STRATEGIC NETWORKS AND ALLIANCES AMONG TOURISM MSMES: THE CASE OF DUBAI'S 'WANDER WITH'

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Abstract

The aim of this study is to discuss the role of networks and strategic alliances in the life of small enterprises working in tourism. This is done by presenting a case study that discusses the experience of Wander With, a micro-SME (MSME) that operates in Dubai's young, multinational tourism market. It investigates the criteria for an MSME to select partners and alliances, the challenges and risks an MSME faces while dealing with networks and alliances, the benefits an MSME obtains from networks and alliances, the extent to which the Dubai tourism market is connected with the global market, and the tools an MSME uses to become known and to generate business globally. Among the general findings of this study is that the main impetus for MSMEs to develop strategic alliances with other organizations is to marshal resources and to leverage mutual support. Cooperation among various MSMEs increases their innovation and profitability. Moreover, networking among diverse partners is essential to supply integrated tourist products and to provide optimum services to tourists. Finally, Dubai MSMEs have a low scalability potential due to the prevalence of high overhead structures, coupled with high existing capacity utilization levels. This case study fills a gap in the research about MSMEs in tourism in the Arab Gulf region, specifically about the role networks and alliances play in their business model.

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1. Introduction

The competitive tourism industry is filled with strategic players all vying for the limited attention of consumers. For any organization to build its strategic advantage, it must exploit its internal strengths, remedy its weaknesses, take advantage of its external opportunities, and employ a risk management approach to minimize its threats. While the organization may have the necessary skills and competencies for its internal affairs, it can only maximize its potential by networking with external organizations that can contribute their resources and expertise to co-create value.

The travel and tourist industry is no exception as it involves many actors who can work together to make such products and services accessible to the consumer. By its very nature, the tourism industry links various stakeholders, such as tourism businesses, tourists, airports, national tourism offices, transportation providers, attractions and other types of supporting organizations who are directly or indirectly involved in tourism. It also has strong links to other related industries. Tourism therefore is regarded as a network of interrelated organizations interacting to produce and to deliver a service (Van der Zee and Vanneste, 2015; Scott et al., 2008; Baggio, 2008).

Hence, the aim of this study is to fill a gap in the research about MSMEs in tourism in the Arab Gulf region and to highlight the power of collaborative advantage among partners to extend market access by presenting the experience of Wander With, an MSME that operates in one of the world's rising star destinations, Dubai, part of the United Arab Emirates (UAE), as a case study. Wander With is about curating tour experiences for the curious traveler. The experiences are designed to capture moments of culture, people, and authenticity and to be transformative to the traveler. Guests have the option of selecting from ready-to-go tours that follow preplanned routes and provide the opportunity to meet like-minded travelers, or customizing private experiences based on their interests and schedules. For Wander With, this has involved forging partnerships with companies in similar and in different industries such as related service providers such as hotels and travel websites and other unrelated MSMEs such as colleges and payment platforms. Using the case study methodology, this paper will examine the various players and alliances among tourism-related and non-tourism related SMEs that are imperative for success.

It will also attempt to answer the study questions, including what are the criteria for an MSME to select partners and alliances; what are the challenges and risks an MSME faces while dealing with partners and alliances; what are the benefits an MSME obtains from partners and alliances and how connected is the Dubai tourism market with the global market?

2. Literature Review

Academic research on tourism MSMEs' networks and alliances in the UAE -- including Dubai -- is in its first stages. The following literature review includes mainly international, and some regional and Dubai-specific general studies. Cooper et al (2005) state that SMEs "form the backbone of most tourism destinations." In Europe, for example, SMEs account for 90% of all tourism businesses and more than 94% are micro operators employing fewer than 10 individuals. SMEs "make a positive contribution to economic and social development at the destination, they encourage entrepreneurship, mobilize savings and boost regional development. However, they are regarded as 'an endangered species' as they struggle to compete with larger players" (Cooper et al., 2005).

Elaborating on the definition of SMEs, Elasrag (2012) mentions both quantitative and qualitative criteria. Quantitative criteria include (a) number of employees, (b) value of fixed assets and (c) turnover per enterprise. Qualitative measures tend to focus on characteristics of SMEs that are essential in their nature, including: (a) management and ownership are rarely separate, (b) control over business operations and decisions reside with one or two usually family members, (c) project's equity is not publicly traded, (d) personal security of the owners is required to secure loans and repayment, (e) the level and number of formal contractual relations are kept at a minimum level, and (f) personal objectives of the owners guide and influence business decisions directly.

