

## Where is the real craic? A resource-based view of authenticity in Irish pubs

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### Keywords

Themed pubs, competitive advantage, entrepreneurs, RBV, Irish pubs

### Abstract

*A relatively recent phenomenon in the retail hospitality industry is themed restaurants. Competition in the industry has always been very intense, with low barriers to entry and fragmentation helping to drive competitive behaviour. This paper uses the Irish Pub in the U.S. as a focal point for examining the concept of competitive advantage from the resource-based view of the firm. The Irish Pub theme offers entrepreneurs a heterogeneous method to compete in a somewhat homogeneous industry. In some areas, using the theme seems to be a valid strategy for gaining advantage. Discussion of how, and management implications are offered.*

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### Introduction

A marketing phenomenon which has been growing over the past few decades has been the utilisation of “themes” to market a variety of different products including food, entertainment and recreation. Examples of this would include Euro Disney (Le Parc Disney), Outback Steakhouse and Hard Rock Café, where themes are used to attract customers who might otherwise choose a competitor. Whilst some have decried the “themization” occurring globally (Brown and Patterson, 2000), from a marketing standpoint it appears to be a solid strategy. The reliance on experiential and entertainment retailing is increasingly important in a crowded marketplace (Gottdiener, 1997; Schmitt, 1999). But does the use of a theme of any sort to differentiate a business, really provide a competitive advantage? If so, what components of a themed establishment offer advantages over the competition?

One type of themed business which has seen increased growth in the past decade has been the pub or bar (Walkup, 1997; Brown and Patterson, 2000). In the United States the leading type of theme is the “sports” bar. In other countries however, this is not the case. For example, in 1997, nearly 75% of all themed pubs and bars in the U.K. used a country (e.g. Australian, Irish, etc.) theme (Mintel, 1997). One such country-themed establishment which has received much attention in the literature lately has been the “Irish pub” (e.g. Brown and Patterson, 2000; Lego, et al., 2001; Patterson and Brown, 2007). In studies of theme marketing, the general finding seems to be that perceived authenticity is the key to consumer acceptance (Lu and Fine, 1995; Costa and Bamossy, 2001; Lego, et al., 2001). But since authenticity is in the “eye of the beholder,” (Shaw and Williams, 1994), its strategic value to a firm is not easily understood. Brown and Patterson (2000) note (quite correctly) that the concept of theme pubs has been disregarded by academic researchers in the business disciplines.

Though empirical data on the number of country-themed pubs existing in the U.S. is not easily found, anecdotal evidence points to a much smaller percentage than that of the U.K., as reported by Mintel (1997). Thus there appears to be a distinct opportunity in the U.S. in establishing country-themed pubs and bars. Guinness Breweries’ “Irish Pub Concept” (IPC), is one of the companies seeking to take advantage of this gap in the U.S. marketplace. Through its IPC website it markets itself as a company

which will help would-be entrepreneurs open an Irish Pub, with “all the benefits of a franchise without the downside” (Irishconcept.com, 2007 Welcome). Implied and overtly stated throughout the IPC website is the concept that authenticity will lead to success.

*“Aren't there more Irish pubs than that (referring to all 1800 IPC pubs opened in 53 countries since 1992) in the U.S. alone? The answer is no. Although there regular Irish bars dotting the U.S. landscape, none of them transport genuine Irish culture, surroundings and standards like the true Irish pubs of today.”*  
*(Irishconcept.com 2007 “why...”)*

Thus deciding whether to establish an authentic Irish pub becomes a strategy decision for an entrepreneur, just as deciding whether to invest in a franchised restaurant or open independently is a strategic choice. This decision has been empirically studied (cf. Withane, 1991; Kalnins and Mayer, 2004) with mixed results, despite the generally held belief that franchises fail less frequently than independents. IPC is invoking the concept of franchising (and implying McDonald-like success rates) to promote the creation of Irish Pubs. Authenticity in this case is claimed to be THE distinct competitive advantage. As Thompson (2001, pg. 1) puts it, “...Irishness has cachet.”

