Worldwide Hospitality and Tourism Themes

How does innovation help in tourism around the world?

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The phrase “innovation in hospitality and tourism” yields thousands of Web search results, and a high proportion are based on academic perspectives. For industry, the action or process of change is an ever-present reality, and the way in which it is embraced and managed is a key determinant of the organization’s ability to compete. Given the importance of this issue, I am grateful to Chandana (Chandi) Jayawardena for examining the practice of innovation around the world and, together with his writing team, for providing a rich and detailed set of insights. Chandi is a highly experienced practitioner and academic, and in this issue, he has drawn together a broad range of contributions to more precisely define the role of innovation in hospitality and tourism.

Worldwide Hospitality and Tourism Themes (WHATT) aims to make a practical and theoretical contribution to hospitality and tourism development, and we seek to do this by using a key question to focus attention on an industry issue. If you would like to contribute to our work by serving as a WHATT theme editor, please contact me.

Richard Teare
Managing Editor, WHATT

How does innovation help in tourism around the world?
The word “innovation” has been a buzzword for some time now. There are many different definitions, widely varying based on different types of professions, industries and regions. This theme issue therefore seeks to examine innovative initiatives in the hospitality and tourism industry around the world and redefine the word “innovation” in the context of hospitality and tourism management.

The theme issue draws on ideas from four academic conferences on hospitality and tourism management held in 2017 and 2018 and examines the concept of innovation from different geographical and industry sector perspectives. The concluding article cites 13 innovation types, each related to different facets of the industry and to different countries. The wide array of innovation types is encompassed in a new definition of innovation, derived from a summary analysis conducted by the theme editor.

Innovation is the art of efficient and practical implementation of new, creative and “outside the box” ideas, sustainable solutions for challenges to improve processes, products and services with input and support from organization’s teams, with an overarching focus to enhance competitive advantages, value, customer satisfaction, organizational productivity, revenues and profitability.

Having analyzed innovation in hospitality and tourism from different parts of the world, it is felt that a shorter definition would be useful in identifying common elements of “Innovation” in most of these new papers. Therefore, in the concluding paper, the following shorter definition is presented:

Innovation is the art of implementing new ideas to improve productivity, products and services, while enhancing customer satisfaction, revenues and profitability.

In addition, three essential and common ingredients of innovation are observed in most of the papers:

1. **Vision** – This provides an aspirational and clear guide for action to improve.
2. **Mission** – This instills a strong commitment and sense of duty to achieve the vision.
Passion – It refers to enjoying, enthusiastically acting the vision with an eager interest.

The theme editor is thankful to a highly innovative institute, which organizes around 30 academic conferences every year – The International Institute of Knowledge Management (TIKIM). Delegates at three of their recent conferences – the International Conference on Hospitality and Tourism Management (ICOHT) 2017 and 2018 and the International Conference on Hotel Administration (ICOHT) 2018, made valuable inputs to re-defining the concept of innovation. Half of the papers featured in this theme issue originated from presentations at theses conferences.

Now, let’s take a trip around the world to investigate how innovation helps tourism in 17 countries in North America, Central America, South America, the Caribbean, Europe, the Middle East, South Asia, the Far East, Australia and the Pacific, written by a versatile team of 24 scholars from 16 countries.

Chandana (Chandi) Jayawardena
Theme Editor

About the Theme Editor
Dr Chandana (Chandi) Jayawardena is President of Chandi J. Associates Consulting, St. Catharines, Ontario, Canada. He has held leadership positions in South Asia, the Middle East, Europe, South America, the Caribbean and North America. He has spent four decades in hospitality and tourism industry in various capacities, including Hotel General Manager, Professor, Dean and Consultant. As a hotelier, Chandi has managed 8 premier hotels and provided hospitality to 34 heads of state/government. As a Professor, he has coauthored or edited/coedited 10 books and 11 journal theme issues and published over 110 papers. He has presented at conferences in 38 countries. He has led or participated in consulting projects for over 40 organizations, including the European Union, USAID, the Caribbean Tourism Organization, the Amazon Corporate Treaty Organization, the Government of Guyana, the Sri Lanka Tourism Development Authority, the Jamaica Hotel and Tourist Association, the Barbados Hotel and Tourism Association, Sandals International, Rocco Forte Hotels and Heads of Hospitality and Tourism Ontario. He is an International Ambassador and a Past President of the world’s largest professional body in the hospitality industry – Hotel and Catering International Management Association (HCIMA), now the Institute of Hospitality, UK.
Can all sectors of the hospitality and tourism industry be influenced by the innovation of Blockchain technology?

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Abstract

Purpose – This paper aims to provide a general introduction to Blockchain technology and how it can be used within the global hospitality industry. In particular, this paper speaks to three industry sectors where Blockchain technology is currently in use.

Design/methodology/approach – This paper draws on the perspective of an academic who also continues to serve as an industry practitioner within the field of hospitality technology. To this end, the paper provides several examples as to how Blockchain technology can be used to further advance the hospitality profession within a number of different industry sectors.

Findings – Blockchain technology is being used now within the hospitality industry for both practical and strategic purposes. It can be used in most sectors of the profession and will continue to be used within the hospitality industry for many years ahead. The technology is still relatively new and will continue to become more advanced and sophisticated with the passage of time.

Practical implications – Many hospitality industry examples are provided as to how Blockchain technology can be used to improve operational effectiveness, efficiencies and overall profitability.

Originality/value – This paper adds value and contributes to the literature relating to Blockchain technology applications in the international hospitality industry. It represents current and future use that can and should be taken into consideration by both the hospitality industry and academia.

Keywords Technology, Hospitality, Hotels, Blockchain, Food service, Travel agents, Canada, Accommodation, Travel agencies, Tourism

Paper type Viewpoint

Introduction

Blockchain and Blockchain technology have become the “in vogue” hospitality industry office buzzwords in the past couple of years. These conversations are casually brought up in travel agencies, accommodation properties, food service operations and commercial airlines,

Erratum: It has come to the attention of the publisher that the article, Paul Williams, “Can all sectors of the hospitality and tourism industry be influenced by the innovation of Blockchain technology?” published in Worldwide Hospitality and Tourism Themes, Volume 11, Issue 2, provided an incorrect surname and contact email address for the author, Paul Willie. This error was introduced in the editorial process and has now been corrected in the online version. When citing the article, please use: Willie, P. (2019), “Can all sectors of the hospitality and tourism industry be influenced by the innovation of Blockchain technology?”, Worldwide Hospitality and Tourism Themes, Vol. 11 No. 2, pp. 112-120. https://doi.org/10.1108/WHATT-11-2018-0077. The publisher sincerely apologises for this error and for any inconvenience caused.
as they provide staff members with something robust to chew on and debate. Unfortunately, most of these conversations are either inaccurate or incomplete. So, what is Blockchain technology and can it influence all sectors of the hospitality and tourism industry?

What is Blockchain?
Pragmatically, a good place to start is with an understanding of the origin and creation of Blockchain. At the time of this writing, the birth of Blockchain and Blockchain technology is credited to Satoshi Nakamoto, a Japanese national who may or may not actually exist. However, the person or persons who advocated for and proposed the use of Blockchain have identified him or them as Satoshi Nakamoto. This mysterious entity authored a peer-to-peer white paper in 2008 that spoke to the use of digital currency (Bitcoin) and the use of an organic digital database, as a distributive platform, to be appropriately identified as a Blockchain (The Economist, 2015).

Without the use of Blockchain and Blockchain technology, the practice (utility) of Bitcoin and other digital currencies as a storage medium of money (wealth) would not be possible (Gupta, 2017). Bitcoin, a cryptocurrency, represents the ability for entities to make digital transactions without a broker or intermediate market channel. Bitcoin was first introduced in 2009 and could be used to purchase just about anything over the internet. In fact, up until June, 2018 Bitcoin was a payment option with travel giant Expedia and accordingly was being used for purchase commitments in the accommodation sector and within commercial airlines (Partz, 2018). The timing and introduction for Bitcoin in 2009 could not have been any better as the world economy was dealing with an international financial crisis. Consumers and businesses alike lost faith, trust and confidence in the banking system, as well as government institutions (central banks, treasuries, etc.), and were open to viable alternatives (Yandle, 2010). Hence with Bitcoin available as an innovative and novel approach to the exchange of wealth it was embraced with open arms by consumers and businesses alike (Marr, 2017). At the time of writing there are 2,279 cryptocurrencies in play and their total market capitalization is almost US$199bn (Investing, 2018). With eyes on Bitcoin alone, its market value per unit has risen to a high of almost US$20,000 in December, 2017 from a starting point of approximately US$0.10 in 2009. It is currently trading around US$8,500 per unit. Some currency experts believe it will rebound and surpass US$25,000 per unit and one cryptocurrency analyst thinks it could hit US$100,000 per unit (Kaplan, 2018). The author of this paper strongly recommends Caveat Emptor at all times as Bitcoin and other cryptocurrencies are not stable enough to be treated and embraced as real money (Aki, 2018). This is backed and supported by a recent article in the Economist titled “The rise and fall of bitcoin; Investors in bitcoin are learning some very old lessons” in which the author clearly states the following: “A digital asset that has no income stream is very hard to value. That makes it hard to designate a price target on the way up, but also hard to set a floor on the way down. But by the time people realize that, we will be in the ’revulsion’ stage” (Buttonwood, 2018).

Blockchain can best be thought of as a digital/virtual live database that has several unique features. First, Blockchain technology provides the user with the ability to create a unique record entry for each and every business transaction. This transaction once recorded cannot be altered, revised, deleted or changed in any manner whatsoever. This is a significant benefit as it mitigates the possibility of human error and/or fraudulent acts. Second, each record within this ecosystem is permanent, is date and time stamped, and the recorded transaction becomes transparent and identifiable to all participants within the Blockchain system thus facilitating complete and pure transaction transparency. Third, these recorded transactions are posted in real time (no time lags) and are stored in precise
chronological order. Each individual transaction is parked into its very own “Block” and is automatically connected to the one before it and the one after it, thus creating a “Blockchain”. Hence, the expression “Blockchain” (IBM, 2018).

The attraction and beauty of Blockchain is further supported by its core ideas and guiding principles. They include:

- a distributed ledger format which provides a “public” record of transactions to all system participants;
- a distributed consensus whereby all participants agree on the accuracy and validity of the records;
- immutability as each participant represents one (1) block of the system and cannot act independently;
- provenance because each transaction has a digital history that can be traced and verified of its origins, attributes and ownership; and
- native cryptography as a result of robust security elements embedded within the Blockchain to keep unwanted intruders out (Tapscott and Tapscott, 2016).

The growing popularity of Blockchain technology is evidenced by the number of Blockchain startups in the last year. In 2017, Germany was home to approximately 30 new Blockchain companies, which is both exciting and interesting when compared to 60 firms in New York City, USA and 80 in London, England, UK (Switzerland, 2018). Canada also continues to progress and evolve as a powerful Blockchain hub with over 50 firms now either competing against one another or acting as compliments (Johne, 2018).

Blockchain in the hospitality and tourism industry
As with other industries the hospitality and tourism Industry is always in search of innovative solutions to help increase competitive advantage, elevate customer satisfaction and improve bottom line performance. To this end, Blockchain can be strategically used within the accommodation, travel agent and food service sectors to achieve this goal.

The accommodation sector
Blockchain technology has several uses within the accommodation sector. This includes but is not limited to, revenue management, inventory control, guest history and financial management.

First, with respect to revenue management, Blockchain offers several unique propositions. An example is offered with “LockChain” which professes to be the first Blockchain distributive platform exclusively for the accommodation sector. LockChain rebranded itself to the new identifier as “LockTrip” in April 2018 and made use of its own cryptocurrency known as a LOC token (LockTrip, 2018). At this time LockTrip (head office is located in Bulgaria) has over 100,000 property listings and growing. The revenue management advantage with using LockTrip is that there are no commission fees. Hence, the property manager is always dealing with real or true ADR and not some flavor of Net ADR. In addition, because the digital transaction occurs in real time and with the use of LOC tokens the risk of wealth loss due to currency exchanges is mitigated.

Second, with sister properties as all part of the same accommodation company Blockchain can be used to help with inventory management. To this end if a large banquet/event is coming up and additional equipment/furniture is required, the Blockchain could be used to determine which properties have which assets and whether or not they will be committed on a particular day and/or period of time. Theoretically by doing this, the host
property is reducing or ideally eliminating the need to purchase, rent or lease additional inventory for said event(s).

Third, guest history can be enhanced and significantly improved by embracing Blockchain. This is accomplished because all guest profile, purchases made, length of stay, tastes and preferences and total expenditure information can become instantly available to the other properties within that specific hotel company. Therefore, if the other properties have the privilege to serve those same guests, they will have a strong understanding of what they need to offer and do to make the guest experience for those clients simply outstanding. In addition, acting immediately upon the information provided from the Blockchain would elevate an existing customer loyalty program. This would be accomplished by clients’ accumulated loyalty points being updated immediately, providing more meaningful rewards immediately, and finally the loyalty reward information could be shared with the accommodation property’s travel partners (alliances) thus taking the clients level of product/service satisfaction to a higher level.

Fourth, financial management can be greatly improved through the use of Blockchain. Blockchain can greatly accelerate and streamline international payments. For example, if a hotel company has its head office in Toronto, Canada and needs to fulfill a cash call requirement to a property located in San Jose, Costa Rica, it could do so without the need to use multiple banks and currencies (CAD to USD to Colons). So not only are intercontinental money transfers and payments faster but also cheaper as a result of eliminating the intermediary agents.

Blockchain also has the advantage of augmented and enhanced security by making use of cryptography, collaboration, and very sophisticated high-level computer code.

Succinctly, Blockchain has the ability to manage all elements of the business transaction process in a fast, transparent and secure environment.

**Travel agents and agencies**


The German firm TUI Group is the largest travel and tourism Company (over 1,600 travel agencies) in the world today (TUI Group, 2018). Further, they were the first travel agency firm of significance to make a commitment in employing Blockchain technology with an aim at increasing profitability and elevating customer satisfaction (Whyte, 2018).

To this end, additional advantages of employing Blockchain in the travel agent/agency sector include but are not limited to:

- stable and secure transfer and sharing of client/passenger information;
- on line reliability;
- enhanced transaction security; and
- the strong mitigation of lost or stolen records and transactions.

Blockchain offers travel agents/agencies a stable and secure digital environment for the transfer and sharing of client/passenger information. On this point, travel agents must pass client sensitive information on to commercial airlines as well as accommodation properties. In this regard, the passenger information is provided and accessible in real time by all parties who should or need (legally) to be privy to this information. Travel agencies should
encourage and support commercial airlines to investigate the use of Blockchain as a tool to prevent lost passenger luggage. Using Blockchain would assist in providing real time updates on the exact location of passenger luggage. To this end, theoretically and logically with the use of Blockchain, airlines losing passenger luggage should become an unwelcome experience of the past.

Furthermore, a degree of comfort is also provided to the client in this endeavor because all transactions (flight purchases), records (flight itineraries and passenger luggage tracking), and the transfer of said information is easily identifiable and traceable at any time.

Blockchain also offers online reliability which is a significant advantage for travel agents/agencies to embrace. Remember, each transaction will create a new block and each block is parked within the chain. It will always be there for it is a permanent transactional record. Travel agents and clients alike can be confident that there will not be a catastrophic system failure, or software crash, or a fried hard drive in which records are lost and gone forever. As long as one has access to the internet, one can retrieve the information [block(s)] that one requires. Yes, a similar concept to cloud computing but much more secure.

The security for data and information stored within a Blockchain is superior. It would be very difficult to breach and extract sensitive information (a block) from a Blockchain. This is because a Blockchain makes use of very sophisticated algorithms and innovative computer modeling frameworks in which computer hackers would have little to no success in violating (Orcutt, 2018). A Blockchain breach can occur but it would be very challenging to achieve that outcome. If it happens the root cause can usually be traced back to human error in the original design of the Blockchain framework (Schon-Zibell and Phair, 2018).

Finally, because of the robust security protocols and computer code found within Blockchain ecosystems there is a benign chance of transactional records (blocks) being lost, deleted or stolen.

Accordingly, and reflecting upon the points as identified above, travel agents and agencies alike should positively explore the opportunities for employing Blockchain within their respective operating environments.

Food service
The food service sector of the hospitality and tourism industry in the USA as well as other countries around the world can benefit from embracing Blockchain too. Specifically, Blockchain can be used in the food service sector to help with food safety and security, customer payments, as well as the use of smart contracts.

First, Blockchain can provide valuable advantages in relation to one of the main concerns of the food service sector which is food safety and security. To this end, one must take into consideration the complexity that exists within the dynamic global network of food production, distribution, manufacturing and retail. The benefits and luxury that consumers enjoy each day from this multifaceted system, whether they are purchasing their favorite burger or dining out at the latest, greatest restaurant in town, is highly complex in which there are multiple touch points with the food from the position of origin to the point of consumption. Also, consider the total number of touch points that continue to accumulate as food moves throughout the network constantly increasing the probability of an occurrence of food contamination, spoilage, waste and/or theft.

In fact, sickness and disease from food continues to be a significant challenge in the USA and other countries today. Specifically, the USA Center for Disease Control “estimates 48 million people get sick, 128,000 are hospitalized, and 3,000 die from foodborne diseases each year in the USA” (Prevention, 2016).
One also needs to take into consideration the fact that today’s consumers are more sophisticated and vigilant than ever before. They demand and expect their food to be safe, clean, fresh, nutritious and full of flavor. In short, they want their food to be “real” (Riina, 2017).

Within this context Blockchain technology can make a significant contribution in mitigating the possibility of food borne illness. More specifically Blockchain can help keep our food safe in two ways which includes but is not limited to food recalls, and product labeling (Radocchia, 2018).

First, if a food-borne illness starts to occur and the root cause has been identified, a food recall can be executed almost immediately with the use of Blockchain technology. USA retailer Walmart partnered with IBM back in 2016 to develop a “track and trace” system for food inventory (Hackett, 2016). Prior to the use of this innovative technology, a food trace assignment could take several weeks. With IBM’s track and trace system, the food trace task can be completed in a matter of a few minutes. This technology breakthrough would be extremely helpful for grocery stores and restaurants.

Second, product labeling has been a marketing tactic for many years within the food industry as restaurants and food retailers attempt to make the food product more appealing than perhaps it really is. To this end one needs to think about the accuracy and authenticity of the image, language, and message that is being used on a product label. One needs to consider whether or not there is truth in that sign for fresh seafood in the grocery store or the “degree of realness” with respect to that new tent card that is sitting on the table at a popular restaurant. These two examples speak to the ambiguities consumers must navigate prior to making a food purchase commitment. With the use of Blockchain, the clarity and truthfulness of specific product labels can be resolved. Herein is an example. A firm by the name of “Where Foods Come From” based in Castle Rock, CO will perform label verification and validation services to determine the truthfulness of a food product label (What we Do; Source Verification, 2018).

This label verification service makes use of Quick Response (QR) code and can provide the desired information almost instantly. This is a great benefit to society but the service provided by this firm could be taken to the next level of integrity and trust by employing Blockchain technology. With Blockchain, as previously discussed, all records and reports (the good, the bad and the ugly) can and will be available and traceable within seconds to ensure that what is being advertised on a product label is accurate, authentic and reliable. Blockchain can hold restaurateurs and retailers to account on their product proclamations and statements.

Customer payments
To remain competitive and relevant, restaurants have had to evolve and become much more accommodating in relation to provision of the methods of payment the customer would like to use. This has led from a start position of cash only, to the introduction of debit, to embracing the big three credit cards namely, Visa, MasterCard and American Express (Schmalbruch, 2015).

Unfortunately, as most restaurateurs know, the problem with accepting credit cards is the generous commission fee that must be paid to the credit provider. Credit card processing fees can be somewhat more palatable with Visa and MasterCard and perhaps a little bitter with American Express (Hall, 2018).

To this end, if payments were to be made by customers by using Blockchain, there would not be any need for client support from a credit card service provider. Therefore, logically and intuitively customer payment processing would be cheaper for the restaurateur. In addition, there would be no time lag (e.g. this is normally 3 to 5 business days) as to when
the customer payment transaction takes place and when actual currency receipt for the restaurant occurs.

**Smart contracts**

Third, the use of smart contracts via Blockchain technology would be a huge advantage for restaurateurs.

Smart contracts is a term that was coined by computer scientist and cryptographer pioneer Nick Szabo in 1994 (Stankovic, 2018). Szabo recognized the power of a decentralized digital ledger and how it could be used for binding contracts within the world of commerce.

Accordingly, smart contracts can facilitate the exchange of property, wealth, inventory, and basically anything of value (assets and/or services) in a safe and secure digital environment. This is accomplished by employing Blockchain technology to serve as the platform for the offer, acceptance, consideration and intent (the foundation pieces of contract law) in forming a legal and binding authentic contract.

Smart contracts are exactly that “smart” because all parties that are privy to and engaged in the contract are seeing the exact information and transactions that the other entities are witnessing. There is no need for lawyers. There is no need for brokers. All actions within the contract are executed by the smart contract participants only. Herein there is complete transparency and trust. The greatest advantage with using smart contracts is cost because the third party service providers (lawyers, brokers, agents) are no longer required. Rules, procedures and penalties are defined and agreed upon by the parties involved in the smart contract.

Accordingly, smart contracts could be used within the food service industry for inventory standing orders, support services, kitchen maintenance and equipment purchases/leases. There really is no limitation as to how smart contracts could be used within the food service sector of the hospitality and tourism industry.

**Conclusion**

This paper attempted to answer the question “can all sectors of the hospitality and tourism industry be influenced by the innovation of Blockchain technology? While the author spoke to three sectors of the industry it is fair to say that a strong argument has been presented whereby the application value of Blockchain in one sector could easily be shared in another sector. In addition, there are some universal benefits that can be enjoyed by all sectors of the hospitality and tourism industry. These include but are not limited to:

- secure and transparent transactions;
- ease and speed of retrieving and reviewing past transactions;
- elevate and promote a level of trust and confidence amongst the Blockchain participants;
- improve customer/guest satisfaction; and
- promote a higher degree of sophistication and innovation within the hospitality and tourism industry.

Accordingly and to this end, Blockchain will become a core component for and of businesses by 2025 (Preece, 2018). As such, one can say with confidence that yes all sectors of the hospitality and tourism industry can be influenced by the innovation of Blockchain Technology. The future of the industry looks bright, exciting and promising. The author has no doubt that Blockchain Technology will certainly make significant contributions towards this positive outlook in the years ahead.
References


What we Do; Source Verification (2018), Retrieved from Where Food Comes From.


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Vacation rentals in San Francisco, USA: a positive or negative disruption?

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Abstract

Purpose – Vacation rentals (VRs) are growing in popularity and have disrupted the lodging industry. But they are also controversial because they can literally disrupt quiet residential neighborhoods. There is little research on users of VRs.

Design/methodology/approach – An online survey of 10,000 festival attendees in San Francisco determined if they stayed in VR or commercial lodging and their spending. A second survey of 402 respondents who stayed in a VR asked about their motivations for renting a VR and their evaluation of the experience.

Findings – Results showed users of VRs were motivated by low cost, a convenient location and the nature of the neighborhood. VR user groups were more likely to rent high-end properties, than commercial users. But on a per-person per-day basis, VR users spent $183 on lodging, compared with $264 spent by those opting for a CL. Over half of the respondents stated that the availability of VRs increased the likelihood of them attending the event.

Practical implications – Results suggest that VRs help cover housing costs of VR owners and provide a desired, unique and low-priced lodging opportunity, which can encourage attendance at events. But VRs have both positive and negative disruptive impacts, and more regulation is coming in high-profile urban tourist destinations to mitigate negative effects.

Originality/value – This study consists of original research into VRs, which is a rapidly evolving component of hospitality industry.

Keywords Hotel, Disruption, San Francisco, Spending, Tourist, Vacation rental

Paper type Research paper

Introduction

The popularity of vacation rentals (VRs) is growing at a rapid rate among travelers. A common definition of VRs is a private noncommercial residence where a visitor pays a fee to rent a room or an entire home for a short-term stay. They are frequently booked in the USA on one of the several online sites, such as Airbnb and Vacation Rental By Owner (VRBO). Weed (2015) determined that listings on the most popular VR-booking site AirBNR.com more than doubled between 2014 and 2015 (Ab Rahman et al., 2017), defining a “disruptive innovation” as one that creates a new market and value network which eventually disrupts an existing market and value network, displacing established market-leading firms, products and alliances. Clearly, VRs have been a disruptive force in the lodging industry with potentially both positive and negative impacts on travelers, vacation homeowners and communities (Maylock, 2015; Tierney, 2017). For travelers, they can provide an attractive,

The author expresses appreciation to Another Planet Entertainment (APE) for funding the research on festivalgoers. APE was not involved in the research related to VRs.
VRs are controversial. Neighbors of some VRs argue that they disrupt quiet neighborhoods (Honeyman, 2016). City supervisors in San Francisco, California, worry that VRs exacerbate severe housing shortages for long-term renters. The city government also is concerned that VRs are reducing lodging tax revenues and may be less safe than regulated commercial properties. CL owners argue that VR owners face little or no regulation and they must incur and pay no taxes (Maylock, 2015). In response, there has been an upswing in regulation of VRs in cities across the globe to limit adverse impacts of VRs. In 2016 the city of San Francisco passed an ordinance requiring registration of VRs and payment of lodging taxes, but only a small percentage of the VR unit owners had applied for the required permits a year later (Green, 2016). To encourage compliance, San Francisco in 2018 fined a VR owner $2.5 mn for operating illegal unpermitted VRs (Said, 2018). The well-known tourist destination of South Lake Tahoe, California, recently banned VRs from all residential areas (Pender, 2018).

At the time of the study, little research on VRs had been published. Identifying the characteristics of the VR industry has been the most frequent type of research. Maylock (2015) conducted a study on the size and scope of VRs and other alternative types of lodging in the USA for the hotel industry. They found that the VR market is growing exponentially and has at least 1.5 million listings in 34 US cities, with more than 34,000 Airbnb listings in New York City alone. Their conclusion was that VRs are competing directly with traditional hotel and motels. Geron (2013) suggested that since many VRs are found in neighborhoods outside the traditional lodging zones that travelers are staying in VRs to also experience staying with a local, in a neighborhood and with a person who can give tips on the area. But this study was limited because it was a small, qualitative assessment sample. Airbnb ads have stressed on local links and living like a local (Said, 2016). Legrand et al. (2015) conducted a qualitative assessment of four VR users and determined that the motivation of these travelers to use peer-to-peer VRs than traditional hotel bookings was primarily the potential for saving money. The small sample size and descriptive method limit this study’s validity and generalizability to other situations. There was a lack of published research on the users of VRs, the types of units they rent, the motivations for them renting VRs and their evaluation of the VR experience. This type of information might suggest how sustainable and disruptive VRs are.

The 2015 Outside Lands Music and Art Festival at Golden Gate Park in San Francisco was a large music festival with three stages and over 50 bands playing during a three-day period. It featured national and international performers, and the tickets were sold out months in advance. The festival attracted over 200,000 attendees during August 7-9, 2015 (San Francisco Chronicle, 2015). Nearly 80 per cent of tickets sold were for a three-day pass; thus most nonresident attendees needed some type of lodging during the event. Attendees had a range of lodging options before, during and after the festival, from youth hostels to luxury hotel accommodations. However, the event was held during peak tourist season in San Francisco and even without the event, lodging availability was limited during this time.
Hotel and motel occupancy at the festival time was over 85 per cent (City of San Francisco, 2016). One of the relatively new lodging options available for festivalgoers was staying at VRs. It is estimated that there were about 7,000 residents offering VR units in the city of San Francisco at the time of the festival (Green, 2016). These ranged from one-room rentals to 20-room luxury mansion rentals. Most VR units in San Francisco were located in residential neighborhoods just outside of the commercial downtown and tourist-serving zones. The Outside Lands Festival appears to be an opportunity to identify VR user characteristics, preferences and their potential impact on San Francisco.

The overall goals of this research were to provide insights into VR user motivations, experiences and the impact of their trip. Specific objectives were to:

- learn if VR users are just trying to pay less for lodging;
- identify motivations for passing up hotels and going to VRs;
- estimate if VRs are actually supplementing sold-out CL;
- compare VR users to CL users;
- quantify if VR users would have still come to the destination if VRs were not available;
- determine if they spent more or less than CL users;
- identify if VR users feel less safe in VRs than in a hotel, a motel or an inn; and
- estimate how sustainable or disruptive VRs are.

Method
To satisfy study objectives, a link for an initial online survey was emailed to 10,000 persons who purchased Outside Lands Festival tickets. A total of 7,032 completed initial surveys were received. In this survey there were questions about their residence, types of lodging stayed at during the event, location of the lodgings and total number of nights spent at each type of lodging. Respondent demographics and number of persons in their travel group were also requested. A total of 402 (5.7 per cent) stayed at least one night in a VR in the city of San Francisco and were not residents of the city. Subsequently, these 402 respondents were emailed a link to a new second survey asking about their motivations for staying in a VR, characteristics of the VR and their evaluation of the VR experience. Entry into a draw for a $50 iTunes or Google Play gift card was offered as an incentive. Two reminder emails were sent to nonrespondents.

VRs were defined as “a short-term rental of a non-commercial residence, such as a room or home, for a fee and booked through Airbnb, VRBO or another vacation rental company.” The VR survey asked about the number of nights the respondents stayed in the VR, type of VR, how they reserved their VR, motivations for staying in a VR versus a CL such as a motel or a hotel, if and how they interacted with the VR owner/representative, how personally safe they felt in the VR compared with a CL such as a hotel or a motel and why and if the availability of the VR influenced their decision to attend the event. One response option in the later question was phrased as: “If a room or home in a VR had not been available in your price range, would it have decreased the likelihood of you attending the Festival?” Other options asked if availability of a VR increased or made no difference to the likelihood of respondents attending the event.

Frequencies and descriptive functions in SPSS were used to identify descriptive statistics. Data comparing VR users and CL users in San Francisco were analyzed to determine if there were significant differences in respondents’ age, residence, group size,
number of nights spent in San Francisco, and number of nights spent in a VR and in a CL. Chi-square tests were used for categorical data. Independent-samples $t$-tests showed any differences in the mean values for age, group size and the number of nights spent.

**Results**

This research used two online surveys – one was sent to a random sample of 10,000 event attendees and the second was sent to the 402 nonresident ticket holders who indicated they stayed in a VR. Demographic and trip characteristic data from attendees who stayed in a CL such as a hotel or a motel in San Francisco and from those who stayed in a VR during the event were taken from the larger original survey ($n = 7,032$). There were significant differences ($p < 0.05$) in the average age, group size and number of nights spent in San Francisco between VR users and festival attendees who stayed at least one night in a hotel, motel or inn. Table I shows that the average age of VR users was 28.6 years versus 30.5 years of CL users. A higher percentage of hotel/motel guests lived outside the San Francisco Bay area (74.7 per cent) compared to VR users (65.7 per cent). There was a significant difference in the average group size of VR users (5.0) versus motel/hotel users (4.4). CL users also stayed fewer nights (3.1) in San Francisco than VR users (3.5 nights). As expected, those who stayed in a hotel/motel spent most of their nights in San Francisco in a hotel/motel (2.9 nights) versus just 0.3 nights in a VR. San Francisco VR users spent almost all of their nights in the city in a VR (3.3 nights), and they spent an average of only 0.2 nights in CL during their trip to the festival. Almost 46 per cent of VR users stayed three nights in a VR during the three-day festival, whereas 23 per cent spent four nights, and 18 per cent spent two nights.

The second survey was sent to only the 402 nonresident attendees who stayed in a VR for at least one night during the festival. A total of 57 VR surveys (14.2 per cent) were completed and returned, forming the basis of this assessment. The majority (61.4 per cent) of VR types used were an entire home or apartment versus 29.8 per cent in a private room and only 8.8 per cent in a shared room. Over 93 per cent of respondents booked their VR through Airbnb, 3.5 per cent used VRBO, 1.8 per cent used Homeaway.com and 1.8 per cent opted for other booking services.

Figure 1 shows the primary reasons for choosing a VR vs a CL. Over 75 per cent of respondents indicated that VRs were less expensive, fulfilling their primary motive, whereas 40.4 per cent indicated they preferred staying in a home versus a hotel/motel. A large number did not want to stay in a traditional tourist hotel district, as 40.4 per cent liked the personality and character of the neighborhood. A similar percentage liked the convenient location for the event or transportation to the event. Just over 33 per cent indicated that they did not need a concierge or other services at hotels/motels or that they needed more space than found in a hotel/motel. Just over 24 per cent thought they would feel like a local staying

<table>
<thead>
<tr>
<th>Statistic</th>
<th>VR users ($n = 402$)</th>
<th>Hotel/motel users ($n = 926$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average age (years)</td>
<td>28.6</td>
<td>30.5*</td>
</tr>
<tr>
<td>Live outside SF Bay area (%)</td>
<td>65.7</td>
<td>74.7</td>
</tr>
<tr>
<td>Average group size</td>
<td>5.0</td>
<td>4.4*</td>
</tr>
<tr>
<td>Average nights in SF</td>
<td>3.5</td>
<td>3.1*</td>
</tr>
<tr>
<td>Nights in VR in SF</td>
<td>3.3</td>
<td>0.2</td>
</tr>
<tr>
<td>Nights in CL</td>
<td>0.3</td>
<td>2.9</td>
</tr>
</tbody>
</table>

*Table I.* Note: * Significant difference, $p < 0.05$
in the area, or the VR had a kitchen and they could cook their own meals. A total of 21.1 per cent indicated they could not find available rooms in a hotel/motel in their price range. It should be noted that the hotel/motel occupancy rate in San Francisco during the event was over 85 per cent. Smaller percentages of respondents indicated they chose a VR because they liked to meet and interact with the owners (5.3 per cent), they had stayed in that room/home previously (3.5 per cent), they were looking for a luxury showpiece property (1.8 per cent) or they knew the VR owner or family (1.8 per cent).

When asked if and how they interacted with the VR owner, family or representative, 40.4 per cent indicated they phoned or emailed the owner in advance, but did not see them during their stay; 49.1 per cent had a conversation with the owner or representative during their stay; 7.0 per cent saw the owner but did not converse; and 3.5 per cent only interacted with the booking company.