Because Wander With is a micro enterprise, it is useful to ascertain how micro enterprises are defined. The European Union (EU), for example, defines a micro enterprise as one with a maximum of 10 employees. However, the OECD categorizes a micro enterprise as consisting of 1-4 employees. In the Arab World, the most common definition of MSMEs is based on employment (Elasrag, 2012). Elasrag (2012) argues that MSME contributions to employment creation, productivity, and income generation are underutilized in the Arab countries. Statistics show that SMEs represent 90% of total companies in the vast majority of economies worldwide and provide 40-80% of total job opportunities in addition to contributing largely to GDPs of many countries. In the UAE, SMEs account for about 94.3% of the economic projects in the country, employ about 62% of the workforce and contribute around 75% of the GDP of the state.

Dubai defines an MSME as "any enterprise which meets the thresholds of employee headcount and turnover as applicable to the industry group it belongs to (Trading/ Manufacturing / Services)." An enterprise is defined as "an entity engaged in an economic activity, with a legal form, i.e. registered as a business either with a commercial registry or with a freezone/ industrial zone authority". The MSME definition is therefore a combination of the employee headcount and turnover parameters. As part of this definition, a micro business in service industries, such as tourism, is any enterprise with less than or equal to 20 employees and a turnover of less than or equal to AED 3 million, equivalent to 716,520.00 Euros (The Definition of Micro, Small & Medium Enterprises (MSMEs) of Dubai, 2009).

Al Ansari et al. (2013) surveyed 200 SMEs in Dubai to identify their innovative characteristics. They observed that UAE SMEs (including Dubai) are characterized by centralized organizational structures, a short-term focus, high administrative intensity and top-down and formal communication. Their survey reveals that the drivers of innovations in Dubai's SMEs are management, customers, technology and employees. In addition, quality improvement, customer value added, strategic growth, and new business models represent main platforms of innovation. Innovation is influenced internally by organizational culture and externally by the nature of industry. Among the obstacles to SME innovation, the study singles out economic risks, capital resources, the market, lack of skilled labor, and the nature of legislation and regulation policies.

The Dubai Statistics Centre (DSC) estimates that SMEs in Dubai account for 95% of the total enterprise population in the emirate. Micro firms account for 72% of the overall business count in Dubai, followed by small and medium firms, accounting for 18% and 5% of SMEs, respectively. They employ 42% of Dubai's workforce and contribute 40% toDubai's GDP. The Mohammed Bin Rashid Establishment for SME Development (MBRES), on the other hand, estimates that 98.5% of Dubai's enterprises are SMEs, employing 61% of the total workforce of the emirate. As many as 200,000 UAE-based SMEs are currently providing over 85% of private sector jobs (Schilirò, 2015). The CEO of MBRES states that Dubai's "future economic policies must incorporate and integrate SME development policies." MBRES finances pilot projects – both small and medium enterprises – and provides technical expertise to support local entrepreneurs for local investors as a way to promote investment and encourage innovative ideas. Travel agencies and tour operators constitute less than 8% of SMEs in Dubai's service sector (The Definition of Micro, Small & Medium Enterprises (MSMEs) of Dubai, 2009). A report entitled 'The State of Small and Medium Enterprises (SMEs)' in Dubai (2015) describes the results of a study of Dubai MSMEs to ascertain their characteristics. The themes include:

1. Degree of international orientation
2. Prevalence of innovation
3. Level of IT adoption
4. Degree of human capital orientation
5. Degree of corporate governance
6. Level of access to finance
7. Scalability potential

The report reveals that SMEs were found to be highly oriented towards internationalization, but low in orientation towards innovation, corporate governance and scalability potential. Specifically, only 19% of SMEs have high scalability potential due to the prevalence of high overhead structures, coupled with high existing capacity utilization levels. In addition, a majority of SMEs (80%) had used their personal funds, including savings and/or equity as the primary source of finance to start their businesses. Only 23% of SMEs had accessed bank finance in the last five years. Regarding their level of IT adoption, half of the SMEs surveyed had a website and only 6% had online ordering capabilities compared to 31% of SMEs in New Zealand. Finally, service SMEs were found to be the most focused on training and development. Only 24% of these SMEs had a regular KPI-based performance evaluation approach ('The State of Small and Medium Enterprises (SMEs) in Dubai', 2015).