Although much of the work on authenticity as a strategic marketing component has focused on questions of its creation (i.e., how does a firm convey authenticity) or its perception by consumers (i.e., idealized or actual), no one seems to have considered the more salient issue. Namely, from a strategy viewpoint does authenticity help to create a competitive advantage for the firm? Utilising the resource-based view of the firm (RBV), this paper seeks to discuss the advantages which an entrepreneur might gain from employing an authentic country theme in creating a new venture. Specifically the Irish Pub will be used as the focal point to consider the concept of *sustainable* competitive advantage. RBV has been characterised as a theory of advantage sustainability (Peteraf, 1993; Priem and Butler, 2001), and thus is a solid framework from which to study this question. Thus the current research begins to address Brown and Patterson’s (2000) call for more scholarly work on this phenomenon.

It should be stressed initially that this paper does not seek to delve deeply into what constitutes authenticity, nor to define it other than what others have done before. Further than the recent interest in theme and specifically Irish pubs, interest in Irish culture in general has greatly accelerated in the past two decades (Thompson, 2001). The journal Cultural Studies devoted a special issue to the topic of Irishness and Irish culture. For example Graham (2001) discusses in depth, the concept of authenticity and Irish culture. He specifically posits that a definition of “authentic” in Irish culture is key to any assertion of value. The current paper takes the position that “authentic” is inherent in the five key success factors which will be discussed further on in the text. Neither does the author attempt to define what “Irishness” is or means. This is not salient to the question of whether from a RBV perspective “authenticity” as defined by IPC provides a sustainable competitive advantage.

A short discussion on the “Irish Pub” is provided to familiarize the reader with the overall concept driving the proliferation of these pubs globally. Included within that discussion are “critical success factors” put forth by one of the key corporate players in this growth, Guinness Brewing PLC. Then a brief review of the extant literature as it applies to authenticity and RBV will be provided. Following that, a discussion of each of the so-called critical success factors for Irish Pubs will be discussed in terms of the constructs of RBV. Finally, a few managerial implications and suggestions for future research will be offered.

## **The Irish Pub Concept**

Why Irish pubs? Indeed, that is the question posed on Guinness Brewery’s “Irish Pub Concept” webpage (Irishconcept.com, 2007). If the webpage is correct, the answer is, because it is good business.

*"In a crowded market of pubs, microbreweries, bars and restaurants, the Irish Pub Concept cuts through the clutter and boasts a 99 percent success rate since arriving in the U.S. in 1996."  
(Irishconcept.com, 2007 "why")*

The "Irish Pub Concept" (IPC) is a marketing tool developed by Guinness in 1992 in response to flat sales of its products in the U.K. and Ireland (Koerner, 1997). Whilst not an actual franchising relationship, IPC helps would-be pub owners build and open an "authentic" Irish pub anywhere in the world. The authentic parts of the pub which IPC helps the business owner to obtain include the entire interior of the pub, food recipes and even links to Irish ex-patriates in the pub's market area (Pub Games, 1995; Walkup, 1997). For the interiors of the pubs, often everything from the furniture, bar and stools to the floor and wall hangings are built and shipped directly from Ireland (Walkup, 1997). Due to U.S. "Tied-house" laws, brewers are not allowed to own stores, bars or restaurants which sell alcohol. But though Guinness has no direct or indirect ownership in any of these pubs, it benefits from an additional institutional customer each time a new pub opens. After all what is an Irish Pub without Irish beer?