Almost three-quarters of respondents (71.9 per cent) who stayed in a VR indicated that they felt about the same level of safety in a VR compared with those who stay in a CL such as an inn or a motel in San Francisco or other cities. Somewhat more respondents, 15.8 per cent, felt safer in a VR, whereas 12.3 per cent felt less safe. The most commonly cited reasons for those feeling less safe were (Figure 2): there was no parking at the residence and I had to travel a long distance to find parking (57.1 per cent); the neighborhood felt unsafe (42.9 per cent); I

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**Figure 1.**
Primary reasons for choosing a vacation rental during festival

**Figure 2.**
Primary reasons why you felt less safe in a VR compared with a hotel/motel
felt vulnerable to potential attack (28.6 per cent); and the building was not well lit, and it was
difficult to find my way after dark (28.6 per cent).

A comparison of a travel group spending on lodging in Figure 3 shows data for attendees
who stayed in CLs and those who stayed at least one night in a VR. Results illustrate that a
larger percentage of VR groups spent more at high-end lodgings (e.g. mansions) than at CLs.
At the same time, a larger percentage spent $100 or less on CL than on VRs.

To determine the true cost of accommodations, lodging data were adjusted to show the
cost incurred on a per-person per-day basis. Figure 4 presents the percentage distribution of
spending on lodging in San Francisco per-person per-day. Findings illustrate that about
three-fourth of respondents spent less than $100/person/day. A total of 83.8 per cent of VR
users spent $100 or less for lodging compared with 74.5 per cent of CL users who spent more

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**Figure 3.**
Group spending on lodging for VR and CL users

**Figure 4.**
Spending on Lodging in San Francisco per-person per-day for VR and CL users
than $100. CL users spent more in all other expense categories than did VR users. Results support the findings of previous studies, according to which VR users spend less on lodging than CL users.

Total spending during the event, including festival ticket costs, was calculated by combining all spending categories, including per-day per-person lodging costs. Results show that VR users spent an average of $183/person/day compared with CL users who spent an average of $264/person/day. VR users’ total spending was significantly less than CL users’ ($p = 0.014$).

A final question asked whether the availability of a VR had any influence on respondent attendance at the festival. Figure 5 illustrates that a total of 43.9 per cent indicated that VR availability had no influence on their attending the event. But 31.6 per cent agreed if a VR had not been available in their price range, their likelihood of attending the event would have decreased. A total of 24.6 per cent agreed that because a VR was available in their price range, it increased their likelihood of attending the event.

Just over 56 per cent of respondents indicated that the availability of a VR in their price range influenced their likelihood of attending the event. This has implications for the destination and for event promoters.

Conclusions
The unique survey respondent demographics, San Francisco’s high lodging occupancy rate and the low number of responses to the second survey may limit the generalizability of findings to other settings. But considering these limitations the study findings suggest for nonresidents who spent at least one night in a VR in the city of San Francisco: almost all VRs were booked through Airbnb. This company has a dominant position among the VR rental organizations. VR users were significantly younger and were in larger travel groups than CL users in San Francisco. VR users stayed significantly longer (3.5 nights vs 3.1 nights) than CL users did. Despite the sample comprising young adults, about two-thirds of those who stayed in a VR rented a full home/apartment or a condominium; about a quarter stayed in a separate room; and less than one among ten shared a room.

The study results support the results of other research studies on VRs – the primary motive for staying in a VR is cost savings, which is cited by nearly three out of four respondents. But it was not the only important motive for staying in a VR vs staying in a CL. Two out of five respondents cited the following as motives to stay in a VR: convenient
location for transportation or close to the event, the nature and appeal of the neighborhood and staying in homes. Findings suggest a weak link in a commonly communicated pitch in advertising, living like a local, with only about 1 of 5 respondents agreeing they thought they’d feel like a local at the VR. The vast majority of respondents were “not substituting a VR because of the lack of availability of hotel/motel rooms in their price range,” as only two out of ten respondents cited this. Familiarity with the VR or owner was cited as a motive by 5.3 per cent. Findings suggest that VR users were primarily motivated by practical factors, such as low cost and convenient location, than by affective factors such as living like a local or personality of the VR neighborhood.

There was considerable interaction between the VR owners/family/representative and the VR users. Over four out of ten respondents had talked to the owner by phone or email prior to their stay. About half of them indicated that they had a conversation with the owner/representative during their stay. These data suggest that personal connection with the owner is highly desired by many VR users.

The study findings did not support the personal safety concerns in VRs raised by some hotel representatives and city officials. Over seven out of ten respondents said they felt about as safe in a VR as in a CL. About 15 per cent indicated that they felt safe in their VR compared with 12 per cent who felt less safe. For respondents who felt less safe, Neighborhood safety issues were of a greater concern than building safety.

With respect to travel groups spending on lodging, it was observed that such groups were likely to rent luxury VRs, with several groups spending more than $10,000 during the event. But when spending on lodging was adjusted for group size and length of stay, CL users spent more than VR users. This supports previous research and earlier findings in this study on VR user motivations that VRs generally offer a less expensive lodging alternative than CL properties.

Findings indicate that the availability of VR lodging had an impact on the likelihood of attending the event for a large number of respondents. About one out of three respondents agreed that if the VR had not been available in their price range, they would have been less likely to attend the festival, whereas one out of four respondents indicated that the availability of a VR in their price range increased their likelihood to attend the event. These results suggest that VRs can have a significant impact on event attendance and destination lodging occupancy rates during high occupancy periods.

Results of this research also help explain why destination management organizations, such as San Francisco Travel, and event promoters, frequently support VRs – these can lead to more business. VRs can supplement existing lodging stock, help cover housing costs of VR owners and provide unique, low-cost lodging alternatives for visitors. From these perspectives, VRs have clearly positively disrupted the status quo in the San Francisco lodging industry. But they have also literally negatively disrupted quiet neighborhoods and shrunk the supply of long-term rentals, according to some neighbors and city governments. It is understandable why CL establishments and city governments oppose unregulated, untaxed VRs in residentially zoned parts of the community. We are now starting to see more aggressive government responses to VRs, such as banning these from residential areas of South Lake Tahoe, California, and levying million-dollar fines on illegal VRs in San Francisco. Excessive regulation could reduce tourist-housing opportunities, may ultimately reduce tourism visitation levels and depress new home construction or upgrades in some high-profile and elevated occupancy tourist destinations. Findings suggest a balance through more regulation of VRs is coming and needed to have a destination area reap the benefits of VRs while minimizing their adverse disruptive impacts.
References


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Public–private partnership as an innovative approach for sustainable tourism in Guanacaste, Costa Rica

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Abstract

Purpose – The current tourism model based on luxury hotel resorts in the Gulf of Papagayo (Guanacaste, Costa Rica) is largely affecting the living condition of its nearby communities. This paper aims to discuss the importance of promoting public–private partnerships (PPPs) as innovative forms of governance to increase the sustainability of this tourism model.

Design/methodology/approach – Based on the review of institutional documents and the PPP literature, this article critically maps each stage of the process to design PPPs for sustainable tourism, taking into account the case of Guanacaste. In this way, it offers a practical guideline to plan partnerships involving academia, public institutions and private partners in particular tourism sites.

Findings – The paper shows that the feasibility of a PPP in Guanacaste strongly depends on the alignment of partners’ local interests, on the adequacy of the partnership to the social and economic conditions of the context wherein it has to be carried out, and on the appropriation of results from partners.

Originality/value – This work combines a theoretical and practical perspective to understand the interactive process to be carried out to design PPPs in developing tourism destinations.

Keywords Innovation, Tourism, Sustainability, Costa Rica, Central America, Public–private partnership (PPP)

Paper type Viewpoint

Introduction

Tourism associated with beaches, protected areas and other natural resources often produces serious environmental and social problems. Hotels, cruise ships and transportation operations, along with roads and other supporting infrastructure, not only generate pollution but also destroy and degrade the biodiversity habitat (Blackman et al., 2014), affecting seriously the social and economic welfare of host communities (Gómez-Nieves, 2014). Nowadays, this hard reality characterizes the Gulf of Papagayo in Guanacaste. It is one of the most luxurious and exclusive tourism sites in Costa Rica with a tourism model based on more than 15 luxury hotel resorts (ICT, 2014). Over the last 15 years, however, this tourism model has been the main cause of environmental damage and social struggle with no improvement in the extreme socio-economic conditions of local communities. Indeed, Guanacaste is still one of the least-well developed regions in Costa Rica (MIDEPLAN, 2017).

The aim of this study is to discuss how a public–private partnership (PPP) can be a suitable tool to promote sustainable tourism by reducing the gap between the seriously
deprived socio-economic conditions of the local population and the wealth generated by luxury tourism. Research has largely assessed how to promote sustainable tourism (Matarrita-Cascante et al., 2010) and even highlighted the importance of partnerships between private and public stakeholders (Wilson et al., 2009). However, studies about partnerships for sustainable tourism are still scarce (Albrecht, 2013) and, they almost completely neglect the analysis of the process of partnership development in developing countries.

Drawing on these gaps, this study contributes to the literature by discussing the early stages that characterize the formulation of a PPP for sustainable tourism in developing countries. By combining an “on-site” experience and Glasbergen’s (2011) framework, this work offers an applied perspective to building a PPP for sustainable tourism, stressing all challenges and difficulties that characterize each stage of that building process. This approach offers a starting point for reflection on what sustainable tourism really is about, offering useful guidelines for proposing future PPPs to be implemented in communities similar to the one in Guanacaste.

The tourism model and the socio-economic and environmental conditions in Guanacaste

In the 60s and 70s, Culebra Bay (also known as the Gulf of Papagayo), in the north of Guanacaste (Costa Rica), was selected as the main location for resort and residential-based tourism. The Gulf of Papagayo project (hereafter referred to as the Papagayo project) has its origins in the Central American development strategy to promote international tourism based on the European model. It was the only tourism investment of the Costa Rica government carried out with the participation of the ICT (Costa Rican Tourism Institute). The project, however, did not take-off until the late of 1990s, and it became more significant after 2002, due to political instability in the region, a lack of governmental experience and resources and failure in attracting foreign investments (Honey et al., 2010).

Although the Papagayo project approach has not been adopted elsewhere in Costa Rica, it has played a critical role in creating the climate for residential and resort development along much of the Pacific coast. Between approximately 2002 and 2008, the Guanacaste region became the epicenter of tourism development. In late 2003, after the Four Seasons resort opened, the Papagayo project quickly helped attract luxury category tourists and other five-star hotels such as RIU, Paradisus Conchal and JW Marriott (Honey et al., 2010; Nacion, 2011). The main hotel developments are located near the beaches Hermosa, Ocotal, Flamingo, Brasilito, Conchal and Tamarindo, as well as in some protected areas. All these sites became the main tourism destination of Guanacaste (Estado de la Nación, 1999).

From the early hotel buildings, the Papagayo project was, however, characterized by errors and controversies due to corruption, environmental and labor law violations and damage to archeological sites. The project was supposed to generate employment for thousands of local people. However, in 2008, only about 1,400 jobs were produced in the region (Honey et al., 2010). In 2010, Guanacaste had an unemployment rate of 9.6 per cent versus 7.3 per cent for the rest of the country (Nacion, 2011). Further, the unemployment rate increased during 2013 and 2014 (MIDEPLAN, 2017). Additionally, the total poverty index of 32.6 per cent in 2010 paradoxically increased to 33.2 per cent in 2014 (PNUD-Costa-Rica, 2014). Furthermore, workers suffered from conditions that reflect inequality: Every day, in Guanacaste, Nicaraguan migrants worked to build luxury hotels, villas and apartment complexes while they struggled with inadequate living conditions and no work visa (Martínez, 2009).
The development of large hotel resorts has also been characterized by an uncontrolled building plan, which has greatly affected the natural resources of the region. Some hotels such as Allegro Papagayo, Occidental Grand Papagayo and Giardini di Papagayo were closed in 2007 and 2008 because of the illegal discharge of sewage into the ocean. Black water, solid waste, water pollution and deforestation penalized the rural activities of the local community and this led to social struggles (Hernández and Picón, 2013; Biamonte-Castro, 2014). The Guanacaste population also suffered from the negative effects of tourism in terms of scarce access to some beaches and potable water, due to the massive consumption of these resources by hotels and other tourism facilities (Canales, 2012). The unsustainability of the Papagayo project was evident in 2009 during the economic crisis. In those years, the national geographic journal indicated a fall of two points in terms of Costa Rica’s sustainable destination status.

Given these realities, this study suggests that the promotion of PPPs for sustainable development can be a suitable tool to focus the government and industry’s attention on more sustainable tourism policies in Guanacaste. In particular, PPPs for sustainable tourism emerge as a part of the “corporatist model” (Moore and Weiler, 2009) where the public and the private sector work together to provide a service to society (Wilson et al., 2009). In this way, PPPs for sustainable tourism are legitimated by the positive effects that can be generated by communities (Morrison et al., 2004).

Public–private partnerships for sustainable development

PPPs for sustainable development were debated at the 2002 World Summit on Sustainable Development (WSSD) conference in Johannesburg (South Africa). In WSSD, PPPs are recognized as a decisive tool in achieving global sustainability (Hens and Nath, 2003; Eweje, 2007). These are collaborative arrangements among different actors such as governments, international organizations, private corporations and civil society (Van Huijstee et al., 2007), which share common objectives, responsibilities, risks, benefits and investments in a non-hierarchical way. Here, all partners are viewed as equal, with the same level of power (Hale, 2004; Bäckstrand, 2006; Cañque, 2007; Pattberg et al., 2012).

Since PPPs can involve different types of actors, the literature has also defined them as multi stakeholders or cross-sector partnerships (Selsky and Parker, 2005; Bäckstrand, 2006; Bitzer et al., 2008; Morsink et al., 2011) and as innovative forms of governance to address sustainability (Samii et al., 2002; Pattberg et al., 2012). Most scholars consider PPPs as a shift from the traditional perspective, according to which the responsibility for dealing with sustainability issues is exclusively attributed to governmental organizations, to a new institutional arrangement where other spheres or sectors of society are called to collaborate (Streck, 2004).

In line with this last perspective, PPPs are also considered to be a potentially effective response to the failure of governance in dealing with sustainability problems (Schaferhoff et al., 2009). Indeed, the management and the solution of sustainability problems involve complexities that exceeds the capacity and expertise of a single actor, and requires collaboration with other entities representing different sectors of society (Van Huijstee et al., 2007). The cooperation among different entities can therefore address multiple challenges related to sustainable development such as economic growth, education, health care, poverty alleviation, community capacity-building and environmental sustainability (Selsky and Parker, 2005). Additionally, PPPs can be an effective way to focus global resources on certain local environmental goals, shifting the scale of sustainable development activities from a broad commitment to a specific project (Hale, 2004). This specificity can result in a greater likelihood of adopting concrete and tailored actions, taking into account the primary
problems of a particular local reality. Nowadays, citizens are more results-oriented – demanding, critical and active in requiring local governments to improve their ability to manage services effectively and efficiently. The diffusion of PPPs can therefore be a strategy to open up the process of decision-making to local stakeholders that increasingly demand a greater participation in decisions concerning the territory in which they live (Bisceglia and Leda, 2013).

A proposed PPP for sustainable tourism in Guanacaste

An important issue in the study of PPPs is to understand their design. According to Glasbergen (2011), PPPs “differ from other partnerships in intensity, scale intention and activity and, understanding their development process can help to ensure long-term sustainability and success”. The objective of this study is to discuss some critical issues that arise in designing PPPs for sustainable tourism in Guanacaste by referring to the first three scales (internal interactions) of the partnership activity proposed by Glasbergen (2011): building trust, the creation of collaborative advantages and the construction of a rule system. The paper reports on a real experience of a PPP proposal in Guanacaste, which involved the Technical Office for Development Cooperation (OTC) of the Spanish International Cooperation Agency for Development (AECID) of Costa Rica (as a public partner), the ESCP Europe (as an academic partner), and the RIU hotel resort (as a private partner) (hereafter referred to as the OCT-ESCP-RIU project).

Building trust

According to Glasbergen (2011), a first activity in the process of PPP development is to promote collaborative and constructive interactions between potential partners in order to create an atmosphere of mutual trust. Mutual trust does not arise spontaneously but it needs to be managed. Some conditions to facilitate it are to produce a minimal structure and ground rules to provide security, equity and fairness to the partners. Mutual trust can be achieved if all parties involved in the partnership perceive the opportunity to secure value from it.

In the OCT-ESCP-RIU project, the activity of building trust was based on several interactive dialogs between partners aimed at developing and designing a PPP that was aligned with the political priorities of the Costa Rican Government and with the real needs of the hotel resort and the nearby communities. These interactions were oriented to secure consensus about a shared vision of the PPP project and to identify the appropriate context in which to intervene. A shared vision between partners was met by establishing the following common objectives of the PPP project. A first objective consisted of designing and implementing diagnostic methodologies in the hotel to assess the social, environmental and economic impact of its activity on the nearby community. A second objective referred to the development of an action plan to test a good, practical approach to securing a positive impact by the hotel on the nearby communities.

The above objectives were formulated on the basis of the principles of alignment and harmonization of the Paris Declaration on Aid Effectiveness. On the one hand, the alignment principles of the 2013-2016 AECID Fourth Director Plan, contemplated explicitly the importance of developing a business orientation towards learning and knowledge and the need to involve the private sector in the activities of development. One of the horizontal programs developed regionally to implement 2013-2016 AECID Fourth Director Plan strategies, was ARAUCLIMA, a program to tackle climate change and promote sustainable development. ARAUCLIMA provided both technical and financial support to selecting projects that contribute effectively to knowledge management, institutional strengthening
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and articulation of the actors and instruments of Spanish Cooperation. On the other hand, the harmonization principles guaranteed that the PPP's objectives were aligned with the Costa Rican public policies whose objective was to contribute directly to the 2015-2018 Costa Rican National Development Plan (NDP). In particular, the OCT-ESCP-RIU partnership expected to contribute to the development of the following areas: competitiveness, social welfare, natural environment, as well as to some aspects of the Costa Rican program “Weaving Development” defined by Costa Rica National Authorities (see Table I).

Following the harmonization principles of the Paris Declaration on Aid Effectiveness, logically structured in the sequence: Plan – Program – Project (Robinson et al., 1993), the Gulf of Papagayo tourism site, in Guanacaste region was also identified as the priority geographical area in which to intervene. In this region, the development of traditional “sun and beach” tourism had contributed to a re-start of the agribusiness economy hitherto stagnant, but it had not improved the social and economic conditions of the nearby communities. Nevertheless, between 2011 and 2014, the Ministry of Tourism and ICT (Costa Rican Tourism Institute) continued to define and implement administrative policies, rules and regulations in favor of the hotel business for promotion of the development of the Gulf of Papagayo. Policies exclusively based on granting concessions to hotels only contributed to consolidation of the existing tourism model, with no enhancement of the socio-economic conditions of the nearby communities (Moya, 2014).

The literature indicates that the evolution of the tourism model in Central America has been characterized by three models:

- a “segregated” tourism model, dominated by foreign multinationals;
- a “relative integration” model that integrates the segregated model with the population and local entrepreneurship; and
- an “integrated” model, managed by local small and medium enterprises, wherein community interests prevail (Cordero, 2006).

<table>
<thead>
<tr>
<th>Principles for aid effectiveness</th>
<th>Plan</th>
<th>Program</th>
<th>PPP project – objectives shared by all partners</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alignment</td>
<td>AECID Fourth Director Plan (2013-2016)</td>
<td>ARAUCLIMA Knowledge management, institutional strengthening and articulation of actors and instruments of Spanish Cooperation</td>
<td>Scope 1 Design and implement methodologies (operational tools) to evaluate the social, environmental and economic impact of a private hotel resort on the nearby communities (Diagnostic-stage)</td>
</tr>
<tr>
<td>Harmonization</td>
<td>Costa Rican National Development Plan (2015-18)</td>
<td>“Weaving Development” Improve competitiveness, social welfare and natural environment (protection and conservation)</td>
<td>Scope 2 Develop an action plan to test a good practice enables to promote a positive impact of hotel resort on the nearby communities</td>
</tr>
</tbody>
</table>

Table I. The structure of plan, program and project to build trust in earlier stage of PPPs formulation
In the Gulf of Papagayo, the tourism model development has been predominantly segregated, with a strong presence of foreign multinational companies and the building of large hotel resorts located in luxury tourism sites (Cordero, 2006). The identification of this context to apply the defined methodologies was the determining factor in the process for achieving a partners' common vision. This is because, the final objective of the OCT-ESCP-RIU project was to try to move the current segregated tourism model of Guanacaste towards a relatively integrated tourism model.

With this purpose in mind, another key aspect that led partners to build mutual trust was the development of an early idea about potential practices to implement for increasing the positive impact of hotel activities on the nearby community. The idea was settled in the first exploratory meeting by the managers of the hotel, the OTC Costa Rica project technicians and an expert of the University of Earth (a local university specializing in sustainable agronomy). It drew on examples from other experiences developed in other areas of the North of Costa Rica: La Fortuna and Monteverde in Puntarenas. Specifically, La Fortuna offered a model of inclusive tourism where the local population (through small and medium-sized companies) developed their own business by selling tourism products and services.

**Collaborative advantages**

In terms of building trust there are the collaborative advantages that partners can capitalize on partnerships (Glasbergen, 2011). Although partners can explore how they can work together and find common ground for action, a partnership is a contractual arrangement where partners have to obtain advantages and share risks. Collaborative advantages may consist of the acquisition of resources, skills, relationships or consent and, concretely, arise when partners connect their own interest with the common objectives of the partnership. If partners are driven to collaborate by different motivations, and face different benefits and risks, a sense of unfairness can erode partners' trust (Glasbergen, 2011).

Motivations and collaborative advantages are however interdependent. The reasons that lead a partner to participate in a partnership tend to promote collaborative advantages. In the OTC-ESCP-RIU project, from the beginning of the project formulation, the motivations to participate in the partnership legitimated the position of each partner in it. Specifically, OTC Costa Rica would benefit from the specific know-how developed in the PPP project as well as from the capacity, co-financing and the technical support of the other partners to achieve the priorities of the Costa Rican public policies. Furthermore, the implementation of a PPP in Guanacaste would have allowed it to standardize a working practice for future projects.

For RIU Hotels and Resorts, the main motivation was to implement its Corporate Social Responsibility strategy by participating in the partnership. So far, RIU’s “sustainability policy” had consisted of taking action to meet the sustainability certification as required by the ICT. These certifications primarily benefit the hotel’s processes and procedures. RIU, therefore, did not standardized a concrete action plan for promoting actions directed to involve the local community in relation to social and environmental sustainability. Through the partnership, RIU would have had the opportunity to develop a more complete/holistic sustainability approach for its core business, basing it not only on the legislative model of the ICT, but also on the possibilities for contributing actively to the corporate social responsibility of the hotel value chain. Additionally, its presence in a PPP would have contributed to differentiating its product/service – thereby increasing its competitive advantage in Guanacaste.

Finally, ESCP Europe, as an academic partner with its team of experts, brought their experience in the design, implementation and evaluation of projects and initiatives to the
area of sustainable tourism. Their particular interest was to increase their knowledge in this field. Involvement in a PPP would have offered the opportunity to have direct contact with the business and an opportunity to test methodologies developed theoretically.

**Constitution of a role of system**

A third activity of the internal interaction of the partnership process according to Glasbergen’s (2011) framework is the role of a system. This comprises internal aspects, which define the mutual obligations of partners, and external aspects, which are related to how the partnership will interact with other organizations. The formalization of these aspects requires different transactional and procedural elements, such as commitments, different tasks and resources, and how the partnership will deal with decision-making processes, monitoring and enforcement (Glasbergen, 2011).

The role of the system for the OTC-ESCP-RIU project was to operate as a consortium of institutions that, linked to a common goal, put their capabilities at the service of the whole partnership, sharing responsibilities and assuming risks and achievements. In particular, the mutual obligations and the specific contributions and roles of partners were the following:

- **OTC Costa Rica**, as a public partner, worked as a facilitator of the PPP by proposing an action-oriented system and tracking plan that the parties could adopt to achieve the expected results. Besides, OTC Costa Rica monitored and supported all stages of the PPP project implementation.

- **RIU Hotels and Resorts**, as a private partner, contributed to the validation and improvement of the methodology for impact analysis. The role of the hotel resort was functional to replicate the use of the developed methodologies in other hotels of the same chain as well as in other, similar contexts, i.e. in hotels and hotel chains operating in countries characterized by not inclusive socio-economic realities.

- **ESCP Europe**, as an academic partner, contributed to the design of the diagnostic methodologies and collect data/criteria in order to assess the social, economic and environmental impact of the hotels’ activities on the nearby communities.

Once identified, the partners’ obligations/commitments were encapsulated in a memorandum of understanding that detailed how the decision-process structure would be established. It consisted of working procedures and the monitoring and internal communication required for effective coordination between the stakeholders. The decision-process structure identified two main phases and a related timeline:

1. **Phase 1**: *(diagnosis and definition of the action plan – Months 1-2)*: collection of data about the activities currently carried out in the hotel and identification of the activities that could improve the economic, social and environmental impact of the hotel in the nearby community.
2. **Phase 2**: *(execution and implementation of the action plan – Months 3-13)*: implementation of the defined action plan, that included:
   - the definition of a system oriented to monitor the results of the project;
   - identification of the target community;
   - awareness and training defined in the diagnosis of the local farmers, cooperative work with artisans; and
   - launch and implementation of the initiative.

These phases were coordinated by partners via monthly meetings.
Conclusions
In an effort to map the interactive internal process of the partnership activities according to Glasbergen’s (2011) framework, an important aspect that emerges from this study is that a PPP for sustainable tourism in Guanacaste (Costa Rica) is viable when the partners’ interest are aligned. The alignment of all interests involved in the partnership can enable a common vision as to how all partners can contribute to solving a given problem. Second, the PPP project has to be adequate to the context wherein it will be implemented. The adequacy of the project helps to secure the necessary resources for its implementation. Finally, the attainment of real advantages from the partnership helps to ensure effective collaboration between partners.

This study contributes in three ways to the literature. First, it offers a tangible example of PPP in the area of sustainable tourism – rarely analyzed at ground level – so far. Studies on PPPs are limited and often focused on protected areas. This study emphasizes the synergies that can arise among local governmental institutions, industry and academia. In particular, it highlights the role of academia in a PPP sometimes disputed in the literature (Lehmann, 2008). A second contribution of this paper is to shed light on the early internal interaction processes of a PPP and its key role in ensuring the startup and success of the partnership. Finally, this study is focused on Central America and it is only quite recently that analysis has occurred in this region. This is a helpful counter-balance to the many PPPs that have been implemented in the Northern hemisphere, wherein political, economic and social conditions are completely different.

Note
1. AECID: Agencia Española de Cooperación Internacional para el Desarrollo (Spanish Agency for International Development Cooperation).

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What is the host community perception of slum tourism in Colombia?

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Abstract
Purpose – This paper aims to find answers to two research questions: What is the perception of the Moravia community on tourism in their neighbourhood? What are the conditions under which they can accept slum tourism?
Design/methodology/approach – The foundation of this paper was laid during a field trip to Medellin, Colombia, in March 2018. More than three weeks were spent in the neighbourhood of Moravia, one of Medellin’s “barrios” or slums, where a qualitative study was led. Semi-structured interviews with the local community were done around the neighbourhood.
Findings – The main finding of this research is the positive perception of slum tourism within the Moravia community. The researchers found that the locals are proud when outsiders visit to see their neighbourhood. The locals felt that, it breaks the prejudice surrounding their homes, and tourists are seen as spokespeople for the barrio. There are visible improvements made to the barrio owing to tourism. This research drew attention to the conditions under which this type of tourism can be accepted in the neighbourhood: community participation, interaction between hosts and tourists, education and respect of tourists and the visible improvements to the neighbourhood.
Originality/value – Slum tourism is an understudied topic in Colombia, especially in Medellin. By researching on the host perception on slum tourism, this paper contributes to literature on slum tourism from a new angle.

Keywords Innovation, Colombia, Medellin, Host community perception, Moravia, Slum tourism

Paper type Viewpoint

Slum tourism – what?

Growth
Slum tourism is a niche form of tourism that has become a world-wide phenomenon. Slum tourism spread around the world since the 1990s and with its development, the controversy around it grew. In 2014, over one million tourists engaged in tours in the most impoverished areas in the world (Frenzel, 2016). It often consists of a 3-hour guided tour inside a slum by car, by bike or by foot. Other services can be found inside the slums such as accommodation, restaurants and bars. Slum tourism has sparked global criticism, especially from the media. Touring poverty or turning misery into a tourist attraction, can understandably provoke moral outrage. People’s first reaction when they hear “slum tourism” is disgust and judgement for a practice they deem unethical. This is the main criticism that has been made
against slum tourism. It has also been considered degrading and voyeuristic, even called “poverty porn”.

Meanwhile, slum tourism has sparked the academia’s curiosity. However, for them, it is the critical analysis of the phenomenon that is interesting and moral outrage is not enough to comprehend the issue. To understand slum tourism completely, researchers have studied all aspects of it: the tourists’ motivations, the tour operators’ motives, the economic benefits and the sociocultural impacts of the tours.

Motivators
Understanding why tourists would visit impoverished areas seems to be the most fascinating and therefore most studied topic in the field of slum tourism. The trends and results are indeed similar to general tourism. The major term that frequently reflects is “reality” and the search for experiencing the “real picture”. Another strong motivation is charity. Some slum tourists have the desire to help and support the inhabitants of these poor neighbourhoods. Slum tourism is associated with other forms of tourism such as volunteer tourism and developmental tourism. It is essential to understand these forms of tourism in order to understand slum tourism as volunteering and slum tourism are increasingly merging.

Tour operators in slum tourism often claim socially responsible approach, over their economic motivators. The famous tour operator Reality Tours in Dharavi claims to give back 80 per cent of its profits back to local communities through local projects (Slikker, 2014). The most notable aspect about tour operators’ perspectives and operations in slum tourism is that, whether being independent guides, formal businesses or not-for-profits, tours in most mature destinations are led by outsiders, people who were not born in the neighbourhood itself and are simply doing business in the slum (Duarte, 2010; Koens, 2014). Very rare are the guides coming from the community itself or when it is the case, they are employed by a company run by outsiders (Dyson, 2012).

Previous research
Some researchers have covered all the points mentioned above (Frenzel et al., 2012, 2015; Freire-Medeiros, 2013). Others have focussed on one aspect, such as the economic motivators (Chege and Mwisukha, 2013; Kieti and Magio, 2013) or sociocultural impacts (Dyson, 2012). As a result, the debate around slum tourism has been mostly fuelled by these aspects of the topic. One aspect that has been understudied is the host community’s perception. The opinions of the local communities have been hardly studied. If the host community is unhappy about their benefits from tourism, it will have a noticeable impact on the tourists’ experience (Andriotis and Vaughan, 2003). This is even more true for a sensitive form of tourism such as slum tourism. Most of the work on residents’ perspective of slum tourism has been done in Mumbai (Slikker, 2014) and Rio (Freire-Medeiros, 2013), but these do not constitute a sufficient body of literature. By under-representing one important aspect of the debate, the phenomenon cannot be understood completely.

A key challenge is the common assumption: local populations “must be” against slum tourism. However, this had not been clearly ratified. Therefore, it thus appeared as a necessary first step. This was the key focus of this paper. Of all the destinations where slum tourism is taking place, one city had never been studied before: Medellin, Colombia.

Location – where?

Colombia
The Republic of Colombia is a sovereign state with a population around 50 million. It largely situated in the northwest of South America, with territories in Central America. Colombia
shares a border to the northwest with Panama, to the east with Venezuela and Brazil and to the south with Ecuador and Peru. Colombia is a unitary, constitutional republic with the capital in Bogota. Colombia is one of the most ethnically and linguistically diverse countries in the world, with its rich cultural heritage reflecting influences by indigenous peoples, European settlement, forced African migration, immigration from Europe and the Middle East. Urban centres are mostly located in the highlands of the Andes mountains and the Caribbean coast.

Beginning in the 1960s, the country suffered from an asymmetric low-intensity armed conflict and rampant political violence, both of which escalated in the 1990s. Since 2005, there has been significant improvement in security, stability, and rule of law.

Colombia is rich in natural resources, and its main exports include mineral fuels, oils, distillation products, fruit and other agricultural products, sugars and sugar confectionery, food products, plastics, precious stones, metals, forest products, chemical goods, pharmaceuticals, vehicles, electronic products, electrical equipment, perfumery and cosmetics, machinery, manufactured articles, textile and fabrics, clothing and footwear, glass and glassware, furniture, prefabricated buildings, military products, home and office material, construction equipment, software, among others. The contribution of Travel and Tourism to GDP is around 2.0 per cent of total GDP and tourism-related jobs are around 2.5 per cent of total employment. Annual international tourist visits are around four million.

Medellin
Medellin is the second industrial city in Colombia. Medellin was once known as the most dangerous city in the world, a result of an urban war set off by the drug cartels at the end of the 1980s. As the home of the Medellin Cartel funded by drug lord Pablo Escobar, the city was victim of the terror caused by the war between the organisation headed by Escobar, and competing organisations. However, after the death of Escobar in 1993, crime rates in the city have decreased dramatically. Throughout the rest of the 1990s crime rates remained relatively high, although gradually declining from the worst years. Between 2003 and 2006 the demobilisation of the remaining urban militias was completed, with more than 3,000 armed men giving up their weapons. In 2012, Medellin was among 200 cities around the world, including New York and Tel Aviv, nominated for Most Innovative City of the Year due to a great advancement in public transportation.

Today, the story of Pablo Escobar attracts more tourists to Medellin. They often visit Medellin to do a “Pablo Escobar tour”. These tours were done in the city’s barrios, notably in the Comuna 13, where the drug lord lived. Slum tourism thus developed in the city as a side effect and not necessarily as a “slum tour”. However, it is now one of the most famous form of tourism in Medellin and the must-do of the destination. Tours in barrios like Comuna 13 have become so popular that this type of innovative tours are now flourishing in other barrios.

Moravia
Moravia, another barrio of Medellin, has its own slum tours now. Moravia is an informal settlement part of the Comuna Cuatro (Comuna Four) at the north-east of Medellin. It has a density of 1,000 inhabitants per hectare, making it the highest population density of Colombia. It was built by people fleeing the war from all over the country and settling there informally. It used to be the city’s dump, which led people to survive off of recycling. It has now been completely transformed, with the former dump now serving as a public garden. Moravia has a fascinatingly innovative history of urban transformation and resilience, which had turned it into a point of interest in the city of Medellin, which in turn attracted
tourists. Tours are now led by a few organisations, with the main one being Real City Tours. Tourism is quite a recent phenomenon in the barrio, so it has never been studied. Therefore, it made it the perfect location to study the residents’ perspective of slum tourism.

