective, this means that the members of the pass alliances would somehow be forced to cooperate to offer a wide range of products to visitors, which include not only tourists but also residents who use the summer parks in their leisure time (Schnitzer et al., 2018, Seidl & Schnitzer, 2020).

This study is not, however, entirely free of limitations. While it appears that late adopters, especially those at higher elevations, intentionally copied other adopters to keep up, we cannot make this claim with certainty. Future research should assess the decision-making steps within an organization to learn how decision makers negotiate the pursuit of similarity versus a unique market position. Furthermore, a study that examines internal firm performance rather than the competitive environment should be considered in future research. This could include, for example, information on the financial situation, investment volumes or shareholders of the ski-lift operators. Moreover, the effect of increased similarity of tourism products on the performance of providers has not been covered by our study and warrants future analysis. Finally, this study is limited to ski-lift operators in the Federal State of Tyrol reducing generalizability to other regions.

CRediT authorship contribution statement

1. What is the contribution to knowledge, theory, policy or practice offered by the paper?

Over time, in a competitive market, firms place need to adjust their position relative to others. The tourism industry is characterized by me-too and incremental innovations which result isomorphism; that is a decrease in distinctiveness among adopters. Tourism research has not yet addressed the concept of isomorphism. Our study fills this gap; specifically, we adopt innovation for the purpose of diversification. We find that firm size and collaboration are key drivers to adopt a me-too innovation, while the choice of a specific theme of the innovation is driven by size and collaboration for an adult theme and by location factor for a family theme.

2. How does the paper offer a social science perspective1/approach?

Institutional isomorphism is a core concept in institutional theories. Institutional theories argue that firms are social entities that not always behave rationally to external pressures much like humans. Hence, institutional isomorphism can be considered a social phenomenon. We employ isomorphism as the theoretical framing to investigate how organizations behave as social entities. In doing so we achieve a better understanding of firm behavior, specifically how the adoption of me-too innovations make

for more homogeneous offerings. Therefore, our work provides a social science perspective as it contributes to a better understanding of the role of organizations in society.

Declaration of competing interest

The authors declare that they have no known competing financial interests or personal relationships that could have appeared to influence the work reported in this paper.

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Appendix A. Robustness checks

Table A1
Log-rank test for equality of survivor functions.

Variable	DF	Chi square test statistic	p-Value
Resident pass alliance membership – two categories	chi^2 (1)	4.44	0.04
log Length of ski trails (kilometers) – four categories	chi^2 (3)	6.32	0.10
Age of the ski resort (years) – two categories young and old	chi^2 (1)	0.19	0.67
Presence of a neighboring ski areas within 15 km – two categories	chi^2 (1)	5.12	0.02
Distance to the nearest agglomeration (kilometers) – two categories short and long	chi^2 (1)	2.24	0.13
Maximum elevation of the ski-lift operator (meters) – four categories	chi^2 (3)	8.49	0.04

Notes: The table reports the Log-rank test for equality of survivor functions of the event opening an Alpine summer park. DF in parenthesis denotes degrees of freedom.

Table A2
Mean differences between ski-lift operators with and without Alpine summer park.

	Means/percentages		Test of equal means/Fisher exact test
	No park	With park	P-value
Resident pass alliance membership (per cent)	25.1	49.1	0.00 (Fisher)
Length of ski trails in kilometers (km)	65.6	95.8	0.05 (t-test)
Age of the ski-lift operator (years)	59.1	58.3	0.86 (t-test)
Presence of a neighboring operator within 15 kilometers (per cent)	78.6	86.0	0.20 (Fisher
Distance to the nearest agglomeration (kilometers)	71.7	67.2	0.55 (t-test)
Maximum elevation of the ski-lift operator (meters)	2249.7	2305.0	0.05 (t-test)
Summer season overnight stays, t-1	126861.3	138233.6	0.75 (t-test)
D ln Summer season overnight stays, t-1	0.6	1.1	0.79 (t-test)
Summer season occupancy (per cent), t-1	49.7	49.4	0.55 (Fisher)

Notes: Table reports mean for the two groups and a t-test of equal means of continuous variables and fisher exact test for dummy variables.

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Appendix B. Past performance results

Table B1
Determinants of opening an Alpine Summer park. Cox proportional hazard model: Robustness checks with past performance indicators.

Variables	(i)			(ii)			(iii)		
	Haz. ratio		z-stat	Haz. ratio		z-stat	Haz. ratio		z-stat
Resident pass alliance membership (per cent)	2.922	***	3.12	2.916	***	3.16	2.928	***	3.18
log Length of ski trails (kilometers)	2.115	***	3.58	2.114	***	3.60	2.142	***	3.69
log Age of the ski-lift operator (years)	0.141	**	−2.46	0.140	***	−2.78	0.157	**	−2.55
Presence of a neighboring operator within 15 kilometers (per cent)	0.601	**	−2.49	0.600	**	−2.58	0.610	**	−2.55
log Distance to the nearest agglomeration (kilometers)	1.369		0.79	1.369		0.76	1.294		0.67
log Maximum elevation of the ski-lift operator (meters)	0.315		−1.49	0.320		−1.48	0.409		−1.10
log Summer season overnight stays, t-1	0.992		−0.06						
D ln Summer season overnight stays, t-1				0.699		−0.15			
log Summer season occupancy (in percent), t-1							1.007		1.13
Number of ski resorts	98			98			98		
Number of ski resorts with first investments by type	59			59			59		
Number of observations	1177			1177			1177		
Log pseudo likelihood	−230.2			−230.2			−229.7		

Notes: Asterisks ***, ** and * denote significance 1, 5 and 10 per cent levels. Haz. Ratio means hazard ratio. Estimated by Maximum Likelihood with standard errors cluster-adjusted at the ski-lift operator level.

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