Guinness' IPC website offers what it calls "critical success factors" to achieve the previously noted success rates (Irishpubconcept.com, 2007). These factors are: location, Irish staff, Irish music, Irish food and drink, Irish pub design, sound management and positive environment. Factors such as location, management and environment are ones which would impact any company, and are not the focus of this paper. Thus those which seem to be unique success factors to an Irish Pub are: staff, music, food, drink and design. These factors combined will provide an Irish Pub with "craic," and thus lead to success.<sup>1</sup>

As portrayed by IPC, each of these factors must be "Irish" to lead to success. The "Irish" as portrayed here can be considered as an ethnic trait. Negra (2001) saw the

1. Craic (pronounced crack), meant here to refer to fun or enjoyment, in a music and/or drinking environment.

advertisement of U.S. products using an Irish theme (e.g. Lucky Charms, Irish Spring soap) as conveying an availability of Irish ethnicity. Consuming those products equated to consuming Irishness itself. Similarly, conveying these supposed authentic characteristics of a pub helps portray Irishness as an available ethnicity: consumption of the food, music, beer etc. somehow implies the consumption of Irishness itself. But each characteristic also implies that authenticity equates with originality to some extent. Graham (2001) argues that authenticity and origin have some sort of vague relationship. In other words, relying on something's authenticity means to rely on its antiquity according to Graham. Thus an Irish pub waiter named Connor Sweeney is authentic only to the extent that he carries an Irish brogue from the old country. Likewise, featuring the music of U2 (a rock band of Irish origin) would not be seen as authentic in this strategy, as their music is new, not old. Arguably each of these factors falls under the concept of authenticity. Therefore a discussion of authenticity as it applies to consumerism follows.

## **Authenticity**

Often the concept of authenticity is connected in some way to something other than what we as consumers, consume in everyday life. For example, although we might prepare food from a recipe handed down from generation to generation, we don't usually think of the food as "authentic." In fact what might actually make it authentic are the tools and implements used by earlier generations (e.g., woodstoves, iron skillets, etc.), which the average Western consumer no longer uses. Along these lines, the notions of authenticity are often attached to ideas of underdeveloped societies (Cohen, 1988). Negra (2001) shows a similar effort in advertising which seeks to downplay or hide Ireland's industrial production and modernization in favor of portrayals as a pastoral refuge. Likewise the notion of an authentic Irish Pub is likely tied to a time when Ireland was less developed; where farmers and townsfolk gathered for a pint and a game of darts. This contrast sharply with today's restaurants and bars in the United States (for example), with their modern furniture, carpeted floors and updated décor.

Authenticity is socially constructed and linked to consumers' expectations (Lu and Fine, 1995). Consumers have a perception of what authenticity in a product or service should be. To meet that expectation in something other than the original requires a type of staged authenticity (MacCannell, 1973). Here MacCannell was referring to the desire of tourists in underdeveloped countries to see natives as they *really* lived. But this search for authenticity has also been offered as an explanation for Americans' interests in ethnic foods (Shelton, 1990). These notions support the idea of tangible authenticity (Lu and Fine, 1995). Santos (2004) finds that authenticity is an important criterion for travellers when reviewing travel articles whilst making vacation plans. Wang (2000), in discussing tourist behaviour, posited that tourists seek to confirm their impressions and interpretations of authenticity, helping to explain how authenticity might still be experienced within mass tourism. Thus if a similar impression or expectation about the authenticity of a destination, product, service etc., is held by a large number of consumers, mass replication of that object/concept is possible whilst still maintaining an air of authenticity.

### Resource Based Theory

The resource-based view of the firm has been referred to as one of the most influential frameworks for understanding strategic management (Barney, Wright & Ketchen 2001; Peng 2001). The seminal article on RBV is considered to be Wernerfelt's 1984 work. Since that time it has been cited, along with Barney (1991), more than any other work in the management literature and is used by most authors to explain competitive advantage. Sustained competitive advantage comes from a firm's resources and capabilities that include management skills, organizational processes and skills, information and knowledge (Barney 1991). Peteraf (1993) states that there are four conditions that underlie *sustainable* competitive advantages. These are: heterogeneous resources within an industry; *ex ante* and *ex post* limits to competition; and imperfect resource mobility. Each of these extends from the resource-based view that a firm's resources which are distinctive or superior relative to its rivals may become the basis for competitive advantage if they are utilized in the appropriate environmental opportunities (Andrews, 1971; Thompson and Strickland, 1990).