**Research – how?**

**Key questions**

With these two gaps in literature in mind: the lack of research on resident’s perspective of slum tourism and the absent literature on tourism in Moravia, the research objective was to find answers to following two key questions:

1. **Q1.** What is the perception of the Moravia community on tourism in their neighbourhood?
2. **Q2.** What are the conditions under which they can accept slum tourism?

**Interviews**

To answer these questions, a qualitative research was conducted. Semi-structured interviews were chosen as the method of investigation, as this type of interviews usually make respondents feel at ease and motivate them to provide information they would not necessarily share in other circumstances. It is a good balance between a fully structured interview and completely spontaneous conversation. Four questions were set as a structure to follow but digressions were possible, letting interviewees to tell stories they deemed important as well.

A qualitative empirical study was done in Moravia during the month of March 2018. Using one of the researcher’s local contacts from a previous project, the investigation was initiated. Field work, direct observation and semi-structured in-depth interviews were deemed to be the most relevant methods to get relevant facts. Nine key interviews were conducted in various places in the barrio.

**Respondents**

To choose respondents most relevant to the topic, a categorisation was needed. For the purpose of this research, four resident types were identified:

- **First category** – people who are in constant and direct contact with tourists. Their job depends on tourism.
- **Second category** – business owners in the community who are not necessarily in contact with tourists.
- **Third category** – local residents who are often in contact with tourists but don’t depend on them economically.
- **Fourth category** – locals who have no direct contact with the tourists and only see them passing by in their neighbourhood.

A minimum of two respondents from each category were selected for interviews. To find people who are in direct contact with tourism, the itinerary of the tour led by Real City Tours was followed and the interviewees were chosen along this route.

**Interview questions**

Following four interview questions were included:
Results – why?
The main finding of this research was the positive perception of tourism within the community. There are a few explanations for this positive perception: locals are proud that outsiders are coming to see their neighbourhood, it breaks the prejudice surrounding their home which the media often perpetuates, tourists are seen as spokespeople for the barrio and there are visible improvements made to the barrio thanks to tourism. A relevant sample of responses are provided below:

- “For me, yes, it’s all positive. I have no reason to complain about them and I feel so proud”;
- “I don’t think there’s anything wrong with tourism. Quite the opposite, tourists can see there is actually a lot to see” (a shop owner); and
- “They don’t have the knowledge that we have, the knowledge that the ones who lived here have. What do I mean? That they come here and present the good side. They don’t present the bad side. What is the bad side? That there was a time here when you couldn’t venture alone”.

The only negative opinions about tourism was the lack of respect and education of some tourists and the feeling that tour operators do not tell the “real story” of Moravia. Another overwhelming finding from the interviews was the importance of involving the community, whether in the decision-making or in the realisation of the tours themselves. All of these findings led to the identification of conditions that explain the current favourable opinion or would make the community accept tourism completely. These conditions are:

- **Community participation**: making sure that the local community is involved in the decision-making and creation of the tourism offers;
- **Interaction between hosts and tourists**: enable contact between tourists and locals whether during the tours or on a deeper level during workshops or homestay experiences;
- **Tourist education and respect**: educate tourists before going on tours of the dos and don’ts in the community; and
- **Visible improvements/benefits in the neighbourhood**: if there are benefits brought to the community, they need to be visible and clearly linked to tourism.

Conclusion – so what?

*Value*

The key value of this paper lies in the fact that it fills a major gap in literature about the host community perception of slum tourism and does so by using an understudied up-and-coming tourism destination in South America. Slum tourism had indeed never been studied
before in Medellin, despite the popularity of neighbourhoods such as Comuna 13. It broadens the research about residents’ perspective on slum tourism. It also opens up possibilities for further study in Medellin and Colombia at large. The positive results of the study are quite surprising given the previous research outcomes on slum tourism and the controversy going on about it. However, the results of this study confirm the results of previous work on residents’ perspective on slum tourism: communities tend to support tourism at its early stages. It is still interesting to note the contrast between the moral debate and the local people’s point of view.

**Recommendations**

After an extensive study of slum tourism combining both academic research and field work, following seven general guiding principles have been identified. These can be considered as recommendations for current or future slum tourism service providers in Moravia, to maintain the local communities’ support and to ensure responsible tourism practices:

- Restrain the tours to walking tours;
- Keep the number of tour participants under 10;
- Adopt a no (or restrictive) photograph policy;
- Educate tourists about what can (or cannot) be done;
- Involve the community in the creation of the touristic offers;
- Ensure interaction between tourists and locals; and
- Make sure tourism is giving back to the community and that the benefits are visible or clearly felt by the community.

**Further research**

Medellin and its other barrios would deserve the focus of further research. Comuna 13 is of special interest, as it is one of the most popular touristic attractions in Colombia at the moment. Whether in Moravia or in Comuna 13, it would be relevant to study all aspects of the slum tourism debate: the host perspective, the tourist perspective, the company motivations and the socio-cultural impacts. The field of research of slum tourism would also benefit from a comparative study of destinations’ best practices.

**References**


Further reading


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Environmental regulations and their effect on innovation and competitiveness in tourism in Barbados, Guyana and Jamaica

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Abstract

Purpose – This paper aims to explore the need for innovation in Caribbean tourism with stringent (mandatory) environmental regulations as the key driver of the process. It draws examples from three destinations, Barbados, Guyana and Jamaica.

Design/methodology/approach – This assessment entailed a review of the literature on the key issues. Theories on innovation, regulations and competitiveness were examined in brief. The paper also presents an overview of Caribbean tourism to provide context. Of note is the dearth of information on the drivers of innovation and its effect on the Caribbean tourism industry which was a major limitation of this assessment.

Findings – The main implication of this review is that it attempts to highlight the need for discourse on the effective use of environmental regulations to influence the behaviour of industry operatives towards achieving sustainable tourism. Within the context of climate change and the threat that this poses to Caribbean tourism, there is the critical need for this discourse. Consideration is also given to the value stringency of regulation since it is theorised that, if applied correctly, this may be the impetus to drive businesses to innovate to be competitive.

Originality/value – This is a novel approach to the management of the tourism industry which has shown a preference for self-regulation. Given the proposed outcome, the paper advocates mandatory, stringent regulations since self-regulation is a choice left solely to the industry operatives.

Keywords Competitiveness, Tourism, The Caribbean, Climate change, Environmental regulations, Innovation, Competitiveness, Barbados, Guyana, Jamaica

Paper type Viewpoint

Introduction

Innovation has been examined from many perspectives. Of interest however, are the drivers of innovation. For example, is innovation driven by market forces, consumer trends or are there other significant factors responsible? This paper intends to explore one possible driver of innovation within the industry; the use of robust mandatory environmental regulations. This approach may seem counter-intuitive but it is based on Porter and van der Linde (1995a) hypothesis that “properly designed environmental standards can trigger innovation that lowers the total cost of a product or improve its value”. The main argument presented is that firms can actually benefit from more stringent, but flexible, regulations which will stimulate innovation and drive competitiveness. The destination of Barbados, Guyana and Jamaica has been identified for this assessment. There is however, a dearth of information on regulations and its impact on these countries. The author, however, proposes that, given the new realities of Caribbean tourism influenced by the effects of climate change and global
warming, there should be a policy imperative by regional governments to utilise tools that will drive innovation, while making the industry more resilient and more responsive to threats faced.

The state of Caribbean tourism
While tourism contributes approximately 10 per cent of the world GDP, provides employment for one in eleven persons and accounted for US$1.5tn in exports, which may be disaggregated as 6 per cent of world exports and 30 per cent of service exports (UNWTO, 2015), the Caribbean continues to be the most tourism dependent region in the world (WTTC, 2018). In 2017, despite being affected by hurricanes Irma, Maria and Harvey, the region eclipsed the 30-million visitor mark for the first time, generating US $37bn for the region’s economies (CTO, 2018). As such, the travel and tourism industry is the largest and most important component of the Caribbean economy (Hayle et al., 2010). Out of 13 tourism regions globally, the Caribbean was most dependent on tourism for GDP contributions, employment, tourism investment and visitor exports in 2017 (WTTC, 2018).

Prior to its reliance on tourism as an economic option, the region endured three centuries of intense sugar culture, widespread deforestation, erosion and mangrove destruction (Padilla and McElroy, 2010). Nevertheless, Caribbean nations have had a distinct comparative advantage in the natural features comprising beaches and coral reefs in places like Jamaica and Barbados; and tremendous bio-diversity in Guyana and Dominica. This, coupled with the unique cultural manifestations, has helped the region to establish a competitive position in the international travel and tourism. As in many underdeveloped countries with limited resources, tourism has become an alternative for enhancing growth and reducing poverty (Nasser, 2012). The rapid increase in mass tourism and dependence in tourism for economic survival has however, increasingly threatened the sources of the region’s comparative advantage (Padilla and McElroy, 2010). Of note is the fact that the pace of tourism growth is slower than other tourism regions. Between 2009 and 2017 the average rate of growth rate for the region was 2.4 per cent per annum (WTTC, 2018), below the average growth of 3.3 per cent expected globally between 2010 to 2030 (UNWTO, 2015).

The future of Caribbean tourism, therefore, depends on several factors. McLeod et al. (2016) suggest that addressing basic infrastructure needs, strengthening air access, intra-island transport as critical to re-inventing, revolutionising and transforming Caribbean tourism. The researchers call for a regionalism that would address issues of fragmentation and deficiency in policy and institutions as a way forward. This must be considered in the context that the region’s proftability and ability to maintain its competitiveness is influenced by endogenous and exogenous factors (McLeod et al., 2016). Additionally, the ability of destinations and tourism businesses to innovate is critical to maintaining and sustaining their competitive advantage. This innovation should however, occur with consideration for sustainability. According to Hassan (2000), global tourism industry leaders are realising the importance of sustainable tourism development strategies and techniques. This is most important since “tourism destinations often are dependent on natural and cultural/heritage resources to form their attractions base, which are linked to economic vitality for local communities” (Hassan, 2000). Jayawardena et al. (2008) state that sustainable tourism strives to balance the short-term drive towards profit with a long-term commitment to environmental protection. When managed effectively sustainable tourism should provide the economic incentive to preserve natural areas for low-impact use (Hassan, 2000).
Tourism and innovation
In the search for increased product, firm and destination competitiveness, innovation is becoming an increasingly popular theme in the tourism industry (Hall, 2009). One of the key questions to consider is what really drives innovation with a destination. Innovation refers to the process of bringing any new, problem solving idea into use (Kanter, cited by Hall and Williams, 2008; Hjalager, 2010). The concept of innovation is however, not limited to the inventions or the development of new products (Hjalager, 1997). To this end, there are different types of innovations including product or service innovation which refers to changes that are perceived as new by customers and that may influence their decision to purchase; process innovation aimed at increasing efficiency and productivity; managerial innovation aimed at improving internal process by motivating and empowering staff, and providing adequate compensation; management innovation referring to strategies used by destination management entities, tourists boards and individual enterprises to attract new markets and build their brands; and institutional innovation which is a new embracing collaborative/organisational structure or legal framework that efficiently redirects or enhances the business in certain fields of tourism (Hjalager, 2010). Innovation is therefore one of the agents that results in increasing competitiveness. Innovation to comply with environmental regulation often improves product performance or quality (Porter and van der Linde, 1995b). This also presents companies with the early mover advantage which allows them to command premium prices for “green” products and open up new market segments (Porter and van der Linde, 1995b). The tourism industry in the region has experienced many examples of product or service innovations especially in the hotel sub-sector. Examples of these include the refining and developing of the all-inclusive concept by Jamaica’s Super-Clubs hotels whose performance, while in the company existed, had far outstripped that of traditional multinational corporations-affiliated hotels in the 1980s and 1990s (Poon, 1988). Sandals Resorts International, also a Jamaican company, has eclipsed this accomplishment in the early part of the twenty-first century.

The question of what drives innovation within the Caribbean is still to be further explored. Hjalager (2010) identifies that though a number of theories exist, there is no comprehensive understanding of the driving forces in tourism innovation literature. The principal question for the Caribbean, therefore is, can the regulatory framework be used to positively influence business behaviour towards more environmentally sustainable practices which may, in turn, result in innovations in response to regulatory stringency? There is often the concern that strict environmental regulations may hinder the development of any industry and may erode competitiveness as discussed by Porter and van der Linde (1995), Forsyth (1997), and Russell et al. (2008) which results in non-compliance to mandatory regulations. As such, tourism regulations are often based on a combination of legal and non-legal rules inclusive of certification programme, sustainability recognition and awards, and legislation. Some operators prefer self-regulation based on rules and standards that they feel are important to their businesses while the government, on the other hand, feel the need to be involved in the regulatory process to protect the image of the destination and to ensure the development of a quality product that is globally competitive.

Environmental concerns, regulations and innovation in the Caribbean
Regulating the tourism industry to encourage the adoption of sustainable practices therefore, becomes a challenging undertaking. “Businesses, consumers and regulatory bodies treat the implementation of sustainability principles and practices as ‘hot potato’,
claiming that others have principal responsibility for making sustainable tourism happen” (Williams and Ponsford, 2009). The role of the government is important since they can use regulations to reign in unsustainable behaviour (Williams and Ponsford, 2009). Conversely, in small developing countries such as those in the Caribbean, it was found that they are often reluctant to introduce and enforce regulations for fear that this may be a deterrent to investors (Hospitality Going Green, 2008). The Caribbean tourism product comprises mainly coastal entities that have taken advantage of the natural beauty of the region, along with its white sandy beaches and warm, tropical waters. The nature of Caribbean tourism has therefore to be re-examined in the face of increasing effects of climate change. Further, the ideal tropical beach vacation is now affected negatively by climate effects such as droughts, excessive rainfall, flooding and hurricanes (MacKay and Spencer, 2017). This has been exacerbated by limited government involvement in policy and planning in the earlier stages of Caribbean tourism development (Wilkinson, 1997; Mycoo, 2006).

**Barbados**

Barbados, which was originally a settler colony, saw an explosion in its population with the increase in sugarcane cultivation and sugar production in the late 1600s (Wilkinson, 1998). This increased activity on an island of 430 sq km led to changes in the natural environment. Watts, 1987 (cited by Wilkinson, 1998) describe the virtually total removal of the island’s vegetation with effect that by 1655 “only very small pockets of forest remained within the gullies of isolated districts, so that most potential refuges of the native flora and fauna had been eliminated” (Wilkinson, 1998). Agriculture continued to be the dominant economic activity until the 1960s and 1970s when secondary industries such as tourism and manufacturing developed. By the 1990s, sugar remained the dominant economic force on the island (Wilkinson, 1998), but with the decline in agriculture, tourism became the main economic activity. The increase in the reliance on tourism has been accompanied by a number of impacts to its natural resources.

These include the removal of stabilising coastal vegetation, the elimination of mangroves, (which formerly existed at some 12 locations on the island, but have now been reduced to two sites), coral reef destruction largely resulting from the discharge of untreated effluent and waste, unauthorised and poorly designed protection structures such as groynes and revetments, and the loss of habitat for endangered species such as sea turtles. The destruction of coastal vegetation, mangroves and coral reefs triggered erosion on the west coast beaches, which were receding at 1.5 metres per decade (Mycoo, 2006).

**Guyana**

Though Guyana shares a similar political and economic past with Jamaica and Barbados, its physical location and assets lends itself to nature-based tourism. Unlike the other states under review, the country sits on the northern tip of the South American continent. Its Caribbean identity is a result of its historical associations rather than its geographic location. Guyana is bounded on the north by the Atlantic Ocean; on the southwest by Brazil; on the east by Suriname and on the west by Venezuela and is the only English-speaking country on the continent (Huntley, 2006). It is part of the Amazon rainforest system and is one of eight countries that make up the Organisation of Amazon Cooperation Treaty (Butts and Sukhdeo-Singh, 2010). The country enjoys almost 80 per cent forest cover which serves as home to its growing indigenous community who have lived their lives promoting the principles of sustainable development because their livelihood depend on the forests (Butts
and Sukhdeo-Singh, 2010). Given rising concerns over environmental issues such as climate change, Sinclair and Jayawardena (2003) state that there is a recognition by the Amazonia countries (including Guyana) that a business as usual approach to the environment creates unusual and undesirable environmental consequences that will affect development negatively. The researchers therefore, posits that sustainable tourism is part of the alternative paradigm that is central to a strategy for the conservation of the Amazon rainforest (Sinclair and Jayawardena, 2003).

**Jamaica**

Jamaica is the largest English-speaking Island in the Caribbean and the region’s fifth most tourism-dependent economy. Early efforts to manage tourism in Jamaica in the twentieth century focussed primarily on gaining visibility for the destinations, developing access, providing infrastructure and ensuring the growth in tourist numbers (Hayle, 2005). Conversely, Jamaica’s Master Plan for Sustainable Tourism Development reveals that the social, physical, infrastructure and ecological carrying capacities have been exceeded in the major resort areas of Ocho Rios, Negril and Montego Bay (Commonwealth Secretariat, 2002). One of the major conclusions of the Master Plan was that the current path of tourism development in Jamaica is not sustainable. As such, emphasis is now being placed on achieving sustainable tourism development in Jamaica. (Commonwealth Secretariat, 2002). Environmental sustainability is one of the key developmental objectives.

Mackay and Spencer (2017) explain how truly vulnerable the Caribbean region is with the threat of warming seas temperatures, sea-level rise, coral bleaching and general disruption in the marine food chain, fisheries and marine tourism recreation. Sea level rise and storm surges may also result in environmentally induced migration and food security challenges. An even grimmer picture is painted by Trotz (2014; cited by MacKay and Spencer, 2017) in that a 1 metre rise in sea level will likely inundate 100 per cent of port lands, 20 per cent of airport lands and 2 per cent of road networks in Jamaica. It should be noted that the World Meteorological Organisation (WMO) reports that twenty of the hottest years on record have occurred in the past 22 years, with the four warmest years occurring between 2015 to 2018 (McGrath, 2018). 2015 was significant however, since it was the first time that recorded global temperatures had increased by one degree Celsius above pre-industrial times, crossing the halfway threshold to the two-degree Celsius limit set by the Paris Climate Agreement of 2015 (MacKay and Spencer, 2017). Since the implication of these events could be devastating for the Caribbean, regional competitiveness and survival requires innovation to these concerns.

![Figure 1. The relationship between stringent environmental regulations, increased innovation, and increased business performance.](source: Adopted from Porter’s hypothesis (Porter and van der Linde, 1995a)
Conclusion

To maintain and sustain its competitive advantage, the researcher suggests that a re-focusing of policy priorities in states such as Jamaica, Guyana and Barbados. Changes need to be made in how we live and interact with our spaces, the building codes established to govern design, setbacks, building heights and the location of major resorts should be reconsidered as we adjust to one of the new realities of Caribbean tourism. Countries of the Caribbean should consider innovations that are more complex, providing solutions to the pressing issues faced. As coastal entities, climate change and its effects should be a main preoccupation of policymakers and industry operatives. To this end, various mechanisms to trigger innovation and enhance the regions competitiveness should be considered. This may be accomplished using institutional instruments such as regulations. The importance of a robust but flexible regulatory framework to achieve sustainability cannot be overstated. Despite challenges defining ownership of the responsibility for the implementation of sustainability initiatives, it is critical that destination recognise that there is value in implementation. Critically, this can be used by governments to positively influence behaviour and chart the course for the development of the tourism industry (Huntley Lewis, 2018).

Based on Porter’s hypothesis, the application of stringent but flexible environmental regulations may be the catalyst to spur innovation, ultimately increasing competitiveness in the region (Figure 1), while addressing the issues associated with climate change. Competitiveness can be examined from the macro or micro perspectives. Macro perspectives examine competitiveness from the country level with the goal of improving real income in communities (Dwyer and Kim, 2003). Williams and Morgan (2012) posit that macro level competitiveness speak to the most productive use of a country’s resources. A destination’s ability to be competitive is often affected, however, by the actions taken at the micro level by local businesses. While some businesses may prefer to remain unregulated, others may wish to decide what regulations are important and relevant to their business and to comply accordingly. Nevertheless, instruments such as mandatory regulations that guide business decisions and influence behaviour in a firm yet supportive manner may be critical in determining the future of destinations, as proposed by this paper.

References


Hospitality Going Green (2008), Ernst and Young Limited, New York, NY.


**Further reading**


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What are the determinants of European hotel room design 2030?

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Abstract
Purpose – The purpose of this research paper is to identify determinants influencing hotel room design now and in the future to offer hotel owners, hotel investors, architects and other partners involved in hotel planning, a framework regarding hotel room design 2030. Based both on theoretical foundations and empirical findings, guidelines for an innovative future hotel room design are evolved and represented by a triangular model.

Design/methodology/approach – A detailed analysis of basic and topic-related hotel management literature as well as of promising best practices of leading international hotel companies is supplemented by the evaluation of 27 expert interviews with hoteliers of varying hotel conceptions in Germany, Austria and Spain.

Findings – The paper presents qualitative as well as quantitative results of the applied methodology and leads to the emergence of a triangular model for an innovative future hotel room design approach.

Research limitations/implications – Safety and security aspects (both physical and virtual) as well as sustainability as a limiting factor have not been further discussed within the model construction so far.

Practical implications – The theoretical findings and the emergent framework may be customized to the determining factors and specific needs of individual hotels, hotel consortia or hotel chains to meet the needs of hotel room design 2030.

Originality/value – This research paper offers guidelines beyond design aspects by considering target group priorities, technological innovation and economical aspects.

Keywords Technological innovation, Hotel industry, Economical aspects, Germany, Austria, Spain, Room design 2030, Target group priorities

Paper type Research paper

Introduction
The hospitality industry – consisting of hotels, resorts, restaurants and cruise lines – is one of the world’s largest industries in revenue and number of employees (Morritt, 2007). Narrowing down the hospitality industry to the lodging industry – hotels and resorts – the hotel room represents its most important offer for sale. No matter regarding budget/economy hotels, extended stay hotels, mid-priced hotels and motels, resorts, or upscale and luxury hotels, the investment in hotel room design is a long-term, expensive and crucial decision. Within this paper, hotel room design as a simplified denomination will be used as a synonym for the design of all accommodation varieties mentioned above. Depending on the hotel conception, rooms are refurbished within a time range of approx. 5 to 15 years. As the lead time of developing, planning and realizing a hotel room design adds up to several years, hoteliers frequently start the next planning phase right after having completed the previous one. This indicates that the planning of hotel room design 2030 will start not far from now for ambitious hoteliers.
Nowadays, hotel target groups tend to be defined based on their lifestyles. Consequently, hotel room design becomes more and more complex as guests’ claims toward design and furnishing seem to follow an inflationary increase. But which elements represent guests’ real priorities? Bedding, color concepts, technological achievements or bathroom design? Uncertainty among hoteliers rises with regard to which investment is the most promising one. This applied research paper based on three scientific pillars: a detailed analysis of basic and topic related hotel management literature as well as of promising best practices of leading international hotel companies (e.g. the application of so-called innovation labs) and in-depth qualitative and quantitative evaluation of 27 expert interviews with hoteliers of varying hotel concepts in Germany, Austria and Spain. The aim of these expert interviews was the extraction of the determinants (e.g. target group demands or guest nationalities) affecting present as well as future hotel room design on the one hand and the integration of general guest opinion and satisfaction into planning processes on the other hand. For example, while hoteliers focus on smart room concepts regarding a hotel room 2030 prospect, numerous guests still seem to be reluctant to accept this prospect as they fear declining user friendliness and quality assurance. The paper concludes with the presentation of a provisional triangular model for an innovative future hotel room design approach based on target group priorities, technological innovation and economical aspects.

**Literature review**

*Segmentation and definition of target groups*

For decades, hotel management experts have been suggesting hotels to concentrate their products, services and marketing on in relation to a limited number of target groups. Hotels offering products and services for many or all imaginable target groups without profiling tend to be less successful than competitors who do this. Within the process of identifying specific target groups, market segmentation signifies an important first step. According to Weinstein (2004, p. 4) “market segmentation is the process of partitioning markets into groups of potential customers with similar needs and/or characteristics who are likely to exhibit similar purchase behavior”. Morritt (2007) states that segmentation (e.g. based on country, denomination, condition, date, etc.) allows companies to select those groups that can be served most profitably and positions the company to effectively service the needs of these groups. A three-stage-process has generally been proven to be a promising way of identifying the targeted groups:

1. Partitioning your market into groups with similar characteristics;
2. Selecting the segments that your company is best able to serve; and
3. Researching their needs and preferences which are used to customize your offerings to this target market. (Morritt, 2007, p. 5.)

These findings seem even more relevant to present and future hotel management. Understanding who the target guest is may be seen as the foundation for setting the right strategies within hotel management. Optimization of guests’ experience is granted by understanding what is important to the core target and finally wowing these guests (Arlotta, 2018). Today’s travelers place a higher value on experiences with their personal preferences – lifestyle brands launched by a number of global hotel chains in an attempt to meet the lodging needs of a new generation of consumers may be rated as the consequent next step. (Marin, 2015) A promising practical concept is illustrated by Hilton Worldwide: it pursues a multi-segment type of positioning, targeting more than one segment of customers at the same time with different brands within its portfolio. Their market segmentation can be divided
into four different groups: geographic segmentation, demographic segmentation, psychographic segmentation and benefits segmentation (Dudovskiy, 2016).

Technology
Within the next twenty years, the overall importance of technology will increase as new technologies are being adopted more widely and innovation cycles become shorter (Roland Berger, 2017). The technological breakthroughs megatrend directly affects every other megatrend (PwC, 2016). Unique in the 21st century is the ubiquity of technology with its accessibility, reach, and depth (PwC, 2016). Also, the hospitality industry realizes its influence, irrespective of company’s size, category and conception. Smartphones and mobile devices are used for applications such as reservations, electronic check-ins, room service, currency conversion and payment, as well as accessing the room. Hotel lobbies evolve into fully integrated social media centers providing tablets, headphones, touch screens, etc. (Sen and Kaushik, 2016). Results from a study regarding technology in the hospitality industry clarify that information technology is important for increasing employee efficiency (79.9 per cent), increasing customer satisfaction (82.4 per cent) and generating revenue (71.3 per cent) (Brewer et al., 2008). Innovative technology leads to benefits in the operational management of hotels and offers a wide range of opportunities to enhance the guest experience. (Sen and Kaushik, 2016).

Hotel room design
McDonough (2001, p. 3) has highlighted, that “Hospitality projects, by their nature, carry a higher financial risk than most other project types, so creating designs that make financial sense will continue to grow in importance”. Investment in design and style of physical hotel asset represents a key competitive resource within the hotel business (Enz, 2010), while periodical renovations of the hotel property are necessary to ensure profitability and market share (O’Neill and Mattila, 2006). The importance of physical design is demonstrated by Bitner in the aspect of servicescapes that involves elements such as style, music, signage, lighting, furniture, functionality, air quality and color scheme (Bitner, 2000). The results of previous studies show that hotel ambience and interior color have an influence on customer satisfaction in restaurants, hotel bars and lobbies, with hotel stays, and future loyalty (Ryu and Jang, 2007; Lin, 2009; Jani and Han, 2014). Only few studies focus guests’ responses toward hotel room design and the individual influence of specific elements such as color, design style, gender and age (Bogicevic et al., 2018; Siamionava et al., 2018). These studies demonstrate the importance of environmental stimuli on perceptions and attitudes and support the guests’ opportunity to change individually several design item within the hotel room in order to foster the co-creation part for the guest.

Innovation labs
A number of hotel chains, hotel consortia and even some independent hotels, and institutions have implemented so-called innovation labs where future hotel room designs are tested (both in laboratory conditions and in real-life conditions accommodating guests). Thereafter, methods and approaches of exemplary hotel innovation labs are introduced (Table I).

Methodology
To explore the related issues of hotel room design nowadays and in future, a questionnaire-based interview was used. The semi-structured interview with hoteliers includes open and
closed questions in order to explore and gather broad information and obtain factual information (Collis and Hussey, 2009). The semi-structured format allows quantitative as well as qualitative data analysis. The qualitative data analysis involves reducing the data in a systematic way to select relevant data by use of coding, and summarizing the data in the form of a diagram (Collis and Hussey, 2009).

The aim of these expert interviews was the determination of the hotel room design related to the following six dimensions:

1. priorities in hotel room design;
2. evaluation of guest satisfaction regarding room design;

### Table I.

<table>
<thead>
<tr>
<th>Innovation labs and best practices</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marriott Int.</td>
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<tr>
<td>Accor Hotels</td>
</tr>
<tr>
<td>InterContinental Hotels Group</td>
</tr>
<tr>
<td>Best Western Hotels and Resorts</td>
</tr>
<tr>
<td>NHCollection Madrid Europabuilding</td>
</tr>
<tr>
<td>Fraunhofer Institut Germany</td>
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<tr>
<td>Hotelkompetenzzentrum Germany</td>
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<td>The Lovelace Munich</td>
</tr>
</tbody>
</table>

**Notes:** SMEs = Small and medium-sized enterprises; VR = virtual reality  
influence of target groups’ demands and guest nationality in room design;
(4) decisions on room design;
(5) relevance of design within the hotel marketing; and
(6) hotel room design 2030.

Conducted in 2017, the sample survey included five-, four-, three- and two-star hotels; 59 per cent of the responding executives were from four-star hotels and 22 per cent from three-star hotels. The hotels were chain hotels, consortia hotels as well as independent hotels located in Austria, Germany and Spain. The category, conception and geographical coverage of the sample of hotel enterprises that participated in the survey are shown in Tables II-IV.

Research findings

Priorities in room design
In our survey, we found that the three issues: comfort, bed and design are the top priorities in current hotel room interior. Other issues like bathroom and work area, safety, lighting, technology and cost saving cleaning are lower-ranked and seemed to be less important for the room design from the hotel executives’ perspective (Figure 1).

Evaluation of guest satisfaction regarding room design
The results of our study indicate that all the hotels regularly screen the guests’ evaluations in order to ensure that the room design matches customers’ expectations and needs. In this regard they use mostly face-to-face and online guest comments, while mystery checks have hardly been applied (Figure 2).

<table>
<thead>
<tr>
<th>Category</th>
<th>Sample</th>
<th>(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Five star</td>
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<td>3.7</td>
</tr>
<tr>
<td>Four star</td>
<td>16</td>
<td>59.3</td>
</tr>
<tr>
<td>Three star</td>
<td>6</td>
<td>22.2</td>
</tr>
<tr>
<td>Two star</td>
<td>1</td>
<td>3.7</td>
</tr>
<tr>
<td>No answer</td>
<td>3</td>
<td>11.1</td>
</tr>
</tbody>
</table>

Table II.
Category of hotel

<table>
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<tr>
<th>Hotel conception</th>
<th>Sample</th>
<th>(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hotel chain</td>
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<td>37.0</td>
</tr>
<tr>
<td>Hotel consortia</td>
<td>7</td>
<td>26.0</td>
</tr>
<tr>
<td>Independent hotel</td>
<td>10</td>
<td>37.0</td>
</tr>
</tbody>
</table>

Table III.
Hotel conception

<table>
<thead>
<tr>
<th>Geographical coverage</th>
<th>Sample</th>
<th>(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austria</td>
<td>2</td>
<td>7.4</td>
</tr>
<tr>
<td>Germany</td>
<td>22</td>
<td>81.5</td>
</tr>
<tr>
<td>Spain</td>
<td>3</td>
<td>11.1</td>
</tr>
</tbody>
</table>

Table IV.
Geographical coverage
Influence of target groups and guest nationality in room design

The study indicates that 66 per cent of hotels consider the target groups’ demands in the decision-making process of the hotel room design, especially in the field of business travelers, while 41 per cent adapt the hotel room design to guest nationality characteristics.

Decisions on room design

The investment in room facilities equates to high fixed cost and needs to consider detailed calculation and budgeting, so the decision regarding the room design has high impact on the financial basis as well as on the competitiveness of the entire hotel. It comes as no surprise that the decision on room design is, with a majority of three-quarters, influenced by the owner’s idea, while 44 per cent rely on the architectural proposal. It is conspicuous that the guest opinion and market research has relatively limited impact on the planning process of the hotel room design as shown in Figure 3.

Relevance of design within the hotel marketing

The hotel room design determines the image and supports the concept of the entire hotel. 74 per cent of the hotels use the room design within hotel marketing in terms of placing...
information on their homepage, in social media and in print marketing. Nevertheless, the results of the study show that actually, 26 per cent of the hotels do their marketing without reference to the hotel room design as they perceive no benefit from the room design in the marketing.

Hotel room design 2030
The hotel executives’ answers regarding the hotel room 2030 have been coded and summarized in Figure 4. The size of the aspects depends on the quantity of nomination. This analysis illustrates that the technological innovation is the most crucial factor for the future hotel room design. Aside from further technical aspects like smart room control and security system, the functionality of the augmented technical equipment appears to be relevant. The cozy atmosphere focuses the guest’s psychological comfort or feeling of well-being during their stay at the hotel, while the individualization emphasizes the concentration not only on target groups but on each unique guest.

Conclusions and managerial implications
A triangular model: towards an innovative future hotel room design approach
Contemplating theoretical foundations on segmentation and a concentration on target groups is important for hotel concepts, fundamental aspects of hotel room design and current technological aspects – all of which were evaluated in this study. This led to a provisional triangular model: towards an innovative future hotel room design approach which is outlined below. The contributions to a framework which defines the determinants for hotel room design 2030 guidelines were bundled in three pillars:
First of all, the theoretical foundation revealed that chain hotels, consortia hotels and numerous independent hotels have already branded their hotels based on target group principles. Certainly, this refers to hotel room design. The trend towards hotel branding has increased tremendously within the past few years. The proposition relating to target group hotels and their hotel rooms is supported by the fact that 70 per cent of the interviewed experts stated that room design has a relevance within hotel marketing by mentioning hotel room design explicitly on their homepage. Furthermore, the experts revealed that target group priorities do have an influence on hotel room design, e.g. in the case of business travelers. Guest nationality still has a minor influence on hotel room design (e.g. their specific priorities regarding shower/bath tub, king/queen beds, power plugs, etc.). While mostly owners and to some extend architects have an influence on the hotel room planning, guest opinion unfortunately still has only a minor influence. In the authors’ opinion, target group priorities will represent a major determinant in hotel room design 2030 and hoteliers, owners and planners should pay more attention to a detailed analysis of the decisive claims of their target groups, e.g. by implementing target group specific mystery checks of current room design in combination with detailed guest surveys on their claims towards room refurbishment.