Dahms and Dubey's (2015) study of Internet adoption by SMEs investigated the extent to which SMEs in four emirates have adopted Internet technologies and the reasons behind it. Findings indicate that industry pressures and customer expectations are positively associated with Internet adoption by travel agents across the UAE. In addition, the authors noted that lack of local institutional support was found to be negatively associated with Internet adoption but had no effect on the perceived importance of Internet features. This, Dahms and Dubey explained, illustrates a typical predicament for enterprises in developing countries: they are exposed to stronger competition and to the increasing sophisticationof their customers but lack the means to satisfy this demand.

Zaidan (2017) investigated usage patterns of the Internet by Dubai travel agents (TA), which are mostly SMEs. The study found that the majority of TAs use the Internet for customizing services, attracting customers, communicating with customers, gaining access to global markets, providing TAs with information and procuring suppliers and competitors. Perceived benefits identified include establishing a reputation in the global markets, increasing sales and revenues, improving distribution channels, increasing competitive advantage and customizing services. Principal obstacles hindering e-commerce adoption were the high cost of e-commerce adoption, online security concerns, lack of skilled IT resources, customer readiness, and advice and support (Zaidan, 2017).

Networks and alliances present an important source of support for MSMEs by providing them and their businesses with a wide range of opportunities (Johannisson, 1986). Networks of connected private and public organizations can be regarded as stakeholders of the destinations (Baggio and Cooper, 2008). Since only a networked partnership between various stakeholders within tourism destinations allows for the delivery of an integrated product to tourists (Scoot et al., 2008). According to Braun (2002), networks, knowledge, and relationships have become vital assets to business success. Research indicates that network building is a major new source of competitive advantage. Businesses develop strategic alliances with other organizations to marshal resources and to leverage mutual support. Networking and business relationships ensure entrepreneurs' access to management capabilities, technology, customers, various distribution channels, suppliers, and other resources enabling the growth of a company. Therefore, cooperation among various MSMEs increases their innovation and profitability (Merenda et al., 1994).

Omerzel and Kregar (2015) cite Jarillo (1989) who argues that developing relationships with other organizations provides the new ventures with access to resources, which increases enterprise growth and enables SMEs to achieve higher flexibility. Due to resource collaboration through networking and formal and informal business relationships, SMEs may be successful despite their size (Human and Provan, 1996), which enables them to benefit from advantages resulting from access to many resources. Consequently, many SMEs are more flexible than their larger counterparts, since their managers are more in touch with their immediate environment than do managers from larger, well-established firms (Smeltzer and Fann, 1989).

The final tourism product is the result of a wide range of services and products provided by various complementary and competing stakeholders operating in the industry (McCabe et al., 2012). Tourists expect a smoothly organized service, which requires a high level of coordination and collaboration among different tourism players representing the tourism experience (Van der Zee and Go, 2013). Thus, the tourism industry is a complex environment in which networking among diverse partners seems essential to supply integrated tourist products and to provide optimum services to tourists.

Cooper et al. (2005) mention the benefits of SME clusters, a concept somewhat similar to networks and alliances. Benefits include information sharing, working together to boost power, marketing resources and research, lobbying authorities for their interests and using a rational and efficient distribution of activities at the destination. Often, the public sector is expected to coordinate such clusters.

Haryopratomo et al. (2011) believe that in order to allow foreign private sector companies to invest and import knowledge into the Dubai tourism cluster, the UAE's foreign investment rules must be changed to allow 100% foreign ownership in mainland areas. Also, the Dubai Department of Tourism and Commerce Marketing (DTCM) should encourage foreign tour operators to invest in setting up local operations in Dubai, allowing cluster companies to have a direct, local insight into customer preferences. Dubai's SME policy should be targeted at the tourism cluster to increase rivalry.