### Key Concepts:

**Heterogeneity-** This concept implies that firms in an industry compete, but with varying capabilities (resources). Firms with marginal capabilities will only breakeven, while those with superior resources will earn profits.

**Ex ante limits to competition for resources-** Prior to establishing a superior resource position, there must be limited competition for that resource or position. Profits come from *ex ante* uncertainty.

**Ex post limits to competition for resources-** Competitive advantage can only be sustained if heterogeneity is preserved. *Ex post* limits are those that are in place to push down any competitive attacks after entry into the marketplace. The two main strategies to this are: imperfect imitability (making it difficult to imitate the superior resource), and imperfect substitutability (making it difficult for an inferior resource to be substituted for a superior one).

**Imperfect mobility-** Resources are perfectly immobile if they cannot be traded. Resources that are imperfectly mobile are those that can be traded, but would be of less value to an outside firm, than to the one that currently employs them.

### RBV and Authenticity in Irish Pubs

Following Peteraf (1993) we can examine each of the "success factors" attributed to Irish Pubs which use the IPC (Irishpubconcept.com, 2007) within the scope of the four criteria for sustained competitive advantage. Although Peteraf argues that all four of the criteria must be met in order for competitive advantage to be sustainable, it is clear that these are not dichotomous variables. For example a resource is not necessarily either heterogeneous or homogeneous, but rather it takes on

some value along a continuum. A resource which is completely homogeneous compared to competitors' would be an inferior resource, whilst a completely heterogeneous one would be a superior resource. Along the continuum, a resource becomes more valuable (and thus more superior) the more heterogeneous it is compared to the competition. Therefore we can consider that for each of the four criteria put forth by Peteraf (1993), the superiority of the resource is based on the extent to which it fulfils each.

There has been little work in this area as has been previously stated. Consequently we rely on the scant literature informing this topic. It is clear from research in the tourism area that authenticity is an important aspect for many consumers (Cederholm, 2004; Santos, 2004). The few empirical studies on themed pubs and entertainment establishments reveal similar findings for the importance of authenticity to success (Lu and Fine, 1995; Costa and Bamossy, 2001; Groves, Solomon and Quality, 2001; Legos, et al., 2001). For the Irish Pub outside of Ireland, the portrayal of authenticity is produced via several factors which help to infuse the ethnicity of "Irishness" into the establishment. According to Guinness and other similar companies, these methods include: pub staff, music, food, drink and design all must be "Irish" in order to have the most authentic Irish Pub experience. Guinness (via IPC) calls these factors critical success factors (irshipubconcept.com, 2007). The implication by Guinness is that the more "Irish" each of these factors are, the more successful the business. But from a RBV analysis, can these factors meet the four criteria proposed by Peteraf (1993) to gain a sustained advantage?

As previously noted, we will not address the three other success factors listed on its site: location, sound management and positive environment. These three factors would be the same for any business regardless of industry. We address the four which are unique to the Irish Pub Concept, which deal directly with authenticity through the establishment of ethnicity.. For example, one might posit that to the extent that a pub has a good wait staff it will be more successful. This should apply to any pub which uses good customer service as part of its marketing mix. But for an average pub, one would not posit that to the extent that its staff is "more French" it will be more successful. Clearly the implication is that these four criteria are based on a level of Irishness as a strategy to convey authenticity. Therefore we address each of the four within the RBV framework of Peteraf (1993).

Heterogeneity- Since those firms which have only marginal resources will only break even, the extent to which the Irish Pub is seen as authentic would satisfy the criterion of heterogeneity in most trading areas. Clearly each of the four success factors would be unique compared to other pubs and bars. An Irish staff, food, music and design are ones which are unique and would separate the Irish pub from its competitors. The only criterion which would likely not be as heterogeneous as the others is drink. Other pubs may also serve Guinness, Harp, Murphy's etc. (all Irish beers) as part of their regular assortment. But certainly these beers are not as popular in America as domestic beers (e.g., Budweiser, Coors, Miller, Molson, etc.), and thus would not be a commonly served beer at most bars and pubs. **RBV Score:** Irish Pubs which fulfill the critical success factors would achieve a high level of heterogeneity.