On the one hand findings regarding innovative room design in the course of the expert interviews – illustrated in the word cloud of Figure 4 – revealed that technological innovation will play an important role within hotel room design 2030. But on the other hand, user friendliness must not be forgotten in this context. Still, travelers and hoteliers are reluctant to the extent of implementing technological features. This thesis is supported by the fact that comfort, bed and design represent the major priorities in current room design. The authors chose technological innovation as a second determinant on hotel room design 2030 as it is an obstacle to deciding on the right proportion of implemented technological innovation. A balance between technological opportunities and user friendliness has to be identified by hoteliers, owners and planners.

Last but not least a further determinant was identified as economical aspects. It sets the frame for ideas and possible conversion of technological innovation and target group claims. As most decisions on hotel room design are taken based on the hotel owners’ ideas, their budget represents a financial framework in general. Further, the aspect of cost-saving operation such as predicted future cleaning cost based on hotel room specifics (e.g. used materials or room structure) plays a decisive role.

Figure 5 illustrates the provisional triangular model representing the introduced determinants.

Managerial implications
In a second step, the provisional triangular model was supplemented by specified guidelines which offer a more concrete managerial framework to the industry (Figure 6).

As already mentioned, the owners and/or operators may be seen as the center of the model as the final decision on the eventual hotel room design is mostly taken by them (and is based on their ideas). Also, the hotel concept sets fundamental restrictions to the hotel room design. Target group priorities were operationalized by adding guest feedback. The implication here is that the real guest claims and priorities have to be known and respected. This aspect seems inseparable from individualization. Each guest wants to have the
impression that he or she is special to the hotel and is treated as a very important guest by respecting his or her specific claims and demands. While the concentration on specific target group priorities may be guaranteed by this procedure, changing priorities or even changing target groups over time have to be taken into consideration. Within the determinant of technological innovation, hoteliers must keep pace with megatrends by keeping themselves updated, e.g. by professional journals, trade fairs or conferences. In addition to considering which technological innovation might be implementable in their hotel rooms, the technological benefit of these innovations regarding user friendliness, added value and practicability has to be taken into account. For the economical aspects the calculation of return of investment (ROI) for hotel room design seems to be a fundamental step. This correlates directly to lifecycle management which determines the frequency of hotel room refurbishment. Property performance refers to a slightly different aspect: targeted key performance indicators (related to room sales) in the course of hotel operation. A direct

**Figure 5.**
Triangular model towards an innovative future hotel room design approach evolved by authors based on theoretical foundations and empirical findings

**Figure 6.**
Triangular model towards an innovative future hotel room design approach featuring specified guidelines evolved by authors based on theoretical foundations and empirical findings
operative aspect is represented by the previously discussed analysis of cost-saving operation. For example, preset cost-saving room cleaning might set a restriction to envisaged room design. Safety and security as well as sustainability were added as a preliminary framing element to the model as these aspects are already setting certain constraints on hotel development. Taking possible risks, crisis scenarios and social/ ecological challenges which might lie ahead of us according to common expectation into consideration, these aspects are predicted to set even stronger constraints in the future.

As a concrete managerial implication, the triangular model may support further development within the introduced and other innovation labs (see Table I) by offering a framework based on theoretical foundations as well as empirical findings. The model may be linked to the best practices assisting them in further developing the approaches.

Limitations and prospects

Limitations

In a next step, the model will be further developed and refined by adapting it to varying hotel concepts, categories, or company sizes. Further research might conclude in tailoring the provisional triangular model towards a variety of elaborate models for specific hotels, hotel consortia or hotel chains. Also, the geographical aspect – a hotel being situated in Europe, Asia, Americas, Africa or Australia (or even more in detail) – has not been considered yet. In addition, sustainability as well as safety and security aspects (both physical and virtual) as a limiting factor have not been discussed in detail within the model construction so far. Regarding the numerous imaginable crisis scenarios, a hotel might experience, at least some of them show a possible impact of rooms design e.g. (data) theft, structural and/or technological failure etc.

Prospects

As an advancement eliminating the current limitations, the triangular model will be elaborated considering additional aspects such as hotel concepts, categories or company sizes. In addition, target group priorities are predicted to play an even more intense role in the future of hotel room design. The so-called “hunt for identity” underpins the inflationary target group claims towards design, furnishing, and atmosphere of a hotel room. Adaptable and/or changeable room design might enable the hotel industry to meet these needs of individualization and tailor-made experiences. Considering these aspects additional features of technological innovation might increase in importance. But nevertheless, product innovation always has to keep pace with service innovation. Therefore – and with regard to the economic aspects – housekeeping time, challenges, and detergent consumption could be added as further determinants of hotel room design 2030.

References


European hotel room design


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Innovation-centric courses in hospitality management education in Dubai

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Abstract
Purpose – This paper aims to provide an overview of how a Dubai-based higher education institution in hospitality management has leveraged the enabling macro-environment for building innovation-centric courses in hospitality pedagogy. The policy-level initiatives focusing on innovation adopted by the UAE, and Dubai, in particular, are analyzed along with their impact on the higher education landscape.

Design/methodology/approach – An exploratory research design with an experimental component based on iterative approach has been adopted in this paper.

Findings – The synthesis of the exploratory analysis with the outcome of the experiment for developing innovation-centric courses and assessments which integrates elements of sustainability underscores the necessity for a scalable roadmap for developing an innovation-driven ecosystem. Implications for stakeholders in deploying the proposed roadmap are discussed.

Originality/value – The experience curated from the design development and delivery of innovation-focused courses with the mandated framework in a specific geography (in this case Dubai, UAE) attests to the originality. The research adds value by proposing an implementable roadmap for stakeholders to foster an innovation-driven socio-economic ecosystem that encompasses elements of sustainability.

Keywords Innovation, Sustainability, Entrepreneurship, Higher education, Hospitality, Dubai

Paper type Viewpoint

Introduction
Innovation to this day eludes a universally accepted definition (Kahn et al., 2003; Adams et al., 2006). From a semantic perspective, innovation can be classified according to type, stage, context and objectives (Baregheh et al., 2009). A process through which new knowledge is generated for developing viable solutions is how Herkema (2003) views innovation, whereas Cardinal et al. (2001) confine the concept to knowledge-based technical activities that enhance routine tasks. Though there are efforts to extend application of innovation beyond industry and sectors to academia and government (Etzkowitz and Leydesdorff, 2000), in the recent past, the granularity to which the concept of innovation is applied has mostly been confined to individual, team or organizational levels (Du Plessis, 2007) in the business sector. The trend in the more recent usage of the term “innovation” has been to use it in conjunction with the adjective “disruptive.” Disruptive innovation as a framework is defined by Christensen et al. (2015), although its usage in the contemporary context can often be at variance with this framework. This usage has coincided with the uptake of digital technologies as a driver for innovation, and the linkage of digital technologies and innovation through disruption has been brought to the fore over a decade ago by Markides (2006).

In this digitally networked global village where nation-states increasingly behave as corporate entities competing and vying for investments, the notion of innovation as an
instrument of state policy to stay ahead of the competition is gaining traction. Conventional socio-economic growth metrics such as GDP and HDI on which a government’s performance is judged thus need to be complemented with contemporary key performance indicators that feed into these metrics. Hence, the World Economic Forum (WEF, 2018) has introduced what it calls competitiveness pillars to benchmark, compare and rank countries. These pillars are interdependent, and it is noteworthy that the last of the 12 pillars is innovation.

Dubai has had a long history of carrying itself in a corporate businesslike mode from a governance perspective and thus has been a key driver in fostering a culture of innovation in the UAE as a whole. Given the relative dearth of oil revenue in comparison with its peers, Dubai has long realized the value of innovation to stay productive and prosperous by driving its economic growth through developing a vibrant non-oil service and real estate sectors of which hospitality and tourism constitute a significant part (Nadkarni and Heyes, 2016). As with any sector, Dubai’s hospitality and tourism growth story is contingent upon the agility of its workforce that needs to adapt to the ever- and fast-changing business landscape. To develop such human capital, the capacity-building and education process itself needs self-innovation. This paper focuses on the convergence space of Dubai, Innovation and Hospitality Education.

Backdrop
As discussed in the preceding section, to accommodate the growing impact of socio-economic disruptors in the digital age on growth metrics of mature and emerging economies, the World Economic Forum has incorporated the Fourth Industrial Revolution (4IR)-specific critical success factors for productivity in its Global Competitiveness Index (WEF, 2018) which shows the UAE pulling ahead not only in the region but also outperforming most OECD economies. While the report puts the UAE at or within kissing distance of the global frontier in indicators related to macroeconomic stability, infrastructure and digital adoption, it goes on to emphasize that despite sizeable investments in digital infrastructure and technological readiness, the country has had limited success in translating these into innovation capability.

The UAE Government, aware of this critical gap, has launched a slew of initiatives including the UAE National Innovation Strategy (Ministry of Cabinet Affairs, UAE, 2015, p. 17) which is structured around creating an innovation-enabling environment by identifying key priority sectors that include renewable energy, transportation, health, technology, water and space and more importantly education wherein introduction of “creative teaching methods and techniques like Smart Learning, as well as designing and developing innovative curricula that equip pupils with the 21st century skills and knowledge in the fields of science, technology engineering, mathematics and arts” are emphasized.

The efforts are beginning to bear fruit as evidenced by the UAE jumping six places in 2017 to rank 35th globally in the Global Innovation Index (GII, 2017). The policy has resulted in the setting up of the annual UAE Innovation Month since February 2018 to enhance the development of innovation capacity to further consolidate UAE’s rankings in innovation metrics.

Among the seven constituent emirates of the UAE, Dubai has carved itself a niche position in the innovation space through a spurt of activities, competitions and facilities. A case in point is the Dubai Futures Foundation’s accelerator program for startups that can bring value to government verticals, including education which has resulted in considerable traction for application of trending technologies in identifying and solving sector-critical problems.
Policies and infrastructure, when complemented by talent, contribute toward fostering an enabling environment for a culture of innovation. With this in mind, the UAE Ministry of Education (MoE) partnered with Stanford University over a three-year period to launch the UAE Stanford Innovation and Entrepreneurship Educational Initiative (Ministry of Education, UAE, 2016), wherein faculty representatives from all accredited HEIs underwent training at Stanford University to design, develop and deliver innovation and entrepreneurship (I&E) courses at their respective institutions. The essence of the policy was that both public and private HEIs in the UAE would be required to include I&E courses in their undergraduate curriculums regardless of a student’s chosen course of study. The motivation behind this decision was the identified need to redesign the content and delivery of I&E courses to meet the goals of the UAE’s National Innovation Strategy.

**Innovation in hospitality management education**

Hospitality innovation could lend itself to be (mis)construed as an oxymoron, given the tradition and convention obsessed nature of the former. That said, given the changing dynamics of the industry, fueled in particular by digital disruption, the necessity to innovate existing processes and business models has not been lost on stakeholders. Toward this end, getting future managers in the industry to adopt a culture of innovation becomes imperative. Dovetailing this necessity with the UAE MoE to mandate inclusion of I&E in the curriculum has resulted in the Emirates Academy of Hospitality Management (EAHM), an HEI based in Dubai’s co-creating an experimental pedagogic framework in partnership with industry stakeholders for fostering an innovation-driven mind-set among students enrolled in its Bachelor of Business Administration in Hospitality programs. This study provides an explanatory analysis on the outcome in the form of design, development and delivery of the I&E courses such as INEN301 and INSS301 (Dunne and Martin, 2006).

**Innovation and entrepreneurship (INEN301)**

To date, INEN301 has been delivered eight times (one pilot elective and seven compulsory courses). All of the course deliveries have followed the Stanford model comprised skill-building in the areas of empathy-gathering and development, need-finding, design thinking, rapid prototyping, pitching and personal reflection (Brown and Wyatt, 2010).

One potential concern that was identified during the teacher training workshops is the challenge in carrying forward the positive results that cohort members are receiving and delivering as a result of their direct involvement with the MoE and Stanford. This challenge was further explored and discussed in the process of conducting two focus groups, one comprising undergraduates who participated in the INEN301 course and one comprising faculty members who were not part of the MoE/Stanford cohort and were schooled in what can be labeled as more traditional academic teaching methodologies. Accordingly, the challenge ultimately begs the questions:

- Is it possible to teach students how to be creative?
- How will this new I&E methodology maintain ongoing integrity and consistency across all program disciplines?
- Will exposure of students to the skill sets associated with innovation ultimately translate into the growth and establishment of an entrepreneurial ecosystem in the UAE?
- Can students be taught to be creative?
Delivery of the government-mandated INEN301 course was scheduled to begin in all UAE-based universities in September 2016. The course was based on Stanford University’s model syllabus and methodology. EAHM piloted it as an elective in April 2016 as part of an effort for the teacher to develop a comfort level with a very unconventional delivery procedure. The mandated version course was first offered on schedule in the following September and it closely followed the style and format of the elective version. Once the module starting in September was completed and grades were issued, a student focus group was held that included six participants from both the elective and the mandated modules. When asked to describe their reactions to this new type of classroom experience, there was unanimous surprise by how different it is from the traditional academic learning experience. When asked to elaborate, a general discussion developed concerning the lack of theory presented, i.e. absence of the lecture/note-taking experience. Although one participant expressed his desire for some theory, another said it would defeat the purpose of the methodology. When asked to share something about the course that surprised them, one participant said she “never knew you could actually develop self-esteem from a course.” When asked how many of them would have described themselves as a creative person when the course first started, three of them said yes, and three said no. Once the course was finished, one participant said he felt more creative. There was a general consensus that the I&E classroom felt chaotic compared to the traditional classroom. The participants also generally agreed that proper teacher training was essential for this course to be successfully delivered, i.e. that the methodology was not something that could be learned while on the job.

Innovation and sustainability (INSS301)
In April 2018, EAHM made the decision to expand its I&E program beyond the mandate. A new course was co-developed by two professors, one of whom has a background in sustainability and the other who was part of the MoE/Stanford I&E cohort. Innovation and sustainability (INSS301) was offered as an experimental elective to handpicked students who had already completed INEN301. Part of the rationale for INSS301 was to inform the potential for introducing the design thinking process into content-based courses.

The UAE National Strategy for Innovation was launched in 2014. The strategy contains practical initiatives in the following seven sectors: renewable energy, transportation, education, health, water, technology and space. The strategy served as the initial inspiration for developing a new innovation course with an application to sustainability. Accordingly, INSS301 was developed to not only intensify the efforts advanced in INEN301 but also contribute to the social well-being of the nation in the true spirit of entrepreneurship. Students selected for INSS301 had already received the benefits of the education-focused initiative because INEN301 was set up as a prerequisite to INSS301.

INSS301 was designed to develop students’ understanding of the principles, frameworks and tools of innovative and sustainable product development. The focus was on a physical product than on a service or an event; it was deemed practicable in that regard, as access to a tangible object would bring the impacts to the forefront for sustainability evaluation. The final student output consisted of a product pitch designed for delivery to government stakeholders in view of UAE sustainable strategies for 2030.

At the conclusion of the course, students were expected to meet several objectives: practice advanced design thinking skills, critical thinking skills and presentation skills; develop competence in applying sustainability criteria in the spirit of innovation and social consciousness; apply their pitching experience from INEN301 to an innovative and sustainable product solution; analyze products from a variety of sustainability frameworks; develop real-world marketable solutions toward product design applying financial and
social frameworks; and refine their research skills preparatory to developing innovative, sustainable and marketable solutions.

Assessment of students’ output in an I&E course is always challenging because of the subjectivity inherent in marking someone’s creativity (Silvia et al., 2008). The assessment utilized in INSS301 were three-fold and interconnected. The Product Evaluation Project (PEP) comprised 40 per cent of their final mark. This was a team project consisting of four-fifteen students each, whereby they were required to evaluate and pitch a product in line with the UAE National Strategy. Their individual Preparedness and Participation (P&P) grade comprised 30 per cent of their final mark. The rationale for assigning what might appear to be a higher-than-usual percentage toward P&P was justified by the fact that the majority of the students’ work product was designed and built during class.

Their final project was a Personal Course Reflection which also comprised 30 per cent of their final mark. Students developed and presented personal reflections regarding the course and identified how innovation, entrepreneurship and sustainability might contribute to their personal and career paths. They were required to identify where they were at the start of the course and where they were upon completion. Although it was an individual effort, they later shared their experiences with their classmates in an effort to gain deeper introspection about how to carry forward their internal strengths for maximizing their career opportunities, contributing to social welfare, and creating personal happiness. This assessment also gave students the opportunity to explore the possibilities of post-study entrepreneurial collaborations with their classmates.

The experience in the design and delivery of these two innovation-centric courses lends itself to a set of recommendations in the form of a roadmap for the stakeholder value chain to implement mutually. This roadmap is discussed in the concluding section.

**Conclusion**

While the outcome of the multiple editions of the I&E courses in terms of meeting the learning outcomes is largely encouraging, whether mandatory exposure to the skill sets associated with innovation will ultimately translate into the growth and establishment of an entrepreneurial ecosystem in the UAE is contingent upon a scalable framework applicable horizontally across the HEIs and vertically across the stakeholder value chain which includes private and public sector employers and policy-making entities.

Toward this end, based on experience of the I&E courses designed and delivered at the EAHM, the following roadmap is suggested:

- **Data harvesting**: Multiple HEIs in their respective specialisms that have deployed I&E courses as per the policy mandate would need to create a mechanism and template for self-reporting on the outcome or experience of each edition of the I&E courses.

- **Metrics**: A baseline of critical success factors to gauge the impact of the I&E courses can be defined by way of key performance indicators (KPIs) having learning outcomes, assessments as well as student and faculty experience as touchpoints.

- **Dashboarding**: A set of algorithms that curate, validate and analyze the data (structured and unstructured) in the form of real-time dashboard displaying the KPIs accessible to the entire stakeholder value chain is suggested to enable timely course-correction and iteration at the micro-level, and policy changes based on evolving trends at the macro-level.

- **Stakeholder engagement**: Periodic outreach by policymakers to stakeholders across sector verticals is essential to get feedback on the success of the HEIs’ capacity to
foster innovation-driven talent which forms a critical element of the hitherto referred ecosystem.

Limitations and scope for further research
The principal limitation of this study is the lack of adequate empirical data to assess the effectiveness of the policy mandate to foster an innovation-driven ecosystem. Hence, by way of further research, it is recommended to implement the hitherto proposed roadmap based on the experience of the Emirates Academy of Hospitality Management (EAHM) for validation and verification of the policy intervention.

References


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How do Indian consumers behave when planning a leisure trip?

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Abstract

Purpose – This paper aims to explore Indian consumer behaviour towards tourism and identifies their preferences when planning leisure trips.

Design/methodology/approach – Based on a literature review, a questionnaire was designed giving more focus on pleasure or leisure trips. After that data were collected using an online survey method, and this yielded 165 responses that were analysed by using the Statistical Package for the Social Sciences (SPSS).

Findings – The findings reveal that among Indian tourists, highland locations are the most preferred location for a leisure trip. While selecting a tourist location and planning a leisure trip, Indian consumers look for security and safety followed by the available amenities, budget and weather conditions. Family and friends’ suggestions and the various activities available at the destination also have a moderate impact on the consumer’s choices.

Research limitations/implications – The article contributes to emerging research on the Indian tourism industry and consumer behaviour in tourism.

Practical implications – Research can help tourism companies and agencies to design innovative solutions to increase as well as maintain their customer base.

Originality/value – This article adds some value to the current literature specifically related to leisure tourism. The factors identified that impact on consumer decisions (including demographic factors) can be further investigated to provide innovative solutions.

Keywords Innovative solutions, Tourism marketing, Indian consumer behaviour, Pleasure trips

Paper type Research paper

Introduction

The Indian tourism industry has attained tremendous growth in recent years and in 2015, was ranked 11th among 184 countries in terms of travel and tourism’s total contribution to gross domestic product (GDP) (Indian Brand Equity Foundation Report, 2015). According to the Indian Brand Equity Foundation Report (2017, July), tourism in India accounts for 9.6 per cent of its GDP and the direct contribution of travel and tourism to GDP is expected to reach US$147.96 billion by 2027. The report also suggested that India’s rising middle class and increasing disposable incomes have continued to the growth of domestic and outbound tourism. A further report: “E-Travel Marketing India Research” by Octane (2015) revealed various trends in the Indian tourism market, including that Indian travellers travel more during their vacation summer break, other holiday periods or during festival holidays. The motivations to travel plans are leisure, meeting friends or relatives, celebration, pilgrimage and business and, during planning their vacation they look for brand, price, service, previous experiences and discounts and offers. Considering the growing potential of the Indian tourism market, this research was designed to better understand Indian consumer behaviour relating to leisure trips and to identify the factors considered to be important during planning their trip. The research is also seeking to identify the factors responsible for the selection of the destination for a leisure trip. Therefore, the aims of this study were:
to identify the factors considered to be important during selection of a particular tourism destination and planning holiday/leisure trip; and

to identify the impact of demographic factors on the selection of a particular tourism destination for a holiday/leisure trip.

**Literature review**

Tourism involves travel of people from one destination to another (Mathieson and Wall, 1982) and it can be defined as:

The sum of the phenomena and relationships arising from the travel and stay of non-residents, in so far as they do not lead to permanent residence and are not connected with any earning activity (Hunziker and Krapf, 1941).

Although a tourist has been defined as an individual travelling away home (Leiper, 1997), tourists can be classified according to their interests, the characteristics of travel or their behaviour. For successful tourism marketing, it is important to understand tourists (who are also consumers) and their behaviour so that further segmentation can help the tourism market to develop relevant marketing strategies (Goldsmith and Litwin, 1999) and provide innovative solutions in what has become a very competitive world. In this context, understanding the tourist’s consumer behaviour is an important contributor to tourism marketing.

Consumer behaviour is an observable process that can be characterized by three stages known as pre, during and post consumption and they encapsulate the consumer’s mental and emotional involvement. A model suggested by Mathieson and Wall (1982) explained the various stages of a consumer decision making process during travel planning (Figure 1). This model portrays the thinking and actions at the various stages of consumer travel buying behaviour.

As buyer behaviour is a combination of various internal and external factors, it is important to study this in detail. How a consumer is likely to behave at each stage is influenced by various factors such as social, psychological and personal considerations.

Different consumers behave in different ways in similar situations, so it is necessary to understand how to target consumers in order to design impactful marketing strategies. In a dynamic business environment, the Indian tourism industry is growing rapidly and consumers have many options and so they have become more discerning. In this context, Indian consumer behaviour has undergone a major change over the last few years as more and more people aspire to enjoy luxury and comfort. Purchases that were considered to be “luxury” items in previous generations has become necessities in younger generations and this also applies to the tourism market. Aspirations are driven by higher disposable income, a younger population, cultural shifts, increasing credit facilities and media exposure that is changing the Indian consumer’s mindset. So, to
standout in this competitive environment it is important to provide innovative solutions that are carefully targeted to customers.

Consumer behaviour is influenced by both internal and external factors. Internal factors include psychological factors such as motivation, perception, attitude, learning and personality (DeBono, 2000) while social factors can be defined as external interactions that impact on the consumer’s purchase behaviour. They include culture, sub-culture, family, social class and reference groups (Belk, 1988). Personal factors are unique to an individual such as demographic characteristics, lifestyle and situational factors (Bloch et al., 2003).

In decision-related to travel, with psychological factors various external factors also impact on the consumer’s choice such as trust and image of the travel agency, previous travel experience, time, cost and degree of perceived risk – among others. While planning a leisure trip, the consumer makes several decisions such as selection of the destination, booking of the hotel and mode of transport, planning itinerary etc., and all these decisions are additionally influenced by various factors. In a number of studies, the factors impacting the location decision have been divided into two types – primary and secondary. Primary factors include activities available at the destination, the physical setting and social and cultural attributes and secondary elements includes food and shopping. Some additional factors such as accessibility and tourist information also play an important role (Buhalis, 2000; Ritchie and Crouch, 2003). Earlier research also defined tourism destinations as a combination of available attractions, infrastructure, facilities, transportation and hospitality. Buhalis (2000) suggested six important components of a destination – attractions, accessibility, available packages, amenities, activities and other secondary services. Other research also suggests that tourists are generally concerned about three main factors – safety, security, and health – when planning their trip (Jamieson, 2001; Klanarongran, 2001; Douglas and Derrett, 2001). According to Moutinho (2005), factors that impact tourist decisions about the destination are cost, amenities, travel opportunities and information and travel arrangements. Further a research by Holloway et al. (2009) suggested that only attractions, amenities and accessibility are core components of the tourism destination.

Some earlier research suggested that emotional factors impact during planning a leisure trip (Goossens, 2000). Choibamroong (2005) suggested in his research that tourist knowledge plays an important role in designing tourism marketing strategies. Research based on theory of planned behaviour for choosing a destination suggests a relationship between attitudes and behaviour (Lam and Hsu, 2006). Safety is a major concern for tourism according to Gilbert and Wong (2003) and safety assurance is one of the most important factors for the traveller’s decision-making process. Eilat and Einav (2004) identified in their study that risk associated with a destination is an important factor as can be language and distance, especially in less developed countries.

Kang et al. (2003) identified family as an important parameter during holiday planning. Along with this, interpersonal influence and word-of-mouth are important too while making decisions related to tourism in both online and offline environments (Litvin et al., 2008). A study of the Indian consumer by Pandya (2007) revealed that the majority of Indian consumers go on vacation once or twice in a year and that highland environments are preferred destinations for holiday purpose followed by beaches and, that while selecting a destination, friends and family suggestions do influence consumer decisions.
Methodology and findings
This research is focused on Indian consumer behaviour while selecting a location for leisure trips. After literature review factors had been identified, a questionnaire was designed for data collection. Primary data for the study were collected through online survey, using a pre-tested structured questionnaire. Most of those who responded live in India’s metro cities. Data were collected from August 2017 to September 2017 and based on 167 responses, 165 were usable.

After data collection, the data were analysed using the Statistical Package for the Social Sciences (SPSS). The demographic profile of respondents is explained in Table I.

While analysing the data related to their holiday preferences it was found that most respondents (38 per cent) travel once a year followed by once in six months (33 per cent) while 20 per cent travel once every three months. Holidaying is the most important reason for travel followed by meeting with friends and travelling for religious reasons. While in the case of international travel, 38 per cent of respondents travel once a year, only 3 per cent of respondents travel twice in a year and the majority of respondents (56 per cent) had not yet travelled outside India. Holidaying is the most important reason for their international trips followed by business reasons and then meeting friends and relatives. Most Indian consumers prefer to plan their trip themselves for domestic travel while for international travel, both individual planning and planning in conjunction with a travel agency or agent is popular. And while planning their trip, an online portal known as “make my trip” is popular. Statistical analysis (the Friedman Test) showed that highland regions are the most preferred location for holiday

<table>
<thead>
<tr>
<th>N = 165</th>
<th>Gender</th>
<th>No.</th>
<th>(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
<td>98</td>
<td>59.4</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>67</td>
<td>40.6</td>
</tr>
<tr>
<td>Age</td>
<td>&lt;21 Year</td>
<td>1</td>
<td>0.07</td>
</tr>
<tr>
<td></td>
<td>21-34</td>
<td>108</td>
<td>65.5</td>
</tr>
<tr>
<td></td>
<td>35-49</td>
<td>46</td>
<td>27.9</td>
</tr>
<tr>
<td></td>
<td>50-64</td>
<td>5</td>
<td>0.03</td>
</tr>
<tr>
<td></td>
<td>65 and above</td>
<td>5</td>
<td>0.03</td>
</tr>
<tr>
<td>Marital status</td>
<td>Married</td>
<td>82</td>
<td>49.7</td>
</tr>
<tr>
<td></td>
<td>Unmarried</td>
<td>82</td>
<td>49.7</td>
</tr>
<tr>
<td></td>
<td>Others</td>
<td>1</td>
<td>0.07</td>
</tr>
<tr>
<td>Occupation</td>
<td>Students</td>
<td>63</td>
<td>38.2</td>
</tr>
<tr>
<td></td>
<td>Working professional</td>
<td>88</td>
<td>53.33</td>
</tr>
<tr>
<td></td>
<td>Home maker</td>
<td>8</td>
<td>0.05</td>
</tr>
<tr>
<td></td>
<td>Retired</td>
<td>6</td>
<td>0.04</td>
</tr>
<tr>
<td>Yearly household income</td>
<td>&lt; Rs 250,000/annum</td>
<td>21</td>
<td>12.7</td>
</tr>
<tr>
<td></td>
<td>Rs. 250,000 – 500,000/annum</td>
<td>53</td>
<td>32.1</td>
</tr>
<tr>
<td></td>
<td>Rs. 500,001 – 1,000,000/annum</td>
<td>37</td>
<td>22.4</td>
</tr>
<tr>
<td></td>
<td>&gt; Rs 1,000,000/annum</td>
<td>54</td>
<td>32.7</td>
</tr>
</tbody>
</table>

Table I.
Demographic profile of respondents
purposes followed by beaches and then viewing wildlife. Then comes historical places followed by religious sites. Deserts and Metro cities are the least preferred locations for holiday purpose.

Based on the literature review and other reports, the factors considered to be important during planning a holiday and selecting a destination were identified. Then respondents were asked to rank these factors from most important to least important and statistical analysis showed that consumers carefully consider their budget, security and amenities when planning a holiday followed by weather conditions and activities available at the destination as explained in Table II.

To address the second objective of the research, hypotheses were tested to identify the impact of demographic factors on consumer decisions:

- **H1.** There is significant impact of gender on planning a leisure trip.

The Mann Whitney test showed that during planning a leisure trip (see Table III) male and female exhibit different behaviour when considering safety and security and food, as in both cases the p value was < 0.05 and further analysis showed that female respondents attached more importance to safety and security and food than male consumers during planning a leisure trip. This analysis is presented in Table III.

- **H2.** There is a significant impact of age on planning a leisure trip.

Analysis showed that the demographic factor, age did not have any impact on selection of factors important for planning a leisure trip so the null hypothesis has been accepted.

- **H3.** There is a significant impact of marital status on planning a leisure trip.

The Mann Whitney test showed that while planning a leisure trip (see Table IV) married and unmarried consumers exhibit different behaviour as the p value is < 0.005. While considering activities available on a certain location unmarried people tend to look for more activities than married people. The analysis is presented in Table IV.

<table>
<thead>
<tr>
<th>&quot;While planning a holiday/trip traveller( I) look for&quot;</th>
<th>N = 165</th>
<th>Mean statistic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget</td>
<td>165</td>
<td>1.6242</td>
</tr>
<tr>
<td>Family and friends’ suggestion</td>
<td>165</td>
<td>1.9697</td>
</tr>
<tr>
<td>Activities available</td>
<td>165</td>
<td>1.9515</td>
</tr>
<tr>
<td>Amenities</td>
<td>165</td>
<td>1.7879</td>
</tr>
<tr>
<td>Security and safety</td>
<td>165</td>
<td>1.7455</td>
</tr>
<tr>
<td>Documentation required</td>
<td>165</td>
<td>2.2848</td>
</tr>
<tr>
<td>Duration of travel</td>
<td>165</td>
<td>2.0000</td>
</tr>
<tr>
<td>Food</td>
<td>165</td>
<td>2.0606</td>
</tr>
<tr>
<td>Promotional offers</td>
<td>165</td>
<td>2.3515</td>
</tr>
<tr>
<td>Online review</td>
<td>165</td>
<td>2.2364</td>
</tr>
<tr>
<td>Weather condition</td>
<td>165</td>
<td>1.9030</td>
</tr>
</tbody>
</table>

**Table II.** Factors important during planning a holiday and selecting a location.
<table>
<thead>
<tr>
<th></th>
<th>Budget</th>
<th>Family and friends’ suggestion</th>
<th>Activities available</th>
<th>Amenities</th>
<th>Security and safety</th>
<th>Documentation required</th>
<th>Duration of travel</th>
<th>Food</th>
<th>Promotional offers</th>
<th>Online review</th>
<th>Weather conditions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mann–Whitney U</td>
<td>2.966E3</td>
<td>3,125.50</td>
<td>2,736.0</td>
<td>2,382.50</td>
<td>2,864.50</td>
<td>3,114.50</td>
<td>2.524E3</td>
<td>2,973.50</td>
<td>2,973.50</td>
<td>3,039.50</td>
<td>3,113.00</td>
</tr>
<tr>
<td>Wilcoxon W</td>
<td>5.244E3</td>
<td>5,403.50</td>
<td>5,389.50</td>
<td>5,014.0</td>
<td>4,660.50</td>
<td>5,142.50</td>
<td>4.802E3</td>
<td>5,251.50</td>
<td>5,251.50</td>
<td>5,317.50</td>
<td>5,391.00</td>
</tr>
<tr>
<td>Z</td>
<td>-0.935</td>
<td>-0.325</td>
<td>-0.375</td>
<td>-1.747</td>
<td>-3.083</td>
<td>-1.253</td>
<td>-0.362</td>
<td>-2.456</td>
<td>-0.856</td>
<td>-0.624</td>
<td>-0.370</td>
</tr>
<tr>
<td>Asymp. Sig. (2-tailed)</td>
<td>0.350</td>
<td>0.745</td>
<td>0.708</td>
<td>0.081</td>
<td>0.002</td>
<td>0.210</td>
<td>0.717</td>
<td>0.014</td>
<td>0.392</td>
<td>0.533</td>
<td>0.711</td>
</tr>
</tbody>
</table>

**Note:** *Grouping variable: gender*
### Table IV.

<table>
<thead>
<tr>
<th>Family and friends’ suggestion</th>
<th>Budget</th>
<th>Activities available</th>
<th>Amenities</th>
<th>Security and safety</th>
<th>Documentation required</th>
<th>Duration of travel</th>
<th>Food</th>
<th>Promotional offers</th>
<th>Online review</th>
<th>Weather conditions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mann–Whitney U</td>
<td>2.970E3</td>
<td>2.975.500</td>
<td>2.678.500</td>
<td>3.264.000</td>
<td>3.062.50</td>
<td>3.115.000</td>
<td>3.010.500</td>
<td>3.201E3</td>
<td>2.949.000</td>
<td>3.252.000</td>
</tr>
<tr>
<td>Z</td>
<td>−1.152</td>
<td>−1.087</td>
<td>−2.144</td>
<td>−0.058</td>
<td>−0.800</td>
<td>−0.584</td>
<td>−0.956</td>
<td>−0.278</td>
<td>−1.161</td>
<td>−0.098</td>
</tr>
<tr>
<td>Asymp. Sig. (2-tailed)</td>
<td>0.249</td>
<td>0.277</td>
<td>0.032</td>
<td>0.954</td>
<td>0.424</td>
<td>0.559</td>
<td>0.339</td>
<td>0.781</td>
<td>0.246</td>
<td>0.922</td>
</tr>
</tbody>
</table>

**Note:** *Grouping variable: married/unmarried/other*
### Table V. Impact of income

<table>
<thead>
<tr>
<th>Test statistics(^a, b)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget</td>
</tr>
<tr>
<td>---</td>
</tr>
<tr>
<td>Chi-Square</td>
</tr>
<tr>
<td>df</td>
</tr>
<tr>
<td>Asymp. Sig.</td>
</tr>
</tbody>
</table>

**Notes:**\(^a\) Kruskal–Wallis test; \(^b\) Grouping variable: yearly household income
### Table VI. Impact of profession

<table>
<thead>
<tr>
<th></th>
<th>Budget</th>
<th>Family and friends’ suggestion</th>
<th>Activities available</th>
<th>Amenities</th>
<th>Security and safety</th>
<th>Documentation required</th>
<th>Duration of travel</th>
<th>Food</th>
<th>Promotional offers</th>
<th>Online review</th>
<th>Weather conditions</th>
</tr>
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<td>df</td>
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<tr>
<td>Asymp. Sig.</td>
<td>0.009</td>
<td>0.001</td>
<td>0.016</td>
<td>0.428</td>
<td>0.053</td>
<td>0.358</td>
<td>0.406</td>
<td>0.103</td>
<td>0.296</td>
<td>0.178</td>
<td>0.647</td>
</tr>
</tbody>
</table>

**Notes:**

- aKruskal–Wallis test;
- bGrouping variable: profession
The fourth hypothesis was as follows:

\[ H4. \] There is a significant impact of household income on planning a leisure trip.