Collaborative Entrepreneurship (CE) between corporations and startups in Dubai is a new platform to "cultivate and encourage mutually beneficial business partnerships." Haddad et al. (2016) state that a growing number of corporations have recognized that collaborations with startups could potentially generate mutual commercial and strategic benefits. From innovation to cultural change, corporations are poised to work closely with startups to address business challenges and to innovate at a faster pace. Startups, in turn, recognize that corporate collaborations are key to their ability to grow and thrive. Working with the right corporate partners can provide startups with a platform to attain market credibility required to scale into new markets, gain access to resources such as funding and technology, and provide them with opportunities to acquire new clients.

Networks and alliances are at the core of the business strategy of the Dubai Department of Tourism and Commerce Marketing (DTCM). The DTCM has strategic alliance managers for its main inbound markets. Moreover, the DTCM chooses key players in the markets it targets to generate a bigger volume of visitors to Dubai. For example, the DTCM worked with Charson Advisory, "a long-standing and trusted partner that has provided DCTCM with in-depth marketing research, brand consultancy services and effective marketing strategies over the past 20 years." According to the DTCM, the successful partnership with Charson Advisory has resulted in a significant increase in visitors from India, considered as the principal source market for Dubai's inbound tourism (Dubai Tourism announces new strategic alliances for India market, 2018).

3. Methodology

This paper uses a mixed method of social science research. It uses the case study method described by several researchers, including Jennings (2010). It also uses the practitioner or action research method which may be defined as "the study of a social situation carried out by those involved in that situation in order to improve both their practice and the quality of their understanding" (Winter and Munn-Giddings, 2001). Practitioner research is characterised by a focus on research done by practitioners themselves, usually with a view to evaluation and improvement (Ellis, 2012).

This study is classified as a single, intrinsic, exploratory and explanatory case study, based on Jennings' (2010) typology of the case study research method in tourism. A case study is regarded as single when only one case is studied holistically, such as one tourism organization, one tour operator, one transportation company or one tourism event. Because this is a study of one tourism organization – Wander With – it is therefore a single case study. According to Jennings (2010), a case study is also classified as intrinsic when the case studied holds particular interest for the researcher, which in this case is the co-author of this paper.

Based on Yin's (2009) characterization of case studies as exploratory, Jennings (2010) describes such category as one where the researcher explores single or multiple cases of the phenomenon to discover uniqueness or characteristics, since no pre-existing empirical materials exist in the public area. This study is therefore deemed exploratory since it explores a single case of the phenomenon with the aim to discover uniqueness or characteristics, since no pre-existing studies exist in the public area about MSMEs alliances and networks in Dubai's tourism sector. Also, a case study is considered explanatory when it seeks to determine 'how and why' the single case operates as it does (Jennings, 2010).

The following steps were followed for the case study design and empirical material collection. First, the issue or research theme was identified. Second, the type of case to be used was determined and the case of a tourism micro establishment "Wander With" was selected as the case study. Third, a review of literature was conducted using library and online resources as well as reports published by various Dubai organizations such as the Mohammed bin Rashed Establishment for SME Development. Next, empirical material was collected using participant observation, interviewing 10 stakeholders, including representatives of companies and organizations that constitute the networks and alliances involved with "Wander With", such as the Dubai Department of Tourism and Commerce Marketing. A content analysis of company records was undertaken to identify information relevant to the study questions. Finally, the material collected was categorized and used to answer the research questions. Answers to these research questions are also based on the business experiences of the founder and Chief Operating Officer of Wander With, a licensed MSME that operates in the Dubai market since 2016.

Ethical considerations in the study design, data collection, analysis and reporting of findings were followed. Questions posed by Caplan and Caplan (1999) to determine the bias of researchers were applicable to this study. Reasons for conducting this research are stated as to contribute to the scientific knowledge available to tourism scholars, tourism industries and policy makers. The wording of research questions does not contain any overt or implicit bias by the researchers. The research design follows acceptable practice in tourism research and the social sciences in general. Data and empirical materials were interpreted objectively without any bias or agenda. All possible explanations of the findings are discussed in the paper.

Research Questions

1. What are the criteria for an MSME to select partners and alliances?
2. What are the challenges and risks an MSME faces while dealing with partners and alliances?
3. What are the benefits an MSME obtains from partners and alliances?
4. How connected is the Dubai tourism market with the global market? What are the tools an MSME uses to become known and generate business globally?