*Ex ante limits to competition for resources*- It is likely that in trading areas where a new Irish Pub is opened would not have a great amount of competition for the factors which make a successful pub. Irish food such as shepherd's pie, kidney pie, steak and kidney pudding etc. are not staples on the American bar menu. As noted previously, Irish beers are served by some non-Irish pubs. But these tend to be more expensive than domestics, leaving only more high-end bars and restaurants serving a limited range of such beverages. Local Irish pubs already in existence would likely not have the same level of "authenticism" in design (Walkup, 1997) as the newer Concept pubs. The cost of redesigning and remodelling an existing bar would likely be prohibitive, thus placing a certain level of limit on competition for building such a pub.

However when we look at the final two factors of Irish music and staff, we have a different situation. In order for a resource to be superior, there must be limited competition for the resource. In the case of Irish music and staff, there is a limited pool of each of these, regardless of the trading area.

The U.S. census shows that only about 10% of the population of the country's population identify as being of Irish descent. Arguably this is the pool from which one might find musicians who play Irish music (though not necessarily exclusively). Many bars and pubs in the U.S. feature live music to attract customers. Some offer different genres of music each week to provide variety, and often this includes Irish music. Consequently competition already exists for this resource (or portion of the authenticity resource), which will push up costs and drive down profits.

In the case of prospective Irish staff, the picture is even bleaker. If we agree for the sake of this study, that the measure of Irishness for pub staff is their accent (or brogue), then the pool from which this resource must be pulled is relatively small. Over the past decade the Irish economy has been growing rapidly (About Ireland, 2007), keeping even more of its people in the home market. This means that even if there is no direct competition for Irish staff in the trading area (i.e., from other bars and restaurants), there is indirect competition from better opportunity for Irish domestically. As with Irish music, competition for the resource of staff already exists and will drive up required wages which pushes down profits. **RBV Score:** Despite the *ex ante* limits on competition for Irish food and pub design, there is moderate direct competition in place already for Irish drink and music, and high indirect competition for Irish staff. Therefore profits for Irish Pubs which adhere to each of the success factors should be slightly depressed due to lack of *ex ante* limits to competition.

*Ex post limits to competition for resources-* As with any firm, attempts are made to prevent competitors from eroding market share and thus profits. To maintain a resource's superiority a firm must maintain its heterogeneity. This can be done by making the resource difficult to imitate or substitute. From a legal standpoint, trademarks and patents serve the purpose of limits. But for a pub owner, this is an unlikely scenario. So the Irish pub owner must in some other manner, try to prevent imitation or substitution of key resources. In the case of each of the success factors which make up an authentic Irish pub, all can be imitated though likely not substituted for. Substituting would be exemplified by a competitor substituting British staff, food, music, drink and design for the Irish pub. If consumers perceived the British pub just the same as Irish pub, then the British pub would be a substitute for the Irish pub and erode the Irish pub's ability to earn profits.

A much more likely blow to the Irish pub's *ex post* limits to competition for its resources would be an imitator. An imitator would try to duplicate the authenticity of the Irish pub in some or all of the critical factors. The better it was at imitation, the more erosion on profits would be seen by the original firm. Of course, the very act of imitating would make the resources more homogeneous in general, and erode the profits of both the originator and the imitator. **RBV Score:** There is little to prevent a competitor from entering the trading area and imitating the original Irish pub. If this happens, the originator must use other means by which to maintain heterogeneity in staff, food, drink, music and design, or risk losing profits. However, in the absence of imitators, *ex post* limits can be maintained, as suitable substitutes for authentic Irishness are unlikely and resources retain their heterogeneity.