Household income does have an impact during the planning phase and safety and security was less apparent (see Table V) as the \( p \) value was less than 0.05. Further, the Kruskal Wallis test revealed that consumers in higher income groups look for more security than other groups. Analysis is presented in Table V.

Finally, the demographic “profession” was tested by hypothesis \( H5 \).

The fifth hypothesis was as follows:

\[ H5. \] There is a significant impact of profession on planning a leisure trip.

One of the most significant demographic factors impacting consumer choice was their profession (Table VI). Students, working professionals, home makers and retired people exhibited a difference in their behaviour in relation to their budget and the influence of family and friends suggests as \( p \) value in all three cases was \(< 0.05\). The analysis is presented in Table VI.

Further mean rank calculations revealed that students attributed more importance to friends and family suggestions followed by working professionals. Similarly, students looked for activities available at the tourist destination before deciding about that location followed by working professionals. Similarly, both these group were found to be more price sensitive than the other two groups.

**Conclusion**

The impact of demographic factors and the result show that some factors such as gender, profession and marital status impact their planning decisions. Most Indian consumers plan their holiday during vacations and mostly prefer highland areas and beaches for their leisure trips. While doing a leisure trip budget, security and amenities are the most important factors followed by weather conditions and destination activities. It is evident that demographic factors influence their choices to a certain extent. In summary, these findings could help marketers to focus on the most attractive segment and most preferred time for promotion of their packages as consumers plan their vacations. Besides this, developing more highland resorts and beach locations may attract consumers as this is the most preferred locations for holidaying. Marketers can also focus on price, security, amenities and activities while developing the tour packaging as these are the decision-making factors for consumers and this will boost the growth of tourism in India. The study aspects related to demographic factors can help both consumers and marketer, as the marketer can design strategies and packages based on the preferences of each segment. Even the impact of the internet on travel-related bookings and consumer preference can be considered. In this context, the findings are not only useful to marketers but to tourism departments as they could assist them to design and develop innovative solutions.

The implications of the research may or may not apply in general as the data were collected in just a few Indian cities with a limited sample size. Therefore, to reach more concrete conclusions, further in-depth research is required. The further scope for research is very wide in this area of market research. Similar research and analysis could be undertaken in other cities and/or states of India to explore whether respondents differ in their tastes and preferences across India.
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Overcoming cross-cultural differences in post-war Sri Lanka: the case of Jetwing in Jaffna

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Abstract
Purpose – Cross-cultural differences must be taken into consideration for tourism development. The purpose of this study is to shed light on the importance of cross-cultural differences in a location which is emerging from a dark period after a prolonged war caused by ethnic differences.
Design/methodology/approach – While the existing tourism models deal with the impact of cross-cultural differences, it is difficult to apply them in certain situations, such as postwar Sri Lanka. The study therefore adopted an inductive, qualitative approach where information has been obtained from all stakeholders.
Findings – The conflict in Sri Lanka in the North and East has been interpreted differently by many individual stakeholder groups. This study reveals how economic development can bring communities together. The project elaborated in this study represents an investment of over US$6m. Given that the location of Jaffna was a focal point of the 26-year long civil war from 1983 to 2009, the risk of failure would have been extremely high.
Originality/value – The study ascertained qualitative perceptions from a cross-section of perspectives: the investor, local residents and employees. The project is shown to be a viable example of how to address socio-cultural differences in the creation of a profitable venture.
Keywords Innovation, Sri Lanka, Tourism development, Cross-cultural differences, Jaffna, Jetwing hotels, Postwar development, Investments, Sustainability
Paper type Research paper

War and peace in Sri Lanka
Tourism in Sri Lanka began in the early 1960s with beach tourism attracting tourists from western European countries. There was a steady growth of tourism from 1968 to 1982 and stagnation during the 26-year war, until 2009 and a phenomenal growth thereafter until 2017.

The conflict in Sri Lanka which began in the late 1970s and climaxed with ethnic riots in 1983. The war then lasted for 26 years until it was brought to a complete cessation in 2009. This study intends to consider one perspective – the economic element – that may reveal aspects of the complex situation that Sri Lanka was placed in from the perspective of tourism development. It is known that when the military offensive was operative, major parts of the North and East of Sri Lanka were completely cut off from the rest of the island and these areas had moved backward economically.

Although the war came to a halt, the debate continues as to whether there is a real conflict between the Sinhalese and Tamils in Sri Lanka:

It is a matter of research to find out whether there is a conflict in reality between the majority community of Sinhalese and the minority community of Tamils in the North of Sri Lanka. (Silva, 2016).

If there is an economic element involved, it has not been determined. Therefore, this research was undertaken to make a contribution to the view that economic issues may surface indirectly via insurgency, terrorism, subversion, etc.
The war has come to an end but the wounds are yet to heal and the cross-cultural elements are not favorable for tourism development in the North and East of Sri Lanka. One test for this is to examine the cross-cultural differences affecting a tourism project in a particular situation in the North of Sri Lanka. This is in the light of the many studies done across the world to understand cross-cultural differences connecting travelers and host communities.

Postwar development in the North and the East

The North and East, and especially the North, badly needed investments in the postwar scenario as explained in an article: “Greater investment needed in Sri Lanka’s north” written by Amatha Perera.

Highlights of the article are:

- low middle-income status is adversely affecting aid flows;
- northern incomes are less than a quarter of the national average;
- investors face regulatory obstacles;
- lack of adequate storage facilities;
- growth, but few jobs;
- income disparity;
- fostering local investment; and
- incremental steps (Perera, 2013).

Under these circumstances, some may expect the people in pre-dominantly Tamil regions in the North and East of Sri Lanka to warmly welcome investments from pre-dominantly Sinhalese regions in the South of Sri Lanka. However, as pointed out by Silva, the conflict in Sri Lanka was about separatists fighting for a separate state. Therefore, a major investment from the South in Sri Lanka is considered with suspicion as the people still recall the shock of war. In fact, a large number of people and families were still in refugee camps when accelerated resettlement programs were being carried out.

The hospitality industry may have contemplated entering Jaffna or any part of the North but not immediately. The reason for this is explained below, though business people would continue to look for opportunities especially in trade that did not require major investments. This situation is justified by the efforts being made for reconciliation, not to mention that the voters of the North and East was a deciding factor in the presidential elections in 2015 (Jeevan, 2015). Notwithstanding this, any postwar hotel project would have faced many issues in the following areas:

- fear of remaining militants and suicide bombers;
- finding suitable land for hospitality businesses;
- obtaining approvals from authorities including local government;
- initial clients were to be domestic tourists especially from the South; and
- recruitment and training of suitable employees.

Projects such as apparel factories were established soon after the war ended and are now in full operation. What prompted the research was a question about the approach of investors and/or organizations when making a decision to invest in a hotel project and whether the element of risk involved had been calculated. The researcher chose Jaffna city as the main location and the project of Jetwing Hotels in this city, in the context of the phenomenal
tourism growth in Sri Lanka during the postwar period: from nearly 500,000 tourists in 2009 to over 2 million tourists in 2016.

Jetwing Hotel Group went ahead and built a three-star hotel in the capital city of the Northern Province of Sri Lanka, Jaffna. A consortium of Jetwing Hotels, MMBL – Pathfinder Group, Regency Teas and several others have invested Rs. 1bn (US$6m) to open “Jetwing Jaffna”, a 55-room star class hotel that changes the skyline of Jaffna. The project has also succeeded in providing employment for over 80 youths from Jaffna, who were provided with training in the hospitality industry by Jetwing Hotels. (Daily News, 2016). Today after three years in operation, this hotel, Jetwing Jaffna, is widely accepted as the best hotel in Jaffna.

The purpose of the research is to ascertain:

• the cross-cultural differences that the project may have confronted;
• what strategies the investors deployed; and
• how the project is managed currently with acceptable profit levels.

Literature review
Jafari’s Advocacy model describes how tourism authorities initially embrace tourism development and then move to cautionary adaptation and then knowledge-based tourism. This model assumes that initially the acceptance level for tourism projects could be very high due to economic benefits. Although initially it was presumed that the people of Jaffna will be skeptical about investments this model seems to have some substance for a new project in a new location (Figure 1).

Doxey’s Irridex model takes into account the reaction of the host community to a particular tourism project from a behavioral perspective. The model suggests that communities pass through a process of reacting to the impact of any tourism development activities in an area.

The model assumes that it is the whole community that becomes hostile to tourism, but often communities are heterogeneous and different sections of the community have different reactions for example, entrepreneurs are likely to welcome any growth in tourism, as might any unemployed people. The model does postulate that the more common identity is felt by a community, the more likely it is able to make a constructive response about what levels and types of tourism it wishes to host […] It is the associated reciprocal reactions of the community that influence staged progression by undermining the appeal of the area to tourists and thus reducing its viability as a tourist destination (Academia Edu, 2017).

Figure 1. Jafari’s four platforms

Source: Anon (2005)
The core message of Doxey’s Irridex model is that the community will resent tourism development and related outcomes over a period of time and this is now to be seen in the Jetwing project which has been operating for nearly two years (Figure 2).

Meanwhile Getz and Hall’s model describes various approaches to tourism development as given in Table I. The assumption moves from boosterism to sustainable tourism development based on which planning is likely to take place. Many countries have gone through these phases with policies adapted to tourism development.

The community-oriented approach in this model explains the need to satisfy the community while meeting the needs of tourists. This fits the case of Jetwing Jaffna if the project is to succeed from the outset, based on the investor’s ability to convince people at the time of launching the project and during its early operation.

Jetwing – Jaffna – As described by the main Investor ‘Located on 40 perches of land in the heart of the town, the stunning seven storey building offers a panoramic view of Jaffna and its surroundings. The town of Jaffna, or Yaalpaanam as it is locally known, with its fascinating mix of colonial charm and Tamil culture is situated in the northernmost peninsula of Sri Lanka. Jetwing Jaffna is the ideal venue for your business or leisure trip (Jetwing Hotels, 2017).

As one could observe, the operator recognizes the Tamil culture within “Sri Lankan Hospitality” and this contradicts in a way with the political ideologies that triggered the conflict decades ago.

**Methodology**

The methodology was to examine the Jetwing project in the context of several existing theories to see if they are applicable to the scenario in Jaffna. In this sense, the work is qualitative and inductive to ascertain whether answers can be grounded in the available information.

Interviews were conducted with:

- investors – to ascertain what is not yet known;
- a sample of employees – via telephone interviews; and
- a sample of residents in the surrounding area – via telephone interviews

The nature of the study is such that apart for the investor perspective, the rest of the analysis from the other two groups cannot be revealed at a time when wounds are still healing in the North and East in the aftermath of the war. Further, there are some who are inclined to hold extremist views.

<table>
<thead>
<tr>
<th>Stage</th>
<th>Host community attitude</th>
<th>Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stage 1</td>
<td>Euphoria</td>
<td>Small number of visitors</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Visitors seek to merge with the local community</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Host community welcomes tourism</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Limited commercial activity in tourism</td>
</tr>
<tr>
<td>Stage 2</td>
<td>Apathy</td>
<td>Visitor numbers increase</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Visitors are taken for granted</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Relationship between tourists and the host community is more formalized</td>
</tr>
<tr>
<td>Stage 3</td>
<td>Irritation</td>
<td>The number of tourists grows significantly</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Increased involvement of external commercial pressures</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Increased competition for resources between tourists and residents</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Locals concerned about tourism</td>
</tr>
<tr>
<td>Stage 4</td>
<td>Antagonism</td>
<td>Open hostility from locals</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Efforts to limit damage and tourism losses</td>
</tr>
</tbody>
</table>

**Figure 2.**
Doxey’s Irridex model
Opinions and discussion

Investors’ opinion

Coming from a hospitality family, Jetwing pays due tribute to the founder Mr. Herbert Cooray a visionary and a pioneer of tourism in Sri Lanka who built an empire under Jetwing Hotels and a team of dedicated people who believe in the ethos of caring and striving and to be better than their best. The interview revealed the following with regard to:

Investor’s intentions in Jetwing Jaffna:

- It was important to find land in the heart of the city.
- Having a partner from the area was important.
- The opportunity emerged after the war ended in 2009.
- Support was derived from many quarters in local government.
- Proportionate Debt Equity ratio with specific shareholders was achieved.
- 90 per cent of the employees come from the area.
- In house training was provided.
- Employee turnover is very low.
- The project encouraged them to acquire more land to build a small luxury hotel.

Negative aspects:

- Smaller land space than anticipated.
- Expenditure on training was relatively high.
- There are some traditions that tend to divide societies though not conspicuously so.

Summary of employees’ views in general

- The project helped them to work close to home which is important to families in Jaffna.
- The training received helped them to find employment elsewhere (including overseas) with higher salaries and better benefits – if they want to pursue this option.
- Income generation helps to focus attention on the positive aspects of development.

<table>
<thead>
<tr>
<th>Tradition</th>
<th>Description of tradition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Boosterism</td>
<td>Simplistic attitude that tourism development is inherently good and of automatic benefit to the host</td>
</tr>
<tr>
<td>An economic, industry-oriented approach</td>
<td>Tourism is a tool used by government to achieve goals of economic growth and restructuring, employment generation, regional development, research and marketing</td>
</tr>
<tr>
<td>A physical/spatial approach</td>
<td>Tourism has an ecological base</td>
</tr>
<tr>
<td></td>
<td>Division of space, allocating specific activities for specific areas</td>
</tr>
<tr>
<td></td>
<td>e.g. Wilsons Prom: high use (Tidal River), restricted/no access (conserved areas)</td>
</tr>
<tr>
<td>A community-oriented approach</td>
<td>In satisfying the needs of locals, the needs of tourists can also be satisfied</td>
</tr>
<tr>
<td>Sustainable approach</td>
<td>Provision of lasting and secure livelihoods that reduce resource depletion, environment degradation, cultural disruption and social instability</td>
</tr>
</tbody>
</table>
Negative aspects:
- reluctance to mix among certain workers;
- perception as to whether the training is sufficient for international level hospitality services; and
- expectation of higher wages for hard workers, based on merit.

Summary of residents’ views in general
- The project provides employment opportunities for people in Jaffna.
- The training helps them to find employment overseas – as an option.
- The experience helps them to start up their own venture (e.g. guest houses and homestays).
- Economic development will reduce ethnic tensions.

Negative aspects:
- Government should expedite land issues.
- Priority should be given to residents.

Discussion
The research ascertained the qualitative perceptions of the stakeholders (Investor, residents and employees) and superficially at least, it is proven that Jetwing Jaffna is a success story with operational profits reflecting in accounts since 2016 (Customs Writing, 2017). Jetwing is contemplating another project in the same area which would not be possible if Jetwing Jaffna had not secured its long-term goals.

For the investor, there are different issues to address, such as finding suitable land for investment and providing training to employees recruited locally. It appears that the investor believes in the practice of sustainable tourism and the need to cascade benefits to society so that the host community is directly and indirectly connected to the project (Sustsainable Tourism Gateway, 2017).

There is a subtle strategy to include a person from Jaffna - an expatriate - as a partner to the project which was necessary to make the institution truly multicultural. It is clear that after three years of operation, the investors are willing to expand their operations in the North providing that the state is able to provide them with land in suitable locations. They had perceived that economic development and benefits to the people will enable a project to move smoothly while addressing the differences that may occur that would prevent the intervention of different ethnic and cultural groups.

In consideration of theory and practice, both Doxey’s Irridex and Jafari’s Advocacy models may be applicable – in spite of the long, drawn-out war that may have been perceived as a barrier to investors from the South. In this situation, the investor and management might need to anticipate disruption in the coming years and they should be mindful of the impact of the hotel operation on society which could be perceived to be annoying or even antagonistic.

The social relationship issue surfaces when employees say that the workplace can be reached by bus or a motor cycle. While this does help them to save money – and close proximity to the family is important – this project reality may not have been a deliberate
locational consideration. This is another factor that existing theory has not hither to taken into account in this particular case.

The perceptions of residents can be generalized as supportive to the project, contrary to a belief that the host community many resist investments from the South and acquiring properties that may be considered as “belonging” to them. In this context, the project was seen as an institutional investment rather than something more individual or Sinhalese in its orientation. This is a critical issue in relation to Northern Sri Lanka before and after the conflict that is not accounted for in the existing literature.

The findings reveal that cross-cultural differences may be wrongly interpreted as ethnic issues though the real causes may well be economic as it is ethnic differences that tend to fuel conflict. The import of commodities from India had affected Jaffna farmers in the 1980s and open economic policies seem to have fueled the conflict with youth who had lost faith in the future and so sided with the separatists. In view of this, policy makers should be watchful that it is not only socio-cultural issues but also the economy that needs to be managed with an even distribution of wealth.

Conclusion

The testing of existing theories of cross-cultural impact on a specific scenario where certain concepts cannot be directly applied – although in this instance the models may be cited as broadly in support of the hotel project. Second, the lessons learnt in this project would provide useful guidelines for further investments in the North and East, thereby avoiding the adverse effects of major cross-cultural differences that might prolong or even halt development projects.

The qualitative data have been analyzed to determine factors that are not reflective of general theories and that need to be fine-tuned to apply to specific projects and purposes. The research brings out four major factors that need to be emphasized as additions to existing theory as suitable methods to apply for specific tourism projects.

- First, are undoubtedly the economic benefits that overrule any political arguments over ethnic, religious or cultural issues. The project that was researched had gone ahead – taking on some potential risk if it was the case that cross-cultural issues relating to the situation in the North was likely to pose a threat. Time and again, it has been shown that economic issues can surface perversely as subversions or terrorism as in the case of the North. The open economy in the late 1970s and 1980s paved the way for cheap imports from India and had impacted negatively on farmers in the North;

- Second, an institutional and multicultural approach to business seems appropriate in locations that have had political and cultural issues in the past as against individual businesses attempting to grab land, properties etc. It has to be noted that Jetwing had become established as a recognized brand that would enhance the image of the North for tourism – a consideration that politicians and local Government seem to have accepted. Apart from this one project partner is a person from the community who is an expatriate. His influence on the project seems apparent from the way Jetwing have recognized him in the project;

- Third, any business that takes into account social and cultural factors such as the proximity of the workplace to home, is bound to succeed – unlike in metropolitan areas where profit and income motives tend to over-ride this consideration. Jetwing’s decision to engage over 90 per cent of employees from the area has recognized this fact and employee retention has been higher – as
reflected by loyalty to the institution – although some differences among them may be seen as originating from traditions that outsiders may consider to be trivial; and

- Fourth, the report provides some recommendations for further investors who are thinking about locating their projects in the North and the East. However, there are other factors that would govern the sustainability of the project depending on the product market strategies and attractions in the area. This study needs to be taken into account together with the overall feasibility of a project in terms of project effectiveness and efficiency in the hospitality industry at a time when competition has effectively entered the market. This is a rather different scenario to that relating to the postwar benefits.

References


About the author

Vipula Wanigasekera is proficient in the following areas of lecturing: Tourism (introduction to tourism, tourism planning and development, contemporary issues in tourism, eco and sustainable tourism, crisis and disaster management in tourism, mice tourism, cruise tourism, visitor management, tourism promotion, domestic tourism, community-based tourism); Event management (introduction to events, event planning and strategy, festivals and exhibitions management, event innovation); Marketing (introduction to marketing, marketing strategies, marketing communications, media ethics in the modern mass media, personal development, business etiquettes and business communications); and Spiritual sessions (meditative sessions on finding one self, understanding vicissitudes, how to be conscious). Vipula Wanigasekera’s qualifications are as follows: Reading for PhD in Philosophy for the period 2017/2019. MBA from the PIM of the University of Sri Jayewardenepura. Sri Lanka 1995. Graduated from the Chartered Institute of Marketing UK 1988. Lecturer for Plymouth University UK and prior to Edith Cowan – Perth, ANC-USA, MSU – Malaysia, University of Kelaniya, Sri Lanka, Sri Lanka Institute of Tourism and Hotel Management, Sri Lanka. Diploma for Classical Carnatic Music from the Institute of fine

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What are the key challenges faced by the Malaysian hospitality and tourism industry in the context of industrial revolution 4.0?

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Abstract

Purpose – Globally, the hospitality industry has entered a new era of growth and transformation due to the Industrial revolution 4.0 and generational change among the consumers. The Malaysian hospitality industry is facing some issues and challenges due to this shift in the global economy, game-changing service innovation, increasing alternative service providers and the disruption of technology. The study aims to identify the issues faced by industry experts and to provide some practical solutions for industry.

Design/methodology/approach – The paper identifies the key issues and challenges faced by the hospitality industry by using an open-ended question-based approach among senior industry practitioners and the management representative of the Malaysian Association of Hotels.

Findings – A number of innovative recommendations are offered from an industry perspective (including best practices and benchmarking) that if adopted would be beneficial to all stakeholders and encourage tourists to embrace the Malaysian hospitality industry.

Originality/value – The paper underscores issues and challenges stemming from rapid tourism growth and some operational issues relating to hospitality development. The paper also identifies some recent innovations that hoteliers could implement in their respective hotels.

Keywords Alternative service providers, Challenges and issues, Disruptive world, Industrial revolution 4.0, Malaysian hospitality

Paper type General review

Introduction

The changes that are occurring in technology and consumer patterns have caused disruption in every industry. Entire systems of production, management and governance have been transformed due to the breadth and depth of these changes. For billions of people there are limitless possibilities to be connected by mobile devices to unprecedented power to process, storage capacity and accessible knowledge. Technological breakthroughs emerging in fields such as artificial intelligence, robotics, the Internet of Things (IoT), autonomous vehicles, 3D printing, nanotechnology, biotechnology, material science, energy storage and quantum computing, will multiply these possibilities.

Although consumers have new opportunities for work and play now, those who risk losing their jobs to machines need to be equipped with new skills. With the coming of
Airbnb, Uber and Grab, the hotel and taxi businesses are being forced to undergo transformations, which is not something new, as those in the entertainment business had already had to contend with online piracy. These businesses are struggling to find ways to monetise online content. Telecommunication companies which are at the forefront of the digitisation wave, have spent billions in the past two decades building the infrastructure to enable fast internet connection on the go. However, they are now in a quandary because of applications like WhatsApp, Skype and FaceTime, that have ridden on the backs of the telecoms network, without having to spend to build them. Phone calls and text messaging have almost become a thing of the past and this has caused a loss of US$14 billion, as was reported in 2014 (The Edge Malaysia Weekly, 2016).

The tourism sector in Malaysia is a prime contributor to the economy. Malaysia as a tourist destination has achieved several milestones locally as well as internationally. Malaysia has been recognised as being in the top 10 tourist destinations in the world and the world’s 5th best shopping destination by Expedia UK 2016. To add to that, Malaysia has been awarded the Medical Travel Destination of the Year, three years consecutively from 2015 by the International Medical Travel Journal’s Medical Travel Awards. The government is determined to push the tourism sector to greater heights which is in line with the Malaysia Tourism Transformation Plan. According to the plan, by the year 2020, Malaysia has to attract 36 million tourists and generate RM168 billion in revenue from this industry. (Source: www.mida.gov.my/home/hospitality/posts/)

The World Travel and Tourism Council (WTTC) (2015) organisation, in its annual research shows that the Malaysian tourism industry had directly contributed to its gross domestic product (GDP), employment, exports and investments (as cited in Tan et al., 2017). In addition, the United Nations World Tourism Organization (UNWTO) stated that the average annual growth for international tourist arrivals was 4 per cent of the world, while the growth in South-East Asia was 5 per cent. The hospitality and tourism industry is faced with the prospect of growth and yet problems that will influence this global industry in the years ahead including an over-supply of hotels, unbalanced supply and demand, the call for sustainable practices, lower occupancy rates, increased competition, technology issues and so on. This paper attempts to address the issues and challenges faced by the hospitality industry in the 4th industrial revolution in a Malaysian context. The thinking needed to address pending issues emerged from research that draws on industry experts’ discussion, a literature review and academic perspectives.

**Key questions explored in this study**

1. What are the current/major issues faced by the hospitality and tourism industry in Malaysia?
2. What are the top/main challenges faced by the hospitality and tourism industry in Malaysia?

**Methodology**

The key questions were posed to the industry experts named below by email with the aim of identifying recommendations and thinking around key innovative solutions needed for future development of the hospitality industry in Malaysia:

- Mr. Yap Lip Seng, Chief Executive Officer, Malaysian Association of Hotels (MAH) and MAH Training and Education Centre (MAHTEC)
Key challenges discussed

Proliferation of hotels and its impact on demand and supply

The data from the National Property Information Centre (Napic) evidence the growth of hotels that have been built since 2008 with an average of 87 hotels every year – nationwide. The rapid increase in hotel occupancy numbers from 156,347 in 2018 to 248,795 (as at the first quarter of 2018) with a room number increase of 59.1 per cent, reflects the fact that tourism is the third highest contributors to Malaysia’s foreign exchange receipts and accommodation is the second largest expenditure next to shopping (The Edge Malaysia Weekly, 2018a, 2018b, 2018c).

Another report from the Edgeprop.com estimated that another 4,400 new rooms by notable hoteliers will hit the Malaysian market over the next four years even though the most awaited, the 20th Century Fox Theme Park has been delayed a number of times but is now expected to open in the first quarter of 2019. Even though the proliferation of hotels throughout the country opens up a lot of opportunities for the millennial generation, thereby helping to reduce unemployment rates, the industry experts were concerned that a potential oversupply of hotel rooms will have a significant impact on hotel occupancy rates, Average Daily Rates (ADR) and that this will affect profitability and market share. A prior study in Taipei found that brands affect the ADR and that it is also an important indicator for evaluating sales performance in the hotel business (Chen and Rothschild, 2010). Figure 1 shows how the reputed hospitality players are expected to cope with the over-supply issues in the sector and they predict that it might weaken the global economy. The MAH secretary general Christina Toh adds:

Malaysia currently has an excess supply in relation to demand and in addition to an increase in Airbnb, is actively promoting and signing up private or individual properties for tourism accommodation. The lack of detailed tourist arrival statistics and the break-up of tourist markets means that the industry is facing an issue of unbalanced supply and demand rates which need to be addressed by the policy-makers and the legislation of the country to position Malaysian as a top priority destination globally (24 October, 2018).

Figure 1.
Growth of hotels in Malaysia

Source: The Edge Malaysia Weekly (2018b)
According to MAH CEO Mr. Yap, the overall tourism management of the country remains a top priority and that encompasses industry governance such as lack of policy and regulatory enforcement, data and statistics management that are not aligned with actual, on-the-ground situations. Operationally, the industry is in need of strategic positioning in terms of identity branding and pricing and such competitiveness translates directly into profitability. In comparison with other markets in the region, the Malaysian hospitality and tourism industry has not achieved the desired results. Tourist arrivals have in fact been on decreasing and average room rates are still among the lowest in the region. Further, human capital related matters are a concern given the shortage of much needed skilled workers—especially with the increased supply of rooms in the market. This potentially leads to compromise in service levels affecting the image of the industry.

**Lower tourist arrivals and growth of alternative accommodation are worsening the hotel glut**

In this disruptive world, the hospitality sector is facing a major challenge due to the growth and popularity of alternative accommodation types such as Airbnb, tripping.com, FlipKey, HomeAway and other marketplace providers. This alternative accommodation has created stiff competition that borders on being unfair competition from disruptive and even traditional hospitality providers. Taking Airbnb as an example, it has become the world’s biggest accommodation sharing site and data from market analytics firm AirDNA suggests that it is expected to see its revenue in Malaysia in 2018 surpass that of 2017. In the first six months of 2018, Airbnb’s revenue – derived from advertised rates and bookings made – reached US$78.47 million (about RM326 million), which was 71 per cent of 2017’s full-year revenue of US$110.44 million as shown in the Figure 2. The 1H2018 figure was also a 96.8 per cent jump from the previous corresponding period. Similarly, Airbnb’s revenue for Kuala Lumpur alone almost doubled. Revenue in 1H2018 was US$24.09 million, up 90 per cent from US$12.68 million in 1H2017.

If the country’s total tourism receipts for last year – RM82.1 billion, of which RM21.02 billion went to accommodation – are anything to go by, Airbnb’s revenue made up just 2.2 per cent of the accommodation portion of receipts. Foreigners made up the bulk of its guests, with the majority coming from Singapore, followed by Jakarta, Manila, London and Hong Kong. Data from AirDNA www.airdna.com also reveal that a handful of Airbnb hosts are making over RM200,000 annually. The top 10 collectively made more than RM2 million annually.

### Top 10 Airbnb performers in KL

<table>
<thead>
<tr>
<th>Rank</th>
<th>Property</th>
<th>Estimated Annual Revenue (RM)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>La Mecén 100 S’Hartamas</td>
<td>296,440</td>
</tr>
<tr>
<td>2</td>
<td>Prestigious Penthouse next to KLCC</td>
<td>255,819</td>
</tr>
<tr>
<td>3</td>
<td>3-Floor Penthouse + Private Rooftop Pool near KLCC</td>
<td>203,821</td>
</tr>
<tr>
<td>4</td>
<td>Spacious 3000sqft Penthouse 58th &amp; 48th KL Sentral</td>
<td>199,932</td>
</tr>
<tr>
<td>5</td>
<td>JlnPekeliling 2B, 2000 sq ft of luxury near KLCC</td>
<td>188,863</td>
</tr>
<tr>
<td>6</td>
<td>Fairright Bld, Infront of Pavilion EB1 - Big Boss</td>
<td>186,074</td>
</tr>
<tr>
<td>7</td>
<td>Spacious Private Home in Bangsar</td>
<td>181,400</td>
</tr>
<tr>
<td>8</td>
<td>7 Bedrooms/Chaos Penthouse @ Bukit Bintang</td>
<td>177,858</td>
</tr>
<tr>
<td>9</td>
<td>L’Motifchou</td>
<td>171,886</td>
</tr>
<tr>
<td>10</td>
<td>Fully furnished, spacious, clean</td>
<td>164,910</td>
</tr>
</tbody>
</table>

**Source:** The Edge Malaysia Weekly (2018a)
between October 2017 and September 2018. AirDNA specialises in the compilation of Airbnb data from all over the world, which it obtains from the hospitality company’s website. Customers have to pay an additional guest fee to Airbnb of between 6 and 12 per cent of the total at checkout on the website, while hosts pay 3 per cent. Airbnb retains what is due to it first, before sending the rest of the money to the hosts.

During localised periods of peak demand, it is well understood that hotels can respond by raising prices, but they cannot materially increase supply, because of the high fixed costs of new inventory. In contrast, many of the micro entrepreneurs providing Airbnb supply can elect to take inventory on and off the market in very short time scales and with near-zero cost. Thus, the aggregate decisions of Airbnb providers comprise both a price response and a supply response. In our work, we focus on the impacts that these peer-to-peer platforms have on incumbent firms, specifically focussing on the case of Airbnb, a provider of travel accommodation and a pioneer of the sharing economy. Airbnb has served more than 50 million guests since it was founded in 2008 and has a market capitalisation eclipsing $30 billion, so we can say that it has a measurable and quantifiable impact on hotel revenue based on geographical regions, by hotel market segment and by season (Airbnb, 2015; Farrell and Bensinger, 2016). Airbnb offers a wider range of products and services than hotels; Airbnb users can rent anything from an apartment to a yurt. More importantly it leverages its existing house inventory to expand its supply wherever houses and apartment buildings at a given location are available. This approach contrast with hotels which are built in accordance with local zoning requirements. Therefore, competition by Airbnb is potentially harder for incumbents to adapt to, compared with competition by other hotel firms (Georgios Zervas et al., 2017).

**Internet of things (IoT)**

The development of internet technology and mobile technology has changed the way people communicate, engage and select their service providers. The major effect of internet dissemination has been to connect people with pervasive technologies that are ever more effective (Mahmood and Hussin, 2018). The worldwide tourism and hospitality industry is growing rapidly and trends are changing year by year. A recent phenomenon is the rapid growth in the numbers of millennial travellers who are the main drivers of change in relation to the technological revolution. It can be observed that over the past few years, millions of dollars have been invested by reputed hoteliers to upgrade their reservations and food ordering systems to provide technology integration with kiosks, tablets and smartphone applications to create a better digital experience. The 2017 travel industry report admonishes companies for investing in new technology just because it is the latest innovation. It is argued that the more important consideration is to discern experiences that drive real value and understanding which technologies consumers are ready to adopt. Travel companies must first have a vision for delivering valuable customer experience, then they should look for suitable technology to support their goals (Enabling Technology, 2017). The challenge of keeping up with the fast pace of technology is difficult and expensive as the change in generation also affects customer expectations on service excellence and experience.