These research questions are based on, and are related to, theoretical propositions that are expressed in the literature review section of this paper.

4. Findings

Dubai's travel and tourism sector has gradually gained prominence on the world stage, with the emirate now ranking 4th on the world's most visited cities in Mastercard's Global Destination Cities Index (GDCI) (2018). According to Dubai Tourism, the authority empowered to govern Dubai's tourism industry, the vision is to position Dubai as the 'first choice' for the international leisure and business traveler (Dubai Tourism, 2018). Its objectives aim to promote Dubai as a go to destination for travelers, as well as a must re-visit destination. In 2017, the emirate welcomed 15.79 international guests and aims to attract 20 million visitors per year by 2020.
Such ambitious targets have been driven and influenced by government policies, various promotional campaigns, continuous infrastructure improvements, and the increased tourism products offered by the industry's participants. Many companies deal with offering travel packages including provision of airfare, accommodation, tours, and excursion services. Such services are offered by liaising with ground operators who are based locally in Dubai or the UAE, and who have the necessary skills and expertise to cater to the end users. Wander With provides such on the ground services which entail cultural experiences in the UAE.
Launched in Dubai in 2016, Wander With's initial partnerships were made directly with organizations in both the public and private sectors. Public sector involvement was crucial as it is a core component of the tourism industry. Many of the tourism products and services are contingent on the existence of public assets such as the natural and cultural environments. Hence, a key role that the public sector plays is the provision of the basic infrastructure, essential services, destination management, and licensing and training among other provisions.
The private sector is also vital as it entails companies which provide prod-

ucts, facilities and services such as booking agencies, payment providers, sights, attractions, hotels, restaurants, and other entities which offer synergistic strategic value. This sector ranges from large corporations to small family businesses. Hence, it warrants different partnership approaches.

Selection Criteria

Such partnerships were carefully chosen as per select criteria, including:
- Alignment with experience objectives
- Consistent high quality
- Low risk
- Reliable performance
- Integrity

Following selection, Wander With dealt directly with the potential partners to discuss strategic goals and to assess the ability to partner and produce mutual benefits. This was integral to launching such partnerships as it determines if there is 'chemistry' between the parties, ensures high quality provisions, and establishes channels of rapport, particularly considering the small size of the business, which was an area of concern for many. Thereby, establishing such direct alliances was crucial to assure relationship survival.

Challenges

1. *Licensing requirements for SMEs:* In order to legally be able to provide such tour experiences and services, Wander With needs to be a registered business with the Department of Economic Development (DED), as do all businesses in mainland Dubai. Registration entails several requirements including an office lease contract, recurring license fees, and lengthy visa procedures. The office lease contract is one which outlines the location, size, and rent agreement as it required that all businesses have a physical office space. This particular law in place curtails micro SMEs from launching their businesses as rent fees can be quite significant even for small spaces or in cheaper areas. Even when considering co-working spaces or flexi desks, the rent fees represent an opportunity cost which can be utilized to fund other business projects and initiatives that enable growth. Considering the industry and line of business, Wander With's tour experiences are considered 'mobile'. Such expenses add up to significant overheads which can impede and restrict growth in many ways. Therefore, policymakers should refrain from treating all companies in the same ways.
2. *Banking requirements and procedures:* While many banks in Dubai boast of offering SME specialist services and accounts, the reality is far from

what's advertised. To begin with, the estimated account opening time can range from 1 to 3 months' time, in contrast to the '3 days' listed on banks' websites. Souqalmal, a leading comparison website in the Middle East, provides users with an easy interface to compare financial and insurance products before committing and saying 'I do'. The website has a section dedicated to SMEs which provides users with a quick summary of the banks' details, requirements, and processing times. Of the 51 search results found for 'Bank Accounts for SMEs', 98% indicate that the approval time takes 1 to 3 days. A thorough research and in-person visits to several of the listed banks indicated otherwise as actual timings revealed were between the 1 to 3 months time due to 'verification and compliance mandatory checks'. Many of the bank officers are also not necessarily trained in the various types of business licenses; hence, the many conversations with staff were lengthy assurances of Wander With's sustainable business model and relatively smaller number of employees. Understandably, regulatory pressures on the banking industry may have led to more lengthy and stringent policies in place, particularly if financing is to be provided. However, for basic bank services such as account opening to provide customers with a legal and accessible way to transfer funds, the system is completely flawed and hurts entrepreneurs who are seeking simple and efficient banking methods.