*Imperfect mobility-* Resources which lose all or most of their value when used by another firm are said to be immobile to some extent. Nearly all of the factors which make up the authenticity resource for Irish pubs would be considered immobile to a great extent. The value of Irish staff and pub design are lost on a non-Irish pub or bar. An Irish waitperson in a regular bar is just a waitperson with an accent; Irish murals and paraphernalia would likely seem out of place at a typical American sports bar. Irish food on a non-Irish pub menu would likely serve the purpose of offering some variety, as would the occasional evening of Irish music. But neither would serve the same purpose as in the Irish pub: setting a theme and engendering a level of authenticity. Thus the value of the resource would be greatly diminished, making it less likely that the resource would be traded in the first place.

The mobility danger for the Irish pub lies in the threat of competitors in the form of imitators. Each of the critical success factors is tradable to a much greater extent, if the competitor is also an Irish pub. In this case the three factors which are at the greatest risk are Irish staff, music and design. Each

would potentially have equal value to the competitor, and as a result the competitor would be using sound strategy to try and lure those resources to his/her firm. In the case of the staff, the value to the competitor might even be greater than for the original pub. If the competitor indeed uses a similar (if not exact) concept, then the skills learned by the staff would likely be easily transferable to the competitor. The competitor would derive greater value as the tacit knowledge brought with the staff would mean lower training costs, and earlier return on investment (of wages). **RBV Score:** Most of the factors making up authenticity are perfectly or near perfectly immobile when considering the typical bar, pub or tavern in America. The authenticity imparted by Irish staff, food, music, drink and design are lost on establishments which are not Irish. But when considering a competitor which is an imitator or in the same space, all of these factors begin to approach perfect mobility (i.e. they can be traded to another and not lose their value). So whether or not the Irish pub's resources meet this criterion depends on the type of competitor.

### Discussion and Implications

The theme pub or bar has seen high levels of growth world-wide over the past few decades, and is in an industry segment (hospitality) which has received a large amount of interest by academic researchers. But the theme pub/bar has been largely ignored as a focal point for scholarly research endeavours (Brown and Patterson, 2000). From a competitive advantage framework however, it may be a gold mine. The theme pub exists in a highly fragmented and competitive industry segment in the U.S. Barriers to entry are low, other than liquor licensing. Capital requirements are relatively low, insuring a constant influx of entrants and competition. This sort of fragmented industry should mean that profits are difficult to achieve long-term, and success rates should be low. Indeed the failure rate for bars and pubs within year one has been pegged as high as 80% (Irishpubconcept.com, 2007). Therefore if Irish pubs which utilise the IPC method really have a 90%+ success rate, it is abnormal and these firms are likely earning abnormally high profits.

To explore what makes these firms superior in their industry space, RBV was used as a framework. Based on the small amount of extant literature in this area, it was posited that the key resource for Irish pubs is authenticity. The construct of authenticity in terms of Irish pubs was further seen as being comprised of factors put forth by IPC (Irishpubconcept.com, 2007). These were Irish food, staff, drink, music and design, and are proposed here to be measures which reflect Irish ethnicity. Using Peteraf's (1993) four criteria for sustained competition advantage, the concept of authenticity was explored by disaggregating the components of Irish ethnicity in the Irish Pub Concept. It is acceptable here to consider ethnicity as a tool for conveying authenticity, similarly to manner in which Negra (2001 pg. 82) considers Irishness as an "available ethnicity" in advertising messages.

The resource of authenticity as it applies to Irish pubs is one which should provide a sustainable competitive advantage for owners based on the extent to which it meets Peteraf's (1993) criteria of heterogeneity, *ex ante* and *ex post* limits to competition and imperfect mobility. However there is a major caveat to this position as it pertains to *ex post* limits to competition. It is proposed in this paper that Irish pubs are likely not susceptible to competition from substitution. However there is a real threat from imitators as well as corporate cannibalism (where other IPC pubs open in the same trading area).