Figure 3 shows how the internet of things has created the potential to connect with global customers for hospitality services. IoT solutions have already been deployed and amazing results for guests, and improvements in margins and the environment have been seen through guest satisfaction feedback and improved employee productivity and environmental sustainability. Unnecessary costs and labour have also been decreased. Forbes has defined the IoT as a "network of physical objects embedded with electronics,
software, sensors, and network connectivity, enabling these objects to collect and exchange data”. An example of this is the detection of unoccupied guest rooms by a smart energy management system which automatically reduces energy consumed by as much as 20-45 per cent (Telkonet). Utility savings can be converted into margin growth and definite gains in environmental sustainability (IoT in Hospitality, August 2018).

Sustainability practices
In the mid-1990s, green hospitality was first initiated by chain affiliated hotels and resorts (Melissen and Roevens, 2007). This movement has brought about some benefits such as, monetary advantages, competitive advantage, customer loyalty, recognition, increased brand value and employee retention (Dodds, 2008). These studies have shown that green practices have proven to be ideal and best choice for the industry. Hotel activities, which have undeniably, negatively affected the environment, have had a positive influence in creating awareness and increasing the number of hotels with green impacts. Now, more hotels are actively involved in industry efforts to preserve the environment and in addition, they are reaping benefits from going green. However, participation is still lower than it could be because of several factors that are influencing hotel decision-making in relation to the implementation of green practices. Going green, according to (Teng et al., 2015), means practices like saving water and energy, reducing solid waste and operational costs and protecting the earth. A green hotel can be defined as being environmentally friendly and whose managers prioritise programmes that specifically work to preserve the environment. A good example of this is when hotels give guests the choice as to whether to change towels and bedsheets daily, which actually reduces the usage of water, electricity and the amount of residual laundry detergent discharged into the sewer system.

Malaysia has faced many environmental issues including pollution and initiated green practices in 1997 as a consequence of the economic downturn. Green practices were included in the Malaysian government’s 8th and 9th Malaysia Plan and reinforced in the National Green Technology Policy 2009 (NGTP). As an outcomes, hotels and the wider tourism industry in Malaysia incorporated green practices due to these policies. Although the benefits are many, acceptance is still quite slow. This study sought to determine the factors that influence the implementation of green practices and thereby might provide information on possible solutions to the Malaysian Association of Hotels among others. The findings
may help hotels to widen their scope relating to green practices and also boost the image and economic gain of the hotel industry.

**Innovation solutions and recommendations**

The simplest solution to the over-supply problem is to boost arrivals but this is unlikely to happen overnight. “With no proper air accessibility, insufficient flights and no new attractions, the situation could get worse,” MAH’s Toh tells The Edge. In order to remain competitive in the face of increasing competition, hotel operators have had to look for alternative sources of revenue. Toh says hotels are increasingly depending on domestic and Asean tourists, as well as incentive groups. And as with hoteliers all over the world, domestic hotel operators are also turning to China – the largest source of outbound tourists. In view of this, a total revamp of the tourism management of the country needs to be initiated and with that, the incorporation of technology and artificial intelligence in data collection, processing and reporting. Data input channels needs to be identified and streamlined with little or no manual intervention to ensure accuracy and creditability. Detailed reporting will reflect the industry accurately at all levels, projecting a better understanding for planning purposes. The industry needs to reduce reliance on traditional business channels and diversify for long term sustainability and this could include multi-level collaboration within the industry, supported by industry drivers such as the government and its agencies. This will also promote industry unity, connected through technology that is equally accessible to everyone to enable multi-level industry initiatives that are beneficial to all stakeholders. Further, real estate investors and builders need to reassess and re-evaluate the market conditions and ensure there is demand prior to construction to ensure that the right class of hotel is built in the right location in line with market demand. It is interesting to note that premium brand hotels have also been affected by the declining occupancy and room rate issues.

It is important to control new hotel developments at destinations where there are already too many rooms, including those offered by Airbnb by imposing government regulatory and housing development limits as practised in countries like Singapore and some European countries to avoid excessive Airbnb supply that puts hotel service providers in an unhealthy competitive situation. As mentioned above, one response is to limit the construction of new hotels to the prevailing supply requirements so as to correct over-supply in the market. This can be accomplished if tourism policy makers ensure that the most suitable class of hotel is built in the right location. This would help to mitigate the potential of over-supply in the short term. For decades, Malaysia has had a reputation of having among the cheapest, if not the cheapest, room rates in the world. Even though the push has been for higher-spending tourists, the industry has not managed to gain much ground in raising room rates. With more supply in the pipeline, the average hotel rate is unlikely to see a significant improvement anytime soon.

Travel is outpacing demand for goods so the paradigm shift from service product to customer service experience by integrating the technology and human values in the right place will embrace the overall industry impression globally. It is important to drive employee engagement programmes to redefine and transform the customer experience and by focussing on customer loyalty, building better relationships. The industry should anticipate that the level of competition and innovation will rise in the years ahead as the market continues to become more aggressive globally. While hotels and travel represents the bulk of industry gross bookings, most travellers spend a lot of time in adjacent spaces such as in airports for transit and lounges in hotels where service providers should be finding ways to engage them by thinking more innovatively. In view of this, the Malaysian
hospitality and tourism industry should consider building a bigger ecosystem to unlock the power of adjacent spaces (e.g. via augmented reality and virtual hubs) to explore their experience and build expectations before they land in the country. This approach to engagement might also effect tourist behaviour in the country and encourage visitors to extend their trip and/or re-visit.

The customer experience framework below, which is focussed on mass personalisation and embracing a customer first strategy by becoming data-centric would help to create more moments to trigger customer satisfaction and re-visit intentions for future (Figure 4).

Conclusion
In conclusion, the technology-led industry revolution is having a significant impact on hospitality and tourism and emphasises the need for change in the service paradigm to meet the needs of millennial consumers and the global market. It is clear that there is a growing role for technology with the emergence of automation in the industry, though the human factor is still of utmost importance in this field. Automation and technology is set to boost productivity, efficiency and create more “wow” factors that drive profitability. The future of the industry lies in the strategic adoption of technology to maximise its impact on various sections of the industry. At its heart, tourism is still very much a people-to-people experience. The technology must be leveraged to produce elevated, authentic experience without losing sight of human values and connections. It is also important to understand the market through feasibility studies, setting optimal hotel room rates and efforts to ensure that new hotels maintain an acceptable ADR to keep ahead. In this context, Malaysian policy makers should focus on developing new legislation geared toward a sharing business economy with alternative service providers to avoiding saturation of the hospitality business market in the Malaysian economy. As environmental awareness is growing among travellers, introducing some green programmes and certification among hoteliers and service providers will benefit the country and help it to be sustainable and conservative.

**Figure 4.** Customer experience framework

**Source:** Deloitte Consulting LLP: 2018 travel and hospitality industry outlook
towards the environment. In view of this, it is important that green practice is communicated to the guest in a professional, guest-friendly manner. It is hoped that this paper can support the Malaysian hospitality industry’s thinking in relation to strategic change and a holistic, collaborative approach to future development.

References

Further reading

Internet source
Further reading


Corresponding author

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An innovative solution to leverage meaningful work to attract, retain and manage Generation Y employees in Singapore’s hotel industry

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Curtin University of Technology, Miri, Malaysia

Abstract

Purpose – This paper aims to identify a possible solution as to how meaningful work could be considered as a lever in attracting and retaining Generation Y (Gen-Y) employees to work in the Singapore hotel industry.

Design/methodology/approach – This paper draws on the perspectives of earlier conceptual papers by Chacko et al. (2012) and Solnet and Hood (2008) in an effort to identify root causes and a possible solution. The context of Singapore and the international literature are also reviewed to establish theoretical and practical gaps that need to be filled.

Findings – The results from this study can be used as a guide to enable hotels to improve the attraction, retention and management of Gen-Y employees. This is crucial in hotels where many properties are facing challenges in attracting and retaining hotel employee talent.

Originality/value – The paper provides a fresh examination of the characteristics and behaviours of Gen-Y employees, as well as suggests an improved organizational approach to attraction and retention. This methodology includes an element of positive psychology, in the form and experience of meaningful work.

Keywords Generation Y, Hotel industry, Employee engagement, Singapore, Meaningful work, Innovative solution

Paper type Conceptual paper

Introduction

High and consistent employee turnover has been a problem in Singapore’s hotel industry for many years. Though Singapore’s popularity as a tourism destination has grown, the lack of manpower has always been a challenge which prevents many establishments from providing high quality services to their customers. Aligned with the service-profit chain model, this affects the quality of services rendered, which eventually impacts customers’ loyalty towards the service provider (Chi and Gursoy, 2009). In other words, service organizations must constantly improve employees’ satisfaction at work, with the long-term objective of improving the customers’ experience. This will ultimately lead to increased customer loyalty which can translate into greater repeat business and new referrals. All of this would of course, have a significant and positive impact on operational profitability.

With the ability to host diverse international events, the development of key tourism-related infrastructure and providing incentives for industry players to embrace innovative tourism ideas and concepts, Singapore continues to bolster its reputation as an attractive tourism destination within the Asian market. To this end, data in a recent...
report identify that in the first quarter of 2017, Singapore hosted 4.3 million visitors and enjoyed tourism receipts of $6.4bn (Singapore Tourism Board, 2017a). This represents an increase of 4 percentage points and 15 percentage points respectively, compared to the same period in 2016 (Singapore Tourism Board, 2017a). This growth in overall tourism has led to the current boom in the Singapore hotel industry. As of 2015, the Singapore hotel industry has employed more than 30,000 individuals and contributed at least 1 per cent to Singapore’s Gross Domestic Product (Singapore Tourism Board, 2015b).

Recognizing its importance to the economy, the government continues to invest in additional resources to strengthen the hotel industry. As such, the government launched the Hotel Sectoral Manpower Plan in 2015. This is a five-year plan which identifies future skill sets that will be needed for the hotel industry to remain competitive and relevant. It also speaks to a career development plan and identifies possible opportunities (Singapore Tourism Board, 2015a) for prospective hotel workers. The overall objective of the plan is to hopefully make the local hotel industry more appealing to job seekers and at the same time retain existing hotel employees.

Despite the positive growth and outlook of the Singapore hotel industry, hotel establishments face many challenges to attract and retain talent. The current forecast highlights a concern that Singapore’s total workforce growth will slow down in the years ahead. Specifically, workforce growth will fall to about 1-2 per cent growth per year until 2020. There is also the possibility of declining further to a benign 1 per cent annual growth (Singapore Tourism Board, 2017b).

Two possible reasons may have contributed to this current situation of hotel labour shortages. First, the general public perception of hotel work. A perception or belief that hotel work represents low-skill sets, long work hours, a work environment that is not comfortable or safe, unreasonable job demands, poor training, no chance for promotion, non-existent career development plans, and overly demanding customers. (Barron et al., 2014; Karatepe, 2013). Richardson and Thomas (2012) further reveal that most of these perceptions have influenced career choices of tourism students, where many did not have the intention to pursue a profession within the hotel industry after graduation. Second, the appearance of the Generation Y (Gen-Y) employees, who have started joining the workforce, bring with them different values and attitudes towards work and life (Brown et al., 2015). Looking at these two reasons together it is essential for hotel establishments to understand Gen-Y employees’ needs and expectations. Knowing your employees is just as important as knowing your customers. Hotel establishments must make an effort to understand and accommodate Gen-Y employees within the work environment whenever it is possible to do so.

There has been a number of written works done by scholars who draw the relationships between the behaviours, attitudes and value system of Gen-Y employees, vis-à-vis strategies of attracting, engaging and retaining of this group of employees (Anselmo-Witzel et al., 2017; Barron et al., 2014; Brown et al., 2015; Chacko et al., 2012). However, little work has been produced that speaks to engaging employees’ in the hotel industry psychologically and to incorporate positive organization psychology. To this end, there is one study worth mentioning which builds upon earlier works done by Chacko et al. (2012) and Solnet and Hood (2008). Therefore, this particular literature collection could be considered as the first practical set of studies that develops a conceptual framework on the optics of Gen-Y hotel employees. More specifically how they perceive meaningful work by systematically examining what work means to them, and its possible relationship with employee engagement and turnover intention.
The conceptual model presented herein is anchored against the theory of planned behaviour (TPB), social exchange theory (SET), as well as the models by Chacko et al. (2012) and Solnet and Hood (2008). The TPB and SET theories provide practical foundations on why some employees are more engaged than others. From these two theories, the common underlying principle is that upon receiving resources from employers, employees feel obligated to reciprocate and therefore, decide to alter their beliefs. In turn, this influences attitudes and has an effect on their intention that will eventually drive behaviours. Such reciprocation of behaviours could manifest (to varying degrees) in non-monetary forms such as dedicating oneself more into the job role and henceforth contributing more resources into the workplace. An increase in commitment eventually leads to stronger emotional attachment towards the employer and the decision of retaining its organizational membership for a longer period of time.

Solnet and Hood (2008) developed an investigative agenda which allow researchers to establish the linkages between Gen-Y work values and human resource strategies. This approach in turn has had some affect on work attitudes, behaviours and organizational outcomes. In this same paper, they mention that this framework served as a general blueprint for future research and is a starting point for ongoing research and debate on how Gen-Y employees can shape the manpower landscape. Subsequently, Chacko et al. (2012) improved the research agenda by replacing “human resource strategies” with a concept of “organizational architecture”, which he and his colleagues theorized that the active engagement of Gen-Y employees should go beyond human resource strategies, by including other aspects of organization architecture such as the organization structure and internal process. For organization structure, Chacko et al. (2012) suggested the adoption of the concept of a seamless hotel organization where the design is circular and consists of two job categories of Guest Service and Internal Service. The main differentiation being the intensity of contact with guests. The seamless hotel organization allows all employees equal access to customers that they are serving. At the same time, it reduces rigidity, as the number of hierarchical levels within an organization is lesser. It also increases dynamism and flexibility in meeting consumers changing needs thereby improving the hotel’s competitiveness. The benefits of a seamless hotel organization include being flexible and dynamic with the promise of equal access to different job functions is a welcoming change for Gen-Y employees. It also meets their expectations of allowing them to build up specialist skills across different job functions, increase possibilities of job enlargement, allowing more collaboration across different departments, increase in decision-making authority and empowerment of front-line employees.

Aligned with the above, the concept of a seamless hotel organization resembles the proposition of high-performance work practices (HPWP). As such, this study posits that employees’ perception of work and that in particular, work is meaningful will be influenced by the presence of HPWP. This creates a reciprocating effect that affects employee engagement and turnover intention. These relationships are shown below in Figure 1.

**Generation Y**

As one knows, the hotel industry is dependent on manpower to remain competitive (Zopiatis et al., 2012). The vast majority of the transactions in this industry involve some form of interaction with the customers either directly or indirectly. It is the quality of these interactions that will give a hotel property a competitive edge. Over time, the superiority of these touch points will determine the sustainability and relevance of the business. As of June
2016, there are approximately 895,900 Gen-Y employees who are economically active in Singapore’s labour force (Ministry of Manpower, 2017). This statistic implies that the Gen-Y employees are a source of sustainable competitive advantage for many employers, especially for the manpower-intensive industries. With scholars such as Cogin (2012) suggesting that the generation X employees will be taking on senior roles within the organization and baby boomers are reaching the retirement age, Gen-Y employees could very well become the main pillar of the workforce, especially to fill front-line positions within the hotel establishment (Magd, 2003).

It is widely recognized that Gen-Y work characteristics, values and attitudes are different from the earlier generations. Studies have often described Gen-Y employees as self-confident individuals (Brown et al., 2015) who value fairness and justice (Zhu et al., 2014). They are also described by Gursoy et al. (2013) as being fast learners, IT-savvy and multi-taskers. Loyalty towards an organization is largely dependent on their perception of personal goals accomplishment and their relationship with peers (Brown et al., 2015). Other than the usual monetary benefits, Gen-Y employees like to be valued at work and be respected for their viewpoints (Gursoy et al., 2008). Furthermore, they are constantly looking out for accelerated promotion and skill set upgrading opportunities (Brown et al., 2015). While being achievement-oriented, they are also culturally sensitive and appreciate diversity and inclusion practices within an organization (Queiri et al., 2014). They do not subscribe to the notion of a job for life and are well known for their increased job mobility in comparison to their predecessors (Queiri et al., 2014).

Recent studies however, provide additional and new perspectives on Gen-Y employees. A report by the USA Department of Labour states that the length of time a Gen-Y employee will work for one employer is almost the same amount of time as a generation X employee when they are of similar age (Fry, 2017). This observation challenges the classical belief that Gen-Y employees are job hoppers. Second, a survey conducted by Deloitte in 2017, highlights that Gen-Y employees are cynical about an organization’s real intent with participation in events that supports the social good (Deloitte, 2017). This once again challenges the traditional belief that Gen-Y employees are supportive of organizations that are actively involved in being good corporate citizens. Third, Deloitte (2017) demonstrated that the percentage of Gen-Y employees who are prepared to stay longer with their current employer, in view of a pessimistic economic outlook, increased by 5 percentage points compared to 2016. Although Gen-Y employees used a different yardstick such as personal goals achievement as a barometer of their loyalty towards employers (Lub et al., 2012), the survey results showed that when needed they are prepared to reprioritise their needs and wants. Putting these factors together, it suggested that the behaviours of Gen-Y employees

Figure 1. Conceptual framework
are still evolving and warrant additional research. Furthermore, this caveat aligns with Solnet and Hood’s (2008, p. 61) reasoning that:

on closer examination, many of the views provided by different authors do not hold up to academic scrutiny as mostly are based on subjective opinions of authors from older generations.

High-performance work practices and meaningful work

As previously identified, hotels must provide high quality service to remain competitive and relevant. One way to encourage a working climate that promotes and supports positive customer service behaviour is to implement HPWP. HPWP cultivate and nurture both employees’ personal resources and the organization’s job resources. HPWP is a “unique set of complementary human resource management practices aimed at empowering employees to contribute favourably towards organizational performance” (Chidiebee and Valizade, 2016, p. 2). As postulated by scholars, implementing HPWP brings about positive individual and organization level outcomes such as the lowering of voluntary turnover, better working behaviours and employees adopting a positive mind set (Sikora et al., 2015; Chidiebee and Valizade, 2016). These positive outcomes are associated with meaningful workplaces where individuals who perceive work as meaningful always demonstrate higher enthusiasm in work, achieving greater job satisfaction, displaying higher productivity, experiencing better teamwork and delivering superior work performance (Allan et al., 2016).

Meaningful work has always been studied as part of organizational psychology, where it is measured against organizational performance (Steger, 2017). Classic theorists such as Maslow and McGregor mention that all people have an intrinsic need to seek a life that they believe is meaningful. For Maslow, the idea of meaningful work is reflected in the need of “self-actualisation” (Maslow, 1943). Studies by Allan et al. (2018), Stephenson and Bell (2018), and Martela and Anne (2018) show that employees who find their work to be meaningful demonstrate higher enthusiasm for work, achieving greater job satisfaction, displaying higher productivity, experiencing better teamwork and delivering superior work performance. Many scholars attempt to define what meaningful work is but with limited success. One reason is that individuals identify meanings according to their own life experiences and the sources of meaning differ from one person to another (Chalofsky, 2003). This is evident from a study conducted by the Meaning of Working International Research Team, where the researchers deliberately left the question on work definition as an open-ended question. Accordingly, it was very challenging to design a holistic instrument that allows a diverse group of respondents to express their understanding of work and its meaning (Steger, 2017).

In this regard, several common elements can be identified from the different definitions of meaningful work (Table I). Meaningful work is a construct encompassing positive connotations and a subjective experience (Steger and Dik, 2010), a sense of higher purpose (Steger et al., 2010), individual’s values that one actively pursues (Chalofsky and Krishna, 2009) and a shared responsibility between employers and employees (Bailey and Madden, 2017). With this as the background, this study operationalized meaningful work as a subjective experience. This is accomplished by examining the subject’s social, cultural and historical background. It also takes into consideration whether or not the employer collaborates with the employee in an effort to provide the necessary conditions to enhance one’s intrinsic motivation towards work and enrich one’s sense of belonging to the larger ecosystem.

This study further explains that meaningful work can be seen from three dimensions. According to Steger et al. (2012), positive meaning in work is the extent to which an
individual finds their work purposeful and with personal significance. Second, meaning making through work can refer to an individual’s perception that the work they are doing contributes to a larger meaning in life (Steger et al., 2012). Third, that greater good motivations refer to the perception of one’s work making a positive contribution to the greater good (Steger et al., 2012). From these perspectives and in alignment with the TPB

<table>
<thead>
<tr>
<th>Author(s)</th>
<th>Definition</th>
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<tbody>
<tr>
<td>Hackman and Oldham</td>
<td>“The degree to which the employee experiences the job as one which is generally meaningful, valuable, and worthwhile” (p. 161)</td>
</tr>
<tr>
<td>Kahn (1990)</td>
<td>“Positive meaning can be seen as a feeling that one is receiving a return on investment of one’s self in a currency of physical, cognitive, or emotional energy” (p. 703)</td>
</tr>
<tr>
<td>Pratt and Ashforth</td>
<td>“By meaningful, we mean that the work and/or its contexts are perceived to be, at a minimum, purposeful and significant” (p. 310)</td>
</tr>
<tr>
<td>Chalofsky (2003)</td>
<td>“Meaning at work implies a relationship between the person and the organisation or the workplace in terms of commitment, loyalty and dedication. Meaning in work, suggests an inclusive state of being. It is the way we express the meaning and purpose of our lives through the activities that comprise most of our waking hours” (p. 73)</td>
</tr>
<tr>
<td>May et al. (2004)</td>
<td>“Meaningfulness is defined here as the value of a work goal or purpose, judged in relation to an individual’s own ideals or standards” (p. 14)</td>
</tr>
<tr>
<td>Cartwright and Holmes</td>
<td>“The concept of meaningful work, an important element in self-identity and self-worth, also reflects the growing interest in the field of positive psychology which emphasizes the need to focus on actively developing the positive aspects of life and work rather than just attempting to identify and address the negative aspects” (p. 202)</td>
</tr>
<tr>
<td>Overell (2008)</td>
<td>“Meaningful work is work of substance, significance and importance; it is expressive. One way to think of meaningful work is through the relationship of content and context: meaningfulness comes about when a particular aspect of life finds itself in a harmonious relationship to an overall context” (p. 18)</td>
</tr>
<tr>
<td>Steger et al. (2010)</td>
<td>“Meaningful work can be considered an umbrella term, which subsumes a range of constructs, including work meaning, work meaningfulness, and the positive connotations associated with the meaning of work” (p. 3)</td>
</tr>
<tr>
<td>Rosso et al. (2010)</td>
<td>“Meaningful work is, therefore, work experienced as particularly significant and holding more positive meaning for individuals” (p. 95)</td>
</tr>
<tr>
<td>Clausen and Borg (2011)</td>
<td>“The concept of experience of meaning at work points towards experiences at work that add purpose and significance to the lives of individual employees.” (p. 667)</td>
</tr>
<tr>
<td>Lips-Wiersma and Wright</td>
<td>“There are four dimensions of meaningful work: These are developing the inner self, unity with others, service to others, and expressing full potential” (p. 660)</td>
</tr>
<tr>
<td>Steger et al. (2012)</td>
<td>“Meaningful work consists of (at least) skill variety, opportunity to complete an entire task (task identity), task significance to other people, military pride, engagement, a sense of calling, challenge, work role identity, work centrality, work values, intrinsic work orientation, spirituality, good pay, and reputation” (p. 323)</td>
</tr>
<tr>
<td>May et al. (2014)</td>
<td>“Meaningful work design is defined as involving physical welfare, complex work that provides opportunities for growth and self-expression, emotional engagement, and financial security” (p. 652)</td>
</tr>
<tr>
<td>Allan et al. (2015)</td>
<td>“Conceptually, meaning in work is considered a sub-domain of meaning that acts as a potential source of meaning in life” (p. 324)</td>
</tr>
<tr>
<td>Asik-Dizdar and Esen (2016)</td>
<td>“The meaning of work can be identified as positive associations between the work individuals engage in and the rewarding outcomes they receive such as happiness, efficacy, satisfaction, among others” (p. 5)</td>
</tr>
</tbody>
</table>

Table I. Definitions of meaningful work
and SET, this study postulates that implementing HPWP have a positive effect in fostering work meaningfulness among the employees. The hypotheses are as follows:

- **H1a.** HPWP is positively related to positive meaning.
- **H1b.** HPWP is positively related to meaning making through work.
- **H1c.** HPWP is positively related to greater good motivations.

### Meaningful work and employee engagement

Employee engagement is about dedicating themselves physically, cognitively and emotionally into their respective work roles (Bailey et al., 2017). Since its inception, employee engagement has been a key focus in many of today’s organizations (Bailey et al., 2017). It has attracted attention from both practitioners and researchers as a key construct due to its potential effect on performance at both the individual and organizational level. It was espoused in different studies such as Karatepe and Ngeche (2012) and Barron et al. (2014) that engaged employees manifested a superior level of service to their customers. Aligned with TPB and the SET, it is believed that when employees are exposed to a favourable work environment, they reciprocate it with the intention, attitude and behaviour that is desired by the organizations to whom they are employed (Cropanzano and Mitchell, 2005).

Putting the constructs of meaningful work and employee engagement together, scholars such as May et al. (2004) reveal that the work environment is one of the significant causes that influence employee engagement. Anitha (2014) attested these views, saying that employees were constantly seeking out meaning at work and employers have this responsibility to foster a meaningful workplace. In this regard, Kahn and Fellows (2013) highlight that while hygiene factors are crucial towards engagement, they are not sustainable. Engagement goes beyond just being physically present. It also requires individuals to be psychologically involved. All available personal resources need to be engaged (Kahn and Fellows, 2013). However, in order for engagement to be sustainable, one must be keenly aware of the meaning of their work (Kahn and Fellows, 2013). Despite this finding, the understanding of the relationship that exists between meaningful work and employee engagement is incomplete. First, there are few studies available that provide further elaboration on which aspect of meaningful work has an impact on employee engagement. This in turn could be attributed to the lack of a rigorous instrument. Second, Bailey et al. (2017) reveal that inconsistent results were observed among the different studies on the relationship between meaningful work and employee engagement. For example, Mendes and Stander (2011) indicated that meaningful work was associated with higher levels of employee engagement, but Van den Heuvel et al. (2009) demonstrated just the opposite.

Therefore, these studies can fill a theoretical gap and provide practical insight on the perceptions that Gen-Y employees working in Singapore’s hotel industry may have towards meaningful work. At the same time, it also helps with respect to measuring meaningful work’s impact on employee engagement. Based on these possibilities, the hypotheses are:

- **H2a.** Positive meaning is positively related to employee engagement.
- **H2b.** Meaning making through work is positively related to employee engagement.
- **H2c.** Greater good motivations are positively related to employee engagement.
Turnover intention and meaningful work

Turnover has also been a long-standing challenge for many employers and in particular within the hotel industry. Globally, it is estimated that turnover in the hotel industry could range from 60 to 300 per cent, which is greater than any other industry (Hemdi et al., 2011). Locally, the Singapore hotel industry workforce grew at a compound annual growth rate of 4.3 per cent between 2009 and 2014 (Ministry of Manpower, 2015). However, it was projected that the total workforce growth of Singapore will fall to about 1-2 per cent growth per year till 2020. Beyond 2020, it will further decline to 1 per cent per year (Singapore Tourism Board, 2015b).

Employee turnover is costly to any employer. It is expensive in terms of time, energy, and money. The associated cost with employee turnover can be classified as both direct and indirect. Direct costs include advertising, interviewing and onboarding costs, such as training, orientation and placement. Indirect costs represent the man-hours involved in administering these activities as well as the loss in productivity, loss of expertise and loss in tacit knowledge. For a service-oriented organization, this can translate into a decrease in quality service, eventually leading to a reduction in revenue. It is precisely these concerns as to why it is important for employers to confront the issue at the very onset. As soon as one can observe an employee wants to leave, interventions must take place with as much diplomacy as possible. Following TPB, the intent to leave will have an implication towards one’s action and behaviour. Turnover intention has been identified in number of literature studies to be the strongest predictor of actual turnover behaviour (Lee and Whitford, 2007).

Having said the above, it has also been noted that there is a lack of studies on how the perception of work meaningfulness could affect one’s intention to leave an organization. Existing studies have measured the impact of specific variables that form part of meaningful work on turnover intention. This includes performance management practices (Pitts et al., 2011), compensation (Lambert et al., 2001), career advancement (Griffeth et al., 2000) and workload (Lee and Hong, 2011). These studies showed that while there are attempts to identify the impact of work meaningfulness to turnover intention, it still does not provide a holistic understanding on this construct. As Pratt and Ashforth (2003) indicated, meaningful work comprises meaningfulness at both work and within work. In sum, the understanding of the relationship between meaningful work and turnover intention is incomplete, as many researchers tend to focus on a single variable or processes of meaningful work, rather than taking a more holistic view. Therefore, this study will fill in the theoretical gap by providing a detailed analysis with the following hypotheses:

\[ H3a \] Positive meaning is negatively related to turnover intention.
\[ H3b \] Meaning making through work is negatively related to turnover intention.
\[ H3c \] Greater good motivations are negatively related to turnover intention.

Employee engagement as a mediator

As a motivational construct, employee engagement plays a mediator role between meaningful work and performance outcomes and in this case what possible effect on turnover intention. This relationship can best be explained using SET. As indicated earlier, the theory revolves around the concept of reciprocity. As what Collier and Esteban (2007) suggested, the commitment level of employees depends on the valence individuals place on the stimulus. In the same vein, TPB assumes autonomous motivations which comprise intrinsic, integrated and identified motivation, will lead to better well-being. Therefore, with the introduction of work practices to foster meaning at work, this study postulates that
employees will be more engaged in their work which translates into greater quality services to customers. Along this train of thought, the final set of hypotheses is:

- **H4a.** Employee engagement mediates the negative relationship between positive meaning and turnover intention.
- **H4b.** Employee engagement mediates the negative relationship between meaning making through work and turnover intention.
- **H4c.** Employee engagement mediates the negative relationship between greater good motivations and turnover intention.

**Potential significance**

This study develops a conceptual framework on how Gen-Y hotel employees perceive meaningful work and its impact on employee engagement and turnover intention. Its significance can be seen from four perspectives.

First, this study responds to a call by scholars to provide a comprehensive measurement of meaningful work. Many of the earlier studies on meaningful work are developed erratically on an ad-hoc basis (Steger et al., 2012), and most of the studies focussed on one aspect of meaningful work rather than taking on a holistic view (Rosso et al., 2010).

Second, this study extends the understanding of meaningful work by examining the empirical relationship between meaningful work and HPWP. Specifically, this study is the first literature piece that encourages and supports human resource practitioners to understand the impact of the HPWP in fostering work meaningfulness from the dimensions of positive meaning, meaning making through work and greater good motivation.

Third, despite the growing body of research into antecedents and impacts of meaningful work, it has become apparent that literature on meaningful work within the context of the hotel industry is definitely lacking. From this author’s perspective and observations, there are only a few studies that have been conducted namely by Dimitrov (2012), and Jung and Yoon (2016). In response to the actions of these authors, more similar studies in other hotel settings need to be undertaken. These academic efforts will help to bolster the robustness of research in this area of concern. In particular, this study is the first and only project that looks at the perception of meaningful work through the lens of Singapore’s Gen-Y hotel employees.

Fourth, the desire to find meaning in work has increased over time and especially amongst today’s young entry-level employees or Gen-Y employees. The reason for this growing popularity is the positive outcomes that can be associated with its understanding. These favourable elements include improvement to working attitude, better employee engagement and a higher sense of efficacy (Cartwright and Holmes, 2006). This proposition is supported by several industry surveys conducted over the last few years, where meaningful work has been indicated as one of the key value drivers that will retain Gen-Y employees with their current employers (Kelly, 2000; Kelly Services, 2009; McKinsey, 2014). Additionally, today’s employees are better educated, as well as being more vocal. They will challenge the nature and purpose of their work (Gursoy et al., 2013). This is evident from a recent study that demonstrated employees will place higher importance on non-monetary rewards over monetary ones (Hu and Hirsh, 2017). With these thoughts in mind, organizations can create an environment of work meaningfulness by focussing on personal career growth, make an effort to create stronger networks, reduce toxic workplace behaviours and provide an alignment of the employees’ values to the outcomes of the organization.
Conclusion
Tourism development today is much more than just a numbers game (Mohotti et al., 2013). It requires communication, cooperation and collaboration from the different stakeholders. Other than infrastructure improvements, it is essential to identify factors that will motivate and retain professionals within the industry. This will require deep thinking and out of the box solutions. The growing popularity of meaningful work signals that it is an emerging cornerstone of a more creative and dynamic business environment. The authors hope that the research outcomes will potentially provide employers with the motivation to foster work meaningfulness that complements existing recruitment and retention efforts.

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Abstract

Purpose – This paper aims to investigate whether digital connectedness between family members, attained through social media, increases the intention to travel overseas to visit family or relatives. In the context of the education sector, this paper specifically investigates the likelihood of a family member traveling to see a family member who is currently studying in Australia, despite their regular interactions on digital social platforms.

Design/methodology/approach – This paper draws on the perspectives of earlier conceptual papers by Chacko et al. (2012) and Solnet and Hood (2008) in an effort to identify root causes and a possible solution. The context of Singapore and the international literature are also reviewed to establish theoretical and practical gaps that need to be filled.

Findings – The study finds that both “perceived media richness” of social media and communication applications and the “perceived connectedness” gained through social media and communication applications have a positive effect on the “intention to travel to the study destination.” Of the two variables measured in the study, perceived connectedness provides the strongest influence with nearly double the path coefficient as compared to the perceived media richness. Overall, an explanation of 32 per cent in one’s intention to travel provides a substantial discovery of travel intentions.

Originality/value – The role that digital social media like Facebook plays in human connectivity is not a foregone conclusion, when one could argue that digital connectivity especially enhanced by the richness of social media has the potential to replace or minimize physical relationships. Yet, this study demonstrates that such associations between the family members are in fact augmented by social media.