3. *Accessibility and Collaborations:* In principal, micro SMEs and large corporations would very much benefit from working with each other. For the micro SME, such an alliance could fuel its growth, for example, by gaining access to market information and expertise which may have been previously inaccessible. For the corporation, such an alliance could potentially lead to successful innovation and experimentation at a relatively lower cost. In practice, seeking such commitment and dedication within large firms is difficult to achieve and maintain for the long-run, as such collaborations don't necessarily materialize in the immediate future. For Wander With, there was a common overarching tendency by potential partners and collaborators to demand high minimum targets and to squeeze margins to the point of extinction. This was particularly the case with well-established resellers who are the undisputed leaders in the market, and have established trust and confidence in their services. This tendrils of their influence have resulted in high commissions which they warrant as necessary for their significant marketing spends and for establishing such loyalty. Therefore, the importance of harnessing synergies in the tourism industry tends to be overridden by the tendency of corporations to maximize profits even when faced with the reality that quality inevitably suffers as a consequence.

Risks

1. *Lack of scope clarity:* Due to the relatively less tested nature of a startup's environment, the terms of the agreements with larger corporations are often broadly stated and leave room for ambiguity. As startups are still in the early stages of discovering the optimal processes, markets, and business model to run by, they are often found by corporations to be less organized. This is often counterintuitive to larger established businesses who are comparatively more defined in their ways; hence this results in asymmetry in the relationship. This can be a huge risk for the startup if there is no culture of tolerance in the corporation and if there are no clear definitions of progress. This can also lead to a waste of the startup's already minimal resources if it proves to be a fruitless collaboration. As results can be difficult to predict, strategies and operational plans should be defined and detailed to the extent possible. Frequent enough meetings or updates should be shared between the corporation and startup to avoid any surprises and to manage expectations; however, keeping mind that results often take time to materialize.
2. *Dependency and imbalance of power:* Due to a startup's minimal resources and urgency to find revenue, it can often rely heavily on the corporation as the limited time factor tends to weigh in. This can negatively affect startups if corporations deal with them in the same way that they do other corporations. According to a report co-authored by executives from Expo 2020 and Wamda titled 'Collaborative Entrepreneurship - The state of corporate-startup engagement in MENA', some of the greatest risks that startups are exposed to in the region are long sales and payment cycles. Underestimating these cycles is what could potentially lay the startup to rest, as its success or failure is determined by its cash flow management. One way to eliminate this reliance on corporations is to diversify the consumer base as rapidly as possible (Amir Farha, BECO Capital). By successfully validating the product or service with a wider consumer base, this in turn reduces the corporation's risk and "fear of failure." It also ultimately reduces the startup's reliance on the corporation and the common tendency to be ignored due to the imbalance of power. As the tourism industry in the UAE is quite seasonal with most visitors arriving between November and March, these relationships have had to be managed tactfully to ensure business continuity throughout the year, or until the next season. They also inevitably carry the burden of a high risk of dependency on one another, as each stakeholder focuses on their core strengths and relies on the other to complement its offerings.
3. *Losing the startup spirit:* Big corporations which have access to many resources tend to offer multiple products and cater to the masses. Such

diversification in services offers customers the convenience of a one-stop-shop, boosting sales. The wealth of resources and reliability of varied offerings in turn creates a barrier to entry for competitors and allows the company to thrive. Startups are somewhere on the opposite end of the spectrum. To begin with, they have fewer resources and so their best strategy is to find a niche product or service that they can provide 100x better than others. This 'focus' allows startups to share a narrative with consumers that resonates with them and can then potentially be viral. However, with corporate expectations, tedious approvals, and snowballing costs with no revenues in near sight, startups run the risk of losing the spirit which inspired them from the get-go. They may find themselves caving to less than desirable terms and lured by more reliable revenue streams that are more 'corporate' than they are 'creative'. Therefore, it is imperative that creative culture is embedded into the partnerships and is fostered to allow the startups to grow as they would in a utopian scenario where such reliance does not hinder its innovative spirit.