Should an Irish pub be faced with an imitator, then it is possible that the superiority of the authenticity resource will be diminished considerably. This would of course depend on the quality of the competitor. However, if one assumes equal managerial skill and knowledge we could expect the following to occur: wages paid to staff and musicians would increase due to increased competition for their services; profit on food should decrease as customers split their food dollars between two Irish pubs, possibly spurring price competition; drink profits should decline for the same reasons as food; overall authenticity may suffer if the new Irish pub is perceived as "more" authentic.

From a managerial viewpoint, the long-term success of the Irish pub hinges on protecting the trading area from imitators. In a free market system this is a difficult thing to do. Even if IPC were to

agree not to work with competitors in an established trading area, there are other firms which provide the same type of assistance (design, provision of authentic materials, etc.). It is doubtful that Guinness and other Irish brewers would enter into exclusive trading agreements with Irish pubs to discourage imitators. This would certainly defeat the corporations' desire to increase outlets globally. Exclusive agreements might also pose legal problems in the U.S. if seen as restraint of trade.

What is really being done in the Irish pubs constructed following the IPC method is what might be referred to as "authentic reproduction." Graham (2001) refers to this type of phenomenon as "oxymoronic." That is, how authentic is an Irish pub constructed in the U.S. from materials made in Ireland? If as Graham (2001) alludes, antiquity is authenticity, only a bar built pre-1900 (for example) might be considered authentic. A bar (or stools or windows, etc.) constructed of new materials to resemble an original design is no more than a copy of an original, and thus not authentic at all. This is nothing more than what Bitner (1991) refers to as a servicescape; a constructed environment designed for the purpose of enabling commercial exchange.

Yet what consumers seek when consuming "authenticity" is usually their perception of something that is not post-modern in nature. Cohen (1988) notes that (supporting Graham's notion of antiquity) tourists seeking authentic experiences are actually thinking of destinations in terms of underdeveloped countries. As with Irish Spring ads (Negra, 2001) the U.S. consumer pictures Ireland as a pastoral island of farms and rural living. The Irish pub is likewise a place to experience a time gone by when music, food and people (i.e. the staff) were less hurried, more friendly and life was less stressful. However to restate the purpose of this paper, the use of authenticity as a strategy to gain competitive advantage is in question. The author leaves the philosophical discussion of whether authenticity and depictions of Ireland in such terms is positive, negative or even accurate.

From a strategic choice perspective, IPC is touting their Irish Pubs as comparable to franchising in terms of scope and success rates. The generally held belief is that franchises have a significantly greater success rate than independents in the same industry sector (cf. Litz and Stewart, 1998). Thus if Irish Pubs perform at the level of a normal franchised bar/restaurant, owners should realize above average returns compared to franchisees from: 1) lower start-up costs due to the absence of an up-front franchise fee and, 2) higher net profits due to the absence of annual royalty fees based on sales or profit. But research has also shown that in some areas, independents excel in comparison to their franchised counterparts. For example, Knight (1984) found independents to be more self-reliant and highly motivated. Independents were also more likely to remain in business due to higher levels of education (Bates, 1995). Therefore it appears that those entrepreneurs who utilize the IPC method might be gaining the best of both the franchise and independent business models.

From an RBV perspective, superior resources must be reflected in superior financial success (Srivastana, Fahey and Christensen, 2001). Anecdotal evidence (Pub Games, 1995) and reports from IPC (Irishpubconcept.com, 2007) point to the resources utilized by IPC owners providing just that kind of financial success. For now owners of Irish pubs in the U.S. should enjoy their economic success. They should also treat their customers well, as should all business owners. First mover advantages erode in the face of direct competition. But goodwill built up in the form of friendly and efficient staff, quality food and drink for a fair price, and an authentic pub atmosphere may allow the Irish pub owner to realize a profitable business even if imitators do come along. Then it will simply be a battle for which pub has the most *craic!*

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