Keywords Australia, Innovation, Survey, Education tourism, Intention to travel, Media richness

Paper type Research paper

Introduction

The educational sector in Australia is one of the strongest industries in Australia. A report by Deloitte Access Economics highlights that “International educational is Australia’s largest service export and the nation’s fourth largest export overall – after iron ore, coal and natural gas” (ABS, 2015). In the year ending 2015, the sector’s measured export earnings stood at $18.8bn (ABS, 2015). Australia’s onshore international educational sector is forecast to grow from 650,000 enrolments in 2018 to 940,000 by 2025 (which equates to a
compounding annual growth rate of 3.8 per cent. On average, a student studying at an Australian university spends 2.4 years in Australia, spending A$14,000-37,000 on tuition fees per year (Nakar et al., 2018; McCaig, 2011). The top eight source markets for onshore international learner enrolments across all sectors in 2025 are expected to be China, India, Vietnam, Thailand, Nepal, Malaysia, Brazil and South Korea. Much of the growth in onshore learner enrolments will be driven by Asia – in particular China, India, Nepal, Vietnam and Thailand.

Moreover, the education sector further contributes to the Australian economy through indirect activities to augment its economic contributions. The positive effect of the educational sector in Australia on the analogous areas like the real-estate industry is often discussed in the popular press. A similar ancillary contribution of the education sector to the Australian economy can be seen through what is commonly known as “educational tourism.” Educational tourism is a commonly used phrase associated with providing training, education, work experience and skill enhancement of individuals away from their place of birth. The educational tourism industry in Australia is estimated around A$17.2bn in 2015 (VETBlog, 2015). The impact of the education sector on tourism is not just limited to the “student” but could potentially also include the student’s parents, family, relatives and friends visiting the “student” in the place of study, over their period of study in Australia.

While there are a wealth of studies discussing various aspects of educational tourism, this paper attempts to identify and address two inadequacies in the knowledge domain. First, as mentioned above, this paper intends to provide a dialogue on the effect on the destination travels of parents, family, relatives and friends. Second, the paper attempts to understand the effect of the ever-increasing digital connectedness between the “student” with his/her parents, family, relatives and friends (henceforth referred to as “relatives” for brevity and to non-repetition) on their intention to visit.

**Connectedness and its impact on educational tourism**

The world is witnessing extraordinary growth and proliferation of social media (e.g. Facebook and Instagram) and communication applications (e.g. WhatsApp and WeChat). In 2018, the global population using social network reached 3.196 billion, and it is purported to increase by 13 per cent annually (Chaffey, 2018). Moreover, there is growing evidence of the active participation of individuals in virtual communities and communications (Bagozzi and Dholakia, 2002). Research also highlights the ability of virtual communities to alter one’s perceptions and actions (Tsai and Bagozzi, 2014; Bagozzi and Lee, 2002). The proliferation of social media and communication applications has been acknowledged in the academic literature, demonstrating what is known as a “connected society” (Kane et al., 2014; Oh et al., 2017; Sedera et al., 2017). Sinha and Fung (2018) argue that individuals can now be treated as “micro-influencers,” influencing each other on micro decisions such as travel, purchases and social issues. The magnitude of the social connectedness is evident when observing the number of “friends.” For example, it is established that a Facebook user has an average of 338 friends (Smith, 2017), with another 15 per cent of users having more than 500 friends (Smith, 2014).

The digital connectedness through social media and communication applications provides an interesting paradoxical argument for the travel and tourism industry. On the one hand, digital connectedness can provide one with a “real-like” virtual environment that can minimize the urge for physical interactions (Daft and Lengel, 1986). Research has demonstrated that the increasing richness of media and communication can supplement the necessity of physical interactions (Sedera et al., 2017). Facebook, which epitomizes social networking sites, “enables users to connect by creating personal information profiles, inviting friends and colleagues to
have access to those profiles, and sending e-mails and instant messages between each other" (Kaplan and Haenlein, 2010, p. 63). Facebook is already entrenched into our daily routines and is considered a tool for maintaining relationships (Elphinston and Noller, 2011), and it provides a rich social interaction. As such, for the educational tourism context, it begs the question whether the intensity of interaction between family members through social media and communication applications, enriched by the richness of social media, could replace or reduce the intention to travel to see one’s relative in Australia. As such, we derive our study’s first hypothesis to be tested in this study:

The higher the perceived richness of the social media and communication applications lead to lower intentions of visiting the student at the educational destination.

Anecdotal commentary and theoretical foundations suggest that substantial increases in connectedness through social media and communication applications have the potential to evoke a sense of belonging. Belonging is a powerful, fundamental and pervasive human need based on strong biological and psychological mechanisms (Ryan and Deci, 2000; Patrick et al., 2007). The importance of feeling connected to others, especially one’s relatives, can be placed only behind safety needs and basic physiological needs (Maslow, 1968). As such, a substantial body of work outlines the evidence that belonging is essential for well-being, physical health and mental health (Block, 2018). In this sense, social media and modern communication applications have further broadened our communication horizon significantly by providing technology facilitation for better social interaction, awareness of one’s situation and activities that transcend geographical distance and time (Sedera et al., 2017). This heightened sense of belonging can, arguably, cause the overseas relative to prefer face-to-face interaction, ultimately arriving to visit the person studying in Australia. As such, in the context of this study in the educational tourism sector, and more broadly tourism, an augmented feeling of belonging and the increasing desire for face-to-face communication provides a positive effect:

The higher degree of perceived connectedness increases the intention of visiting the student at the educational destination.

**Model and instrument**

A research model was derived to measure two hypotheses (Figure 1). The research model is inspired by two theories, each making an assertion for a corresponding hypothesis. The first hypothesis is inspired by the media richness theory (Daft and Lengel, 1986), suggesting that the extent to which a medium is rich is related to its ability to:

- handle multiple information cues simultaneously;
- facilitate rapid feedback;

![Figure 1. The research model]
While prior research has recognized the richness of social media (Liu and Yu, 2013; Liu et al., 2016), whether a medium is rich is a subjective evaluation. The second hypothesis is inspired by the social influence theory (Latané, 1981). Latané (1981) states that, the strength of the impact can be measured through the strength of one’s network, immediacy and number of people in one’s network (Hanna et al., 2011). It is evident that social media such as Facebook and communication applications such as WhatsApp can dramatically increase the number of relatives that an individual interacts with (Manago et al., 2012). The heightened number of interactions can potentially increase the strength of the relationships too (Manago et al., 2012). Moreover, social media and communication applications allow immediate interaction between associates and the individual, high daily usage of SNS, growth potential of users without compromising the quality of communication and mobility (Gerbaudo, 2018).

A survey instrument was designed to operationalize the variables and measures using a seven-point Likert scale. The scale included the end values of (1) “Strongly Disagree” and (7) “Strongly Agree” and the middle value of (4) “Neutral.” The survey instrument included a cover page, which stipulated the code of conduct and ethics of data collection. The instrument included four questions measuring the four constructs of media richness and three questions measuring the constructs of connectedness. The intention to travel was measured using two reflective items[1]. The survey was anonymous.

**Sample**

Considering the research objectives mentioned above, the current study sought a sample that is homogeneous in terms of the country of study, duration of study, enrolled course and location. Moreover, the age of the sample was also controlled. To minimize the bias that may arise from the influence of social media and communication application, items included examples of Facebook and WhatsApp and WeChat respectively. Finally, the sample included “active” users of social media and communication applications. The term active was derived using the literature of poster and lurker literature in social media (Han et al., 2013; Sun et al., 2014), where the interaction with social media and communication application was considered at least once a week to be an active Facebook user. However, the descriptive statistics of the sample revealed that all respondents interact with social media and communication applications much more frequently. The survey instruments were circulated to 201 international students in a large public university in Australia, yielding 155 valid responses. The sample includes mainly young adults between the ages of 20 and 30, which is consistent with the social media user statistics (Zephoria, 2017). Moreover, 90 per cent of the sample had had between 100 and 400 friends and relatives. However, with 93 per cent of the sample never having visited the location, it was deemed unlikely that such bias may be introduced in the current sample. In the analysis below, to further minimize the respondent bias, we include only those who had never been to the location (n = 144). The characteristics of the sample are within the boundaries of frequently cited tourism and social media studies (Zeng and Gerritsen, 2014; Hvass and Munar, 2012).

**Data analysis**

Data analysis was completed using the following headings: content validity, construct validity and testing of the structural model for hypotheses testing. The analysis was completed using IBM Amos 23 and IBM SPSS 23.
Content validity
This study used the guidelines of McKenzie et al. (1999) for establishing content validity, which entailed four steps[2]:

- following the guidelines of Lynn (1986), a preliminary survey instrument was derived using past literature;
- following the guidelines of the American Educational Research Association (2002), a panel of respondents different to those that are in the sample was established to review and evaluate the possible survey questions, ensuring that the panel had the necessary training, experience and qualifications;
- the panel reviewed the instrument, instructions and the items; and
- the panel assessed the questionnaire as to how well each item is represented by each variable.

Finally, using CVR for each item based on the formula proposed by Lawshe (1975), a quantitative assessment was made. The test resulted in returning a minimum CVR value of 0.88 (at $p < 0.05$). Feedback from the pilot-test respondents was incorporated in the survey design (McKenzie et al., 1999; Lynn, 1986; Lawshe, 1975; Kendall and Kendall, 1993; Kendall et al., 1987; Tractinsky and Jarvenpaa, 1995).

Construct validity
The construct validity was established using factor analysis, testing the common method biasness, observing the composite reliability and establishing AVE. First, the discriminant and convergent validity of the items were established using confirmatory factor analysis. Here, each item loading of the variables was observed using the heuristic of 0.5 on their assigned factor and that the loadings within the variable were higher than those across the variables. The factor structure demonstrated satisfactory reliability, with 0.644 as the lowest, which is well above the proposed threshold level of 0.5 (Hulland, 1999). Further, there were no substantial cross-factor loadings, revealing that all variables of perceived media richness and perceived connectedness loaded as expected.

Testing the structural model
Following the guidelines of researchers (Cenfetelli and Bassellier, 2009; Dijkstra and Henseler, 2015; Henseler, 2017; Diamantopoulos and Winklhofer, 2001; Diamantopoulos and Siguaw, 2006), the structural model was tested[3] (Diamantopoulos and Siguaw, 2006). The results are depicted in Figure 2.

![Figure 2. Results of hypotheses testing](image-url)
Results and interpretation
From Figure 2, it is evident that both “perceived media richness” of social media and communication applications and “perceived connectedness” gained through the social media and communication applications have a positive effect on the “intention to travel to the study destination.” Statistically, both factors have a positive and significant (at 0.05 level) effect that explains 32 per cent of the variance in the dependent variable intention to travel. Of the two variables measured in the study, perceived connectedness provides the strongest influence, with nearly double the path coefficient, than perceived media richness. In other words, out of the two variables, perceived connectedness is the strongest predictor of intention to travel. Overall, an explanation of 32 per cent in one’s intention to travel provides a substantial indicator of travel intentions, considering that the intention to travel to a foreign destination may be influenced by a variety of reasons, ranging from economic (Jang et al., 2009) to environmental (Eriksson and Forward, 2011) to social (Abubakar and Ilkan, 2016) factors. The results herein highlight the important positive role of social media and communication applications, providing not only an effective and rich digital platform (Sedera et al., 2017) for inter-personal communications but also a social platform that connects families together (Cheung et al., 2011).

Conclusions and contributions
Education is a growing industry sector that makes a substantial contribution to the Australian economy. More specifically, this paper focussed on travel and tourism of parents, family, relatives and friends of the one who studies in Australia. In other words, the study is based on the fundamental question: “How likely are your parents, family, relatives and friends to visit you, during your period of study?” In its investigation, the study included an important contemporary facet to understand whether digital connectedness influences the intention to travel to Australia. The impact of perceived media richness of social media and the perceived connectedness provided by communication applications is observed, where the former was hypothesized to negatively influence the intention to travel and the latter to make a positive impact. Using a survey instrument inspired by the media richness theory and the social influence theory, data from 155 university students was then gathered and analyzed. The analyses revealed that both perceived media richness and perceived connectedness positively influence the intention to travel.

For travel and tourism research, the study findings recognize the impact of social media and communication applications on one’s travel intentions. The ostensibly simple research model used in this study identified two factors that provided an explanation, with a variance over 30 per cent, of one’s intention to travel to Australia. More broadly, the study highlights the innate human nature of belonging and connectedness.

While the initial results of the study are heartening, further investigation is required to fully understand the nuances associated with the traveller’s intention and digital connectedness. For example, one can consider the traveller’s region of origin, cultural considerations, age-group, sex, the type of relationship and socio-economic conditions to better understand the intention to travel.

Notes
1. The survey questionnaire is available upon request.
2. The four-step approach followed here is analogous to the Q-sort approach for attaining content validity [112-114].
3. Prior to testing the structural model, the measurement model was also assessed. Therein, we first tested for multicollinearity among the measures using variance inflation factors (VIFs). The VIF from a regression of all the items ranged less than 1.82, indicating that multicollinearity is not a problem in the study sample.

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The paradox of “family”; creating a family environment without children in luxury accommodation in New Zealand

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Abstract

**Purpose** – The purpose of the paper is to explore innovative solutions to the challenge of creating a family environment without children in luxury lodges in New Zealand.

**Design/methodology/approach** – In-depth qualitative interviews were conducted with guests, staff and managers in a luxury lodge that excludes children. An interpretivist analysis of interviewees’ comments was undertaken.

**Findings** – Guests at the childless lodge talked about the serenity and peace they experienced during their stay, and particularly the meal experiences. They thought that not having children on the premises is an advantage for this experience. Lodge managers said that not admitting children is their point of difference for the market that they are targeting.

**Research limitations/implications** – This research contributes to the emerging research theme of family tourism and extends the concept of family tourism to include family units without children.

**Practical implications** – There are significant practical implications in terms of industry approaches to creating a family atmosphere in luxury accommodation without children.

**Social implications** – That a family atmosphere does not need to include children and enables luxury accommodation to cater to a diverse range of family units. There are also implications for social diversity beyond the traditional assumptions of the nuclear family.

**Originality/value** – The exclusion of children from luxury lodges is certainly not new, but the concept of maintaining a family environment without children is innovative and worth investigating to consider the wider implications of the paradox of family without children.

**Keywords** Children, New Zealand, Family, Innovative solutions, Luxury lodges

**Paper type** Research paper

Introduction

Hospitality establishments like to portray themselves as hospitable, and it is certainly an image that guests would want to see – hospitality establishments welcoming their guests with open arms. But the reality is that there are times and places where certain sectors or groups of society are not welcome. This is most usually achieved through segmentation strategies where
targeted audiences are identified and then targeted with specific messages. There are, however, situations where those for whom the product is not intended are clearly identified by hospitality establishments in their marketing material – one of these groups is children. Examples of this approach in advertising and promotional materials include “we regret that we are unable to accommodate children under 13 years of age” or “our adult-only hotels are for couples, singles and families with children over 16”.

Out of the total, 30 per cent of the leisure tourism market is family tourism, and this is seen as a highly important sector in the industry (Schänzel, 2010), yet at the same time there is an increase in the number of hospitality establishments that do not welcome children. Families can be defined in many ways but are commonly described in tourism as “multigenerational social groups” consisting of at least one child and one adult (Schänzel, 2010).

While conducting a large study of luxury accommodation in New Zealand, the theme family feel came through strongly from all of the lodges included in the sample. It was particularly interesting that this was also a theme for the lodge that was “child-free”. Discovering this theme highlighted the paradox of family while excluding children and leads to the question – Do we need children to have a family feel within hospitality establishments?

A qualitative researcher should acknowledge that their background will inevitably influence their work (Gibbs, 2007). Over the course of this study, one of the researchers became a parent, which encouraged the inclusion of personal observations and field notes regarding children, taken during data collection. There is a distinct lack of literature that explores the paradox of family while excluding children within hospitality establishments, especially luxury lodges. This paper aims to highlight this paradox to encourage further investigation and discussion.

Literature review

Hospitality

Within hospitality studies, it has been suggested that the hospitality industry serves as a means to understand society and acts as a social lens (Lynch et al., 2011). As a lens on wider society, the hospitality industry illustrates how large-scale organisations welcome or exclude people at an institutional level (Lynch et al., 2011). Kearney (2015) debates the current philosophy concerning the two approaches to hospitality, one being a hermeneutic approach and the other being a deconstructive approach. The hermeneutic approach is seen as conditional hospitality, which has taken its cue from Paul Ricoeur, who based his model of hermeneutics on “linguistic hospitality”; an example of this is when the guest’s language is translated by the host, and they welcome their guest by the act of translation and configure their language to that of the guest (Kearney, 2015).

The deconstructive approach sees the true nature of hospitality as being unconditional. This is in direct contrast to what happens in real life when guests are asked for an ID card or passport when they check into a hotel (Kearney, 2015). Kearney (2015) argues that pure hospitality should be a “welcome without a why”, but because of legal conventions that require measures and checks, there is an acceptance of inclusion and exclusion.

Family

The traditional view of the family has changed over time, and what we define as the family has also changed (Gittins, 2017). There is an ongoing debate in many domains, including political, social and economic discourse, as to what constitutes a family (Cook, 2014). From a religious origin, Bala (1994) suggests that a definition of family is a heterosexual couple who live under the same roof as their biological children. Family can be defined as any two or
more people who are related to each other by adoption, birth, marriage or choice and share experiences, social aspects, emotions and various responsibilities (Allen et al., 2000; Holtzman, 2008).

The reason we find defining “family” challenging is because it has morphed into “families” to encompass the new perception of the composition of the family (Dumon, 1997). This is in recognition of the decrease or demise of the nuclear family (a couple and their dependent children) because of the increased rates of divorce, which has contributed to the increase in blended families, same-sex parents, single parents and blended families (Schänzel and Yeoman, 2015). In addition, there is the recognition that within many cultures – for example, Italian, East Asian and Polynesian – the extended family (cousins, grandparents, aunts and uncles), rather than the nuclear family, is considered to be the basic unit (Robinson, 2009).

Although families are splitting and reforming through divorce, linkages through children remain (Schänzel and Yeoman, 2015). The term families is commonly defined in tourism literature as “multigenerational social groups” comprising at least one child and one adult (Schänzel, 2010). It has been predicted that family travel will grow at a rate faster than all other forms of leisure travel (Schänzel et al., 2012). What is of interest is that alongside this prediction is the increase in hospitality establishments that exclude children.

Increase of childless hospitality establishments
Interest has been generated by the media highlighting the topic of “child-free” holidays. For example, Rene Weiss runs a website (urlaub-ohne-kinder.info) that gathers the addresses of hotels where tourists can have a holiday without children with a view to better relax and with the opportunity to unwind (Maier-Albang, 2011). To date the website shows 1,330 hotels that exclude children. Child-free or adult-only hotels are certainly not a new concept, and they can be dated back to the 1960s when Club Med was targeting singles (Divac, 2016). In the 1980s, the hotel chain Sandals started luring tourists from the USA to Mexico and the Caribbean with adult-only packages, specifically catering to couples (Divac, 2016). This trend has continued in Germany where the TUI Group is the largest leisure, travel and tourism company in the world and has a global network of around 250 adults-only hotels, and Thomas Cook Group PLC, which now has 198 adult-only hotels worldwide – a number that has almost doubled in two years (2013 to 2015; Divac, 2016). But it is not only hotels that are going child-free; three airlines have children-free/cry-free zones – AirAsia X, Scoot and IndiGo. Children-free zones on planes exclude children under 12 and comprise the first seven rows of economy class with built-in buffer zones, including the toilets and the gallery (Pierce, 2013). However, there seems to be a tension between the exclusion of children and the “family-friendly” environment that many establishments seek to provide for their guests and the “feeling of family” that they often try to create between staff and guests in the form of co-creation of the experience during the stay.

Methodology
This research draws on a qualitative data set from a larger study examining the perspectives of managers, staff and guests on the luxury accommodation experience in New Zealand. It is framed through an interpretivist paradigm, using a multiple case study approach. The population and sampling frame of hospitality properties was created by using the Qualmark New Zealand categories of “New Zealand Luxury Lodges” and “Five star – Exceptional” hotels. Purposive sampling was used by the researcher to select a sample of participant hotels and lodges on the basis of being properties under the Qualmark categories that could purposefully inform an understanding of the luxury accommodation
experience (Hemmington, 1999; Brotherton, 2008; Creswell, 2007). In practice, the sample for the study depended on the willingness of the properties to participate, rather than a formal sampling strategy. In the end, three luxury hotels and lodges took part in the study. For the purpose of this paper, the data that have been analysed are from the one luxury lodge that excluded children. Qualitative interviewing was the key method of data collection for the study; nine semi-structured interviews provided rich and deep data on the luxury lodge experience (Brotherton, 2008; Creswell, 2007). In addition, the researcher’s personal observations in the form of field notes and a content analysis of guest review comments of the lodge were analysed together to provide a greater depth of analysis and to triangulate the findings (Creswell, 2007).

The interviews each took 20-50 min and were fully transcribed and then imported into NVivo 10 (qsrinternational.com). Once all of the documents were imported, thematic analysis was the approach that was taken to identify patterns (themes) within the data (Braun and Clarke, 2006). The justification for what counts as a theme is something that is important in terms of the data’s relationship to the research question, and a theme should also represent a level of patterned response or have meaning within the data set (Braun and Clarke, 2006).

Findings
The feeling of family, or a family feel, was a strong theme that was identified by the managers, employees and guests at the lodge that excluded children. A surprising theme of advantage was also identified in the data, in that participants felt that the property has a competitive advantage by excluding children.

Family feel
Lodge employees believed that the lodge had a family feel about it, and that they and the guests were part of a big family. The employees stated that they knew what type of person stayed at the lodge and what they were dealing with in terms of their customer market day in and day out. They knew exactly what the guests expected from them, and that they were there to provide any form of assistance to the guest in order for the guest to have the best experience possible. Employees felt that guests wanted the feeling of being surrounded by family or being part of the family. As Employee P explained:

I think for our guests it’s quite a nice experience to have this village which is a much nicer family environment – but still close enough to the city. (Employee P)

Lodge guests felt that the staff treated them like family or made them feel part of a family; for example, the guests in one of the lodges had the option of dining in the great dining room that could hold 16 people, and the owners encouraged “group” dining with the rest of the guests and themselves to make them feel at home and part of the lodge family. Guests saw their stay in the form of a journey or a progression, from the arrival to the departure and everything in between. As highlighted by these two guests:

The owners and staff were outside waiting to greet us, and you feel like you are meeting a family and staying in their country house. (Guest I)

It’s a great challenge to operate a five-star facility while still making it feel like a family home, but this lodge accomplishes this with great ease. Our initial welcome when our car pulled up at the front door is particularly memorable – all the staff was there to welcome us. (Guest F)
After analysing review comments written about the lodge, out of the 115 comments that had been posted from 2004 to 2018, 15 had been on the subject of family. Specifically, the guests commented on the sense of family that they had felt while staying at the lodge. It was observed that managers and staff had done everything to make guests feel at home and part of the lodge family, feeling as if they had gone beyond the friend status and had become more than friends, to the extent that they had a feeling of belonging. There was also the feeling of family between the managers and staff. Comments included:

The couple who own Gamma lodge treat it like their home, and the small and closely knit group of staff as family - and it shows (12/07/16)

Every single member of the attending staff who share the enthusiasm of their jobs as if they are part of the owner’s family (31/01/17)

One is treated as a member of the family (30/12/14)

We arrived as guests and left as friends of the Lodge family (30/07/12)

**Advantage**

A further surprising theme of advantage was identified in the data from the comments of guests. Many of the guests at the childless lodge talked about the serenity and peace they experienced during their stay; they also talked about their amazing meal experience. Guests at the lodge pointed out that not having children on the premises could be seen as an advantage. As illustrated by Guest H:

I believe Gamma [pseudonym] does not allow children under a certain age – for travellers like us who want peace and serenity, this is definitely a plus point. (Guest H)

The managers of the lodge felt that not admitting children was their point of difference, and that they understood the needs of the specific market that they were targeting. They felt that they had a commitment to meet the specific expectations of their guests, including, attention to detail, highly personalised service; a unique property in a niche market (no children are allowed) and an opulent environment (luxury is on display throughout the property in many forms, e.g. priceless artwork by overseas artists, many of which are not conducive to children’s experience as guests). As explained by Manager G:

The gardens which surround the lodge that’s a big point of difference, another point of difference is that we don’t take kids and will never take them – we feel that is not our market. I know I don’t offer everything, don’t have a world class view, I don’t have a golf course, but I know what I do have, and that is luxury. (Manager G)

**Discussion**

Some luxury lodges in New Zealand have taken a market position to be child-free. Whether this is because they cannot, or that they do not want to, accommodate children, what is of particular interest is that these adult-only establishments foster what they call “a family environment” while at the same time excluding children. They have achieved this innovative market position in a number of ways.

How staff deliver service within the hospitality industry is important and makes the hospitality industry different from any other. Dawson *et al.* (2011) suggest that it is the manner in which the hospitality employees provide service, as opposed to the actual
service itself, that matters (Ekiz et al., 2012). The hospitality industry is a “people business” – people serve people – and this creates additional challenges when trying to achieve customer experience. The “inseparability” or simultaneous production and consumption of services (hotel guests and staff must be present at the same time in the same place) can increase the opportunities for failure (Colgate and Norris, 2001; Ekiz et al., 2012). Managers and employees realise that they depend on each other and that team work is required to produce an outstanding experience for their guests. All managers and employees know how important the intensity of contact with their guests is, and that it takes only one negative interaction to adversely affect the guest’s experience.

Ariffin et al. (2013) suggest that there is a need for hotel employees to anticipate, and subsequently meet, all of the requests made by their guests – they see it as personalising the service – and that employees should try to form “special relationships” with the guests to achieve this. Lodge guests note that attention is given to every detail from the first welcome to the last goodbye. They know that they are being made to feel special, and that it is the staff that give them this tailored attention. For many guests, they feel they are part of the lodge “family”.

Families have been defined in tourism as “multigenerational social groups”, which will consist of at least one adult and one child (Schänzel, 2010). When lodges ban children, it would seem that they cannot then portray the lodge as a family environment – and yet some do, and they pride themselves on this aspect of the guest experience.

Can lodges that do not include children truly provide a family environment for their guests? From this research, it would seem that they can. All respondents (guests, staff and managers) from the lodges highlighted that service personnel play an important part in how the guest experience is created. Lodge managers and employees also explained that they felt closer to their guests because, in general, guests stayed at the lodges and dined there three times a day, and as previously discussed, managers often dined with the guests in their capacity as hosts, enabling them to build relationships with the guests by engaging with them in conversations. Lodge managers and employees stated that because of the small number of service personnel, they needed to work closer together to deliver the service to the guests, and they felt that, as they had a high staff-to-guest ratio compared with hotels, they could offer a more personalised service. In this study, this was characterised as being part of the lodge family.

Participants in the research conducted by Walls et al. (2011) suggested that human interaction was a crucial factor in the luxury hotel experience, but they made a distinction between guest interactions with other guests staying at the hotel and interactions with the hotel employees. Human interactions are important to guest experiences because they demonstrate caring through genuine problem-solving, working to understand guest needs, providing individual attention to each guest and genuinely caring about hotel guests (Walls, 2013; Walls et al., 2011). Guests suggested that staff members were one of the most important aspects of the lodges and could have a positive or negative impact on their experience. Lodge guests noted that they were encouraged to interact with one another during the canapé and cocktail hour and dinner, and lodge guests also commented on the amount of time spent hosting by the general managers, managers, owners and owner-managers. This level of intense contact and intimacy is another characteristic of the lodge family phenomenon.

Conclusion
This paper sets out to look at the exclusion of children from luxury establishments while seeking to promote a family environment. Hospitality establishments have a clear stance as
to who they do and do not include children, by stating this on all forms of their promotional material. Lodge guests see that they are being made to feel at home – maybe not so much that the property is their home, but that there is a sense of being made comfortable and experiencing all of the staff’s hospitableness. Managers and employees see themselves as hospitable and friendly and believe they develop a “family-like” bond with guests at the lodge. Although data were collected from only one “child-free” lodge, it is acknowledged that no generalisations could be taken from this paper because of the small sample size. It is hoped, nevertheless, that by bringing to light this topic, there should be further research conducted to examine the wider implications of this innovative phenomenon of the family-friendly environment without children.

References


Further reading


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What are the key innovative strategies needed for future tourism in the world?

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Abstract

Purpose – This paper aims to provide answers to the question: “What are the key innovative strategies needed for future tourism in the world?” At the outset, this paper redefines the word “innovation” in the context of the hospitality and tourism industry. It then captures the essence of 13 proceeding papers on innovative initiatives in 17 countries and presents concluding remarks to this Worldwide Hospitality and Tourism Themes (WHATT) theme issue on innovation (v. 11 n. 2, 2019).

Design/methodology/approach – This paper draws from a wide spectrum of innovation types, concepts, strategies, suggestions and solutions written by 24 authors, who cumulatively have valuable and diverse experience in managing, operating, teaching, researching and consulting on innovation.

Findings – Innovation is relevant to all macro- and micro-level aspects of all industries. In conclusion, to identify common elements in all 13 papers, the author presents a shorter definition: “Innovation is the art of implementing new ideas to improve productivity, products and services, while enhancing customer satisfaction, revenues and profitability”. In addition, he emphasizes that innovation needs vision, mission and passion!

Research limitations/implications – This research contributes to the emerging research theme of innovation in the hospitality and tourism industry and extends/re-defines the word: “innovation”.

Practical implications – There are significant practical implications in terms of industry approaches to use innovative strategies across the world.

Originality/value – Readers who are interested in international best practices of hospitality and tourism would benefit from this paper.

Keywords Europe, Asia, Innovative strategies, Australasia, The Americas and the Caribbean, Tourism and hospitality industry

Paper type Research paper

Innovation

Volume 11 Number 2 of Worldwide Hospitality and Tourism Themes is dedicated to innovation in tourism around the world. This theme issue is truly international, as it seeks to share a series of innovative initiatives in tourism from many parts of the world – North America, Central America, South America, the Caribbean, Europe, the Middle East, South Asia, the Far East, Australia and the Pacific. A versatile team of 24 scholars from 16 countries examined initiatives from 17 countries to write 14 thought-provoking articles.

The word “innovation” has been a buzzword for some time now. Its popular meanings in contrast to the word “creativity” has resulted in some confusion. There are many different definitions and these vary widely based on different types of businesses.

In four academic conferences on hospitality and tourism management in 2017 and 2018 chaired by the author, he encouraged brainstorming among conference delegates, with the aim of re-defining the word “innovation” in the context of hospitality and tourism management. The author recorded the keywords listed by teams of conference delegates
and identified the following as the most popular statements and keywords related to innovation:

- *New ideas*, methods, processes, products and services;
- *Efficient and practical implementation* of new ideas in a strategic manner;
- *Solutions to key challenges* from customer’s perspective;
- Increasing *customer satisfaction*;
- Organizational *value enhancement*;
- A new idea tested, implemented and *communicated* very well to all stakeholders;
- “Creativity” is imagining new ideas and “Innovation” is effective implementation of new ideas by a *team*;
- *Applied creativity* in a strategic manner;
- The *art of creating new* markets for existing products or creating new products for existing markets, while optimizing profits;
- Positive action or process to *improve products and services*;
- A *viable business model* popular with customers;
- *Thinking outside the box* and implementing it within the box;
- A creative way to *continuously improve productivity, revenues and profits*;
- New thinking involving customers to *improve customer relations*;
- *Be ahead of competition* in improving products and services to meet evolving customer needs;
- Finding *sustainable solutions* to organizational/departmental problems and challenges; and
- Gaining insight into complex problems/opportunities and discovering unforeseen *implementable solutions*.

Some of the conference delegates felt that “innovation” is simply a buzzword that does not require any definition. A few of the conference delegates felt that using the word “innovation” should be toned down in tourism and hospitality industry.

Using the ideas listed above and best practices shared in this issue, the author presents the following 50-word definition for “innovation”:

Innovation is the art of efficient and practical implementation of new, creative and “outside the box” ideas, sustainable solutions for challenges to improve processes, products and services with input and support from organization’s teams; with an overarching focus to enhance competitive advantages, value, customer satisfaction, organizational productivity, revenues and profitability.

With a view to testing the above definition, the 13 proceeding papers in this issue are summarized below as follows:

**Canada – Blockchain technology**

A Blockchain is a decentralized public ledger which records transactions across many computers. It is shared with/distributed to all users (i.e. all hotels or restaurants of a company in one region), allowing all participants to verify and audit transactions independently and inexpensively. This innovative database is managed autonomously using a peer-to-peer network.
In the paper “Can all sectors of the hospitality and tourism industry be influenced by the innovation of Blockchain Technology?”, Paul A. Willie states that Blockchain technology has become the “in vogue” hospitality industry office buzzword. Blockchain technology is still relatively new and is being used now within the hospitality industry for both practical and strategic purposes, such as improving operational effectiveness, efficiencies and overall profitability. This paper provides an introduction to the mechanics of Blockchain technology and how it can be used within the global hospitality industry. It provides useful examples as to how Blockchain technology can be used to further advance innovation in the hospitality profession in a number of different industry sectors. It is predicted that Blockchain technology will continue to become more advanced and sophisticated with the passage of time. This paper is an original work for this subject matter and adds value and contributes to the literature relating to Blockchain technology applications and adds value to the international hospitality industry. It represents current and future use that can and should be taken into consideration by both the hospitality industry and academia.

As a sectorial example, Blockchain technology has several uses within the accommodation sector (revenue management, inventory control, guest history and financial management). In using Blockchain technology, there are some universal benefits that can be enjoyed by all sectors of the hospitality and tourism industry. These include but are not limited to:

- secure and transparent transactions;
- ease and speed of retrieving and reviewing past transactions;
- elevating and promoting a level of trust and confidence amongst the Blockchain participants;
- improving customer/guest satisfaction; and
- promoting a higher degree of sophistication and innovation within the hospitality and tourism industry (Willie, 2019).

**USA – vacation rentals**

Vacation rentals (VRs) have long been a popular travel option in Europe and are becoming increasingly popular in North America and across the world. The term “vacation rental” is commonly used in the USA and in other parts of the world. The VR industry is identified with different names such as

- villa rentals;
- self-catering rentals;
- holiday homes;
- holiday lets; and
- cottage holidays.