Benefits

While each may have its own priorities, business models, and targets, both startups and large corporations want to grow sustainable businesses. Successful alliances have been often built due to their congruent agendas.

1. *Access to markets / Distribution:* Startups realistically have limited distribution channels that they can access, hindered often by their smaller sizes, high costs, and limited accessibility. A key success factor is being able to increase their reach to a wider audience which they can do by gaining access to distribution networks. For Wander With, selling the tour experiences online via the website was a necessary starting point which allowed direct sales, thereby incurring minimal costs. However, without an established reputation at its launch as well as sufficient SEO to direct potential customers to the sales page, the company had to enlist the support of larger corporations with such established connections. Therefore, websites such as Viator, GetYourGuide and similar others were contacted to liaise with. Despite lengthy approval processes and steep commissions, such partnerships have enabled the business to cast a much wider net and to capitalize on the existing reputations of these trusted brands; thereby, increasing sales.
2. *Credibility:* Corporate partnerships definitely provide a huge boost to a startup's credibility. Startups often rely on such associations to open doors which would have been previously slammed shut due to lack of references or unproven products. While it doesn't guarantee complete confidence or signed contracts every time, it does give startups an extra '30 seconds in the room' to pitch their services and to potentially sway

the potential partner. Using the already trusted infrastructure of an established corporate has proven to be successful in the case of Wander With. TripAdvisor, which claims to be the world's largest travel site, is a perfect example of how conversions can be made using the established reputation of a larger corporation. When launched, TripAdvisor's core business was providing user-generated reviews and ratings for travelers about destinations around the world, which grew to become very successful. Consumers used the platform to research and read others' opinions on hotels, attractions and services, even if written by absolute strangers. A 2017 study of consumers' path to purchase concluded that 60% of purchases visit TripAdvisor seeking unbiased guidance (Majority of Global Online Travel Buyers Visit TripAdvisor before Booking a Hotel or Flight, 2018). Therefore, TripAdvisor's acquisition of Viator, a resource for booking destination activities around the world, has allowed the corporation to capitalize on the network effect it has created and to monetize it. TripAdvisor now provides travelers with a one-stop-shop solution for all things travel related. Readers are encouraged to book directly through TripAdvisor who they know and trust, and are even offered incentives such as discounts to do so. Such gateways allow startups like Wander With to leverage faster routes internationally particularly to harder-to-convince markets, albeit at a cost (TripAdvisor Enters Into Agreement to Acquire Viator, 2014). The online world now plays a crucial role in the traveler's decision-making process. In a market flooded with information, travelers now have the necessary tools and voice to engage with vendors through social media platforms. This can be highly advantageous for the traveler as it allows for greater transparency, provides visual aids, and facilitates relatively quicker dialogue with vendors. In turn, vendors now also have greater visibility when utilizing the appropriate social media channels that their niche markets participate actively in. They can therefore capitalize on the global trend of using relevant social media channels to develop valuable content that achieves desired results. For Wander With, utilizing platforms such as Instagram, Facebook, and Twitter has proven to be integral to marketing the brand and has helped connect with potential travelers and partners, media, and other stakeholders.

3. *Access to resources:* One of the biggest roadblocks that a startup will inevitably have is limited resources. Decisions will have to be made judiciously and initiatives prioritized based on such limitations, which may impede the startups' ability to scale their proof of concept. Therefore, strategic partnerships between startups and larger corporations, once established, grant access for both parties to a realm of opportunity and resources mostly due to the latter's deeper pockets. This access deepens the knowledge necessary for a startup to build the business and

may potentially also help avoid setbacks. Tangible resources include research, data, tools, materials, funding and technology among others. It is worth highlighting that not all resources – funding aside – may appear handy at first due to what may appear to be 'different interests or ways of doing business' but sharing processes can truly be eye opening and later leveraged. Intangible resources include industry knowledge, guidance, expert opinions, mentorship and relationships. Although such alliances are rarely seamless, a collaborative ecosystem provides access to such resources which are invaluable as they may open the door to other stakeholders.

