

Service Innovation in Hospitality and Tourism

“Exploration is the engine that drives innovation. Innovation drives economic growth” – Edith Widder.

Social innovation (SI) refers to the development and implementation of innovative products, services, processes, business models and other innovative activities that seek to solve individual, organizational and social problems. In recent years, SI has challenged all aspects of contemporary business models, disrupting, transforming and replacing them with new ones on a regular basis. These transformations have been manifested in several ways. Technology-savvy companies have built platforms or utilities exploiting internet-based infrastructure to increase the pace of innovation. This has led to a paradigm shift in how technology is leveraged to generate value, as exemplified by the sharing economy, collaborative consumptions and crowdsourcing.

To survive and thrive in such increasingly dynamic business environment, hospitality and tourism firms need to be sensitive to emergent technological trends and focus on the innovative capacity of the firm. It is a broad concept that encompasses various dimensions such as service development processes, learning, organizational adaptation, etc. Despite the growing literature on innovation, most of the focus has been placed on tangible products (e.g. new product development). Only a few studies tackled service innovation in the hospitality and tourism industry. Compared to tangible products, service has the characteristics of intangibility, inseparability, perishability and variability. These features result in increased variance in the service delivery process, which further lead to greater risks associated with innovations. Thus, more research on service innovation, especially in the hospitality and tourism industry, is demanded by both practitioners and academics. Thus, this special issue as a first in the field of hospitality and tourism makes a unique and valuable contribution in sparking more theory building and future research on this topic. The articles in this special issue represent broad ranges of content and context and perspectives. In the selection of the contributions to include, a special emphasis was placed in numerous viewpoints.

The first paper in the special issue comes from Fotis Kitsios and Maria Kamariotou. In this paper, they reviewed the dominant role which technology plays in the new service development (NSD) process and indicate the critical success factors that managers should have in mind during the implementation of service projects, as well as the extent to which NSD lead to technological investments. Their study is based on a detailed literature review encompassing a total of 144 papers have been categorized and analyzed based on their content. Their findings indicate that information technology (IT) is a critical factor for the success of new services, but managers ignore its benefits. This paper may be of interest to academics who are already studying service innovation or NSD-related scientific areas or researchers who have been introduced to the field, but they are interested in examining more specific insights into where current research topics in this literature can be located and how they may contribute to them.

The second paper is written by Minwoo Lee, Jiseon Ahn, Minjung Shin, Wooseok Kwon and Ki-Joon Back. In their paper, they provide an understanding of the concept of service innovation resulting from emerging technologies and suggest areas for future hospitality and tourism research. By thoroughly reviewing previous literature, they provide the basis for improving customer service with service innovation. This study reveals the multifaceted



aspects of service innovation practices using emerging technologies. Findings provide an evidence base to future studies by highlighting the role of technology in hospitality and tourism service innovation. The major contribution of this study is the demonstration of an approach for both academic researchers and service providers how they can use the technology to improve customers' perceived value, experience and engagement.

The third paper comes from Yücel Ozturkoglu, Ferika Ozer Sari and Ebru Saygili and aims to determine the dimensions for "sustainability-oriented hospitality service innovation (SOHSI)" in the context of food and beverage (F&B) industry. They applied the triple bottom line (TBL) dimensions (including social, environmental and economic aspects of sustainability). In this study, primarily a detailed literature review was carried out to specify the dimensions of service innovation in hospitality industry and sustainability as well. Then, fuzzy decision-making trial and evaluation laboratory (DEMATEL), one of the multi-criteria decision-making (MCDM) methods, was used to reveal the causal relationship within these dimensions. In hospitality industry where competition is increasing every day, it is necessary to create brand-new services or offer renowned services via diversified ways, to step forward from competitors. In this regard, it is important for companies to ensure that every innovative service should be sustainable, and this study provides interesting insights in this domain.

Fourth paper is written by Antonella Capriello, Sabina Riboldazzi and in this study, they investigate how customer engagement technologies impact service innovation in a network of travel agencies, analyzing the effects on sales channels, customer relationships and retail marketing policies. Using a qualitative single case study approach and triangulating the data from different sources (documents, semi-structured interviews and in-store observations), this paper investigates the Robintur Group, a large Italian network of travel agencies operating in the leisure travel, business travel and organized tourism segments. This study highlights three core areas of service innovation that have interrelated effects on travel agency management in coherence with the omni-channel strategy: synergetic channel integration, dynamic customer relationships and dynamic retail marketing. Presenting a conceptual framework to exploit new technologies and revitalize the scope and functions of travel agencies, the case study offers insights contributing to the literature on service innovation in travel agencies. The data highlight the adoption of an omni-channel approach to facilitate the customer experience. This case study is also one of the first to empirically investigate the challenges of a large-scale retail group when diversifying to the travel industry and adopting an omni-channel strategy.

The fifth paper is written by Samer Al-Shami, Hamadi, Abdulla AlHammadi, Nurulizwa Rashid, Hayder Al-Lamy and Dheyab Eissa. Their paper aims to examine the role of social network websites (SNWs) on hotels' performance through innovation in an emerging country. They used a survey methodology to collect data from 219 4- and 5-star hotels in Malaysia and the data were analyzed using the structural equation modeling. The results confirm that the SNWs have a positive effect on the innovation capacity; meanwhile, the innovation capacity fully mediated the association between online social networks and the firm's performance. Moreover, the association between SNWs and innovation is partially mediated by absorptive capacity (AC). This paper deliberates the significance of online social networking websites in the improvement of innovation capabilities through business intelligence and information management that improve hotels' performance. This paper also deliberates the methods in which online social networking websites improve AC and information management.

Blockchain is a disruptive technology enabling distributed, encrypted, smart and secure peer-to-peer transactions. The fragmented nature of the tourism industry with a high

number of contracts and transactions between several parties has security issues, disputes and delay. Although these motivate the use of blockchain, scholars have barely begun to systematically assess the value proposition of blockchain in the hospitality and tourism industry. In the sixth paper for this special issue, Elnaz Irannezhad and Renuka Mahadevan examine the impacts, opportunities and challenges of blockchain in the tourism and hospitality sector by presenting early use cases of blockchain in the tourism industry. The authors conducted a multiple case-study approach and grounded this study based on the technology acceptance management literature with context-specific variables that are pivotal to the study of this topic. This paper outlines the useful features of blockchain in the tourism industry in seven major streams and raises four future research questions. This review enables hypotheses to be set out for consumers and producers involved in tourism to uncover potential motives and barriers to embracing blockchain.

The last paper for this study is conducted by Chuhan (Renee) Thomsen and Miyoung Jeong. In this study, they aimed to provide an in-depth understanding of the complex nature of Airbnb user experience by analyzing the pattern and sentiment of online reviews and assessing the relationships among review scores. They applied big data analysis using Airbnb users' online reviews of 16 US cities and used correlation analysis to analyze the data. The key themes of Airbnb users' online reviews are "clean," "location," "stay," "home," "place," "host," "neighborhood" and "recommend" and users have positive Airbnb experiences in general. The score of "cleanliness" significantly affects the "overall review" score. This study supplements the existing literature in Airbnb user experience by analyzing online reviews in 16 US cities via Leximancer 4.0. Findings indicate that it is important for Airbnb hosts to maintain a clean and accessible property. Both Airbnb hosts and hoteliers should enhance the attributes that generate positive customer reviews. Each city should develop different strategies based on the performance of "cleanliness" and "overall review."

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