A VR is the renting of a furnished apartment/house or units of a professionally managed resort, on a temporary basis to tourists, as an alternative to commercial lodging (CL), such as hotels, motels and inns.

In the USA, VRs are frequently booked on one of several innovative online sites, such as Airbnb and Vacation Rentals by Owner. The popularity of VRs is growing at a rapid rate among travellers. VR listings on the most popular vacation rental-booking site Airbnb more than doubled between 2014 and 2015. It also recorded significant growth rates in 2016, 2017
and 2018. VRs have been a disruptive force in the lodging industry with potentially both positive and negative impacts on travellers, vacation homeowners and communities. For travellers, they can provide an attractive and often less expensive alternatives to CL. VRs can supplement the income of rental unit owners, or even justify construction of new housing used almost exclusively as VRs. However, they have the potential to tangibly disrupt the tranquillity of neighbourhoods because many VRs are located in residential areas outside of traditional commercial and tourism zones, renters frequently come in large groups, often where no commercial use is allowed. There is little research on users of VRs and what they do (Tierney, 2019).

In the paper “Vacation rentals in San Francisco, USA: a positive or negative disruption?, Patrick Tierney shares data gathered from two surveys – an online survey of 10,000 festival attendees in San Francisco and a second survey of 402 respondents who stayed in a VR. For this research, respondents were asked about their motivations for renting a VR and evaluation of the experience. Results showed users of VR were motivated by lower cost, a convenient location and the personality of neighbourhood. On a per-person per-day basis, VR user spent US$183 on lodging compared to CL users who spent US$264. Over half of respondents stated availability of VRs equated with increased likelihood of attending an event. VRs have both positive and negative disruptive impacts, and more regulation is coming in high-profile urban tourist destinations to mitigate negative effects. The survey results indicated that VR users stayed longer (3.5 nights) than CL users (3.1 nights). About two-thirds of those who stayed in a VR rented a full home/apartment or condominium; about a quarter stayed in a separate room and less than one of ten shared a room. Findings suggest VR users were primarily motivated by practical factors (low cost and more convenient location) than by more affective factors, such as living like a local or the personality of the VR neighbourhood. Findings suggest a balance through more regulation of VRs is coming and needed so that a destination area can reap the benefits of VRs, while minimizing their adverse disruptive impacts (Tierney, 2019).

Costa Rica – innovation for sustainable tourism
In the paper “Public-private partnership as an innovative approach for sustainable tourism in Guanacaste”, Maria Dolores Herrero Amo and M. Cristina De Stefano critically map each stage of the process to design public-private partnerships (PPPs) for sustainable tourism in Guanacaste, Costa Rica. They report that the current tourism model in this area is mainly focussed on luxury resorts, and it is largely affecting the living conditions in nearby communities. This paper discusses the importance of promoting PPPs as innovative forms of governance to increase the sustainability of this tourism model. It offers a practical guideline to plan partnerships involving local community, academia, public institutions and private partners.

As tourism in Costa Rica is associated with beaches, protected areas and other natural resources, the industry also often creates some environmental and social problems. Hotels, cruise ships and transportation operations along with roads and other supporting infrastructure not only generate pollution but also destroy and degrade the biodiversity habitat affecting the social and economic welfare of host communities. Nowadays, this hard reality characterizes the Gulf of Papagayo in Guanacaste, which with more than 15 luxury hotel-resorts is one of the most luxurious and exclusive tourism destinations in Costa Rica (Herrero Amo and De Stefano, 2019). Therefore, PPPs appear to be innovative best practices for sustainable tourism.
Colombia – slum tourism
Slum tourism is a niche form of tourism that has become a world-wide phenomenon. Slum tourism has spread around the world since the 1990s, and with its development, the controversy around it grew. It often consists of a 3-h guided tour inside a slum by car, bike or by foot. Other products and services can be found inside the slums such as accommodation, restaurants and bars. Slum tourism has sparked global criticism, especially from the media. Touring poverty or turning misery into a touristic attraction can understandably provoke moral outrage. In the paper “What is the host community perception of slum tourism in Colombia?”, Salomé Laloum Gaultier, Maria Dolores Herrero Amo and Chandana (Chandi) Jayawardena attempt to find answers to two research questions:

1. What is the perception of the Moravia slum community in Colombia on tourism in their neighbourhood?
2. What are the conditions under which they can accept slum tourism?

The foundation of this paper was laid during a three-week field trip to Medellin, Colombia, in 2018. A qualitative study was conducted in the neighbourhood of Moravia, one of Medellin’s slums, with semi-structured interviews with local community members. The main finding of this research is the positive perception of slum tourism within the Moravia community. The researchers found that the locals are proud when outsiders visit to see their neighbourhood. The locals felt that it breaks the prejudice surrounding their homes, and tourists are seen as spokespeople for the slum community. There are visible improvements made to the slum area owing to tourism. This research drew attention to the conditions under which this type of tourism can be accepted in the neighbourhood: community participation, interaction between hosts and tourists, education and respect for tourists.

After the study of slum tourism combining both academic research and field work, the following seven recommendations are made in order to maintain the local communities’ support and to ensure responsible tourism practices:

- restrain the tours to walking tours;
- keep the number of tour participants under 10;
- adopt a no (or restrictive) photograph policy;
- educate tourists about what can (or cannot) be done;
- involve the community in the creation of touristic offers;
- ensure interaction between tourists and locals; and
- make sure tourism is giving back to the community and that the benefits are visible or clearly felt by the community (Gaultier et al., 2019).

Guyana, Barbados and Jamaica – environmental regulations in tourism
In the paper “Environmental regulations and its effect on innovation and competitiveness in tourism in Barbados, Guyana and Jamaica”, Eritha Huntley Lewis explores the need for innovation in Caribbean tourism with mandatory environmental regulations as the key driver of the process. It draws examples from 3 of 32 different tourist destinations/countries in the Caribbean: Barbados, Guyana and Jamaica.

Countries of the Caribbean should consider innovations that are more complex, providing solutions to the pressing issues faced. As coastal entities, climate change and its effects should be a main focus of policy-makers and industry leaders. To this end, various
mechanisms to trigger innovation and enhance the region’s competitiveness should be considered. This may be accomplished using institutional instruments such as regulations. The importance of a robust yet flexible regulatory framework to achieve sustainability cannot be overstated. Despite challenges defining ownership of the responsibility for the implementation of sustainability initiatives, it is critical that a destination recognizes that there is value in implementation. Critically, this can be used by governments to positively influence behaviour and chart a course for the development of the tourism industry. Innovation in Caribbean tourism has been examined from many perspectives. Of interest, however, are the drivers of innovation. For example: “Is innovation driven by market forces, consumer trends or are there other significant factors responsible?” This paper explores one possible driver of innovation within the industry, and the use of robust mandatory environmental regulations. The author proposes that, given the new realities of Caribbean tourism influenced by the effects of climate change and global warming, there should be a policy imperative by regional governments to use tools that will drive innovation, while making the industry more resilient and more responsive to the threats faced.

The main implication of this review is that it attempts to highlight the need for discourse on the effective use of environmental regulations, to influence the behaviour of industry operatives towards achieving sustainable tourism. Within the context of climate change and the threat that this poses to Caribbean tourism, there is a critical need for this discourse. Consideration is also given to the value stringency of regulation, as it is theorized that, if applied correctly, this may be the impetus to drive businesses to innovate to be competitive. This paper advocates mandatory, stringent regulations, as self-regulation is a choice left solely to the industry (Huntley Lewis, 2019).

**Germany, Austria and Spain – future hotel room design**

In the lodging industry, bedrooms represent its most important offer for sale. Most hotels and resorts refurbish their bedrooms every 5-15 years. Over the years, hotel room designs have become more complex. Based on in-depth qualitative and quantitative evaluation of 27 expert interviews with hoteliers in Germany, Austria and Spain, Annegret J. Wittmann-Wurzer and Nicola Zech wrote the paper “What are the determinants of European hotel room design 2030?”. The authors identify determinants influencing hotel room design, now and in the future, to offer hotel owners, hotel investors, architects and other partners involved in hotel planning a framework for hotel room design for the year 2030 and beyond.

The authors present a provisional triangular model for an innovative future hotel room design approach framework which has three pillars:

1. target group priorities;
2. technological innovation; and
3. economical aspects.

Most chain hotels, consortia hotels and independent hotels have already branded their hotels based on target group principles. Out of the total interviewed experts, 70 per cent stated that room design has a relevance within hotel marketing by mentioning hotel room design explicitly on their homepage. Furthermore, the experts revealed that target group priorities do have an influence on hotel room design. Guest nationality still has a minor influence on hotel room design (i.e. their specific priorities regarding shower/bath tub, king/queen beds, power plugs, etc.). While mostly owners and to some extent architects have a major influence on hotel room planning today, the authors predict that target group priorities will represent a major determinant in hotel room design by 2030.
Experts predict that technological innovation will play a more important role in hotel room design by 2030. However, user friendliness must not be forgotten in this context. The authors chose technological innovation as a second determinant on hotel room design 2030. Accommodating target group priorities and trends of technological innovation are often influenced by limitations of capital budgets and other economic aspects. Cost-saving aspects such as predicted future cleaning cost based on hotel room specifics also play a decisive role. Therefore, a careful balance between technological opportunities, user friendliness and ROI is needed in future room design (Wittmann-Wurzer and Zech, 2019).

United Arab Emirates – teaching innovation in hospitality management

Dubai has had a long history of carrying itself in a corporate business-like mode from a governance perspective and thus has been a key driver in fostering a culture of innovation in the United Arab Emirates (UAE) as a whole. Given the relative dearth of oil revenue in comparison with its peers, Dubai has long realized the value of innovation to stay productive and prosperous by driving its economic growth by developing a vibrant non-oil service and real estate sectors, of which hospitality and tourism constitute a significant part. As with any sector, Dubai’s hospitality and tourism growth story is contingent upon the agility of its workforce that needs to adapt to the ever- and fast-changing business landscape. To develop this human capital, the capacity building and education process itself needs self-innovation (Nadkarani and Morris, 2019).

In the paper “Innovation-centric courses in hospitality management education in Dubai”, Sanjay Nadkarani and Stephanie Morris provide an overview of how a Dubai-based Higher Education Institution (HEI) in hospitality management has leveraged an enabling macro-environment to develop innovation-centric courses in hospitality pedagogy. The policy-level initiatives focusing on innovation adopted by the UAE, and Dubai in particular, are analysed along with their impact on the higher education landscape. The synthesis of an exploratory analysis with the outcome of the experiment – developing innovation-centric courses and assessments which integrates elements of sustainability – underscores the necessity for a scalable roadmap for developing an innovation-driven ecosystem (Nadkarani and Morris, 2019).

India – planning leisure trips

In the paper “How do Indian consumers (domestic tourists) behave when planning a leisure trip?”, Snehal Chincholkar explores Indian consumer behaviour towards tourism and identifies their preferences when planning leisure trips. The author designed a questionnaire based on a relevant literature review of leisure trips. After that, data were gathered from 165 respondents via an online survey method and analysed using the Statistical Package for the Social Sciences. The empirical findings of this research showed that highland stations are most preferred for leisure trips among Indian tourists. While selecting the location and planning trips, Indian consumers look for security and safety followed by the amenities available there, budget and weather conditions. Family and friends’ suggestions and various activities available at the destination also have moderate impact on the consumer’s choices.

These findings could help marketers to focus on the most attractive segment and most preferred time for promotion of their packages as consumers plan their vacations. Marketers can also focus on price, security, amenities and activities while developing the tour packaging, as these are the decision-making factors for consumers, which will boost the growth of domestic tourism in India. The study aspects related to demographic factors can help both consumers and destination marketers (Chincholkar, 2019).
Sri Lanka – overcoming cross-cultural differences in tourism

Tourism in Sri Lanka began in the early sixties, with beach tourism attracting tourists from Western European countries. There was a steady growth of tourism from 1968 to 1982 and stagnation during the 26-year war, until 2009 and a phenomenal growth thereafter.

In the paper “Overcoming cross-cultural differences in post-war Sri Lanka: the case of Jetwing in Jaffna”, Vipula Wanigasekera states that cross-cultural differences must be taken into consideration for tourism development in post-war Sri Lanka, particularly in a location such as Jaffna (capital of the Northern Province), which is coming out of a dark period after a prolonged war caused by ethnic differences.

While there are tourism models dealing with the impact of cross-cultural differences, it is difficult to apply such models in certain situations such as post-war Sri Lanka. The study therefore adopted an inductive–qualitative approach and information was obtained from all stakeholders. The conflict in Sri Lanka in the North and East has been interpreted differently by many individuals and nations. The study reveals how economic development can bring communities together to make a hotel project a success. The project elaborated in this study is an investment of over US$6mn. Given that the location of Jaffna, which was a focal point of a 26-year long civil war from 1983 to 2009, the risk of failure would have been extremely high. The results ascertained qualitative perceptions from the cross section of the viewpoints of the investor, local residents and employees. The project was proved to be a good example of turning socio-cultural differences into a profitable venture.

The research brings out a few major factors that need to be emphasized, as additions to existing theory and as suitable methods, to apply to specific tourism projects:

- focus on the economic benefits for the local community;
- take an institutional and multicultural approach to business; and
- consider social and cultural factors (such as the proximity of the workplace to home, which is bound to succeed – unlike in metropolitan areas where profit and income motives tend to over-ride this consideration. Jetwing’s decision to engage over 90 per cent of employees from the area has recognized this fact and employee retention has been higher)

The report also provides some recommendations for potential investors, who are thinking about locating their projects, in the North and the East of Sri Lanka (Wanigasekera, 2019).

Malaysia – Industrial Revolution 4.0 in hospitality industry

Much has been written about industrial revolutions. In a nutshell, four industrial revolutions (IR) can be summarized as:

- Mechanization – late eighteenth century;
- Mass production – early twentieth century;
- Automation – mid-twentieth century; and
- Cyber physical systems – early twenty-first century.

Industrial Revolution 4.0 include:

- the Internet of Things;
- Blockchain;
- autonomous/smart robots;
- driverless vehicles;
autonomous drones;
artificial intelligence;
cloud computing;
autonomous drones;
big data/analytics;
gene editing;
3D/4D printing (additive manufacturing);
synthetic biology;
augmented reality; and
system integration.

The changes that are occurring in technology and consumer patterns have caused disruption in every industry. Entire systems of production, management and governance have been transformed because of the breadth and depth of these changes. Globally, the hospitality industry has entered a new era of growth and transformation because of the Industrial Revolution 4.0 and changes of generations among the consumers. The Malaysian hospitality industry is facing some issues and challenges because of this shift in the global economy, game-changing service innovation, increasing alternative service providers and disruption of technology. The study aims to identify the issues faced by industry experts and to provide some practical solutions to embrace the industry. In the paper “What are the key challenges faced by the Malaysian hospitality and tourism industry in the context of Industrial Revolution 4.0?”, Kandappan Balasubramanian and Neethiahnanthan Ari Ragavan identify the key issues and challenges facing the hospitality industry in Malaysia based on open-ended questions with senior industry practitioners.

Even though the growing role of technology is seen as a key innovative driver of the hospitality industry in Malaysia; arguably, the human factor is still the most important. Hospitality is very much a people-to-people experience, and Malaysian policymakers should focus on developing new legislations geared for a sharing business economy to obviate the risk of saturation in the hospitality business market in the Malaysian economy. As environment awareness is growing among travellers, introducing some green programmes and certification among hoteliers and service providers that will assist the country in its efforts to be sustainable and help to reduce the risk of natural calamities to a certain extent. In summary, it is argued that the Malaysian hospitality industry should drive strategic changes in a holistic way (Balasubramanian and Ragavan, 2019).

Singapore – generation Y employees in the hotel industry
High and consistent employee turnover has been a problem in Singapore’s hotel industry for many years. Though Singapore’s popularity as a tourism destination has grown, the scarcity of trained employees has always been a challenge, which prevents many establishments from providing the required and expected high quality services to their customers.

Service organizations must constantly improve employees’ satisfaction at work, with the long-term objective of improving the customer’s experience. This will ultimately lead to increased customer loyalty which can translate into greater repeat business and new referrals. In the paper “An innovative solution to leverage meaningful work to attract, retain and manage Generation Y employees in Singapore’s hotel industry”, Kim Lim Tan and Tek-Yew Lew identify a solution as to how meaningful work could be considered as a possible
lever in attracting and retaining Generation Y (born between mid-1980s and late 1990s) employees to work in Singapore's hotel industry.

The results of this study can be used as a guide for hotel establishments to improve the attraction, retention and management of Gen-Y employees. This is crucial in hotel establishments where many properties are challenged in attracting and retaining hotel employee talent. The growing popularity of meaningful work signals that it is an emerging cornerstone of a more creative and dynamic business environment. The authors hope that the research outcomes will potentially provide employers with the motivation to foster meaningful work that complements existing recruitment and retention efforts (Tan and Lew, 2019).

Australia – digital connectedness and intention to travel

The educational sector is one of the strongest industries in Australia with her onshore international educational sector expected to grow from 650,000 enrolments in 2018 to 940,000 by 2025 (which equates to a compounding annual growth rate of 3.8 per cent). On average, a student studying at an Australian university spends 2.4 years in Australia. Much of the growth in onshore learner enrolments will be driven by Asia – in particular China, India, Nepal, Vietnam and Thailand. An ancillary contribution of the education sector to the Australian economy can be seen through what is commonly known as “educational tourism”, which is associated with providing training, education, work experience and skill enhancement of individuals away from their place of birth. The impact of tourism derived from the education sector is not just limited to the “student” but could potentially include the student’s parents, family, relatives and friends visiting the “student” in the place of study, over their period of study in Australia (Sedera et al., 2019).

In the paper “How likely is your family to visit you? The effect of digital connectedness on intention to travel to Australia”, Darshana Sedera, Sachithra Lokuge and W Jayantha M. Perera investigate whether digital connectedness between family members, attained through social media, increases the intention to travel overseas, to families of international students in Australia. The study finds that, both “perceived media richness” of social media and communication applications and the “perceived connectedness” gained through the social media and communication applications have a positive effect on “intention to travel to the study destination”. Of the two variables measured in the study, perceived connectedness provides the strongest influence, with nearly double the path coefficient than the perceived media richness. Overall, an explanation of 32 per cent in one’s intention to travel provides a substantial discovery of travel intentions.

This study is based on a fundamental question: “How likely are your parents, family, relatives and friends to visit you, during your period of study?” In its investigation, the study included an important contemporary facet to understand whether digital connectedness influences intention to travel to Australia. It then observed the impact of perceived media richness of social media and the perceived connectedness provided by communication applications, where the former was hypothesized to negatively influence the intention to travel and the latter to make a positive impact. Using a survey instrument inspired by the media richness theory and social influence theory, it then gathered and analysed data from 155 university students. The analyses revealed that both perceived media richness and perceived connectedness positively influence the intention to travel (Sedera et al., 2019).
New Zealand – “no children” luxury accommodation

In the paper “The paradox of ‘family’: creating a family environment without children in luxury accommodation in New Zealand”, Tracy Harkison, Nigel Hemmington and Kenneth F. Hyde explore innovative solutions to the challenge of creating a family environment without children in luxury lodges in New Zealand.

Hospitality establishments like to portray themselves as hospitable, and it is certainly an image that guests would want to see – hospitality establishments welcoming their guests with open arms. But the reality is that there are times and places when certain sectors or groups of society are not welcome. This is most usually achieved through segmentation strategies where targeted audiences are identified and then targeted with specific messages. There are, however, situations where those for whom the product is not intended are clearly identified by hospitality establishments in their marketing material – one of these groups is children. Examples of this approach in advertising and promotional materials include “we regret that we are unable to accommodate children under 13 years of age” or “our adult-only hotels are for couples, singles and families with children over 16”.

For this article, in-depth qualitative interviews were conducted with guests, staff and managers in a luxury lodge that excludes children. An interpretivist analysis of interviewees’ comments was undertaken. Key finding was that guests at the childless lodge talked about the serenity and peace they experienced during their stay, and particularly the meal experiences. They thought that not having children on the premises is an advantage for this experience. Lodge managers said that not admitting children is their point of difference for the market that they are targeting (Harkison et al., 2019).

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Table I. Innovation in the hospitality and tourism industry
Conclusion
Innovation is relevant to all aspects of all industries. For example, in the 13 papers summarized in the previous section of this paper, a variety of different aspects of innovation and concepts are presented. These are listed in Table I.

The above 13 summary points capture the essence of macro-and micro-level initiatives from 17 countries. In an attempt to identify common elements in all these summaries, the author refers to the new definition on innovation presented at the beginning of this paper. This 50-word definition may appear long, although it captures most key elements of “innovation”.

Having analysed and summarized 13 new papers on innovation in tourism from different parts of the world, it is felt that a shorter definition would be useful in identifying common elements of “innovation” in most of these new papers. Therefore, in conclusion, the following shorter definition is presented:

Innovation is the art of implementing new ideas to improve productivity, products and services, while enhancing customer satisfaction, revenues and profitability.

The concept of the above shorter definition is also presented in Figure 1.

In addition, three essential and common ingredients of innovation are noticed in most of these 13 new papers. These are:

- **Vision**: This provides an aspirational and clear guide for action to improve.
- **Mission**: This instils a strong commitment and sense of duty to achieve the vision.
- **Passion**: This refers to enjoying enthusiastically, acting the vision with an eager interest.

Innovation needs vision, mission and passion!

References


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Reflections on the theme issue outcomes

What are the key innovative strategies needed for future tourism in the world?

Chandana (Chandi) Jayawardena
President, Chandi J. Associates Inc. Consulting,
St. Catharines, Canada, and

Richard Teare
Managing Editor, Worldwide Hospitality and Tourism Themes

Abstract

Purpose – This paper aims to profile the Worldwide hospitality and Tourism Themes (WHATT) issue “What are the key innovative strategies needed for future tourism in the world?”, with reference to the experiences of the theme editor and writing team.

Design/methodology/approach – This paper uses structured questions to enable the theme editor to reflect on the rationale for the theme issue question, the starting point, the selection of the writing team and material and the editorial process.

Findings – This paper provides a framework to facilitate discussions between international scholars in hospitality and tourism to re-define a buzzword. For this theme issue, the buzzword was “innovation”. Summaries of 13 papers written on innovative strategies in hospitality and tourism around the world were then analysed to fine-tune the definition.

Practical implications – The theme issue outcomes provide lines of enquiry for others to explore and reinforce the value of WHATT’s approach to collaborative research and writing.

Originality/value – The collaborative work reported in this theme issue offers a unified but contrarian response to the theme’s strategic question. Taken together, the collection of articles provides a detailed picture of the key innovative strategies needed for future tourism.

Keywords Europe, Asia, Hospitality and tourism, Innovative strategies, The Americas, The Caribbean

Paper type Viewpoint

Theme Editor Chandana (Chandi) Jayawardena shares his reflections on the significance and outcomes of the theme issue with Managing Editor Richard Teare.

Overview

The word “innovation” has been a buzzword for some years now. There are many definitions, and these vary widely because they reflect different types of professions, industries and regions. This theme issue therefore seeks to examine innovative initiatives in the hospitality and tourism industry around the world and re-define the word “innovation” in the context of hospitality and tourism management. Using ideas that emerged from four academic conferences on hospitality and tourism management in 2017
and 2018, chaired by the theme issue editor, the following new 50-word definition for “innovation” was created:

Innovation is the art of efficient and practical implementation of new, creative and “outside the box” ideas, sustainable solutions for challenges to improve processes, products and services with input and support from organization’s teams; with an overarching focus to enhance competitive advantages, value, customer satisfaction, organizational productivity, revenues and profitability.

Innovation is relevant to all aspects of all industries. A total of 13 papers in this theme issue analysed a variety of different aspects of innovation and concepts related to the hospitality and tourism industry.

Having analysed innovation in hospitality and tourism from different parts of the world, it was felt that a shorter definition would be useful in identifying common elements of “innovation” in most of these new papers. Therefore, in the concluding article, the following shorter definition is presented:

Innovation is the art of implementing new ideas to improve productivity, products and services, while enhancing customer satisfaction, revenues and profitability.

Further, three essential and common ingredients of innovation are present in most of the 13 papers. They are:

- **Vision**: Providing an aspirational and clear guide for action to improve.
- **Mission**: Instilling a strong commitment and sense of duty to achieve the vision.
- **Passion**: Enjoying enthusiastically actioning the vision with an eager interest.

Innovation, indeed, needs vision, mission and passion!

**Why, in your view, is your theme issue strategic question important?**
As “innovation” is a frequently used buzzword, and hospitality and tourism is one of the largest industries in the world, marrying the two to create a WHATT issue was an exciting idea. In this context, “What are the key innovative strategies needed for future tourism in the world?”, is an important, relevant and useful strategic question to explore.

**Thinking about your theme issue plan and approach, what worked well?**
The WHATT format and guidelines encourage and facilitate a good balance between theoretical approaches and the analysis of existing business practices. The writing team was excited at the prospect of participating in the theme issue and the collaborative effort that this entailed.

To build on the corpus of experience, research expertise and practical experience, a theme issue plan was drawn up, refined and then successfully implemented. The articles in this theme issue are based on relevant academic literature, secondary data, official documents and proceedings from roundtable discussions with different stakeholders and on empirical data derived from qualitative and quantitative research.

The usefulness of the outcome is reflected in the following table, which summarizes the respective focal points of the articles in this theme issue. (Table I)
How did you engage with different stakeholder groups?
I carefully selected authors with an interest in innovation for this theme issue, drawing on prior contacts and new contacts made mainly with presenters at recent conferences I had chaired – the International Conference on Hospitality and Tourism Management, 2017 and 2018, and the International Conference on Hotel Administration, 2018. Once the team of lead authors had been finalized, I encouraged them to recruit like-minded co-authors for their teams. As the team of authors are from 16 different countries, the main form of communication was through e-mail. During the process, I was able to share some of the best practices from members of the writing team with other authors (i.e. a well-written structured abstract). This proved to be useful and successful in maintaining consistency in our effort to produce good-quality articles.

What were the highlights from stakeholder group interactions?
As noted earlier, I had, prior to this theme issue, conducted several brain-storming sessions at recent conferences I had chaired. The aim of these sessions was to redefine the word “innovation” in the context of hospitality and tourism management. I recorded the keywords listed by teams of conference delegates and identified the following as the most popular statements and keywords related to innovation:

- new ideas, methods, processes, products and services;
- efficient and practical implementation of new ideas in a strategic manner;
- solutions to key challenges from the customer’s perspective;
- increasing customer satisfaction;
- organizational value enhancement; and
- a new idea tested, implemented and communicated very well to all stakeholders;
- “creativity” is imagining new ideas and “innovation” is effective implementation of new ideas by a team;
- applied creativity in a strategic manner.

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**Table I. Innovation in the hospitality and tourism industry**

WHATT 11,2
• the art of creating new markets for existing products or creating new products for existing markets, while optimizing profits;
• positive action or process to improve products and services;
• a viable business model popular with customers;
• thinking outside the box and implementing it within the box;
• a creative way to continuously improve productivity, revenues and profits;
• new thinking involving customers to improve customer relations;
• be ahead in competition of improving products and services to meet evolving customer needs;
• finding sustainable solutions to organizational/departmental problems and challenges; and
• gaining insight into complex problems/opportunities and discovering unforeseen implementable solutions.

To build on this and on the contributions made in this issue, it was possible to develop a new definition of innovation, and this key outcome adds to the body of knowledge on the subject.

Thinking about your peer review process: What went well and why? What did not go well and why? What would you do differently and why?
It took quite some effort to identify reviewers with the background needed to evaluate the articles in accordance with WHATT’s format. I used scholars with previous experience of WHATT as peer reviewers. As they had prior WHATT writing and peer-reviewing experience, their input to the authors (facilitated by me) provided extremely helpful insights for the articles. I would use this format again, as it works well.

What are the most significant outcomes of your theme issue in terms of the contributions to knowledge and/or professional practice?
This theme issue stimulates a new level of discussion on current trends relating to innovative strategy development in the international hospitality and tourism industry. Sharing best practices from around the world is certainly useful to, arguably, the world’s most international industry.

What are the implications for management action and applied research arising from your theme issue outcomes?
The WHATT format has helped us to provide a better understanding of the new and innovative trends in hospitality and tourism. Furthermore, the issue attempts to advance that mission by re-defining innovation and sharing a series of thought-provoking papers from around the world.

Having served as WHATT theme editor what did you enjoy about the experience?
I edited the first-ever WHATT issue in 2008, when it was part of the International Journal of Contemporary Hospitality Management (Volume 20, Number 3, in 2008).
I have since been involved in seven WHATT issues as the theme editor or co-theme editor. I have always considered theme editing for WHATT as a highly rewarding and satisfying scholarly experience. I particularly enjoy following the innovative process design for a WHATT issue that is organized around a strategic question and encourage collaborative teamwork among scholars and practitioners. In this context, the WHATT guidelines are helpful as the process begins with a theme issue plan that helps to shape a clear and precise focus and thereafter to find authors whose interests align with the plan for the theme issue. Owing to my life-long passion for innovation, I particularly enjoyed editing the current theme issue.

Appendix 1. Theme issue contents (WHATT, Vol 11, No 2, 2019)

Can all sectors of the hospitality and tourism industry be influenced by the innovation of Blockchain Technology?
Paul A. Willie
Aims to provide a general introduction to Blockchain technology and how it can be used within the global hospitality industry. “Blockchain” refers to a digital live database that has several unique features.

Vacation rentals in San Francisco, USA: A positive or negative disruption?
Patrick Tierney
Explores the growth of vacation rentals (VRs) and how VRs have disrupted the lodging industry. To date, there has been limited research on VR and user profiles.

PPPs as an innovative approach for sustainable tourism in Guanacaste, Costa Rica
Maria Dolores, Maria Dolores Herrero Amo and M. Cristina De Stefano
Discusses the importance of public-private partnerships (PPPs) as innovative forms of governance and their role in improving the sustainability of the luxury resort-based tourism model in Guanacaste, Costa Rica.

What is the host community perception of slum tourism in Colombia?
Salomé Laloum Gaultier, Maria Dolores Herrero Amo and Chandana (Chandi) Jayawardena
“Slum tourism” is an under-studied topic in Colombia, especially in Medellin. In response, the paper explores host community perceptions of tourism in the neighbourhood of Moravia.

Environmental regulations and their effect on innovation and competitiveness in tourism in Barbados, Guyana and Jamaica
Eritha Huntley Lewis
Explores the need for stringent and mandatory environmental regulations as a key driver of an innovation process in Caribbean tourism. It draws examples from three destinations, Barbados, Guyana and Jamaica.

What are the determinants of European hotel room design 2030?
Annegret J. Wittmann-Wurzer and Nicola Zech
Identifies key determinants influencing hotel room design now and in the future with reference to the stakeholders involved in hotel planning, and the creation of an innovative framework for hotel room design.

Innovation-centric courses in hospitality management education in Dubai
Sanjay Nadkarani and Stephanie Morris
Provides an overview of how a Dubai-based higher education institution in hospitality management has leveraged the enabling macro-environment to create innovation-centric courses in hospitality pedagogy.

**How do Indian consumers behave when planning a leisure trip?**

Snehal Chincholkar

Explores Indian consumer behaviour towards tourism and identifies their preferences when planning leisure trips.

**Overcoming cross cultural differences in post-war Sri Lanka: the case of Jetwing in Jaffna**

Vipula Wanigasekera

Explore the importance of cross-cultural differences in a location which is emerging from the difficulties arising from a prolonged civil war caused by ethnic differences.

**What are the key challenges faced by the Malaysian hospitality and tourism industry in the context of Industrial Revolution 4.0?**

Kandappan Balasubramanian and Neethiahnanthan Ari Ragavan

Identifies key issues and challenges faced by the Malaysian hospitality industry. Draws on an open-ended questionnaire among senior industry practitioners and a representative of the Malaysian Association of Hotels.

**An innovative solution to leverage meaningful work to attract, retain and manage generation Y employees in Singapore’s hotel industry**

Kim Lim Tan, Tek-Yew Lew and Adriel K. S. Sim

Identifies a possible solution as to how meaningful work could be used to attract, employ and retain generation Y young people in the Singapore hotel industry.

**How likely is your family to visit you? The effect of digital connectedness on intention to travel to Australia**

Darshana Sedera, Sachithra Lokuge and W Jayantha M. Perera

Investigates whether digital connectedness between family members, attained through social media, increases the intention to travel overseas to visit other family or relatives.

**The paradox of “family”; creating a family environment without children in luxury accommodation in New Zealand**

Tracy Harkison, Nigel Hemmington and Kenneth F. Hyde

Explores innovative solutions to the challenge of creating a family environment without children in luxury lodges in New Zealand.

**What are the key innovative strategies needed for future tourism in the world?**

Chandana (Chandi) Jayawarden

Re-visits the theme issue question: “What are the key innovative strategies needed for future tourism in the world?”, reviews the contribution made and defines “innovation” in the context of hospitality and tourism.

**About the Theme Editor**

Dr Chandana (Chandi) Jayawarden is the the President of Chandi J. Associates Consulting, St. Catharines, Ontario, Canada. He has held leadership positions in South Asia, the Middle East, Europe, South America, the Caribbean and North America. He has spent four decades in the hospitality and tourism industry in various capacities, including Hotel General Manager, Professor, Dean and Consultant. As a hotelier, Chandi has managed eight premier hotels and provided hospitality to 34 heads of state/government. As a Professor, he has co-authored or edited/co-edited 10 books and 11 journal theme issues and published over 110 papers. He has presented at conferences in 38 countries. He has led or participated in consulting projects for over

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**Future tourism in the world**

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40 organizations, including the European Union, USAID, the Caribbean Tourism Organization, the Amazon Corporate Treaty Organization, the Government of Guyana, the Sri Lanka Tourism Development Authority, the Jamaica Hotel and Tourist Association, the Barbados Hotel and Tourism Association, Sandals International, Rocco Forte Hotels and Heads of Hospitality and Tourism Ontario. He is an International Ambassador and a Past President of the world’s largest professional body in the hospitality industry – Hotel and Catering International Management Association, now the Institute of Hospitality, UK.

WHATT aims to make a practical and theoretical contribution to hospitality and tourism development, and they seek to do this by using a key question to focus attention on an industry issue. If you would like to contribute to our work by serving as a WHATT theme editor, do please contact the Managing Editor, Richard Teare can be contacted at: whatt@gullonline.org

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