5. Conclusion

This case study has sought to contribute to the academic literature about the MSMEs in tourism, specifically about the role networks and alliances play in their business model. Answers to the study's research questions have captured the inherent need by an MSME to establish criteria to select partners and alliances in order to discover compatibility. Wander With, a successful MSME in Dubai, forged alliances with public and private entities that were carefully chosen as per select criteria. These included alignment with experience objectives, consistent high quality of delivery, low risk, reliable performance and integrity. Establishing such relationships can be complex as they often come with baggage. There are many challenges and risks that an MSME can potentially face while dealing with partners and alliances, many of which arise when confronted with reality and unanticipated hurdles. Challenges encountered by this MSME included challenging and costly licensing requirements which apply to similar SMEs, banking requirements and procedures and accessibility and collaborations. Risks identified included the lack of scope clarity, dependency and imbalance of power and the prospect of losing the startup spirit. However, relationships with partners and alliances that do blossom yield benefits as well which may open new doors and allow parties involved to capitalize on opportunities.

The benefits of association with alliances and networks for Wander With included access to markets/distribution, credibility and access to resources. Tangible resources include research, data, tools, materials, funding and technology among others. Intangible resources include industry knowledge, guidance, expert opinions, mentorship and relationships. As the travel industry has become more interconnected and collaborative, Dubai's tourism market is seen to connect with and contribute to the development of the global travel industry as it is of mutual interest. MSMEs are hence able to make the most of such a contribution by collaborating with giant global players and bridging the resource gaps. A case in point is the online travel site TripAdvisor, which allows MSMEs like Wander With to leverage faster routes internationally by bridging the branding and marketing gap. Viator, a TripAdvisor asset, is another growing source of business for Wander With, despite its negative effect on profit margins. For Wander With, utilizing platforms such as Instagram, Facebook, and Twitter has proven to be integral to marketing the brand and has helped connect with potential travelers and partners, media, and other stakeholders.

Based on this case study, the following assumptions that were developed from the literature review were found to be accurate. First, the main impetus for MSMEs to develop strategic alliances with other organizations is to marshal resources and to leverage mutual support. Second, cooperation among various MSMEs increases their innovation and profitability. Third, networking among diverse partners is essential to supply integrated tourist products and provide optimum services to tourists. Fourth, Dubai MSMEs have a low scalability potential due to the prevalence of high overhead structures, coupled with high existing capacity utilization levels.

Consequently, businesses can thrive or wither in part because of their ability to manage and to nurture interpersonal relationships with those in their business environment or ecosystem. MSMEs should understand the web of relations surrounding their business and develop a strategy for dealing with stakeholders, in sickness and in health. To deal with stakeholder issues, it is crucial for management to build and to develop skills in negotiation and in conflict resolution. Such skills are often imperative so that partners then value their own resources and importantly, the resources the others bring to the table. In other words, the relationship is seen as fostering mutual benefits as opposed to being one-sided and encourages appreciation vs. resentment. Management should also ensure that partnerships are adjusted for reality and circumstances. Nurturing such skills is thereby essential to effectively managing networks and alliances.

6. Implications for Future Research

There is a clear need for more research about MSMEs in tourism, especially on the role networks and alliances play in their business model. With the growth of MSMEs in the Arab Gulf region in general, and in the UAE and Dubai in particular, more studies should investigate whether the working conditions for these micro and small enterprises that constitute a growing share of the tourism market are similar or different, and whether they constitute one model or different business models with unique characteristics. As Dubai and other Gulf states in general view a future where micro and small businesses play a bigger role in the tourism industry, researchers are invited to identify success and failure factors and how networks and alliances can be strengthened to support these expanding enterprises. By understanding how MSMEs in tourism work and how networks and alliances contribute to their success, we begin to build current knowledge that will help scholars build a general theory about the factors contributing to the success and competitiveness of MSMEs in tourism.

7. Study Limitations

By their nature, single case studies are limited, and researchers are not able to generalize their findings to other cases. Also, case studies tend to be more subjective than objective (Jennings, 2010). However, this study has provided a unique glimpse into the world of a successful micro SME in a competitive tourism setting. In addition, any similar study can only account for the period studied. To describe clear patterns, a study should ideally cover a longer period of MSME development. Admittedly, the lack of research in this area in the Gulf region has limited the study's foundations.

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